

# ANNUAL REPORT

Form 56-1 One Report

2020

RESILIENT LIVING

FOR GOOD MORNINGS

**SC** ASSET









## RESILIENT LIVING

The world never stops spinning, as well as life never stops changing. Being well prepared for versatility is the key to keep us moving forward with confidence. SC Asset never stops developing new solutions, responding to a wide range of needs in a comprehensive way to build Homes For All, for everyone.

When the world changes, we adapt by creating flexibilities to our business portfolio, increasing the growth of affordable low-rise residences, developing hotel and hospitality businesses that are suitable for tourists, and also adding values to everyday comforts and living through Ruejai Club, a home caring platform.

Adhering to the goal of being a Living Solutions Provider with flexible approaches to resolutions, we creatively produce endless new possibilities through the corporate culture that challenges everyone in the organization in becoming Resilient People. Dare to think, dare to act, and together, we create a change to a sustainable growth.

# 12 New projects launched in 2020



**GRAND**  
BANGKOK BOULEVARD

## 1. Grand Bangkok Boulevard Bangna-Onnut

Grand Bangkok Boulevard Bangna-Onnut, luxuriously designed house, features inspiration of distinctive architecture from Berlin, Germany. The residence provides ultimate security and privacy to bring you your timeless achievement.

Starts 25 – 50 MB





**GRAND**  
BANGKOK BOULEVARD

## 2. Grand Bangkok Boulevard East Rama 9

This 3-storey luxurious house, features the unique Roman architecture of the city of Bath, aesthetically designed for your elegant leisure as well as being a worthwhile investment.

Starts 30 – 45 MB



## THE GENTRY

### 3. The Gentry Vibhavadi

The Gentry Vibhavadi, 3-storey pool villa is an urban sanctuary. Styled to suit your living. A Perfectly blended design concept with modernization, well-crafted detailed material features, mesmerizing marble concepts that demonstrate firmness and elegance. Comes with a variety of functions to last multiple generations, promoting a sense of serenity and privacy for perfect living for only the exclusively privileged 10 families.

Starts 28 - 60 MB



## THE GENTRY

### 4. The Gentry Phatthanakan

Living with nature combined with next level privacy, this new 3-storey villa in modern luxury style is located at Phatthanakan Soi 32. This urban vertical tree house concept bonds a sense of nature to every moment of your luxurious urban living. The perfect living for only the exclusively privileged 34 families.

Starts 35 - 55 MB



## HEADQUARTERS

### 5. Headquarters Vibhavadi

A luxurious 3-storey home office in modern style fulfills diverse aspirations of next-gen businesspeople. Flexible functions with elegantly-structured design to suit agile lifestyles of all types of business entrepreneurs. Located at Vibhavadi Soi 62, this haven facilitates business visits and connection to various routes, promoting success from every opportunity.

Starts 18 - 29 MB





## ===== B A N G K O K ===== **boulevard**

### **6. Bangkok Boulevard Vibhavadi**

Inspired by Louvre Abu Dhabi, these modern-luxury detached houses and clubhouse apply distinctiveness with overlapping lines creating an attractive façade. The line combination catches natural light and capturing shadows to illustrate reflection of patterns that change throughout the time of day and season for a lively urban lifestyle.

Starts 15 - 30 MB



## — B A N G K O K — **boulevard**

### **7. Bangkok Boulevard Rama 5**

Classy detached houses that reflects your personality, inspired by Brookfield Place New York, with elegance and distinguished patterns, featuring a deluxe clubhouse and indoor saltwater pool, fitness gym, kids' room and co-working space for your special time. Comes with a stylish functioning design and super high 4.44 metre bedroom ceiling to fulfill modern viewing preference. This highly potential location is just 3 kilometers to Rama 5 Roundabout and Sirat Expressway.

Starts 10 - 18 MB





## — B A N G K O K — boulevard

### 8. Bangkok Boulevard Westgate

A New series of western-styled detached houses, demonstrating the concept of Mediterranean Sea "FRENCH RIVIERA", the famously glamorous and historical resort coastal region in France. The project utilizes a uniqueness with architectural angles, curves and arches to create an immaculate design right as you enter the main gate. You'll be greeted by the beautiful courtyard fountain and garden tower, the fully equipped Clubhouse and the central green spacious and peaceful area are all waiting for your endless retreat.

Starts 9 - 20 MB

## VENUE *Flow*

### 9. Venue Flow Chaengwattana

Top-quality housing from SC Asset which is inspired by a seamless combination of architecture and nature, delivering “touch of nature” through 5 senses that are sight, taste, touch, smell and hearing. Reside at flow to unwind in perfect surroundings and pamper yourself. This residence is protected by a 24-hr double security system throughout. This highly potential location is nearby to expressway and central plaza, chaengwattana.

Starts 6 - 10 MB



## VENUE *Flow*

### 10. Venue Flow Tiwanon-Rangsit

Expand the space of happiness with nature that surrounds the single detached houses in the new project which has its development concept of “Modern Cabin Resort” housing. The project is surrounded by nature from its gateway entrance to the inner part of the project, together with 3 large gardens that create a relaxing green atmosphere all day long. The project is situated in a prime location near Don Muang, department stores, and the expressway.

Starts 6 - 10 MB







## V COMPOUND

### 11. V Compound Tiwanon-Rangsit

New project with semi-detached (Twin) and terrace (Townhome) houses. Located in potential area nearby Tiwanon main road. This project offers you convenience for various lifestyles with a huge sport complex full of facilities such as fitness, kids' club, co-working space, virtual class exercise room, steam room, sauna room and an Olympic size 50-metre saltwater swimming pool.

Starts 2.5 – 6 MB



*Verve*

12. Verve  
Saimai-Phaholyothin

2-storey terrace townhomes with 7-metre widths invented from insightful understanding of next-gen lifestyles. Enjoy the new way of living with modern loft design that offers you comfort to sense your freedom in all spaces to full facilities for your lively days. Protected by a 24-hr security system throughout, exclusively for only 125 family residents.

Starts 3 - 5 MB



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# MESSAGE FROM THE CHAIRMAN

## Dear Shareholders

2020 is the year that countries around the world have experienced many important events that largely impacted their economies and societies. The most important issue is the global health crisis caused by the COVID-19 outbreak which has gravely hurt the world in terms of number of deaths, number of people infected, and overall world economy. This causes changes in policy and operational plans of all economic segments, as well as the lives of ordinary people.

Thailand was also unavoidably affected by the adverse global economy, and the negative impacts of the public health measures to all business segments, particularly export, tourism, transportation, and relevant service industries. These adverse impacts largely depressed consumption and private investments. The government has issued various relief and economic stimulus measures to aid and relieve the impacts from COVID-19 and to stimulate the economy. This resulted in the reduction of the 6.1% in Thailand's GDP which was better than earlier anticipated.

In the real estate business, the demand and supply reduced compared to 2019, mostly caused by the contraction in the condominium market, the increase in market competition, and the quick changes in the consumer behavior toward "New Normal" lifestyles. Developers have been forced to adapt themselves to the market changes. The Company, with its commitment to achieve sustainable growth, applied its "Resilience" strategy that focus on adaptability and flexibility to cope with changes in different aspects of situations. The Company emphasizes on the strength of its main business by expanding its investments in landed developments, adjusting its sales and marketing strategies towards more online activities, and paying attention to maintaining sufficient liquidity. It is also concerned with the health of the employees during the COVID-19 pandemic. The policies, strategies, and measures exercises by the Company for management of its operations resulted in the growth in revenues and presales for the year that showed an all-time high for the Company. It recorded its highest-ever in total operating revenues, presales, and transfers of ownership for landed developments. The Company is also a market leader in the single detached house market for the price range of Baht 10 million up.

For business operation results in 2020, Its revenues totaled Baht 19,051 million, or a growth of 7.1% from 2019. Its operating revenues was Baht 18,977 million, of which 95% was from real estate sales and 5% was from rental and rendering of services. The Company had a net profit of Baht 1,898 million, representing a profit margin of 9.96%. Its profit per share was Baht 0.45. As of 31 December 2020, the Company had consolidated assets and liabilities of Baht 44,319 million, and Baht 25,676 million, respectively. The Company launched 12 new projects with value of Baht 14,330 million.



Its success on business sustainability and good corporate governance covers its responsibilities to the society, communities, and environment. This success is evidenced by the awards and recognitions that it has obtained over the years as an excellent and outstanding listed company in various categories from its sustainable operations in 2020, which are the honorable awards granted by the Stock Exchange of Thailand as well as other institutes, which include:

1) Thailand Sustainability Investment (THSI), or “Sustainable Stock” in the category of property and construction. This award is granted to public listed companies that conduct their sustainable business with the recognition of a balanced growth in economy, society and environment. The Company has been awarded this award for six consecutive years.

2) The SET Awards for the Business Excellence in the category of Investor Relations Awards for publicly listed companies with market capitalization between Baht 3,000- 10,000 million.

3) The IAA Awards for Listed Companies for the best CEO of 2020 in the property and construction business from the Investment Analysts Association (IAA).

4) Best Developer of The Year Award and Best Housing Developer Thailand Award from Dot Property Southeast Asia Awards 2020

5) Sustainability Disclosure Recognition in The State of Corporate Sustainability in 2020 from the Thaipat Institute. The award is offered to promote public listed companies which disclose information on their ESG conduct within the standard framework of the Global Reporting Initiative (GRI).

On behalf of the Board of Directors and the management of SC Asset Corporation Public Company Limited, we would like to thank all our supporters and patrons namely our shareholders, customers, financial institutions, business counterparties, and stakeholders for always providing collaboration, trust, and support in our business. We also would like to thank our executives, and employees for their determination and dedication in diligently performing their roles and duties that drive our organization towards its continual growth. We, hereby, would like to assure you of the Company’s commitment to perform our duties to the best of our ability, under good corporate governance, and with recognition of all stakeholders’ rights, to ensure our organization maintains a steady and sustainable growth.



(Mr. Rath Kitivejsoth)  
Chairman of the Board of Directors

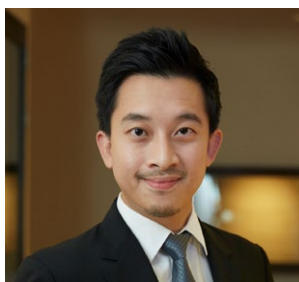


(Mr. Nuttaphong Kunakornwong)  
Chief Executive Officer

# BOARD OF DIRECTORS



Mr. Rath Kitivejsoth  
Chairman



Mr. Nuttaphong Kunakornwong  
Vice Chairman of Directors



Mr. Nathpath Ouajai  
Director



Mr. Attapol Sariddipuntawat  
Director



Mr. Kunodom Tharmmaphornphilas  
Independent Director



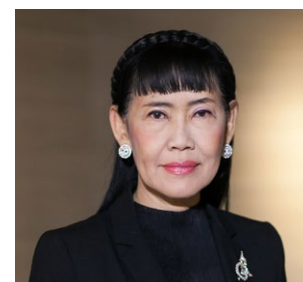
Mr. Prasert Samanawong  
Independent Director



Mr. Precha Sekhararidhi  
Independent Director



Mr. Songsak Premasuk  
Independent Director



Ms. Vilasinee Puddhikarant  
Independent Director

# THE BOARD OF DIRECTORS REPORT

**Dear Shareholders,**

In 2020, the COVID-19 pandemic sent the whole world a most important test. The global economy has been through a volatile period and continues to slow down, caused mainly by the COVID-19 outbreak that started at the end of 2019, and spread around the world in 2020. This pandemic has not only impacted people's health but has also adversely affected all sectors of the economy. The real estate development business has also been negatively impacted by such situations, as consumers have less buying power and lower ability to raise finance. This has therefore become a major risk factor in the overall real estate development system.

The Company has been able to handle such adverse effects under the economic instability, by strictly adhering to risk management and preservation of financial liquidity to ensure the adequacy of its financial strength, and thanks to the collaboration of our executives and employees under the corporate culture of #SCskydive that promote resilience to uncertainty under two major schemes which are:

**Resilient Portfolio** – by developing products for all segments, designing new prototypes to increase diversity and create human centric solutions, implementing risk diversification in investment, and increasing recurring incomes and net profits.

**Resilient People** – under our corporate culture which fosters 4 core values which are Care, Courage, Collaboration, and Continuous improvement, we aim to drive our staff competency towards being the best “Living Solution Provider”.

Additionally, in previous year the Company held 8 meetings of the Board of Directors, and another 8 meetings before each of the Board of Directors meetings which were attended only by the independent directors, without the presence of any executives of the Company, to follow up

on the Company's business operations and to discuss important issues and beneficial matters to the Company, as well as management and administrative issues that may be of material concern. During the past year the Company operated various business activities of which the details are as follows:

1. Launching 12 new projects, comprised of Landed Projects which are single detached house 10 projects, townhouse and home office 2 projects namely:

- 1 V COMPOUND Project and 2 VENUE Flow Projects, which is classified in segment with price range Baht 5 - 8 Million.

- 3 BANGKOK BOULEVARD Projects classified in segment with price range of Baht 8 – 20 Million.

- 2 The Gentry Projects, 2 Grand Bangkok Boulevard Projects and 1 Headquarter Project , which is classified in segment with price range more than Baht 20 Million.

- 1 Townhouse Project which is 1 VERVE Project, which is classified in segment with price range lower than Baht 5 Million.

2. Establish a new subsidiary named “SC Asset Three Company Limited” with its corporate objectives to operate a real estate development business, and additionally to help facilitate the Company's business operations.

3. The Company operates its business with responsibilities to society and the environment according to the sustainable development guidelines, cares for all its stakeholders and ensures their fair and equitable treatment, and recognizes the importance of the continual compliance with good corporate governance principles. To make every day a good and cheerful day for all its customers, and to jointly build a society of quality by continuing to conduct its business according



to good corporate governance principles. The Company thus received the following praises and awards:

- The full assessment score of 100 for the quality assessment for the arrangement of its 2020 Annual General Meeting of the Shareholders from the Thai Investors Association. It has enjoyed this “excellence” status with full score of 100% for 12 consecutive years from 2008 to 2020.

- The “excellence” status with a score of “90 or higher” for its 2020 corporate governance assessment, reviewed by the Thai Institute of Directors (IOD), out of 692 Thai publicly listed companies under assessment. The Company’s average assessment score was 95 out of the total marks of 100.

- The SET Awards 2020: The Company was awarded as an outstanding listed company in the category of investor relations for the listed companies with market capitalization over Baht 3,000 million but not over Baht 10,000 million.

- The Thailand Sustainability Investment 2020 Award: The Company has received this award for 6 consecutive years. The award is granted to the companies whose shares are classified as “Sustainable Share” in the property and construction sector, which focuses on sustainable development with awareness on society, the environment and corporate governance in its operational process.

- The Sustainability Disclosure Recognition for 2020: This “Recognition” was awarded to the Company for its attention to sustainability disclosure that covers its actions on economic, social, environmental, or the ESG (Environmental, Social and Governance) aspects which reflects its business sustainability that shall benefit its stakeholders and lead its organization towards long-term sustainability.

4. With awareness of importance of a good internal control system, the Company’s Board of Directors arranged to have the annual assessment and review on the adequacy of the Company’s internal control system, to ensure that the Company has an appropriate and sufficient internal control system that can efficiently and transparently govern and monitor its operations according to its prescribed policies and objectives, as well as relevant laws and regulations.

5. Recognize the importance of countering all forms of fraud and corruption. The Board of Directors prescribed the annual review of the anti-corruption policy and measures to ensure that the Company’s anti-corruption measures and practice guidelines are adequate and sufficient, and the corruption risks are eliminated.

The Company’s Board of Directors would like to thank our employees, shareholders, customers, business partners, financial institutions and all government and private organizations for the power of their support and inspiration that has yielded the greatest impact on our consistent success. The Company continues to conduct its business according to its committed targets and business plan under the good corporate governance principles, pay attention to society, the environment, and all internal and external stakeholder groups, as well as establish protective measures against any operational actions that may cause environmental impact, with the aims to be a company striving to sustain their position as a leading company.



(Mr. Rath Kitivejsoth)

Chairman of the Board of Directors  
SC Asset Corporation Public Company Limited  
January 20, 2021

# REPORT OF THE EXECUTIVE COMMITTEE

**Dear Shareholders,**

In 2020, the COVID-19 pandemic sent a major test to all global citizens, and posed the greatest global challenges that we have ever experienced over the last decades. It has caused negative impacts to economies in every part of the world and to all segments of industry.

The real estate industry was also affected no less than other industries. The crisis depressed purchasing power, debt incurrence capacity, and investor confidence.

Nevertheless, during this challenging year, to cope with the impacts, the Company applied its resilience strategies, together with its corporate culture known as “SKYDIVE” that emphasizes courage, that enabled the Company to achieve its strong liquidity position and the highest ever recorded revenue of Baht 19,051 million. In 2020, the Executive Committee held 12 joint meetings with the management and approved and managed matters of importance as follows:

1. Approved business plans, business directions, strategies, and budgets which were continually adjusted to cope with the high uncertainty caused by the COVID-19 outbreak.

The business directions for 2020 were to improve liquidity strength, sustain financial stability, and endorse higher brand credibility with high quality products and services, and apply innovative living solutions.

The business directions for 2021-2022 are to be well-prepared, improve efficiency in all areas which include capital, assets, people, and infrastructure for its ability to have sustainable growth after the crisis.

With regards to the long-term business directions for 2023 onward, the Company will fully evolve as a leading living solutions provider with diversified products both landed and high-rise developments, which are

developed with care and an understanding of customer needs, and to respond to behavioral differences in individuals.

The “Ruejai Club” provides after-sales services, which are innovative and filled with care for residents from home maintenance to lifestyles solutions, for every customer and their families.

Revenues from sales of real estate will grow significantly, whereas recurring incomes will continue to rise from rental of office space, after-sales services from the “Ruejai Club”, the hotel business, etc. All these will ensure the Company’s sustainable growth.

2. Approved the investment on land acquisitions for development projects with flexible investment plans that can be adjusted to suit situations with high uncertainty.
3. Approved the search for sources of fund such as credit applications with financial institutions and consideration on issuance of debentures.
4. Monitored, discussed, and made suggestions on policy implementation, corporate performance, and human resource management.

The Executive Committee is committed to undertake its duties and to support the readjustment of the Company to assure its survival and sustainable growth in all contexts. The major corporate task is to pursue the slogan of “For Good Mornings” meaning create a “Good morning” for its customers in all households.



(Mr. Nuttaphong Kunakornwong)  
Chief Executive Officer

SC Asset Corporation Public Company Limited  
January 13, 2021

# REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Shareholders,

The Board of Directors of the SC Asset Corporation Public Company Limited appointed the Nomination and Remuneration Committee, which is composed of three members who are independent directors. The committee members are:

1. Mr. Prasert Samanawong  
Chairman of the Nomination  
and Remuneration Committee  
(Independent Director)
2. Mr. Kunodom Tharmmaphornphilas  
Member (Independent Director)
3. Mr. Songsak Premasuk  
Member (Independent Director)

The Nomination and Remuneration Committee has its duties and responsibilities as prescribed by the Charter of Nomination and Remuneration Committee. Its duties and responsibilities include all relevant human resource policies, director selection, and policies in respect to the remuneration for the Chief Executive Officer as well as top executives. It also considers the annual budget for director remuneration to be submitted to the Company's Board of Directors for consideration prior to the submission to the shareholders' meeting for approval.

In 2020, the Nomination and Remuneration Committee held two meetings with all members present to consider the selection of qualified individuals that have his/her proficiency suitable for the Company's business operation strategy, and to review top executives' remuneration as per the prescribed policies and rules and in accordance with the Company's operational results, business competition, and its allocated budget, as well as to assure that the matters are in compliance with the principles of corporate governance.

The remuneration rate for directors and top executives are presented as per the details appeared as prescribed in this 2020 Annual Report, the Nomination and Remuneration Committee viewed that the rate is suitable with their assigned duties and responsibilities which is also in accordance with the company's policies and rules on remuneration, as well as in view of the Company's operational results, economic environment, and business competition.



(Mr. Prasert Samanawong)  
Chairman of the Nomination  
and Remuneration Committee  
SC Asset Corporation Public Company Limited  
January 20, 2021



# REPORT OF THE RISK MANAGEMENT COMMITTEE

Dear Shareholders,

The Risk Management Committee was appointed by the Board of Directors to perform duties and responsibilities assigned by the Board of Directors according to the Committee's roles, duties, responsibilities, and guidelines which are in accordance with the international standard of risk management practices. The standard duties and responsibilities of the Committee involve setting the risk management policy, establishing the risk management framework, and overseeing risk governance all of which are to be in line with the Company's corporate strategies and its organizational goals. The Committee also provides suggestions and guidelines on risk management to the Board of Directors and makes regular reports to the board. The committee members are individuals who possess the necessary blend of skills, proficiency, and experience in business operations and risk management. They are:

1. Mr. Precha Sekhararidhi  
Chairman of the Risk Management Committee  
(Independent Director)
2. Mr. Prasert Samanawong  
Member (Independent Director)
3. Mr. Nuttaphong Kunakornwong  
Member
4. Mr. Attapol Sariddipuntawat  
Member

The Committee's performances in 2020

- 1) Review the risk management policy to assure that the policy remains applicable and suitable for the Company's present business operations.
- 2) Review key risk indicators that impact the Company's business operation in 2020 - 2022.
- 3) Closely monitor any changes in the risk indicators to ensure that the management is properly using this information to determine the appropriate risk management measures.
- 4) Continuously report each of the Risk Management Committee's performance to the Audit Committee and the Company's Board of Directors.

The above mentioned performances ensure smooth operations in the Company's risk oversight, while enabling the Company to efficiently conduct its daily operation and promote corporate confidence in achieving its targeted business goal.



(Mr. Precha Sekhararidhi)  
Chairman of the Risk Management Committee  
SC Asset Corporation Public Company Limited  
January 20, 2021

# REPORT OF THE CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE

Dear Shareholders,

The Corporate Governance and Sustainable Development Committee of SC Asset Corporation Public Company Limited was appointed by the Board of Directors resolution, and composes of three directors and independent directors, the committee members are:

1. Mr. Precha Sekhararidhi  
Chairman of the Corporate Governance and Sustainable Development Committee  
(Independent Director)
2. Mr. Nuttaphong Kunakornwong  
Member (Chief Executive Officer)
3. Mr. Songsak Premasuk  
Member (Independent Director)

In 2020, the Corporate Governance and Sustainable Development Committee as a whole, has fulfilled its duties according to the Corporate Governance and Sustainable Development Committee Charter and has completed the tasks assigned by the Board of Directors. During the year, the Committee held 3 meetings and undertook the missions which are:

1. Consider and review good corporate governance policy to ensure its compliance with the Corporate Governance Code (CG Code) prescribed by the Office of the Securities and Exchange Commission to ensure that the Company's operations are conducted with honesty, transparency, credibility, and in accordance with good corporate governance principles and business sustainability guidelines, and suitable with the Company's business context that can drive its business towards sustainable growth, as well as create confidence among its shareholders, investors, stakeholders, and all related parties.
2. Consider and review anti-corruption policy and measures, as well as consider, express opinions, and make recommendations on operational guidelines in compliance with the anti-corruption measures to prepare for the recertification submission for being a partner in Thailand's Private Sector Collective Action Coalition Against Corruption. (CAC) for the second time within the month of February 2021, and ensure that these operational guidelines are appropriate with the Company's business context and other relevant rules.
3. Improve operational plans for business sustainable development during the COVID-19 crisis which has caused changes in consumer behavior, to enable the Company's operational stability and to protect its business against risks from unforeseen factors and circumstances.
4. Approve action plans on corporate governance and business sustainable development with adherence to the concept of Environmental, Social and Governance (ESG) for the 2020 operations which are in compliance with laws, rules and regulations, as well as in accordance with the CG Code, and oversee that the organizational strategies and business directions place an interest in all stakeholders. The Committee regularly reviews to ensure that the action plans on corporate governance and business sustainable development are in accordance with international standards, and suitable for the Company's business context and enable it to achieve its long-term sustainable growth.

5. Oversee the compliance of provisions, rules, regulations, and best practices as per the CG Code and the guidelines of business sustainable development, as well as other relevant guidelines such as the Corporate Governance Report of Thai Listed Companies (CGR) program by the Thai Institute of Directors (IOD), the ASEAN CG Scorecard, the Annual General Shareholders' Meeting (AGM) Assessment Project, the Sustainability Evaluation Criteria, the Thailand Sustainability Investment (THSI) of the Stock Exchange of Thailand, and the Global Reporting Initiative (GRI), etc.

The Corporate Governance and Sustainable Development Committee is continually committed to operate and manage the Company's business under good corporate governance principles, and recognizes its responsibilities to society and the environment to ensure that the Company's business operations are efficiently conducted, as well as create confidence among all stakeholder groups. These tasks are the major factors in creating values and driving business towards sustainability goals.



(Mr. Precha Sekhararidhi)  
Chairman of the Corporate Governance and  
Sustainable Development Committee  
SC Asset Corporation Public Company Limited  
January 20, 2021



# Business and Financial Performance

The background features a smooth gradient from a muted grey on the left to a vibrant orange on the right. Overlaid on this are several flowing, wavy lines that resemble liquid or smoke, rendered in a lighter, semi-transparent orange color. These lines create a sense of movement and depth, with some areas appearing more saturated than others.

# POLICY AND BUSINESS OVERVIEW

SC Asset Corporation Public Company Limited or “the Company” was established in 1989, and was formerly named FFP Company Limited. Later its name was changed to OAI Property Limited. Following the change of its shareholders to the Shinawatra Family in 2003, its name was changed to the SC Asset Corporation Public Company Limited. After becoming a public company, the Company has operated a fully-integrated property development business.

The Company started its office rental business in 1995 when it invested in the construction of Shinawatra Tower 3 which is a Smart Building with distinctive characteristics of modern information technology and energy saving technology. The building commenced its commercial operation in mid-2000, and has received various domestic and overseas outstanding building awards. In 2002, the Company changed its business role and directions by expanding its business to include landed property developments and high-rise property developments.

In 2003, the Company invested in the Asset Network Fund (ANET) which is a property and loan fund, and holds 30% of the total fund units at a value of Baht 360 million. ANET invested in Shinawatra Tower 1 and Shinawatra Tower 2, both of which are commercial office buildings for rent. In the same year, the Company restructured the business operations of the companies in its group with the aim to provide fully-integrated property services. The Company increased its registered capital by Baht 710 million to Baht 2,564 million, acquired the shares in OAI Asset Company Limited, Up Country Land Company Limited, and V, Land Property Company Limited from the Shinawatra family, converted from a private company to a public company, as well as increased 93.6 million shares in its registered capital, or an increase of Baht 936 million. This resulted in a total registered capital of Baht 3,500 million. The Company was then listed on the Stock Exchange of Thailand with the first trading day being 13 November 2003. At present, the Company has a registered capital of Baht 4,379 million.

Since 2018, the Company has changed its roles from a leading property developer to a “Living Solutions Provider” supplying quality goods and services for convenience and safety to its customers via innovative technologies and with the understanding and know how in all different perspectives.

## 1. Vision, Mission and Strategies

### Vision

In 2050, all home built by SC ASSET make every morning a good morning for more than one million customers. Here, everyone feels safe in worry-free home and enjoys a better quality of life, for they have more time and energy to spend doing what they love and nurturing their dreams, some of which could make our world a better place.

SC ASSET is the first name on top of people's mind for high quality and innovative homes. Our employees are proud to play a part in creating good morning that continue to inspire a better society for all.

### Mission

Make every morning a "good morning" for every customer. Every morning, life starts anew at home. At SC ASSET, we strive to build thoughtful homes and help solve resident's pain points. We foster a safe living environment, and provide heartwarming services, so that those who live in our homes have more time and energy to spend doing what they love.

We build home that cater to all price points, so "good morning" are possible for all. And from these good beginnings, a better society can be built.



## **Business Strategies**

SC targets its sustainable growth by applying flexible and resilience strategies to cope with uncertainties particularly from the COVID-19 crisis, and to foster sustainable and resilient growth after the pandemic crisis. It has set out its targets and strategies into the following 2 periods;

### **“Survive” (2020-2022)**

**To create stability and readiness for sustainable and resilient growth after the COVID-19 pandemic crisis.**

During the “survive” period, its main target is to preserve its stable financial status and brand trust, as well as the readiness of its capital & assets, people, and infrastructure for sustainable and resilient growth after the pandemic crisis. The main strategies during this period are as follows:

1. Push sales of completed properties to increase its cash flow and preserve its liquidity strength.
2. Modify its land acquisition plan to be suitable and flexible with the changing circumstances.
3. Prepare for establishing a product portfolio that includes property for sales & rent, and other business, and be ready for an increase in recurring income in the future.
4. Maintain the high-quality standard of products and services, apply innovation to create customer satisfaction, preserve brand trust, and consider all impacts to stakeholders.
5. Foster corporate culture, known as “SKYDIVE” which promotes values such as flexibility and courage in thinking, communicating, and working processes in the organization, and simplifies the working system to create flexibility, speed, and accuracy.

### **“Grow” (2023 Onwards)**

#### **Sustainable Growth**

Generate more than Baht 20,000 million in sustainable revenues, foster the SC brands for single detached houses to rank as No. 1 brand in the customer's mind, build growth in property for sales, and expand investments to continually increase profit from recurring income in the Company's profit ratio.

#### **Business Sustainability Policy**

##### **1. Operate short and long term business strategies:**

The Company plans its business strategies for both short and long term periods that takes into account overall internal and external risk factors, and also retains a certain flexibility for any possible adjustment of its strategic plans, if required.

##### **2. Operate business with transparency:**

It is the Company's policy to operate its business with transparency and accountability, foster ethical behavior, promote anti-fraud and anti-corruption in its entire business operation system.

##### **3. Operate business with consideration for all stakeholder groups:**

It is the Company's policy focus to operate its business with minimal direct or indirect adverse impacts, or without any adverse impacts to stakeholders, surrounding community, and the society at large. It also sincerely strives to build and share fundamental values.

##### **4. Operate business with environmental responsibility:**

It is the Company's policy to optimize its natural resource management, and to promote consciousness of environmental impacts on the environment and community, with aims to minimize or eliminate such impacts.

## Sustainable Development Principles

SC ASSET operates its real estate development business with a strong belief that for its organization to achieve its sustainable growth, it shall require vision, missions, strategies and action plans that are more likely to function well in driving sound operating performances; supporting corporate social responsibility and environmental protection; fostering transparent and ethical business conducts as well as giving assistance to community and social services.

## Business Ethics

The Company sets and disseminates its business ethics to its related parties, directors, executives, and all employees for acknowledgement and strict compliance. These business ethics include guidelines of best practices to shareholders, customers, employees, creditors, trade counterparties, trade competitors, community, the society and environment, non-involvement of intellectual property rights, and training on environmental education for employees.

## 2. Milestone

### Milestone in 2018

February	The Company increased the registered capital from Baht 4,179.33 million to Baht 4,179.62 million.
April	The Company established SC ALPHA Inc., a new subsidiary in the United States of America, for property development in the United States of America and held 100% of total shares.
May	The Company established SC Asset Two Co., Ltd, a subsidiary for property development for sales and held 99.99% of total shares. Dividend payment of Baht 0.12 per share from 4,179.62 million shares was made with total value of Baht 501.55 million. SCOPE Co., Ltd, a subsidiary, set up Scope Tower Co., Ltd to be its new subsidiary for property development for sales and held 79.99% of total shares.
November	SC ASSET TWO Co., Ltd. increased its registered capital from Baht 10 million to Baht 1,200 million The shareholding structure of SC ASSET TWO Co., Ltd. had been changed, and NISHINIPPON RAILROAD CO., LTD. ("NNR"), which is a Japanese company, had joined in a joint venture with the Company. Thus, the Company held 54.99% and NNR held 45% of SC ASSET TWO Co., Ltd.'s total share. SC ASSET TWO Co., Ltd. had changed its name to SC NNR 1 Co., Ltd.
January - December	Launching of 18 projects with total value of Baht 18,135 million , comprised of Landed Projects which are single detached house 13 projects, townhouse and home office 3 projects and High Rise Projects (condominium) 2 projects.
February - December	The company issued 5 sets of debentures with the combined principal amount of Baht 2,700 million for private placements.

### Milestone in 2019

January	Scope Tower Co., Ltd. the subsidiary of Scope Co., Ltd., increased the registered capital from Baht 1 million to Baht 10 million.
February	The Company incorporated BRIDGE GROUP (THAILAND) Co., Ltd., the new subsidiary company for property agent and held 99.99% of the total shares.
May	Dividend payment of Baht 0.16 per share by 4,179.62 million shares was made with total value of Baht 668.74 million.
January - June	The company issued 5 sets of debentures with the combined principal amount of Baht 2,395 million for private placements.

July	<p>The Company appointed Ms. Namtip Promchua to be the person supervising accounting instead of Mr. Viti Visalpattanasil. From the appointment, the First Four Executives of the Company had been changed as follow:</p> <ol style="list-style-type: none"> <li>1. Mr. Attapol Sariddipuntawat Chief Corporate Office</li> <li>2. Mrs. Pradthana Patsaman Chief Financial Officer</li> <li>3. Mr. Somboon Kuptimanus Chief Legal Officer</li> <li>4. Ms. Namtip Promchua Deputy Chief Accounting Officer</li> <li>5. Ms. Pannee Tharaphat Deputy Chief Internal Audit Officer</li> <li>6. Mr. Mongkut Techolarn Deputy COO-Property Development-Landed</li> <li>7. Mr. Prayongyut Itthiratchai Deputy COO-Property Development-High Rise</li> <li>8. Mr. Manit Banchongthanakit Deputy Chief Business Development Officer</li> <li>9. Ms. Sirikul Kriangkrai Deputy Chief People Officer</li> <li>10. Mr. Somchai Lorhaburanakit Deputy COO-Property Management</li> <li>11. Mr. Paphandech Pacharachanant Deputy Chief Business Support Officer</li> </ol>
November	The Company established SC Expedition Co.,Ltd., to be subsidiary for hotel business and other business regarding to property development and held 99.99% of total shares.
January - December	Launching of 9 projects with total value of Baht 16,205 million , comprised of Landed Projects which are single detached house 6 projects, townhouse 2 projects and High Rise Projects (condominium) 1 projects.

### Milestone in 2020

January	<p>The Company established SC Asset Three Co., Ltd, a new subsidiary for property development for sales and held 99.99% of total shares.</p> <p>The Company paid share premium of SC ALPHA Inc. with value of USD 13 million.</p>
May	Dividend payment of Baht 0.19 per share by 4,179.62 million shares was made with total value of Baht 794.13 million.
August	SC Expedition Co., Ltd was increased the registered capital from Baht 1 million to Baht 50 million.
January - October	The company issued 4 sets of debentures with the combined principal amount of Baht 2,150 million for private placements.
January - December	Launching of 12 projects with value of Baht 14,330 million , which are single detached house 10 projects, townhouse and home office 2 projects.

### 3. Significant Information and Head Office Location

Name	SC ASSET CORPORATION PLC.
Head office Location	1010 Shinawatra Tower 3, Vibhavadi Rangsit Rd., Chatuchak, Chatuchak, Bangkok 10900
Nature of Business	Property development
Registration No.	BorMorJor. 0107546000253
Telephone and Fax No.	Tel : 0-2949-2000 Fax : 0-2949-2220
Company Website	www.scasset.com
Type of Shares	Common Share
Registered Capital (Shares)	4,379,332,012
Par Value Per Share (Baht)	1
Paid up Capital (Baht)	4,179,624,512

# NATURE OF BUSINESS

## 1. Revenue Structure

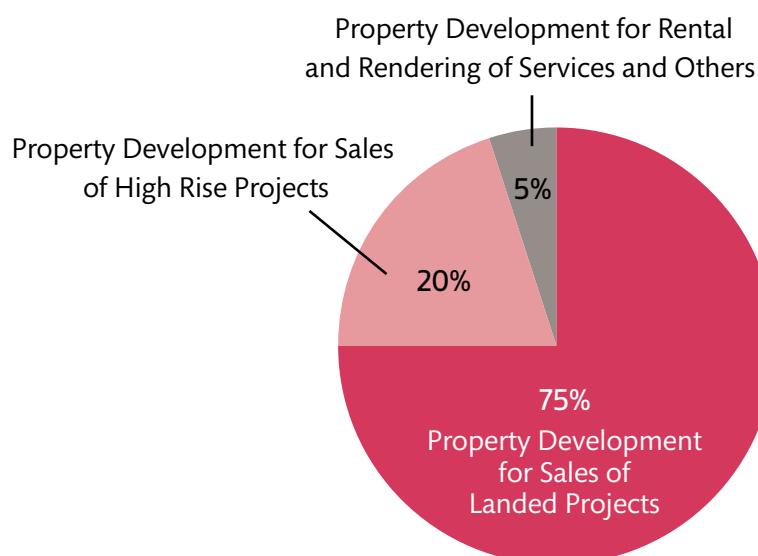
Business Group	Company**	2020		2019		2018( Restated)	
		Revenues	%	Revenues	%	Revenues	%
Property Development for Sales	SC, VL, UL	18,119.59	95.11	16,771.49	94.30	14,613.43	94.42
Landed Projects		14,264.66	74.88	11,260.14	63.31	10,810.70	69.85
High Rise Projects		3,854.93	20.23	5,511.35	30.99	3,802.73	24.57
Property Development for Rental and Rendering of Services	SC, SCA, UL, VL, SCOPE, BRIDGE	794.66	4.17	801.14	4.50	831.63	5.37
Consulting and Management Services	SC, SCA, VL	62.66	0.33	63.93	0.36	1.70	0.01
Others*	SC, SCA, UL, VL, BRIDGE, SCX, SC3, SC ALPHA, SCOPE, SCOPE TOWER	74.01	0.39	150.17	0.84	31.44	0.20
<b>Total</b>		<b>19,050.92</b>	<b>100.00</b>	<b>17,786.73</b>	<b>100.00</b>	<b>15,478.20</b>	<b>100.00</b>

**Remark:**

\* Other income included income from profit from fair value adjustment in investment properties, income from early return deposits, income from forfeiture of down payment and interest income.

\*\* The Company holds 100% in SC ALPHA, 99.99% shares in SCA, UL, VL, BRIDGE, SCX and SC3 holds 89.99% shares in SCOPE and indirectly holds SCOPE TOWER by SCOPE.

### Revenue Structure 2020





## 2. Business Group

### 2.1 Property Development for Sales

#### (1) Nature of Products or Services

**Landed Projects:** Details of 50 ongoing projects as of December 31, 2020 are as follow:

Landed Projects	Location (Rd. / Province)	Type of projects	Project Area (Rai-Ngan-Sqr.Wah)	Sales Area (Rai-Ngan-Sqr.Wah)	Project Value (Bt.Million)	Units	Progress		Land Ownership
							Construction (% of project)	Presales (% of total units)	
GRANADA PINKLAO- PHETKASEM	Kanchanaphisek Rd. / Bangkok	Single Detached House	35 - 3 - 88.9	19 - 0 - 29.2	2,150	37	55%	41%	SC
HEADQUARTERS EKAMAI - LADPRAO	Inthra Phon Rd. / Bangkok	Single Detached House	6 - 2 - 41.0	4 - 1 - 2.8	927	34	100%	97%	SC
HEADQUARTERS VIBHAVADI	Vibhavadi Rangsit Rd. / Bangkok	Home Office	0 - 2 - 31.0	0 - 2 - 31.0	100	6	90%	50%	SC
THE GENTRY SUKHUMVIT	Sukhumvit Rd. / Bangkok	Single Detached House	16 - 0 - 53	9 - 0 - 47.6	1,450	56	96%	82%	SC
THE GENTRY EKAMAI - LADPRAO	Ladprao Rd. / Bangkok	Single Detached House	4 - 0 - 70.3	2 - 2 - 67.7	545	16	100%	63%	SC
THE GENTRY VIBHAVADI	Vibhavadi Rangsit Rd. / Bangkok	Single Detached House	3 - 3 - 87.0	2 - 1 - 5.8	400	10	90%	50%	SC
THE GENTRY PHATTHANAKAN	Phatthanakan Rd. / Bangkok	Single Detached House	12 - 0 - 65.8	7 - 1 - 15.3	1,380	34	26%	18%	SC
GRAND BANGKOK BOULEVARD RATCHAPHRUEK - CHARAN	Phran Nok - Phutthamonthon Sai 4 Rd. / Bangkok	Single Detached House	61 - 1 - 21.8	36 - 2 - 91.2	3,100	92	91%	77%	SC
GRAND BANGKOK BOULEVARD SUKHUMVIT	Lasalle-Bearing Rd. / Bangkok	Single Detached House	47 - 3 - 57.2	27 - 3 - 64.6	3,010	66	94%	91%	SC
GRAND BANGKOK BOULEVARD RATCHAPHRUEK - RAMA 5	Nakorn-In Rd./ Nonthaburi	Single Detached House	25 - 2 - 3.7	13 - 2 - 62.7	1,500	51	90%	71%	SC
GRAND BANGKOK BOULEVARD EAST RAMA 9	Wongwan Kanchanaphisek / Bangkok	Single Detached House	24 - 1 - 53.0	16 - 0 - 26.7	1,490	48	20%	13%	SC
GRAND BANGKOK BOULEVARD RAMINTRA-SERITHAI	Serithai Rd. / Bangkok	Single Detached House	25 - 1 - 0	15 - 0 - 58.6	1,470	48	90%	79%	SC
GRAND BANGKOK BOULEVARD BANGNA-ONNUT	Sukhaphiban 2 Rd. / Bangkok	Single Detached House	24 - 2 - 58.2	15 - 0 - 61.6	1,380	51	24%	12%	SC
BANGKOK BOULEVARD PINKLAO - PHETKASEM	Phutthamonthon Sai 4 Rd. / Nakhon Pathom	Single Detached House	37 - 2 - 81.0	20 - 1 - 6.0	1,150	124	99%	88%	SC
BANGKOK BOULEVARD SRINAKARIN-BANGNA	Namdang Rd. / Samutprakan	Single Detached House	55 - 3 - 20.3	29 - 1 - 10.7	2,000	186	73%	58%	SC

Landed Projects	Location (Rd. / Province)	Type of projects	Project Area (Rai- Ngan-Sqr.Wah)	Sales Area (Rai- Ngan-Sqr.Wah)	Project Value (Bt.Million)	Units	Progress		Land Ownership
							Construction (% of project)	Presales (% of total units)	
BANGKOK BOULEVARD RAMA 9-2	Wongwan Kanchanaphisek / Bangkok	Single Detached House	30 - 1 - 0.6	18 - 1 - 22.3	1,350	108	85%	72%	SC
BANGKOK BOULEVARD RAMINTRA-SERITHAI	Kanchanaphisek Rd. / Bangkok	Single Detached House	10 - 0 - 6.0	5 - 1 - 59.9	415	31	100%	84%	SC
BANGKOK BOULEVARD RAMINTRA-SERITHAI 2	Kanchanaphisek Rd. / Bangkok	Single Detached House	24 - 2 - 11.0	14 - 0 - 66.9	1,160	77	50%	30%	SC
BANGKOK BOULEVARD SATHORN - PINKLAO 2	Ratchaphruek Rd. / Nonthaburi	Single Detached House	63 - 0 - 16.6	34 - 3 - 36.4	2,300	203	75%	59%	SC
BANGKOK BOULEVARD CHAENGWATTANA 2	Chaiyaphruek Rd. / Nonthaburi	Single Detached House	85 - 1 - 59.8	44 - 3 - 44.1	2,400	271	80%	75%	SC
BANGKOK BOULEVARD VIBHAVADI	Ngamwongwan Rd. / Bangkok	Single Detached House	10 - 3 - 1.8	6 - 3 - 67.8	730	37	63%	49%	SC
BANGKOK BOULEVARD RAMA 5	Atchariya Prasit 1 Rd. / Nonthaburi	Single Detached House	52 - 0 - 68.3	31 - 2 - 66.7	2,100	188	28%	22%	SC
BANGKOK BOULEVARD WESTGATE	Kanchanaphisek Rd. / Nonthaburi	Single Detached House	48 - 3 - 63.6	29 - 2 - 50.9	1,700	168	18%	8%	SC
BANGKOK BOULEVARD SIGNATURE LADPRAO-SERITHAI	Serithai Rd. / Bangkok	Single Detached House	31 - 0 - 3.4	18 - 3 - 36.0	1,550	77	50%	30%	SC
BANGKOK BOULEVARD SIGNATURE SATHORN- RATCHAPHRUEK	Bangwak Rd. / Bangkok	Single Detached House	72 - 1 - 46.7	39 - 3 - 58.0	2,730	133	69%	56%	SC
BOULEVARD TUSCANY CHA AM- HUA HIN	Phet Kasem Rd. / Phetburi	Single Detached House	52 - 1 - 77.0	24 - 2 - 29.1	1,800	193	80%	42%	SC
LIFE BANGKOK BOULEVARD RATCHAPHRUEK - RATTANATHIBET	Ratchaphruek Rd. / Nonthaburi	Single Detached House	98 - 2 - 80.3	50 - 0 - 53.4	2,480	324	99%	97%	SC
VENUE TIWANON-RANGSIT	Tiwanon Rd. / Pathum Thani	Single Detached House/ Detached House	26 - 3 - 70.0	17 - 2 - 72.7	726	149	100%	99%	SC
VENUE WESTGATE	Kanchanaphisek Rd. / Nonthaburi	Single Detached House	22 - 0 - 17.8	13 - 3 - 44.4	650	127	97%	85%	SC
VENUE RAMA 9	Wongwan Kanchanaphisek / Bangkok	Single Detached House	34 - 0 - 24.0	20 - 0 - 28.2	1,170	143	81%	71%	SC
VENUE FLOW RANGSIT	Rangsit - Nakhon Nayok Rd. / Phatum Thani	Single Detached House	29 - 3 - 87.8	19 - 1 - 14.8	765	124	80%	67%	SC
VENUE FLOW RAMA 5	Bangsriruam Rd. / Nonthaburi	Single Detached House/ Detached House	18 - 3 - 86.2	10 - 0 - 11.6	700	70	90%	51%	SC
VENUE FLOW TIWANON-RANGSIT	Tiwanon Rd. / Pathum Thani	Single Detached House	56 - 2 - 3.8	35 - 2 - 22.0	1,530	268	26%	13%	UL

Landed Projects	Location (Rd. / Province)	Type of projects	Project Area (Rai- Ngan-Sqr.Wah)	Sales Area (Rai- Ngan-Sqr.Wah)	Project Value (Bt.Million)	Units	Progress		Land Ownership
							Construction (% of project)	Presales (% of total units)	
VENUE FLOW CHAENGWATTANA	Nonthaburi Highway Distric 2051 / Nonthaburi	Single Detached House	66 - 1 - 5.7	41 - 3 - 13.5	1,710	254	37%	21%	SC
V COMPOUND RATCHAPHRUEK - PINKLAO	Plai Bang Rd. / Nonthaburi	Detached House / Townhouse	34 - 2 - 57.6	17 - 2 - 51.4	1,130	249	94%	61%	SC
V COMPOUND BANGNA	Bang Bo - Khlomg Dan Rd. / Samutprakan	Detached House / Townhouse	33 - 0 - 73.8	17 - 3 - 93.8	950	285	36%	26%	VL
V COMPOUND TIWANON-RANGSIT	Tiwanon Rd. / Pathum Thani	Detached House / Townhouse	46 - 2 - 19.2	28 - 2 - 45.4	1,330	450	52%	26%	VL
WORKPLACE PHETCHKASEM 81-2	Ma Charoen Rd. / Bangkok	Commercial Building	11 - 2 - 34.2	5 - 2 - 12.4	640	108	68%	36%	VL
PAVE RANGSIT	Rangsit - Nakhon Nayok Rd. / Pathum Thani	Single Detached House	78 - 0 - 42.9	46 - 1 - 86.7	1,409	320	100%	100%	VL
PAVE PRACHA UTHIT 90	Pracha Uthit Rd. / Samutprakan	Single Detached House	67 - 3 - 52.5	41 - 3 - 9.8	1,350	289	100%	97%	VL
PAVE BANPHO - CHACHOENGSAO	Sirisothon Rd. / Chachoengsao	Single Detached House	36 - 1 - 2.6	22 - 1 - 96.2	745	144	90%	77%	SC
PAVE MOTORWAY - CHACHOENGSAO	Sirisothon Rd. / Chachoengsao	Single Detached House	45 - 3 - 87.0	29 - 0 - 29.7	845	252	45%	30%	SC
PAVE PINKLAO - SALAYA	Atchariya Phatthana Rd. / Nonthaburi	Single Detached House	95 - 2 - 9.6	57 - 1 - 30.9	2,050	374	75%	73%	SC
PAVE BANGNA	Bang Bo - Khlomg Dan Rd. / Samutprakan	Single Detached House	70 - 1 - 4.5	41 - 3 - 24.3	1,550	267	42%	34%	SC
VERVE PHETCHKASEM 81	Ma Charoen Rd. / Bangkok	Commercial Building / Townhouse	18 - 0 - 24.0	10 - 0 - 18.3	658	181	95%	83%	SC
VERVE TIWANON - RANGSIT	Tiwanon Rd. / Pathum Thani	Townhouse	27 - 0 - 37.5	17 - 0 - 2.3	810	315	100%	99%	SC
VERVE RAMA 9	Wongwan Kanchanaphisek / Bangkok	Townhouse	12 - 2 - 15.4	6 - 3 - 62.1	539	138	100%	99%	VL
VERVE RAMA 5	Bangsriruamg 1 Rd. / Nonthaburi	Townhouse	15 - 0 - 94.8	8 - 0 - 54.3	605	133	95%	65%	SC
VERVE PHETCHKASEM 81 -2	Ma Charoen Rd. / Bangkok	Townhouse	16 - 3 - 84.8	10 - 1 - 44.9	660	176	40%	21%	SC
VERVE SAIMAI-PHAHOLYOTHIN	Sai Mai Rd. / Bangkok	Townhouse	12 - 2 - 80.8	6 - 2 - 48.4	480	125	41%	14%	SC

**High Rise Projects:** Details of 10 ongoing projects as of December 31, 2020 are as follow:

High Rise Projects	Location (Rd. / Province)	Type of projects	Project Area (Rai- Ngan-Sqr.Wah)	Sales Area (Rai- Ngan-Sqr.Wah)	Project Value (Bt.Million)	Units	Progress		Land Ownership
							Construction (% of project)	Presales (% of total units)	
CHAMBERS CHAAN LADPRAO- WANGHIN	Ladprao Wanghin Rd. / Bangkok	Condominium	3 - 3 - 35.0	11,770.48	939	317	100%	99%	SC
CHAMBERS CHER RATCHADA - RAMINTRA	Ratchada - Ramintra Rd. / Bangkok	Condominium	4 - 1 - 85.2	11,659.83	797	252	100%	97%	SC
CHAMBERS ONNUT-STATION	Sukhumvit Rd. / Bangkok	Condominium	3 - 2 - 43.0	14,152.84	1,850	487	100%	67%	SC
CENTRIC TIWANON STATION	Bangkok - Nonthaburi Rd. / Nonthaburi	Condominium	4 - 2 - 59.1	41,311.26	2,775	1,080	100%	98%	SC
CENTRIC RATCHAYOTHIN	Phaholyothin Rd. / Bangkok	Condominium	2 - 0 - 77.3	9,153.98	1,500	261	100%	61%	SC
THE CREST SANTORA HUA HIN	Phetkasem Rd. / Prachuap Khiri Khan	Condominium	11 - 1 - 9.8	14,949.04	1,478	181	100%	98%	SC
SALADAENG ONE	Rama 4 Rd. / Bangkok	Condominium	1 - 3 - 95.5	14,557.81	4,230	187	100%	99%	SC
BEATNIQ	Sukhumvit Rd. / Bangkok	Condominium	1 - 3 - 69.0	14,768.69	3,800	197	100%	67%	SC
28 CHIDLOM	Chidlom Rd. / Bangkok	Condominium	3 - 0 - 24.0	25,298.90	8,400	425	100%	48%	SC
SCOPE LANGSUAN	Langsuan Rd. / Bangkok	Condominium	2 - 0 - 82.5	18,138.00	8,300	159	16%	30%	SCOPE

## (2) Market and Competition

### Policy and Marketing

#### • Marketing strategies for Housing and Condominiums

**2020 Reimagining Marketing: Quickly adapt to changing situations and needs to continually deliver the best “Living Solutions”.**

2020 is a year of challenges as the world is facing the spread of COVID-19 which impacts various aspects of life including lifestyles and consumer demands. The Company as the “Living Solutions Provider” closely monitors the situation and studies all the changes with the intention to continually develop its products and services. It organizes various projects to offer the best to its consumers and its homebuyers in its various development projects.

#### Customer Experience Development

The site visits prior to making any residential property purchase and the delivery of such properties are the process that all homebuyers experience. When comparing various property developers in this industry, the said processes are not much different. The Company recognizes the importance of creating unique impressions for customers that lead to their purchasing decisions, and increases customers’ positive word of mouth communication. This positive word of mouth marketing is a powerful tool to establish the Company’s brand positioning in the minds of the consumers. The Company launched the “Customer



Journey: Visiting Experience [pre-sale]" and the "Customer Journey: Transfer Experience [after-sales]" projects in 2020. Both projects jointly collaborated with Another New Design Studio Company Limited, an expert in "Experience Design", to create special "moments" for the Company's customers and ensure them that the houses they purchased shall provide the best solutions for their living and lifestyles. These projects also help building a good long-term relationship between the homebuyers and the Company's customer services department.

### **Marketing Automation**

Finding a residence that provides solutions to homebuyer's needs may not be accomplished by just one site visit. At present, the Company has a lot of homebuyers who are interested in the Company's developments, and as a "Living Solutions Provider" the Company intends to help these homebuyers find the residence that most suits their needs, thus the company has applied a marketing automation system to help analyze their needs and proposing the suitable choices of products to each of them. If a customer visits one of the Company's projects and still does not make a reservation, a short time after that, the system will check the information provided by the customer in the survey, and present that information by SMS and/or email on other projects of the Company as well as their locations that may most match with the customer's requirements. This helps provide customers with diversified information and also gives the Company a greater chance to close their sales. Additionally, the Company's sales staff can use this system to recommend the customers to other development projects of the Company, if they find that the residence in those projects provide better solutions to the customers. The system will inform the sales staff of the recommended development projects and the referral of the customers so that they are aware of this referral and can take care of the customers. In 2021, the Company will expand the diversity of the services provided by this marketing automation platform and increase the contact channels with customers and assist in searching for its developments that mostly suit the customers.

### **The Development of New Prototype Homes ("Elegant Modern Home", "Home after Covid-19")**

Due to urban expansion, prices of residence in the suburban areas are increasing. This results in new quests for high quality residential developments at reasonable prices with provided modern conveniences that are comparable to a single detached house. In 2019, the Company launched a new style of townhomes for consumers with special features such as 7.9 meter width which is the same width as a single detached house. This new feature allows the homeowners to be able to park two cars and still comfortably get in and out of those cars. Other functions include a ground floor bedroom that can be converted in to a multipurpose room if needed, a high ceiling of 3.2 meters for the master bedroom which provides an airy and breezy ambiance, a large storage room, and a place at the front door of the house for putting on shoes. The Company first launched this type of townhome in its VERVE RAMA 5 project. The width of the house together with a perfect blend of form and function makes these townhomes very well accepted by the market.

### **Collaboration with a Leading International Design Firm**

In 2019, the Company joined hands with an internationally renowned design company, IDEO Tokyo, to find a new concept of customer-centric design for the design of common areas or clubhouse for landed projects developments. This year, the Company has adapted that concept to use in its two projects which are GRAND BANGKOK BOULEVARD BANGNA-ONNUT and GRAND BANGKOK BOULEVARD EAST RAMA 9. The common area is divided into zonings with multiple sub-functions to allow the common areas to well serve various utilization purposes of each homeowner. In the future, the design concept that the Company co-developed with IDEO Tokyo will be adapted for use in other projects to fulfill the lifestyles of homeowners in the Company's developments as per its "For Good Morning" slogan which focuses on making every morning a good and cheerful morning for its customers.

### Property Development Products' Price Segmentation

In 2020 the Company had a total of 66 projects for sale in the Bangkok Metropolis and its vicinity, and in the touristic towns. 12 new launched projects in 2020 were comprised of 10 single detached house projects and 2 townhouses and home office projects.

In 2020 the Company had a strong growth which was clearly evident, mostly for single detached houses in the price range that were more than Baht 10 million, particularly in THE GENTRY brand which are very popular. The recognized revenues showed a growth of over 190%.

### Product brand segmentation

Price	SDH	TH/Home office	Condo	Price
>50 M	 GRANADA		 CHIDLOM  SCOPE LANGSUAN	>300 K
20 - 50 M	 GRAND  THE GENTRY HEADQUARTERS		 SALADAENG ONE  BEATNIK	
8 - 20 M	 BANGKOK boulevard  BANGKOK boulevard		 THE CREST	200-300 K
5 - 8 M	 VENUE  life   BANGKOK boulevard V COMPOUND	 WORK PLACE	 CENTRIC	120 - 200K
3 - 5 M	 PAVE	 VISTA PARK	 CHAMBERS	60-120K
<3 M		 Verve		

In 2020 the Company launched 12 new projects which were landed projects developments in the Bangkok Metropolis and its vicinity that covered nearly all price ranges, which are :

1. GRAND BANGKOK BANGNA BOULEVARD BANGNA-ONNUT
2. GRAND BANGKOK BOULEVARD EAST RAMA 9
3. THE GENTRY VIBHAVADI
4. THE GENTRY PHATTHANAKAN
5. HEADQUARTERS VIBHAVADI
6. BANGKOK BOULEVARD VIBHAVADI
7. BANGKOK BOULEVARD RAMA 5
8. BANGKOK BOULEVARD WESTGATE
9. VENUE FLOW CHANGWATTANA
10. VENUE FLOW TIWANON- RANGSIT
11. V COMPOUND TIWANON-RANGSIT
12. VERVE SAIMAI-PHAHOLYOTHIN

In 2020, the Company had achieved the target highest market share for the single detached house category with a house value higher than Baht 10 million. All its new launched projects were very well-accepted by the market, and thus pushed its total sales to over Baht 16,602 million, showing a growth of 15% from the same period of 2019, comprising of sales of Baht 14,757 million for landed developments and Baht 1,845 million for high-rise developments.

### **The Bridge Group (Thailand) Company Limited Expands Its Business Overseas**

After the Company introduced “Bridge Estate” around the end of 2019 as its buy and sell, and rental agent for its integrated high-rise developments, with particular focus on the foreign clients with high potentiality who reside in Thailand and overseas, “Bridge Estate” has received trust from foreign customers to act as their real estate agents.

### **Launching of Marketing Campaigns in 2020**

#### **“Mae Jad Hai”**

A campaign which offers special privileges to customers who purchased houses and condominiums in the development projects of the Company and its subsidiaries during the period of 2 February 2020 – 15 March 2020 and transferred within 31 March 2020.

#### **SC SUPER FREE**

A campaign which offered free promotion for dwelling up to the maximum of 24 months, or free of charge on common area fee for 5 years for its 45 development projects including single detached houses, townhomes, and home offices.

#### **SC PROPERTY SHOWCASE**

A special campaign that provided 4 bonuses to homebuyers who purchased single detached houses, townhomes, home offices, and condominiums in its 42 development projects that included GRAND BANGKOK BOULEVARD, THE GENTRY, HEADQUARTERS, BANGKOK BOULEVARD, VENUE, PAVE, WORKPLACES, V COMPOUND, VERVE, SALADAENG ONE, 28 CHIDLOM, BEATNIQ, CENTRIC, and CHAMBERS, with prices ranging from Baht 5 million to Baht 86 million. The 4 bonuses were:

- 1) A free car from three leading brands which were Porsche, Mercedes Benz, and Honda ( with highest car value of Baht 7 million)
- 2) Special discounts at the project sites.
- 3) Discounts on furniture and electrical appliance purchases. Furniture and electrical appliances are from famous brands.
- 4) Special interest rates from leading banks.

#### **SAY HI**

A special campaign for large houses through the month of September which introduced new developments that provide solutions for the “New Normal” lifestyles in its 11 development projects under the quality brands of PAVE and VERVE designed for new generations, together with special promotional discounts of up to Baht 2 million, and bonus items for “New Normal” era which included an iPad Air 3, or a portable folding electric treadmill, or an intelligent vegetable planting machine.

## **V ARE**

A new campaign named “V-ARE FAMILY” for every household. The conceptual idea for the campaign was promoted via a music video advertisement or “Music Marketing” that brings out a smile, warm feeling, and good impression to viewers. The campaign promoted 3 “V” housing brands from the Company which were VERVE, VENUE, and V COMPOUND that comprised 14 development projects in total. The special promotions included the highest discounts of up to Baht 2 million and free transfer expenses. The campaign was launched during the period of 7-8 November 2020.

## **12.12 IT’S YOUR TURN**

The Company presented this campaign on the concept of the most special time to buy the SC Asset houses with good offers such as 0% interest rate for up to 3 years. The offers covered its 31 development projects on all locations for single detached houses, townhomes, and home offices. There were also additional special offers from each project. The campaign was launched during the period of 9 November 2020 – 13 December 2020.

## **Alliance with Lazada**

At present, the consumers have changing needs, particularly in the era of “Digital Disruption”, which has resulted in a substantial increase in online purchases of goods and services. The Company sees the opportunity in increasing its sales channels which are easily accessed by the consumers and responds to the changing consumer behavior by opening its online shops for selling its products via 2 largest e-commerce platforms in Thailand, which are Shopee and Lazada. The Company launched its quality developments for online sales both for landed and high-rise projects such as VERVE, CHAMBERS, and CENTRIC, and offered special campaigns such as 11.11 to push its sales more effectively. The Company also became a business alliance with Dot Property which is a leading property trading website that has the numbers of users escalating for buyers, sellers and agents. As more consumers are keen to search for information online, the Company recognizes the importance of having more sales channels that can effectively promote its development projects, thus, it formed a business alliance with Dot Property in the form of affiliate marketing to increase its public relations network and to reach a wider customer base at a low marketing cost. Dot Property already started public relations for the Company’s projects via various media and there is a tendency that more and more interested customers will register with the website.

### **• Customers and Target Groups**

The Company’s target customer groups are middle-income homebuyers and up who are looking for high quality housing in promising locations that provide luxury and convenient lifestyles, who are upper market customers and business owners. In 2020, the Company launched 8 luxurious developments under the brands of GRAND BANGKOK BOULEVARD, BANGKOK BOULEVARD, and THE GENTRY. During the year, the Company’s housing at high-end prices were well accepted by the market. The Company had the highest market share for the single detached houses with prices over Baht 10 million. Nevertheless, the Company also expanded its customer base to attract middle market customers by launching 4 new developments under brands such as VENUE FLOW, V COMPOUND, and VERVE, to expand its market share in this growing market. For its condominium projects, the Company focuses on the super luxury segment and high-end customers both local and foreign. Even though 2020 was a year of challenges for the condominium market, the Company’s condominium projects were still very well-received from the market, and sales for the two flagship projects, which were SALADAENG ONE and THE CREST SANTORA, were closed successfully.



## • Distribution and Distribution Channels

The Company set its strategy for distribution channels to suit the types of its products, as follows:

- (1) Sales by salesperson at sales office in which customers can view location, nearby communities, model houses or condominiums in focus plots. During the period of COVID-19 pandemic, all projects are stricted on hygiene measures and customers have to make appointment in advance to limit number of visitors at any time.
- (2) Sales that provide solutions for the current COVID-19 situation. During the official lockdown, the Company presented its development projects via the SC ASSET Facebook Fanpage (LIVE), and the program called “SC Sneak Peek” on YouTube, which is a series of reviews of its development projects in detail, that gives the viewers the feeling that they are physically visiting these project sites. These online platforms help increase the access of the customers to the Company’s products, and represent other different distribution channels that are effective and easily accessible.
- (3) The “SC Booking from Home” program allows the company’s customers to book houses, townhomes, home offices, and condominiums close to BTS Sky Train routes, in more than 40 development projects of the Company, together with many special offers, via 24 hour real-time online services. The concept behind this program is to assure the homebuyers that no matter how far away they are, they can still buy housing from the Company. The homebuyers can also arrange to visit the property sites, feel the open-house atmosphere of ready-to-move in housing. The Company’s residential developments in all projects can be booked via the website [Booking.scasset.com](http://Booking.scasset.com).
- (4) Sales through the Company’s subsidiary named “Bridge Estate”, which is a property agent for sales and rental of properties. This sales channel is able respond to the increasing demand for property transactions in local and overseas markets. The company is managed by professionals in the industry, and was established under the collaborations of developers and other agencies who have committed to achieve greatest success for customers by using their qualified experience in both domestic and international markets.
- (5) Sales through a booth exhibition at the TMB Thanachart Home Expo 2020. This gave the opportunity for the Company to tap the market and to reach potential customers who are the bank’s existing customers. The Company presented its prime location and quality development projects, and offered special privileges to homebuyers.

## Growth in Digital Marketing Channels

To accommodate the present-day consumer behavior and according to the current finding, the Company has engaged in digital marketing channels. The Company had an 14% increase in its customers who visited the Company using online media sources. In 2020, the reservations made from online media sources accounted to Baht 16,571 million or 53% of the total reservation of the Company’s residential development products. The Company thus will focus more on the development of its marketing via social media and digital channels.

- Facebook Fan page has 814,351 followers
- Twitter account has 20,250 followers
- Instagram account has 72,168 followers
- The number of visitors to its website ([www.scasset.com](http://www.scasset.com)) numbers 600,000 visits per month.

Due to focusing on online maketing, the Company reduced marketing expenses by 14% compared to the year 2019.

## Industry and Competiton Overview

### Property Market

In 2020, the Thai economy declined by 6.1%. Factors which affected the Thai economy were the COVID-19 outbreak, which continues its spread around the world and in Thailand. The pandemic has greatly impacted business activities and employment in the private sectors. The main economic segments that have suffered the most are export and tourism. Nevertheless, the government has issued various stimulus measures and programs to promote domestic consumption such as interest rate reduction, “Shop Dee Mee Khuen” project, “Khon La Krueng” project, “Rao Tiew Duay Kan” project, and “Special Tourist Visa (STV)” project. All of these measures and projects encourage spending and stimulate the economy. As for the real estate market in 2020, there are differences between different quarters. During the first quarter, the COVID-19 outbreak caused a slowdown in the property sales and a decline in the number of homebuyers for each development project. The Agency for Real Estate Affairs Company Limited disclosed that during the first quarter of 2020, the new launch of property projects declined by 36% in comparison to the same quarter of 2019. Furthermore, from the second quarter of 2020 onward, the landed projects development market started to pick up with an increase in the demand for landed caused by the consumers’ need for extra living space during the home quarantine. Even though Thailand managed to successfully control the COVID-19 outbreak, and the said landed projects development market has been picking up since the second quarter of 2020, these did not boost the market supply. During the whole year of 2020, the overall value of new launch developments within Bangkok and its vicinity declined by 38%.

#### • Housing and Condominiums

In 2020, the numbers of residential registrations in the Bangkok Metropolitan Region and Vicinity (BMR) totaled 109,385 units, showing a decrease of 7% from the previous year. Market breakdown by residential development types for 2020 showed condominiums taking the largest share of 54%, followed by single detached houses and townhouses which were 28%, and 13%, respectively. Most of the new houses built were “Developer Built”, which accounted for 80%, whereas “Self Built” residences only accounted for 20%.

#### New Registered Residential Supply in Bangkok Metropolitan Region and Vicinity in 2016– 2020

(Units : Unit)

Type	2016	2017	2018	2019	2020
Overall	126,543	114,854	130,052	111,657	109,385
Self Built	21,915	20,237	19,999	20,243	21,356
Developer Built	104,628	94,617	110,053	110,053	88,029
Single Detached House	31,892	30,124	33,070	32,440	30,198
Self Built	19,156	17,995	17,507	18,279	19,188
Developer Built	12,736	12,129	15,563	14,161	11,010
Duplex Detached House	2,014	2,677	2,208	2,687	2,555
Self Built	119	142	107	123	83
Developer Built	1,895	2,535	2,101	2,564	2,472
Townhouse	16,333	13,931	18,241	20,250	14,455
Self Built	618	470	648	464	334
Developer Built	15,715	13,461	17,593	19,786	14,121

(Units : Unit)

Type	2016	2017	2018	2019	2020
Shophouse	3,418	4,803	4,195	3,117	3,165
Self Built	2,022	1,630	1,737	1,377	1,751
Developer Built	1,396	3,173	2,458	1,740	1,414
Condominium	72,886	63,319	72,338	53,163	59,012

**Source :** The Land Offices in Bangkok Areas, Municipals, and the Land Offices in Outskirt, Department of Lands  
Collected and evaluated by : Real Estate Information Center

On the supply side in 2020, residential units offered for sale in BMR totaled 288,322 units, with an estimated worth of Baht 1,735,775 million. Out of these units, 70,122 units were among new projects launched during the year, showing a 37% decrease from the previous year with an estimated aggregate value of Baht 276,381 million. The residential supply showed trend which was opposite to several years ago. Most of the new residential developments launched during the year were townhouses, which accounted for 39% out of the total project newly launched units for the year, showing a 14% increase from the previous year. Supply of condominiums accounted for 36% and supply of single detached houses for the year accounted for 14% of the total project newly launched units respectively.

During the year, residential projects presented a lower price per unit, decreased from Baht 3.99 million in 2019 to Baht 3.94 million in 2020. The price per unit for condominiums showed the highest decrease, from Baht 3.65 million to Baht 2.68 million, followed by the price per unit for townhouses which remained stable at Baht 2.89 million and the price per unit for single detached houses increased from Baht 7.99 million in 2019 to Baht 9.23 million in 2020. Due to lower launches and starting price of condominiums in 2020, average price per unit of condominiums and overall market decreased from the previous year.

### Overall Housing Situation in Bangkok Metropolitan Region and Vicinity in 2020

Type			Detached	Duplex	Townhouse	Shophouse	Condominium	Total
Units Remain End of 2019	Units	Unit	37,506	16,305	66,510	3,997	93,882	218,200
	Unit Proportion	%	17%	7%	30%	2%	43%	100%
	Project Value	MB	474,938	113,016	293,903	32,126	545,411	1,459,394
	Project Value Proportion	%	33%	8%	20%	2%	37%	100%
Project Launched 2020	Units	Unit	9,927	6,979	27,591	253	25,372	70,122
	Unit Proportion	%	14%	10%	39%	0%	36%	100%
	Project Value	MB	91,617	34,873	79,909	1961	68,021	276,381
	Project Value Proportion	%	33%	13%	29%	1%	25%	100%
	Avg. Price / Unit	MB	9.229	4.997	2.896	7.751	2.681	3.941
Units Sold 2020	Sold	Unit	10,572	3,751	19,048	710	28,413	62,494
	Sold Proportion	%	17%	6%	30%	1%	45%	100%
	% Sold / Market	%	22%	16%	20%	17%	24%	22%
	Units Remain	Unit	36,861	19,533	75,053	3,540	90,841	225,828

**Source:** Agency for Real Estate Affairs Co., Ltd

In 2020, the total number of single detached houses launched totaled 9,927 units and accounted for 14% of total single detached houses' units offered for sales in 2020, decreased 18% from previous year and showed the launched project value of Baht 91,617 million, accounted for 33% of total single detached houses' value offered for sales in 2020, decreased 5% from previous year. The information received from market surveys and analyses showed that the single detached house projects launched in 2020 expanded to homebuyers in price range Baht 10-20 million, which increased 65% from 1,207 units in 2019 to 1,993 units in 2020, captured the market share of 20%, compared to 10% in 2019.

In 2020, the total number of townhouses launched totaled 27,591 units and accounted for 39% of total townhouses' units offered for sales in 2020. The figure showed a decrease of 1% from the previous year. In addition, the launched project value showed Baht 79,909 million, accounted for 29% of townhouses and value offered for sales in 2020 decreased 1% from the earlier year. The decline resulted from the lower launched number of townhouses' units with price range Baht 3-5 million, decreased 12% from previous year, from 8,388 units to 7,408 units. However, the townhouses with price range Baht 2 – 3 million increased 5% from 13,538 units in 2019 to 14,174 units in 2020.

In 2020, supply of newly launches of condominiums decreased dramatically. The total number of condominiums launched totaled 25,372 units or accounted for 36% of total condominiums' units offered for sales in 2020 with a total project value of Baht 68,021 million, decreased 61% from the earlier year. Value of new launches decreased in all price segments, leading by Bath 3-5 million with showing a decrease of 82% from 14,449 units to 2,623 units. From data in 2020, average price per new launched unit continuously decreased from Baht 3.65 million to Baht 2.68 million for two years ago.

#### Real Estate Projects Launched in 2020 by Price Segment

Total Number of Units (Units)						
Price Range	Detached	Duplex	Townhouse	Shophouse	Condominium	Total
Lower than Baht 2 Million	4	66	5,298	0	12,427	17,795
Baht 2 - 3 Million	13	410	14,174	0	8,742	23,339
Baht 3 - 5 Million	1,435	4,019	7,408	96	2,623	15,581
Baht 5 - 10 Million	5,894	2,320	241	104	1,027	9,586
Baht 10 - 20 Million	1,993	156	351	50	354	2,904
Higher than Baht 20 Million	588	8	119	3	199	917
Overall	9,927	6,979	27,591	253	25,372	70,122
Unit Proportion	14%	10%	39%	0.4%	36%	100%

Total Project Value (Baht Million)						
Price Range	Detached	Duplex	Townhouse	Shophouse	Condominium	Total
Lower than Baht 2 Million	8	109	8,554	0	18,305	26,976
Baht 2 - 3 Million	36	1,113	35,251	0	21,913	58,313
Baht 3 - 5 Million	6,557	16,382	27,540	430	10,157	61,066
Baht 5 - 10 Million	39,280	15,119	1,458	708	6,812	63,377
Baht 10 - 20 Million	25,094	1,881	4,179	721	4,170	36,045
Higher than Baht 20 Million	20,642	269	2,927	102	6,664	30,604
Overall	91,617	34,873	79,909	1,961	68,021	276,381
Project Value Proportion	33%	13%	29%	1%	25%	100%



The overall outlook of the real estate market in 2021 tends to stabilize or show a slight increase from 2020 due largely to the ongoing pandemic of COVID-19 and its impacts to the world economy, a slowdown in economic growth, an insufficiency of government support measures to stimulate property sales, and such measures do not cover all levels of property prices. Nevertheless, in 2021 the real estate sector is able to depend on the “real” demand which is the target for sales growth. The key success is to satisfy the need of the consumers with this “real” demand. Housing in the future shall not only be for dwelling but it shall represent “everything” to homebuyers with this “real” demand. Thus, 2021 shall be another challenging year for the real estate market due to a sluggish economic recovery.

### **(3) Procurement of Product or Service**

- **Acquisition of Land and Selection of Suppliers**

Properties for sale are focussed on residential developments of various types and various price ranges. These projects are mostly located in both similar locations as their earlier developments which already have clearly identified customer bases, and new different locations to diversify the operational risks. The Company pays a great deal of attention to its acquisition of promising pieces of land for future developments, as it is one of the major requirements for successful developments, and further enables the Company to effectively compete in both development costs and suitable locations. For 2021, it is the Company’s policy to purchase land which is ready for development. This includes the purchase of additional pieces of land in good locations for future developments within the next 1 -2 years in Bangkok and its vicinity, as well as in the provincial areas which have the tendency of continued population growth and sustained economic expansion.

In the process of its land acquisition and project developments, the Company is equipped with its own research team which always reviews and investigates the market condition, market competition, and consumer behavior. The data and information obtained from such investigations are processed and used to form new development ideas and patterns, as well as to mark suitable locations for new projects. The team also assesses the project feasibilities and upon satisfactory outcome, an active search for proper locations will be launched. As far as the proper acquisitions of the land is concerned, the Company may directly contact the landowners or indirectly contact them via a property agent or financial institutions. The acquisition of the land is usually set at the right prices based on the official appraisal value, the market value, and the outcome of the relevant project feasibilities.

For the selection of material supplies by projects, the Company has selection process of suppliers with standard. The quality assessment can be classified in 3 types ; quality, service and time for delivery of high quality products and services to customers with confidence. Reasonable and competitive cost was derived from efficient procurement and fairness to partners. For contractors, the Company also has selection process,examination and quality assessment in pre and post construction. The assessment results will be used to improve and adjust the quality of contractors’ tasks for better.

- **Process and Production Technology**

In the development process for its housing for sale, the Company always pays attention to every detail, prior to any development of its housing for sale. The Company makes its initial surveys of the locations and analyzes related information to study and determine the needs and behavior patterns of the consumers, undertakes a project feasibility by collaborative work efforts among its marketing team, construction management team and management team. The project developments include the mixtures and highlights of product features which are unique selling points and branded items that are associated with an advantage over the competition, such as modern and beautiful housing designs, innovation on space

utilization and design, energy efficient technologies, information technologies, double security system, etc. Additionally, the Company recognizes the importance of the construction management process which includes selection of skilled, experienced, and reliable contractors, effective material procurement and management, and good quality controls which are managed by the Company's internal quality control unit who oversees the checking and control of product quality to ensure the same acceptable quality standard in all of the Company's development projects.

#### • Environmental Impact

In every development project, the Company installs a wastewater treatment system for each house, as well as sets up a central wastewater treatment system, and also designs a suitable infrastructure system to reduce, if not eliminate environmental impacts, particularly for the large-size condominium projects which require the relevant Environmental Impact Assessment Reports (EIA) that are approved by the Office of Natural Resources and Environmental Policy and Planning before any commencement of their constructions.

#### (4) Unit sold of Condominium being developed

At December 31, 2020 the company had unit sold of condominium being developed by 63 units with value of Bt 2,609.69 million. All of them are condominiums and under construction.

Project	Units (unit)	Value (MB)
SCOPE LANGSUAN	47	2,466.09
THE CREST PARK RESIDENCE	16	143.60
<b>Total</b>	<b>63</b>	<b>2,609.69</b>

#### (5) Future Plans

In 2021, the Company plans to launch 11 new projects with total estimated project value of Baht 17,000 million, details of which are as follows: (This information can be modified subject to changes in market circumstances).

Owner and Operator	Type of Projects	Location	Period of Launch	Project Value (MB)	Progress
SC	Housing	Kanchanaphisek-Bangkae Rd.	First half of the year	1,300	Under construction
SC NNR1	Condominium	Phaholyothin Rd.	First half of the year	3,500	Under construction
SC	Housing	Nawong Pracha Phatthana Rd.	Second half of the year	1,230	Under construction
SC	Housing	Ratpattana Rd.	Second half of the year	1,020	Under construction
SC	Housing	Khlong Thanon Rd.	Second half of the year	1,250	Under construction
SC	Housing	Nakhon In Rd.	Second half of the year	500	Under construction
SC	Housing	Sai Mai Rd.	Second half of the year	48	Under construction
SC	Housing	Nam Daeng Rd.	Second half of the year	2,000	Under development stage
SC	Housing	Jatuchot Rd.	Second half of the year	1,200	Under development stage
SC THREE	Condominium	Krung Thonburi Rd.	Second half of the year	3,600	Under development stage
SCOPE	Condominium	Sukhumvit Rd.	Second half of the year	1,000	Under development stage

## 2.2 Property Development for Rental and Rendering of Services

### Office Building

#### (1) Nature of Products or Services

The Company and subsidiaries have six rental office buildings ; Shinawatra Tower 1, 2, 3 and SC Tower which are the large sized buildings including two medium sized buildings . The details are as follow;

Project	Ownership and Operator	Location/ Land area	Project Description	Rental space	Occupancy Rate as of December 31, 2020
Shinawatra Tower 1	SC	414 Phaholyothin Rd, Samsen Nai ,Phayathai, Bangkok (1-2-82 Rai)	A 31-storey and 1-underground storey office can be divided to <ul style="list-style-type: none"> <li>• Office (21 floors)</li> <li>• Plaza (2 floors)</li> <li>• Car park (9 floors, 376 cars)</li> </ul>	Total rental space of 22,457 sq.m. <ul style="list-style-type: none"> <li>• Office 22,147 sq.m.</li> <li>• Plaza 310 sq.m.</li> </ul>	99% of rental space
Shinawatra Tower 2	SC	1291/1 Phaholyothin Rd, Phayathai, Bangkok (1-3-98 Rai)	A 20-storey and 1-underground storey office can be divided to <ul style="list-style-type: none"> <li>• Office (13 floors)</li> <li>• Plaza (3 floors)</li> <li>• Car park (4 floors, 383 cars)</li> </ul>	Total rental space of 16,220 sq.m. <ul style="list-style-type: none"> <li>• Office 13,167.90 sq.m.</li> <li>• Plaza 3,052.10 sq.m.</li> </ul>	99% of rental space
Shinawatra Tower 3	SC	1010 Vibhavadi Rangsit Rd, Chatuchak, Chatuchak, Bangkok (9-1-52 Rais)	A 38-storey including 2-underground storey office can be divided to <ul style="list-style-type: none"> <li>• office 34 floors</li> <li>• Conference Room 1 floors (9th Floor)</li> <li>• Plaza 1 floor (Lobby)</li> <li>• A 10-storey car park and 2-underground story building</li> <li>• Parking area 1,200 cars</li> </ul>	Total rental space of 54,313 sq.m. <ul style="list-style-type: none"> <li>• Office 51,226 sq.m.</li> <li>• Plaza 902 sq.m.</li> <li>• Conference 2,185 sq.m.</li> </ul>	88% of rental space
SC Tower	SC	418 Phaholyothin Rd, Samsen Nai, Phayathai, Bangkok (1-3-1 Rai)	A 24-storey and 1-underground storey office can be divided to <ul style="list-style-type: none"> <li>• Office 18 floors</li> <li>• A 9-storey car park with 172 cars</li> </ul>	Total rental space of 12,250 sq.m. <ul style="list-style-type: none"> <li>• office 12,250 sq.m.</li> </ul>	90% of rental space
Computer Center Building (CC Tower)	SC	29 Moo 7 Pak Kret Bypass Rd. Bang Talat, Pak Kret, Nonthaburi (2-2-70 Rais)	<ul style="list-style-type: none"> <li>• office 4 floors</li> <li>• Parking area 28 cars</li> </ul>	Total useable area of 8,322.75 sq.m.	100% of rental space
Technical Training Center & Car Park Building (TTC Tower)	SCA*	1285 Phaholyothin Rd, Samsen Nai, Phayathai, Bangkok (0-3-85.65 Rai)	A 8-storey and 1-underground storey office can be divided to <ul style="list-style-type: none"> <li>• Office 3 floors</li> <li>• Parking area 118 cars</li> </ul>	Total useable area of 6,487 sq.m.	100% of rental space

**Remark** \* Long-term land lease with The Crown Property Bureau

#### Shinawatra Tower 1 and Shinawatra Tower 2

previously owned by the Asset Network Fund (ANET) and operated by SC Office Park Company Limited. On the 1<sup>st</sup> August 2010 SC Asset Corporation Public Company Limited purchased both buildings from ANET and presently has ownership of the buildings. The Company has contracted SC Office Park Company Limited to exclusively manage and operate the buildings. The management fees for the buildings are payable on a monthly basis.

Shinawatra Tower 1 and Shinawatra Tower 2 are office buildings fully equipped with modern facilities and standard utility systems that can well support the customer's requirements. The facilities and utility systems which are provided include:

- An Automatic Direct Inward Dialing Phone System (DID) which is connected to Private Automatic Branch Exchange (PABX) that provides internal phone connections between the two buildings.
- A large backup power system which was installed to protect any power failure and disruption of the electrical systems which are operating in the buildings, as such failure and disruption could cause further damage to tenants.
- Safety system within the buildings
  - which includes security system, access control and CCTV
  - fire protection, emergency alarm system, heat and smoke detectors, and other fire protection equipment. There are also firefighters with a full set of firefighting equipment who are on duty on a 24 hour basis. These firefighters are trained by government and private agencies with generally accepted standards
- Convenience facilities which include shops and a services centre in the plaza section of the buildings. There are facilities such as banks, a securities company, mobile phone service centres, restaurants and beverage shops, etc.

### **Shinawatra Tower 3**

Shinawatra Tower 3 is owned and operated by the Company. This building houses the Company's main office, and a substantial part of the building is also rented out. The Company has earned regular income from rental and services from its building tenants as well as other income from services of additional facilities and conveniences to both tenants and visitors. This building is the first office building in which the Company has installed innovative and most modern telecommunication and data processing systems, as well as advanced automation technology. The building is an energy efficient building that was awarded an outstanding energy conservation award from the Ministry of Science, Technology and Environment, the ASEAN Energy Efficiency and Conservation Award, and was selected as one out of the thirteen buildings to receive the Outstanding Safety Building Management Award from the Bangkok Metropolitan Administration. The building is a 38-storey tall tower with a 14-storey podium built under a Smart Building Concept with the following features:

- A network system that is capable of supporting future expansion which comprises a fiber-optic backbone that is installed in the building to support business expansion, and a linkage to the internet system and Thaicom satellite. Additionally, the building also provides a high-capacity telephone system, an Automatic Direct Inward Dialing Phone System (DID), and Private Automatic Branch Exchange (PABX). These modern systems can support up to 100,000 calls per hour.
- Full facilities such as:
  - Meeting Room; full-service meeting and banquet rooms that are equipped with modern audio-visual aids. The meeting rooms have internet access, satellite-based communication, and VDO conference to support all types of activities. Large sized function rooms are also available.
  - A Plaza; a one storey plaza that houses shops and services centres such as banks, mobile phone service centres, restaurants and beverage shops, and convenient stores.



- A building system that is designed mainly to facilitate customers such as
  - the shafts with separation between electrical system and telecommunication system
  - a high-speed elevator system with 23 passenger elevators with allocated zoning to provide efficient elevator service
  - a modern air-conditioning system and the purification of indoor air circulation via an efficient air-circulation system
  - an emergency backup power system that is of higher standard than the regulatory requirement
  - a digital security camera system for security control in the common area
  - a purified drinking water system
  - a master time clock system
- An energy efficient building which is controlled by a high-efficiency computerized building automation system that monitors the work of air conditioning, lighting, cool air ventilation, fire systems, elevator service system, and security systems.

Shinawatra Tower 3 is a modern high-tech building that operates with a focus on customers' requirements as well as the safety and security of the people in the building. It has a 24-hour emergency call center system that offers assistance to the building tenants, an access control system with flap gates installed in the building's lobby, and on the 2<sup>nd</sup> and the 3<sup>rd</sup> floors, as well as a 24-hour safety and security services.

### **SC Tower**

which is a new office building constructed on a 30 year leased land plot (from 1 January 2017 – 31 December 2046) from SC Office Plaza Company Limited. This office building was completed in early 2017. It has 24 storeys and one underground storey. It is fully equipped with modern and high standard building systems to fully accommodate its customer requirements. It has the following features:

- A network system that is capable of supporting future expansion which comprises a fiber-optic cable system to support business expansion, and a linkage to the internet system.
- A building system that is designed mainly to facilitate customers such as
  - the shafts with separation between electrical system and telecommunication system as well as additional availability of extra shaft space
  - a high-speed elevator system with destination control - with 5 passenger elevators and one service elevator to efficiently support the traffic volume of passengers
  - a modern air-conditioning system and the purification of indoor air circulation via a variable air volume control (VAV) system which controls air temperature at 15 points per floor
  - an emergency backup power system that is of higher standard than the regulatory requirement
  - an IP-Surveillance system for security control in the common area
  - a one card system for parking, building access, elevator ride, and office entry
- An energy efficient building is a building which is controlled by a high-efficiency computerized building automation system that monitors the work of the air conditioning, lighting (using LED bulbs), cool air ventilation, fire systems, elevator service system, and security systems. In 2017, the building participated in the building energy efficiency labeling program and qualified to attain the quality standard of A+.

SC Tower is a modern high-tech building that operates with attention to customers' requirements as well as the safety and security of the people in the building. It has a 24-hour emergency call center system that offers assistance to the building tenants, an access control system, as well as 24-hour safety and security services. There are two other medium sized office buildings which are Computer Center Building (CC Building) which is an office rental building on Pak Kret Bypass Road that is owned and operated by SC, and Technical Training Center & Car Park (TTC Building) which is an office rental building on Phahonyothin Road and operated by SCA.

## **(2) Market and Competition**

### **Policy and Marketing**

- **Competition Strategy**

The Company focusses on the developments of office buildings in the locations with convenient transportation, and close to the expressway and overpass, sky train routes, established communities, department stores, and hotels. Additionally it places emphasis on the provision of an information technology system and integrated supply of additional facilities such as a high-speed internet service, computers, video conference, audio visual system, slide projector, video screen for presentation, video and audio recording, etc. All of these aim to provide conveniences to the buildings' tenants and visitors. The most important thing is the after sales services of which the Company concentrates on preserving its existing clients and applies the Differentiates Strategy. It intends to create good customer impression and projects its differentiation from competitors who are also developers of Grade A property projects.

- **Customers and Target Groups**

- Shinawatra Tower 1 and Shinawatra Tower 2 and two other office buildings have main tenants who are companies in the telecommunication business.
- Shinawatra Tower 3 has tenants who are in industries such as media, telecommunication, energy, chemical, construction materials, as well as foreign companies, and companies that relate to or specially require information technology, and small and medium sized enterprises (SMEs) etc.
- SC Tower has its main tenants who are commercial banks and companies in the telecommunication business.
- Plaza: The Company operates the plaza with a diversified choice of shops that are properly allocated. It sets appropriate zoning or selecting the right kind of shop types to facilitate building tenants and visitors. These shops are commercial banks, restaurants, convenient stores, mobile phone service and distribution centers, etc.
- Meeting rooms and banquet rooms which have main customers who are general companies, building tenants, and educational institutions.

- **Distribution and Distribution Channels**

Direct contact with target customers: The Company has a data storage system which collects information of large and small enterprises therein. This data storage system is always updated. Additionally, the Company also has produced a website and direct marketing campaigns as an alternate channel through which to provide its information and news to its customers.

Contact target customers via property agents who are skilled and highly experienced who have no connection to the Company.

## Industry and Competiton Overview

### • Office Buildings

In 2020, demand for office rental in Bangkok continued to grow while supply continued to increase. The unoccupied office rental space as of year ended 2020 was at 9.44%, increased from 6.86% in 2019 and there was an overall rise in the rental rate in all districts of Bangkok. As of year ended 2020, the total supply of office rental space in Bangkok was 9.23 million sq.m., composed of a supply of office space in the CBD areas and NON-CBD areas at the ratio of 49% and 51% respectively.

### Supply and Vacancy Rate of Office Building Located in Bangkok as at year ended 2020

(Unit: Million Sq.m.)

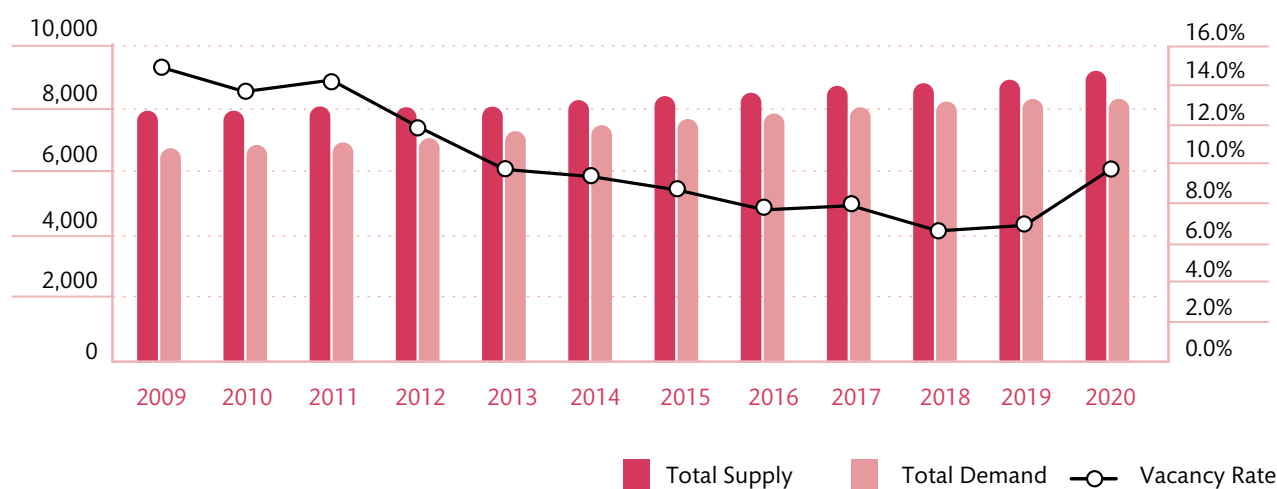
Areas	Total Supply	Vacant Space	Vacancy Rate (%)
CBD	4.51	0.39	8.72
NON-CBD	4.72	0.48	10.12
Total	9.23	0.87	9.44
CBD Grade A	1.54	0.14	9.07
NON-CBD Grade A	0.67	0.04	6.34

Source : CB Richard Ellis Research

Classifications of office space in Bangkok at year ended 2020 were 2,115,619 sq.m. or 24% in the Grade A type and 7,015,569 sq.m. in the Grade B or the remaining 76%.

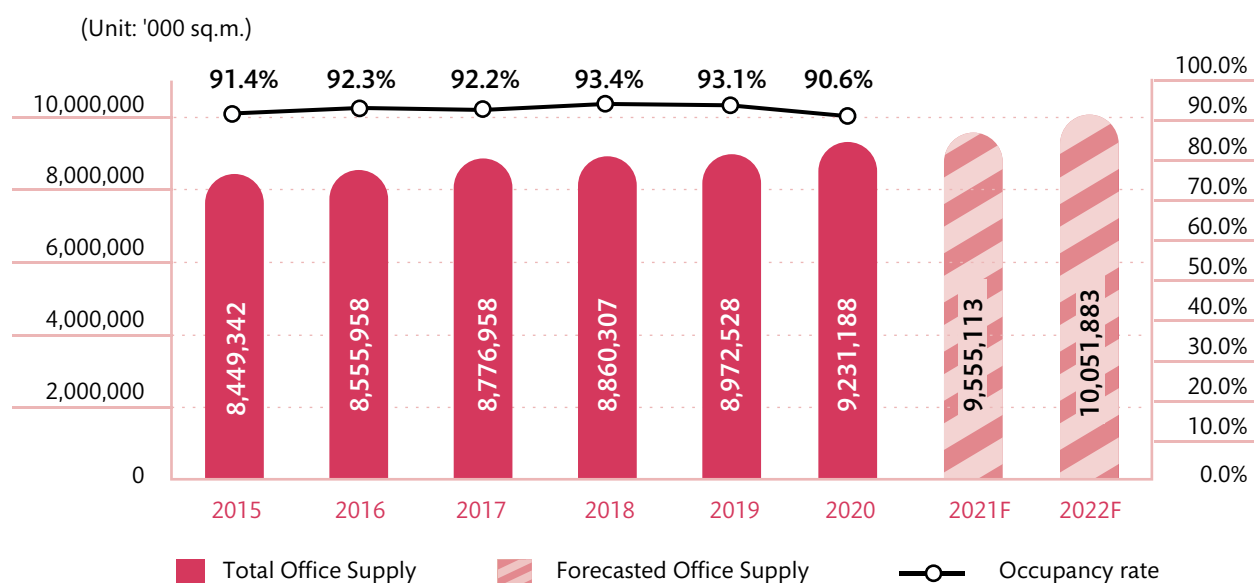
### Bangkok Office Market 2009 – 2020

(Unit: '000 Sq.m.)



Source : CB Richard Ellis Research

## Supply of Office Space in Bangkok



Source : CB Richard Ellis Research

Supply of available office space in Bangkok at year ended 2020 totaled 9,231,188 million sq.m., increased 258,660 sq.m. An estimated aggregated supply for office space for the duration of 2021-2022 will likely be increased by 820,695 sq.m., in which 323,925 sq.m. is expected to be completed in 2021 and 496,770 sq.m. in 2022.

In 2020, total office rental space was 8,360,053 sq.meters, out of which 2,800 sq.m. was newly occupied space. Vacant space as at the end of the fourth quarter of 2020 was 871,135 sq.m., more than the 615,275 sq.m. recorded for the same period of 2019.

### • Average Achieved Rents in CBD and NON-CBD 2017 - 2020

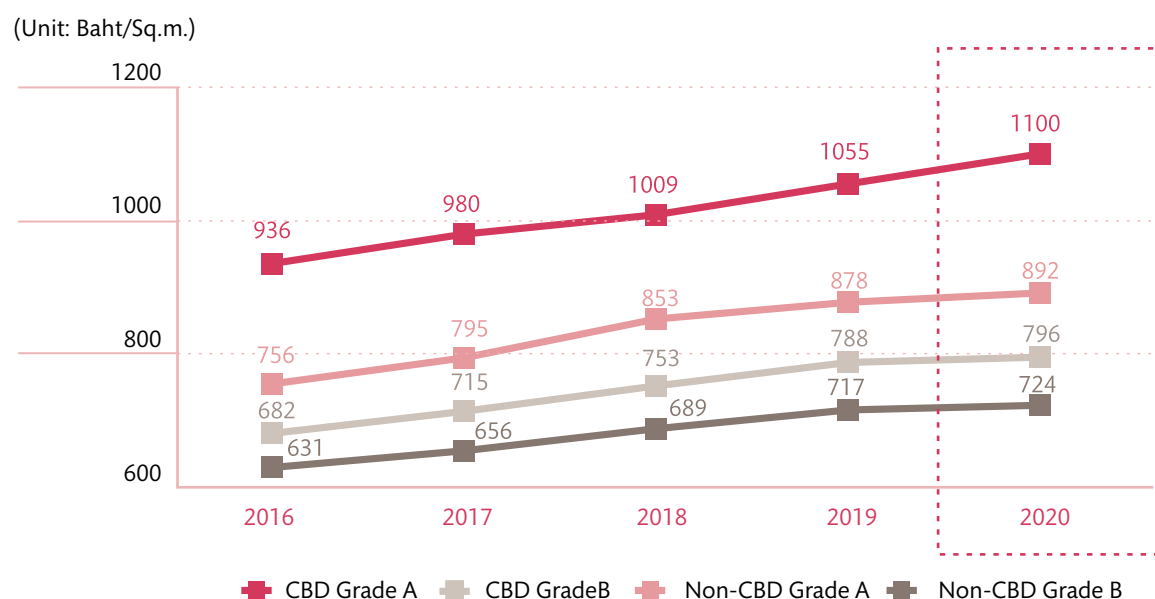
Year	CBD		NON-CBD		Average	
	A Baht / m <sup>2</sup>	B Baht / m <sup>2</sup>	A Baht / m <sup>2</sup>	B Baht / m <sup>2</sup>	A Baht / m <sup>2</sup>	B Baht / m <sup>2</sup>
2017	980	715	795	656	887	686
2018	1,009	753	853	689	931	721
2019	1,055	788	878	717	967	752
2020	1,100	796	892	724	996	760

Remark : For the office rental space which lower than 300 sq.m

Source : CB Richard Ellis Research



### Average Achieved Rents for Bangkok Office Space 2016 – 2020



In 2020, office rental rates showed an upward trend. The average rental rate for the overall Grade A type was Baht 996 per sq.m., or an increase of 3% from 2019. The average rental rate for the Grade A type in the CBD areas was an average price of Baht 1,100 per sq.m. or an increase of 4% from 2019, whereas the average rental rate for the Grade A type in the Non-CBD areas showed an increase of 2% at the average price of Baht 892 per sq.m. The average rental rate for the Grade B for the year increased by 1%

The economic situations in 2020 and the COVID-19 outbreak impacted the office rental market in Bangkok. Most of the companies have reviewed their plan for office rentals, contract renewals, or relocation of their offices. These companies have adapted the ideas of modifying their office spaces for maximum efficiency, both in terms of the size of rental spaces and the wellbeing of their personnel, depending mainly on the nature and concept of their business, the working requirements, and the need for their utilization spaces. At present there is more flexibility and adaptability of workplaces. The demand for office spaces for some business such as e-commerce and logistics has grown by 100%. The companies that engage in platform technologies have also expanded their business rapidly with the growth of their online business activities. The office rental rates may not increase significantly due to intense competition.

Considering the competing office buildings of Shinawatra Tower 3 in a similar location, as well as office buildings in the CBD area, Shinawatra Tower 3 is recognized as one of the most modern in Thailand. The characteristics are consistent with the Grade A office building as defined by the Office Building Research Unit. Recognized by the industry It also offers innovations and technologies. Both in communication telecommunications and energy saving field as well as implementing various strategies for use in keeping current and new customers. The Company therefore believes in the competitiveness of Shinawatra Tower 3 that it can compete with competitors in the office building business.

For Shinawatra Tower 1, 2 and SC Tower have tenants as companies with business potential. Therefore, there is no direct competition with other office buildings.

### **(3) Procurement of Products or Services**

#### **• Office Building**

In the future, if the demand for office buildings continues to grow, the Company may develop new buildings or acquire office buildings which are non-performing assets (NPAs) that are located in promising areas and have existing structures that can be renovated. The Company shall improve and complete these buildings to be ready to meet the market demand of office spaces. However, the decision shall each depend on the commercial feasibility of such buildings.

#### **• Environmental Impact**

Shinawatra Tower 1, 2 and 3, and SC Tower each maintain a wastewater treatment system which is up to the required standard. There is a routine testing of water quality of the treated water to ensure that it is in accordance with the water quality standard, before being released into the public water resource. This process is undertaken to prevent adverse environmental impacts. The wastewater treatment system at Shinawatra Tower 3 is designed to recycle treated wastewater for reuse in the cooling process of the air conditioning system, as well as for the watering of plants. As for the energy conservation for the purpose of environmental protection, Shinawatra Tower 3 is an energy-efficient building of which its glass façades and air conditioning units save energy. This enabled the building to be awarded as the ASEAN best energy-efficient building for 2002.

### **Land Leases and Rental Buildings with Special Technical Features**

#### **(1) Nature of products or services**

These business activities are undertaken by Up Country Land Company Limited. The activities include land leases and renting of buildings with special technical features. The buildings are specially constructed by the Company to support the installations of specialized telecommunication equipment or engineering equipment such as mobile switching center, maintenance center, land for backup generator installation, and antennas for receiving and transmitting mobile phone signals, etc. At present the Company leases this land to a telecommunication company.

Summary of lease contracts for property and service contracts for land and buildings with special technical features which total to 109 plots with a total area of 138 – 2- 83.5 rai.

- |             |  |
|-------------|--|
| Objectives  | : - For use as a mobile switching center and maintenance center.<br>- For use as a branch office for services of mobile phones.<br>- For use as a place for installation of mobile phone network equipment.                                |
| Lease Term  | : The leases have their terms of 1-3 years. Upon termination, the Company can reconsider their renewal under agreed terms and conditions. The Company shall not increase the rental and service fees to be more than 15% of the last fees. |
| Rental Rate | : The rental and service fees are charged on a monthly basis. Lessees must deposit a sum of money equivalent to 3 month rental and service fees as the deposits.   |

#### **(2) Market and Competiton**

This industry provides specialized products such as buildings with special technical features. The buildings are designed and constructed under a specific model as per prescribed provisions and demand of the customers for installations of telecommunication equipment or other engineering equipment. They may be required to be in specific locations, and have their structures which can well support the weight

of this equipment, as well as having appropriate ventilation conditions, proper design of pathways for power cables and other signal cables, etc. Thus, the operation of these buildings require understanding of required building structures, safety features, adaptability for expansion or modification, all of which require knowledgeable personnel namely skilled and experienced structural engineers and architects for the operations. At present, the Company leased 109 plots of land and buildings with special technical features built by the Company, with total area of 138 – 2- 83.5 rai, that are located in every region of the country.

### **(3) Procurement of Product or Service**

- **Acquisition of Land and Selection of Suppliers**

The Company acquires land by direct negotiation with the landowners. It sends its employees to make direct contact or negotiate the land purchase through property agents. The location of the development sites for buildings with special technical features are usually chosen by the customers after the location survey. The contractors who are engaged to construct the buildings are those with previous work experience in this field, and having reliable track records, as well as passing the Company selection process.

## **2.3 Consulting and Management Services**

### **(1) Nature of Product or Service**

Consulting and management services can be divided into four categories as follow ;

1. Consulting and management services – field of management such as office building management
2. Consulting and management services - field of engineering such as design, control, maintainance engineering and maintainace for special technical building
3. Consulting and management services - supporting service such as financial accouting, procurement , human resource , legal and information system
4. After sales service such as property sales service including housing repair service for residents

Types of services regarding to short term or specific tasks such as major building renovation,location survey for construction of special technical building, design control and civil engineering task and long term tasks such as building management service and supporting service

### **(2) Market and Competiton**

At present, the Company only provides services to related companies. Therefore, it is not a competition in this business with other companies.

## **Operating Assets**

The Company has disclosed details of the core fixed assets and important intangible assets that the Company and its subsidiaries use in their business operations together with the asset appraisal value in "Attachment 4".

At present, the Company has the investment policy in subsidiaries and associates related to property businesses principally and which considers the appropriate rate of return according to the type of business.

In 2020, the Company and its subsidiaries have invested which additional disclosure in "Attachment 4".

# SECURITIES AND SHAREHOLDERS INFORMATION

**The Company and its subsidiaries operate fully integrated property development activities which include:**

## **(1) Property Development for Sales**

The company is engaged in several property development projects including single detached houses, townhouses and condominiums. The Company focuses on the application of modern technologies into our construction tasks.

## **(2) Property Development for Rental and Rendering of Services**

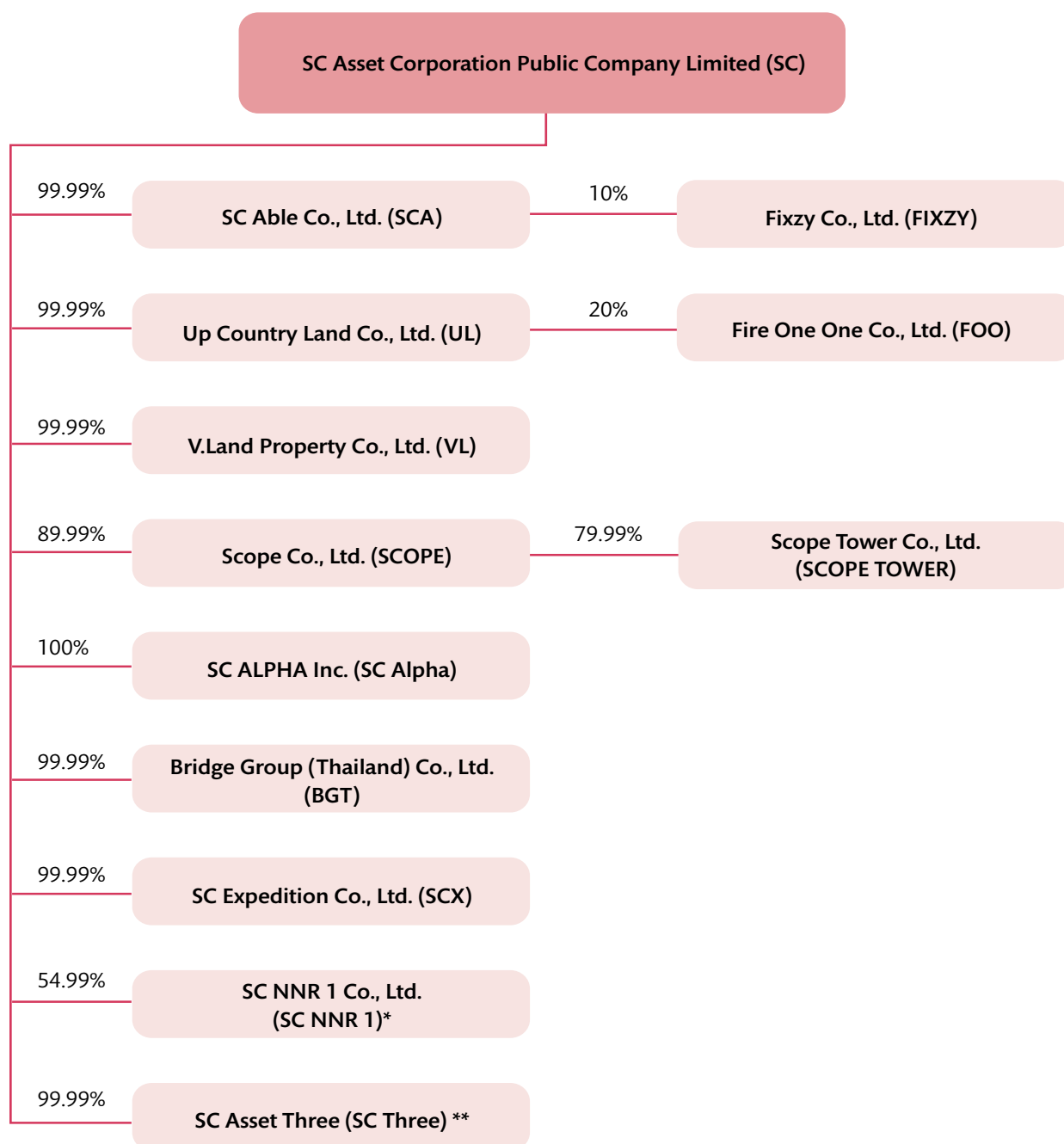
At present, the Company owns four office buildings with a total rental space of 105,240 sq. meters, two medium size office buildings with a total rental space of 14,809.75 sq. meters, and a technical building which is specifically designed and built to accommodate installations of telecommunication systems or engineering equipments for cellular phone services. This building is currently leased to a telecommunication company.

## **(3) Consulting and Management Services**

Services which are offered to the Company's subsidiaries and associate companies include consultancy, management and administration, engineering techniques and support systems. The services cover various work scopes, namely short-term, ad hoc, long-term and after sales service such as resale property and home care services for the Company's projects.



## 1. Structure of the Company and its subsidiaries



\* Joint venture company with NISHI-NIPPON RAILROAD CO., LTD with the shareholding ratio of 54.99: 45

\*\* The Company was established in 2020

## Subsidiaries, Joint Venture and subsidiaries holding by subsidiaries as of December 31, 2020

Company	Location	Establishment	Registered Capital		Nature Of Business	Authorized Person
UL	414 Phaholyothin Rd., Samsennai, Phayathai, Bangkok 10400 Tel: 0-2299-5000 Fax: 0-2299-5888	1 May 1990	Type of Shares Registered Capital (Shares) Par Value Per Share (Baht) Paid up Capital (Baht) % of Investment	Common Share 30,000,000 10 300,000,000 99.99%	Property development for sale and rent and providing property management as well as related services including the operation in technical building which is specifically designed and built to accommodate installations of telecommunication systems or engineering equipment for cellular phone services	Mr. Nuttaphong Kunakornwong Mr. Nathpath Ouajai Mr. Attapol Sariddipuntawat
SCA	1291/1 Phaholyothin Rd., Samsennai, Phayathai, Bangkok 10400 Tel: 0-2299-6000 Fax: 0-2299-6974	14 March 1991	Type of Shares Registered Capital (Shares) Par Value Per Share (Baht) Paid up Capital (Baht) % of Investment	Common Share 10,000,000 10 100,000,000 99.99%	Property development for rent and business related to after-sale services including maintenance work and repair of all types of buildings and residences	Mr. Nuttaphong Kunakornwong Mr. Nathpath Ouajai Mr. Attapol Sariddipuntawat
VL	1010 Vibhavadi Rangsit Rd., Chatuchak, Bangkok 10900 Tel: 0-2791-1871 Fax: 0-2949-2223	21 January 1992	Type of Shares Registered Capital (Shares) Par Value Per Share (Baht) Paid up Capital (Baht) % of Investment	Common Share 50,000,000 10 353,000,000 99.99%	Property development, Property consultancy and management including engineering techniques and support system. To the Company's subsidiaries and associated companies in short-term, ad hoc., and long-term	Mr. Nuttaphong Kunakornwong Mr. Nathpath Ouajai Mr. Attapol Sariddipuntawat
SCOPE	1010 Vibhavadi Rangsit Rd., Chatuchak, Bangkok 10900 Tel: 0-2030-1999 Fax: 0-2030-0692	24 July 2017	Type of Shares Registered Capital (Shares) Par Value Per Share (Baht) Paid up Capital (Baht) % of Investment	Common Share 10,000,000 10 100,000,000 89.99%	Property development, Providing services in relation to marketing management and sales as well as real estate project management, including other business related to real estate development.	Mr. Nuttaphong Kunakornwong Mr. Attapol Sariddipuntawat Mr. Yongyuth Chaipromprasith
SC Alpha	479 Harvard Street, Brookline, MA 02446 Tel: 617-608-3563 Fax: 617-505-5306	5 April 2018	Type of Shares Registered Capital (Shares) Par Value Per Share (USD) Paid up Capital (USD) % of Investment	Common Share 100,000 10 1,000,000 100%	Invest in property development in the United States of America	Mr. Nuttaphong Kunakornwong Mr. Apisit Limlomwongse Mr. Parawut Kobboon
SC NNR 1	1010 Vibhavadi Rangsit Rd., Chatuchak, Bangkok 10900 Tel: 0-2949-2295 Fax: 0-2949-2221	16 May 2018	Type of Shares Registered Capital (Shares) Par Value Per Share (Baht) Paid up Capital (Baht) % of Investment	Common Share 120,000,000 10 1,200,000,000 54.99%	Joint venture company with NISHI-NIPPON RAILROAD CO., LTD with the shareholding ratio of 54.99:45	Mr. Attapol Sariddipuntawat Mr. Mani Banchongthanakit Mr. Yusuka Kondo

Company	Location	Establishment	Registered Capital		Nature Of Business	Authorized Person
SCOPE TOWER	1010 Vibhavadi Rangsit Rd., Chatuchak, Bangkok 10900 Tel: 0-2030-1999	25 May 2018	Type of Shares Registered Capital (Shares) Par Value Per Share (Baht) Paid up Capital (Baht) % of Investment	Common Share 1,000,000 10 10,000,000 79.99%	Property Development	Mr. Nuttaphong Kunakornwong Mr. Attapol Sariddipuntawat Mr. Yongyuth Chaipromprasith
BGT	1010 Vibhavadi Rangsit Rd., Chatuchak, Bangkok 10900 Tel : 063-564-6441	25 February 2019	Type of Shares Registered Capital (Shares) Par Value Per Share (Baht) Paid up Capital (Baht) % of Investment	Common Share 1,000,000 10 10,000,000 99.99%	Agent or broker in buying or selling property.	Mr. Nuttaphong Kunakornwong Mr. Attapol Sariddipuntawat Mr. Nattagit Sirirat
SCX	1010 Vibhavadi Rangsit Rd., Chatuchak, Bangkok 10900 Tel :0-2949-2932 Fax: 0-2030-0692	14 November 2019	Type of Shares Registered Capital (Shares) Par Value Per Share (Baht) Paid up Capital (Baht) % of Investment	Common Share 5,00,000 10 50,000,000 99.99%	Hotel and other businesses related to property development	Mr. Nuttaphong Kunakornwong Mr. Attapol Sariddipuntawat Mr. Manit Banchongthanakit
SC Three	1010 Vibhavadi Rangsit Rd., Chatuchak, Bangkok 10900 Tel: 0-2949-2202 Fax: 0-2949-2220	31 January 2020	Type of Shares Registered Capital (Shares) Par Value Per Share (Baht) Paid up Capital (Baht) % of Investment	Common Share 5,000,000 10 13,250,000 99.99%	Property Development	Mr. Nuttaphong Kunakornwong Mr. Attapol Sariddipuntawat Mr. Manit Banchongthanakit

There are related companies which are SC Office Park Company Limited, P.T. Corporation Company Limited, SC Office Plaza Company Limited, SCK Estate Company Limited, and Rende Development Company Limited\*, which operate other real estate businesses that are not included in the Group of Companies. Even though these related companies have the same group of major shareholders as the Company, their business natures are different from the Company's business in terms of products, services, and clientele, and the investment sizes of these related companies cause no business competition among each other, as well as no conflict of interest with the Company in all respects.

**Remark:** \* Worth Supplies Company Limited was changed the name to Rende Development Company Limited as of December 23,2011

Details of invested companies by subsidiaries as of December 31,2020 as follow;

**FIRE ONE ONE CO., LTD.**

Head office	999 5 <sup>th</sup> Floor, Phloenchit Rd, Lumpini, Pathum Wan, Bangkok 10330 Tel : 0-2656-1722
Nature of Business	Providing Technology Consulting Services and Developing Platform System
Type of Shares	Common
Registered Capital (Shares)	7,500,000
Par Value Per Share (Baht)	5
Paid up Capital (Baht)	37,500,000
% of Investment	20% (held by UP COUNTRY LAND CO., LTD.)

**FIXZY CO., LTD.**

Head office	599, 3 <sup>rd</sup> Floor Ramkhamhaeng Rd, Huamark, Bang Kapi, Bangkok 10240 Tel : 0-2165-0384
Nature of Business	Providing Online Handyman and Home Maintenance Services
Type of Shares	Common
Registered Capital (Shares)	154,450
Par Value Per Share (Baht)	10
Paid up Capital (Baht)	1,544,450
% of Investment	10% (held by SC ABLE CO., LTD.)



## 2. Shareholders

List of 10 major shareholders per closing of the shareholder registration book as at 31 December 2020

No.	Name	Number of Shares Held	Percentage of Shares Held
1.	Shinawatra's Family	2,524,175,252	60.39
	1.1 Ms.Paetongtarn Shinawatra	1,216,149,870	
	1.2 Ms.Pintongta Shinawatra Kunakornwong	1,176,915,495	
	1.3 Khunying Potjaman Damapong	117,109,887	
	1.4 Mr.Panthongtae Shinawatra	14,000,000	
2.	Mr.Bhanapot Damapong	201,234,375	4.81
3.	Bualuang Long-Term Equity Funds	116,104,512	2.78
4.	Thai NVDR Company Limited	80,282,562	1.92
5.	Mr.Sophon Mitrapunpanich	56,395,016	1.35
6.	Bualuang Long-Term Equity Fund 75/25	39,524,675	0.95
7.	Mrs.Somsong Lapananrat	39,085,800	0.94
8.	Bualuang Siriphol Corporate Governance	38,173,325	0.91
9.	Bualuang Infrastructure Retirement Mutual Fund	37,516,200	0.90
10.	Mr.Wittawat Pornkul	31,000,000	0.74
	<b>Total</b>	<b>3,163,491,717</b>	<b>75.69</b>

### Shareholder Structure

It is not the Company's policy to have cross-holding of shares by two or more companies or involve itself in any practice of pyramid holding.

## 3. Registered and Paid-up capital

As of 31 December 2020, the Company has registered capital of Baht 4,379,332,012 with paid-up capital of 4,179,624,512 divided into 4,179,624,512 ordinary shares at a par value of Baht 1 per share.

## 4. Other Securities

### 4.1 Bills of Exchange

As of 31 December 2020, the Company had liabilities from the issuance and sales of bills of exchange of Baht 3,200 million in total, which were offered on private placement to institutional investors and/or private placement to high net worth investors and/or private placement to not more than 10 investors. The bills of exchange amount had decreased by Baht 580 million from the year ended 2019. In 2020, the Company redeemed its Baht 6,545 million bills of exchange and issued Baht 5,965 million bills of exchange via private placement for sales to institutional investors and/or private placement to high net worth investors and/or private placement to not more than 10 investors with a fixed maturity of 90 days to 270 days and carried interest at the prevailing money market rate.

### 4.2 Debentures

The Company issued a series of name-registered, unsubordinated, and unsecured debentures. As of 31 December 2020, the Company had liabilities from the issuance and sales of debentures of Baht 7,745 million in total, details of which were as follows:

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited					
Name of Debentures	No. 1/2017 (Series 2) due 2022	No. 1/2018 due 2021	No. 2/2018 due 2021	No. 3/2018 (Series 2) due 2021	No. 1/2019 due 2021
Type of Offering	Private Placement to institutional investors and high net worth investors	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors	Private Placement to institutional investors
Type of Debentures	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative
Initial Par	Baht 1,000	Baht 1,000	Baht 1,000	Baht 1,000	Baht 1,000
Unit	1,900,000 Units	500,000 Units	600,000 Units	200,000 Units	800,000 Units
Issue Size	Baht 1,900,000,000	Baht 500,000,000	Baht 600,000,000	Baht 200,000,000	Baht 800,000,000
Issue Term	5 years	3 years	3 years 4 days	3 years	2 Years
Issue Date	24 February 2017	2 February 2018	16 May 2018	22 August 2018	30 January 2019
Maturity Date	24 February 2022	2 February 2021	20 May 2021	22 August 2021	30 January 2021
Coupon Rate	4.00% p.a.	3.10% p.a.	3.10% p.a.	3.30% p.a.	3.25% p.a.
Coupon Payment Frequency	Quarterly	Semi-annually	Semi-annually	Semi-annually	Quarterly
Company Rating	BBB+	BBB+	BBB+	BBB+	BBB+
Issue Rating	-	-	-	-	-

Name of Debentures	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited			
	No. 2/2019 due 2021	No. 3/2019 due 2022	No. 4/2019 due 2022	No. 5/2019 due 2023
Type of Offering	Private Placement to institutional investors	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors
Type of Debentures	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative
Initial Par	Baht 1,000	Baht 1,000	Baht 1,000	Baht 1,000
Unit	400,000 Units	145,000 Units	550,000 Units	500,000 Units
Issue Size	Baht 400,000,000	Baht 145,000,000	Baht 550,000,000	Baht 500,000,000
Issue Term	2 Years 1 month 11 days	2 Years 11 months 3 days	3 Years	4 Years
Issue Date	11 February 2019	28 February 2019	29 March 2019	13 June 2019
Maturity Date	22 March 2021	31 January 2022	29 March 2022	13 June 2023
Coupon Rate	3.28% p.a.	3.50% p.a.	3.65% p.a.	3.90% p.a.
Coupon Payment Frequency	Semi-annually	Quarterly	Semi-annually	Semi-annually
Company Rating	BBB+	BBB+	BBB+	BBB+
Issue Rating	-	-	-	-

Name of Debentures	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited			
	No. 1/2020 due 2023	No. 2/2020 due 2023	No. 3/2020 due 2023	No.4/2020 due 2023
Type of Offering	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors	Private Placement to institutional investors and high net worth investors
Type of Debentures	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures with a debenture holders' representative
Initial Par	Baht 1,000	Baht 1,000	Baht 1,000	Baht 1,000
Unit	500,000 Units	200,000 Units	250,000 Units	1,200,000 Units
Issue Size	Baht 500,000,000	Baht 200,000,000	Baht 250,000,000	Baht 1,200,000,000
Issue Term	3 years 3 months	3 year 3 months	2 years 11 months 11 days	2 years 9 months
Issue Date	17 January 2020	17 January 2020	6 March 2020	29 October 2020
Maturity Date	17 April 2023	17 April 2023	17 February 2023	29 July 2023
Coupon Rate	3.40% p.a.	3.40% p.a.	3.20% p.a.	3.75% p.a.
Coupon Payment Frequency	Quarterly	Quarterly	Quarterly	Quarterly
Company Rating	BBB+	BBB+	BBB+	BBB+
Issue Rating	-	-	-	-

## DIVIDEND PAYMENT POLICY

The Company has a policy to pay dividends to its shareholders at the dividend payout rate of no less than 40% of its net profit after corporate income taxes and to allocate a certain amount of the net profit thereof for legal reserve purpose. However, the dividend payment may be changed due to the Company's operational results, business expansion plan, liquidity, necessity, and other appropriateness that may arise in the future. The Company's Board of Directors shall be authorized to consider such matters and shall then submit their decisions for further approval from the shareholder meeting, except for the interim dividend payment which the Board of Directors shall be authorized to approve as per the Company's Regulations. Upon the payment of any such dividend, the Board of Directors shall report the matter to the Company's shareholders in the next shareholders meeting.

For the dividend payment in 2020, the Company received the resolution from the Board Meeting No. 3/2020 held on 15 April 2020 to pay the dividend of Baht 0.19 per share from the 2019 net profit, which accounted to a payout ratio of 41.79% of the net profit after tax for the year.

The dividend payment policies of the Company's subsidiaries are under the same rules as the Company's.

### Dividend Payment Information

Year	2020	2019 (Restated)	2018
Basic Earnings per Share (Baht)	0.4541	0.4845	0.4303
Dividend per Share (Baht)	0.18 <sup>(1)</sup>	0.19	0.16
Book Value per Share (Baht)	4.46	4.20	3.88
Par (Baht)	1	1	1

**Remarks:** <sup>(1)</sup> Dividend per Share (Baht) was made at the rate approved by the Company's Board of Directors in its board meeting on 17 February 2021 and shall be submitted for the shareholders' approval during the Annual General Shareholders Meeting for 2021.

# RISK MANAGEMENT

## 1. Policy and Risk management

The Company's Board of Directors emphasizes the importance of risk management and assigned the Risk Management Committee to oversee the Company's risk management and apply risk management as tools for managing the Company's corporate business. The Risk Management Committee is a Sub-committee to the Board of Directors, comprised of 4 committee members, 2 of whom are Independent Directors and Non-executive Officers and 2 members are the Company's top executives. The Chairman of the Risk Management Committee is an Independent Director. The Company intends to apply risk management as a means to mitigate probable loss and enable the Company to achieve its sustainable growth, and create long-term added value for its shareholders. The Committee is also responsible for consideration and determining the Company's risk management policy as well as assessing and managing the Company's risks to be at an acceptable level. The committee also monitors and assesses the risk management performance of the Company and encourages all management levels to participate in risk management. (Please refer to further details in topic "Internal Control – COSO Structure" and the topic of "Responsibility of the Board of Directors")

### Risk Management Policy

1. To form a Risk Management Committee of which its members are appointed by the Company's Board of Directors, and also have the Company's high-level executives participating as members of the Risk Management Committee.
2. To have a risk management process that is qualified under internal standards, managing the risks faced across the entire organization. Risk management shall be the responsibility of all levels of employees under a common framework and direction. A risk management system shall be used as a part of the Company's decision process in planning its business strategies, corporate budgets, work plans, and operations, as well as measuring its corporate performance and achievement.
3. To set protective guidelines and risk mitigation measures for the Company's activities and business, to reduce potential damage or loss, and to regularly monitor and assess risk management performance.
4. To have risk reporting systems that operate efficiently and are capable of providing suitable risk management reports to the Company's management, the Risk Management Committee, the Audit Committee, and the Board of Directors.
5. To have a Risk Management Committee that supervises the Company's risk management system and ensures that it is in line with the Company's policy. The Risk Management Committee shall review, offer opinions, make suggestions, and monitor the risk management process to safeguard its efficiency and effectiveness.
6. To review and assess the risk management policy and its risk management scope at least once a year. In 2020, there were 4 reviews thereof to assure that the existing risk management policy and its risk management scope were suitable and appropriate with the Company's current business operations.

### Training Program for Employee

To ensure that the Company's Risk Management and Anti-corruption policies are abided by employees at every level, the Company provided Risk Management and Anti-corruption training programs and distributed relevant documents in order to effectively communicate Risk Management and Anti-corruption policies to employees. Executives who have knowledge base in both topics were invited to be a speaker at a seminar.



## **Guidelines on the Management of Key Risks**

Consider relevant risks by making an analysis and evaluation of impacts from external factors such as business environment analysis and analysis of industrial competition associated with relevant factors in the real estate business, while also considering other internal factors such as business strategies and objectives, business operation process, and other supporting units within the organization, with an aim to manage risks in the overall organization. Additionally, the Company's Board of Directors and the executives also recognize the important of organizational risk management which is a key element for the corporate management and good corporate governance, and is part of the process that enables the Company to achieve its prescribed business, social and environmental objectives. The Company has undertaken the following actions in 2020:

1. **Objective Setting:** The Company clearly set its business objectives to ensure that these objectives suit its strategic targets and its own acceptable risk level. The Company manages its risks to be within the defined framework of its risk appetite and risk tolerance.
2. **Event Identification:** The Risk Management Committee considers potential risk events, related both to internal and external factors, which could occur and impact in each business unit such as management policy, personnel, operation, finance, information system, regulations, laws etc., to assess relevant situations and assure that executives in such units can set suitable guidelines and policies to properly manage and mitigate those potential risks.
3. **Risk Assessment:** The Risk Management Committee categorizes and prioritizes risks into three levels; high, medium, and low, based on their likelihood and impact and considers all relevant aspects which include both internal and external factors.
4. **Risk Response:** Once the Risk Management Committee identifies relevant risk events and assesses such risks, it shall find appropriate response measures to manage and mitigate any potential loss or impact, and keep such risks to be at an acceptable level.
5. **Monitoring:** The Risk Management Committee regularly arranges to have relevant follow-up on risk management to assure that appropriate actions are taken and risks are efficiently managed.

Additionally, the Risk Management Committee also prescribed the use of the Key Risk Indicators (KRIs) that provide an early signal of increasing risk exposure for each particular risk, the regular monitoring of risk events, and the preparedness for tackling any potential risks.

## **Management of Corruption Risk**

The Company continuously manages its risks which also include the risk of corruption. The risk management process involves risk analysis and assessment, which is undertaken together with the assessment of other operational factors. It also controls risks which are correlated to its business, obligations, and work processes, and promotes awareness of risks and their impact on long-term business operations aimed at ensuring that the identified risks are properly and promptly considered and managed. The Company prescribes the following guidelines for managing its corruption risks:

1. **Prescribed control environment.** The Company recognizes the importance of good governance process which is exercised via roles and responsibilities of the Company's directors, executives, and employees in their attempts to protect and fight against corruptions. It also prescribes the Company's Corporate Governance Code and its Code of Conduct to guide its directors, executives and employees in performing their duties with honesty. Additionally, it also arranges to have proper communication channels to report complaints regarding workplace fraud and corruption.

2. Prescribe that its trade partners wishing to conduct business with the Company must acknowledge its policies and measures against corruption and to cooperate with such policies and measures. It also encourages executives and employees of its trade partners to comply with anticorruption measures, as well as provides a communication channel for reporting of any corruption related to the Company.

3. Assess fraud and corruption risks which include the prescription of risk measures on the risk impact, probability of occurrence, and acceptable risk tolerance level. The Company also determines main causes of such risks, as well as the sufficiency of its existing internal control system, together with the possible outcome of such control on this risk aspect. It reviews implementation measures for risk management to assure their adequacy and suitability in controlling the risk to be within the assigned tolerance framework. The Company prescribes its Internal Control Office and the Risk Management Committee to assess and evaluate these risks. The Company's executives and the relevant sub-committee are assigned to jointly prescribe additional control measures for management of such identified risks.

The Company assesses its corruption risk on an annual basis to ensure that its risk assessment covers any additional risks that may incur or any changes in the relevant risk factors.

4. Monitor to assure that the company promptly manages its relevant risks. The company monitors and oversees its internal control system and assesses the sufficiency of the system to assure that it can properly protect and manage relevant risks related to corruption.

## **2. Risk factors to business operations**

### **2.1 Risk from Global Economic Conditions**

In 2020, the global economy experienced numerous negative factors such as the COVID-19 pandemic, trade and technology conflicts between the United States and China, and geopolitical risk of economic and social inequality. The COVID-19 pandemic in particular, has severely impacted the world healthcare systems and the global economy, especially in Europe and North America. The lockdown measures in each country adversely affected its industrial sector, production, retail business, and severely depressed the aviation industry and tourism in particular. All these lead to wage reductions and layoffs which caused a rise in the global unemployment rate worldwide, as well as closures of business enterprises and bankruptcies of some companies. There has been a slowdown in investment activities, as well as an implementation of more stringent financing and credit criteria among financial institutions. Given such unfavourable economic conditions, each government is compelled to adopt a series of measures to provide support for their citizens and their business sectors via various fiscal and monetary policies to alleviate the economic impact of the COVID-19 outbreak. The recovery of the world economy is anticipated to be clearer after the widespread COVID-19 vaccinations and the bringing of the pandemic under control.

In 2020, similar to a global economic downturn, the Thai economy experienced a general slowdown in its economic activities with a negative GDP growth of -6.1%. The sectors such as tourism, the aviation industry, and export, in particular, have been heavily affected by the decline in foreign tourists caused by stringent lockdown measures in many countries, as well as the drop in general demand for goods and services. This resulted in the implementation of various stimulus packages aimed to induce local spending. The measures included the reduction in policy rate by the Bank of Thailand, the Bank of Thailand's requirement for financial institutions to launch relief measures for their debtors by a temporary suspension of loan repayment or an extension of the loan repayment period.

As the growth in the real estate market significantly correlates with the economic growth, the slowdown in economy directly impacts consumer confidence and investment decisions of both local and foreign

consumers, especially for the condominium segment which experienced the disappearance in demand of foreign buyers and investment buyers. This has prompted most of the developers to use price discount to clear their stock on hand and to preserve their liquidity and cash flow. In the landed residential market, where the existing demand is largely the real demand for dwelling and a new habitation pattern is shaped by the “New Normal” concept, there is a continued growth, particularly for single detached house in the middle to upscale price range in which there are homebuyers available for immediate purchases. Nevertheless, developers who can keep their business continuing must have experience, flexibility to adapt to changes, financial stability, and sufficient liquidity.

In 2020, the Company closely monitored the situation and applied resilient strategic planning to quickly adjust its business operations to better cope with the COVID-19 situation. It focused on online sales and marketing, modified its investment and construction plans, and paid particular attention to sufficient liquidity. As 60-70% of the Company’s main income comes from landed projects in the middle to upscale price range, whereas most of its main clientele are middle and upper income homebuyers with real demand for dwelling, the Company was still able to command growth in revenues and sales, reflecting its operational ability and proper risk management skills that lead to its sustainable growth. The Company always recognizes the importance of financial discipline which is an area under the supervision of the Risk Committee whose duties are to monitor current situation, assess prevailing risks that impact business operations, prescribe control measures for each risk, and set forth an effective and suitable policy and plan for risk management, especially during a rapidly changing business environment.

## **2.2 Risk from Financial Institutions’ Stringent Credit Risk Policy and Seeking for Sources of Funding**

The COVID-19 pandemic has profoundly affected the overall Thai economy. Many businesses have experienced negative impacts on their revenues and liquidity, and are forced to cut staff pay and to lay off their employees. This adversely affects the consumer purchasing power, increases the level of household debt, and upsurges the ratio of non-performing loans (NPL) to total loans. The Bank of Thailand’s supervision measures on residential credit has also resulted in the financial institutions’ stringent credit risk policy towards developers and consumers. Additionally, during the first half of 2020, there was high market volatility in the bond market which is the main funding source for real estate developers. Investors lost confidence in their investment in local debt instruments and prefer to hold cash for safety reasons. The Company develops residential projects which include single detached houses, townhouses, and condominiums in the residential market of mid to high, it focuses on main customers who have real demand for dwelling, are middle-income earners and higher, and are capable to repay their mortgage loans. Even though the bank rejection rate of the Company’s customers in 2020 increased to 12 %, the rate was much lower than the industry average. The Company provides financing from various financial institutions for its customers, and assists them to obtain loans with good conditions and quick responses on their credit applications, thus if a loan is not approved, the Company can immediately bring that property back on sale. Every year, the Company has customers who pay for the home sales in cash which account for 30% of the total home sales. As for the financing sources of the Company, during the period of in the bond market declined, the Company turned to use more of loan facilities from financial institutions, and it has always been well supported by these financial institutions. At present, the Company can raise its funding from loans from financial institutions, and issuance of its debentures and promissory notes in the bond market for both its short and long-term funding. The Company recognizes the importance of financial risk management, both in terms of the maintenance of an adequate level of liquidity and a suitable level of indebtedness.

### 2.3 Risk from Land Acquisition for Development Projects

Acquisition of land is an important process in the real estate development business, as property location is a key factor affecting homebuyer decisions making and land cost is also the major part of property development costs. In the past, the government has invested in the public utilities and infrastructure system both in Bangkok and its vicinity, resulting in the fast speed urbanization expansion and the increase in property demand for owner-occupied housing and investment, as well as the consequential land price escalation. There is competition in land acquisition especially in the Central Business District (CBD) and areas along the routes of the BTS Sky Train of which the supply responses are limited, but there are increasing needs from major property developers as well as foreign and domestic investors who have pushed the land prices even higher than the projected plan and causing a higher investment risk. There are also other factors and limitations that impact land prices such as zoning and land use regulations and laws, the notification of the Treasury Department on appraisal prices of land and building which of which the new appraisal lists shall come into effect on 1 January 2022, and the new Land and Building Tax Act which became effective from 1 January, 2020 onward. Under the new tax law, in the case of raw land, the owners have a higher tax burden as tax rates on raw land are much higher than those set for land used for various other purposes. The Company pays attention to its process of land acquisition for project development from its advance preparation of land acquisition plans which are set up in accordance with its development plans for the next few years. The Company has various channels of land acquisitions such as the use of real estate agents, through online contact with land owners via its Company's website ([www.scasset.com](http://www.scasset.com)), and through its Call Centre 1749. Prior to making its decision to buy any parcel of land, the Company has an experienced team of personnel who make market survey, investigate the actual land plots, assess geographical, legal, and business risks of each land plot, as well as undertake a feasibility study for each potential development plan in advance of the land acquisition. The Company focuses on land in prime locations, with convenient transportation, located in the community, with accessibility to all the conveniences, and situated along the BTS Sky Train and MRT Subway Lines. Additionally, the Company undertakes financial risk management related to land allocation by setting its capital budget for land costs to coincide with its revenue projection, and ensure that it does not have a high level of indebtedness and financial costs, and maintains its financial support from various financial institutions.

### 2.4 Risks from Major Shareholders

The Company's major shareholders are the Shinawatra Family who, as at December 31, 2020, owned 60.39% of the Company's shares. The family therefore is considered as the major shareholder with controlling power that can influence the voting rights in the Company's shareholders' meetings, and also influence matters such as appointments of directors, or resolutions of any meeting agenda in the Company shareholders' meetings which requires majority votes, except for matters which are prescribed by laws or by the Company's Articles of Association to get three fourths of the total votes of the Company shareholders' meetings. In this respect, other shareholders cannot gather enough votes to question or counter influence matters proposed by the major shareholders.

Nevertheless, the Board of Directors and the Executive Committee are entitled with legitimate authority to manage the Company. Additionally, the Audit Committee is assigned with duties to monitor and oversee possible issues which could be a conflict of interest. In addition, there is the Securities and Exchange Commission of Thailand (SEC) which oversees that the public companies, which are listed on the Stock Exchange of Thailand, operate properly, transparently and duly comply with its prescribed laws and regulations to ensure investor protection.

## 2.5 Social and Environmental Risks

### 1. Social Risk

According to the demographic structure in Thailand in 2021, there is a forecast that the share of older persons in the total population will increase to 20% and shall reach 28% in 2031. This demographic factor shall affect consumer behaviour, therefore the Product Development and Customer Service Department uses this demographic information as well as other data on factors which impact changes in consumer behaviour for improvement of the Company's products and services to mitigate relevant perceived risk relating to products that do not respond to changes in consumer behaviour in Thailand.

### 2. Environmental Risk

The climate and environment change can adversely affect the overall economic system such as causing a slowdown in economic activity and direct damage to properties. Therefore, in order to reduce such impacts, the Company has prescribed its control standards, along with the monitoring of wastewater quality in its residential developments to prevent any health effects and reduce pollution impacts to the residents therein, as well as the nearby communities and the surrounding environment thereof as per the requirements of the notifications of the Ministry of Natural Resources and Environment. The Company also encourages the procurement of goods and services that are environmentally friendly to reduce the negative environmental impacts from production systems that may cause both direct and indirect harm to human and environment.

## 2.6 Emerging Risks

### 1. Risk from New Rules, Regulations, and Laws Related to Real Estate Business

Rules, regulations and laws related to the real estate business may affect the operation costs and expenses of property development such as a change in the relevant provisions on land allotments as per the Condominium Act and the Building Control Act in 2020, the expropriation of land for road expansion or construction of public infrastructures, the new city planning notifications to be issued by the Bangkok Metropolitan Administration which shall be effective by the end of 2021 and replace the former city plan, the new tax rates on land and building which was effective as of 1 January 2020 whereby under the new tax rates, in the case of raw land, the owners have a higher tax burden as tax rates on raw land are much higher than those set for land used for various other purposes. All of these directly affect the real estate business, and prompt all real estate companies to assess their risks as well as prepare their companies for the business impact thereof in order to be able to properly comply with the relevant changes in the applicable laws and regulations. The Company set its guidelines for risk mitigation related to the changes in the applicable laws and regulations by prescribing that the Company's business operations must be conducted at a level no less than the standards specified by laws. Prior to the initiation of any development project, the Company checks all relevant rules, legal constraints, and regulations. For each of its condominium developments, the Company prepares an Environmental Impact Assessment (EIA) required under the Promotion and Conservation of National Environmental Quality Act, B.E. 2535, and receives prior approval from the Office of Natural Resources and Environmental Policy and Planning before launches of projects and commencing construction.

### 2. Risk Related to Personal Data Protection Laws

The Company is concerned with changes in the business environment that happen continually, particularly the risk to its customers and stakeholders relating to the Personal Data Protection Regulation Act (PDPA) and the General Data Protection Regulation (GDPR) of the European Union which will come into effect in June 2021. The Company prescribes protective measures on safety of customer data and data of related business units via the Customer Care System (CCS) and properly storing its customer data in the Company's data base.



# BUSINESS DEVELOPMENT FOR SUSTAINABILITY

## 1. SUSTAINABLE DEVELOPMENT POLICY

### 1.1 Business Operation under Short-Term and Long-Term Strategies

SC ASSET lays down strategies for both short-term and long-term business growths with flexible adaptation, taking into account all internal and external risk factors.

### 1.2 Business Operation with Transparency

SC ASSET formulates a policy of business operation with transparency and accountability, with ethical principles, anti-fraud as well as anti-corruption at every step of its operation.



### 1.3 Business Operation with all Stakeholders in Mind


SC ASSET sets a policy of operating business with the least negative or zero impact on stakeholders, whether far or near, direct or indirect. It is also committed to creating common value through sincerity.

### 1.4 Business Operation with Responsibilities towards the Environment

SC ASSET formulates a policy to manage natural resources with maximum efficiency, as well as to foster awareness in the implementation, resulting in minimum or zero impact on the environment or the community.

The Company manages the issues of sustainable development with evaluation and prioritization processes according to the important issues on both internal and external stakeholders in the line with risk factors and value chain. The 7 Sustainable Development Goals are also taken into account towards three dimensions related to the economic, society and environment.

Sustainable Development Goals	Stakeholders	Business and the sustainable development goals		
		Economic	Social	Environment
 GOOD HEALTH AND WELL-BEING	Employee Customer Partner Community		<ul style="list-style-type: none"> <li>- Sustainable Product and Service</li> <li>- Human Capital Development</li> <li>- Community Management</li> <li>- Social Involvement</li> </ul>	
 QUALITY EDUCATION	Employee Customer Partner	<ul style="list-style-type: none"> <li>- Product and Service Improvement</li> </ul>	<ul style="list-style-type: none"> <li>- Product and Service Improvement</li> <li>- Community Management</li> <li>- Human Capital Development</li> </ul>	

Sustainable Development Goals	Stakeholders	Business and the sustainable development goals		
		Economic	Social	Environment
 <p><b>8 GOOD JOBS AND ECONOMIC GROWTH</b></p> <p>DECENT WORK AND ECONOMIC GROWTH</p>	Employee Customer Partner Shareholder	<ul style="list-style-type: none"> <li>- Economic Growth</li> <li>- Product and Service Improvement</li> </ul>	<ul style="list-style-type: none"> <li>- Human Capital Development</li> </ul>	
 <p><b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b></p> <p>INNOVATION AND INFRASTRUCTURE</p>	Employee Customer Partner		<ul style="list-style-type: none"> <li>- Sustainable Product and Service</li> <li>- Product and Service Improvement</li> <li>- Human Capital Development</li> </ul>	
 <p><b>11 SUSTAINABLE CITIES AND COMMUNITIES</b></p> <p>SUSTAINABLE CITIES AND COMMUNITIES</p>	Employee Customer Partner Community		<ul style="list-style-type: none"> <li>- Product and Service Improvement</li> <li>- Social Involvement</li> </ul>	<ul style="list-style-type: none"> <li>- Minimizing environmental impacts</li> <li>- Greenhouse Gas Management</li> </ul>
 <p><b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b></p> <p>RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	Employee Customer Partner Community		<ul style="list-style-type: none"> <li>- Product and Service Improvement</li> </ul>	<ul style="list-style-type: none"> <li>- Minimizing environmental impacts</li> <li>- Greenhouse Gas Management</li> </ul>
 <p><b>17 PARTNERSHIPS FOR THE GOALS</b></p> <p>PARTNERSHIPS FOR THE GOALS</p>	Partner Shareholder	<ul style="list-style-type: none"> <li>- Business Growth</li> <li>- Product and Service Improvement</li> </ul>	<ul style="list-style-type: none"> <li>- Social Involvement</li> </ul>	<ul style="list-style-type: none"> <li>- Minimizing environmental impacts</li> </ul>

Additional information can be viewed in Sustainability Report 2020 or [www.scasset.com](http://www.scasset.com).

## 2. Management of Impacts on Stakeholders along the Value Chain

### 2.1 Value Chain Management

The Company applies the principle of sustainable development, its risk management, the Objectives and Key Results (OKRs), its business strategic management (2020-2022), and the COVID-19 crisis management plan to set its guidelines for value chain management, aims to achieve the objective of reducing risk impacts along the entire process from upstream to downstream, under its role as “Living Solutions Provider” through “Resilient” strategy for Sustainability that enable it to adapt its operations and create its business opportunities for long-term growth. Two key strategic drivers are “Resilient Portfolio” and “Resilient People”, together with collaborations from all stakeholders, and compliance of good corporate governance principles shall result in the sustainable development in business, social and environmental aspects.

#### 1. Supply of raw materials

Set appropriate and flexible financial strategies and investment plans, develop new technologies and applications to support changing consumer lifestyles and behavior, appoint the Company’s Business Continuity Planning (BCP) team to take care of crisis management, and build corporate culture on the “SC SKYDIVE” concept to train qualified employees to support its goal of becoming a “Living Solution Provider”.

#### 2. Production

Asking for opinions of the people in the communities, as well as minimization of the impact on the environment and communities which include dust, sound, and vibration. The Company in collaboration with Ecosystems has improved the construction quality of houses and condominiums while taking into account human rights principles, measures to protect safety and health, and fairness to labor.

#### 3. Marketing and Sales

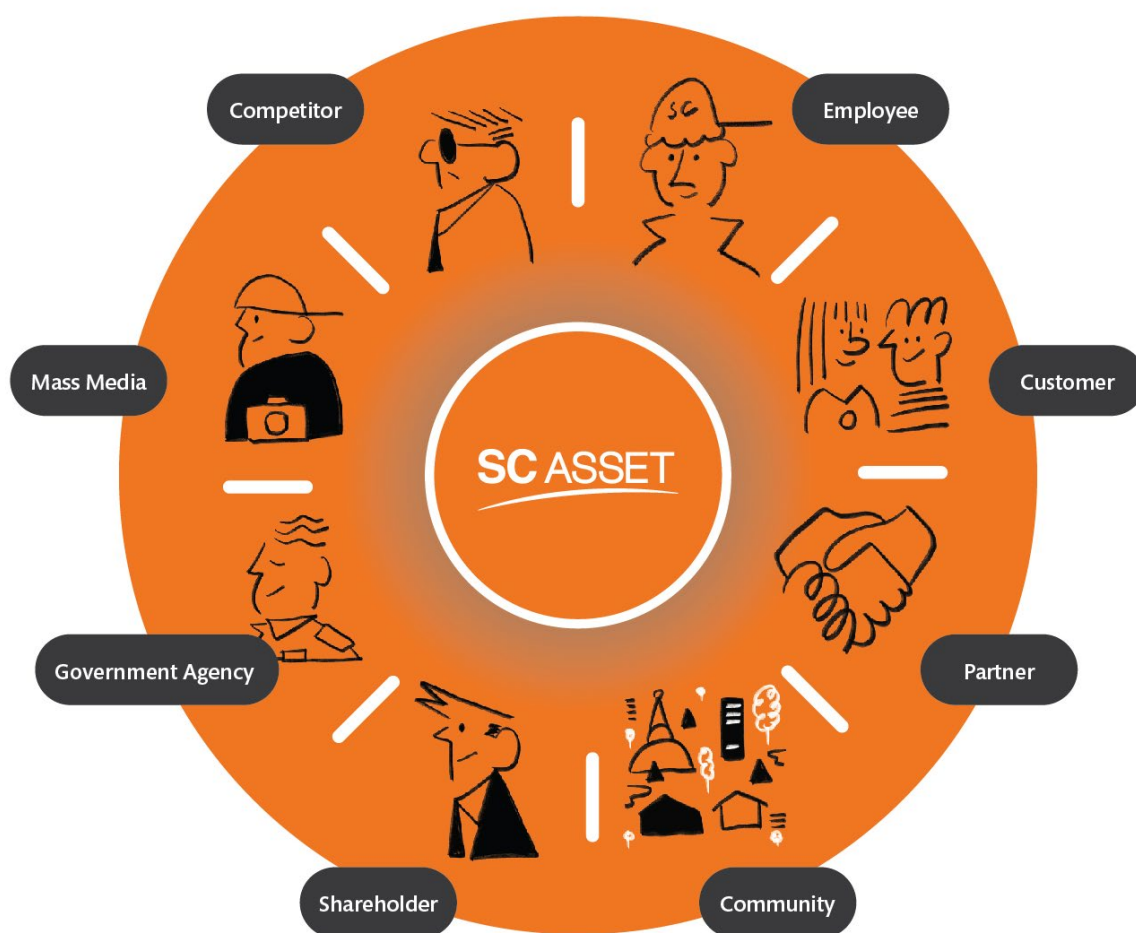
Adapt the sales pattern to focus on dissemination of information via its 24hour online channel known as “SC Booking on Demand” or by making an appointment in advance for a visit to its project sites on every day. The Company also makes its customer feel comfortable and safe with its safety standards at its sales offices, and its development projects; namely houses, townhomes and condominiums, as well as its attention in protecting customer data

#### 4. After Sales Services

There are customer satisfactory assessments. The Company also welcomes customer feedback and suggestions on its operational process that includes repair work, administration of the condominium juristic person, services of Ruejai Application, etc. by communication via online and offline channels such as 24 hour call center 1749. In addition, the Company emphasizes on building good relationships with customers and promoting friendship development in all its SC Asset developments.

## 2.2 Stakeholders Engagement

SC ASSET divides the groups of stakeholders according to the relevant issues in both positively and negatively, from the Company's business operation. SC ASSET undertakes an analytical procedure and assessment of stakeholders' importance level annually through the information analysis of those who work closely with them. The obtained information is used to formulate the relationship development plan to meet to the requirements and expectations of stakeholders so that the Company and its stakeholders can enjoy being together sustainably.



SC ASSET MATERIALITY								
Issues	Relationship level between issues and stakeholders							
	Employee	Partner	Government Agency	Community	Shareholder	Customer	Competitor	Mass Media
<b>Corporate Governance</b>								
Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓
Anti-Corruption ,Disclosure, Transparency, and Accountability	✓	✓	✓	✓	✓	✓	✓	✓
<b>Economic Performance</b>								
Economic Growth	✓	✓	✓	✓	✓	✓	✓	✓
<b>Social Performance</b>								
Sustainable Product and Service	✓	✓				✓		
Product and Service Improvement	✓	✓		✓		✓		
Community Management	✓	✓		✓		✓		
Human Capital Development	✓	✓		✓		✓		
Social Involvement	✓	✓	✓	✓		✓		
<b>Environmental Performance</b>								
Minimizing environmental impacts		✓	✓	✓		✓		

### 2.3 Management of Impact to Stakeholders

The COVID-19 pandemic has not only affected the business, but has also affected the Company's stakeholders namely employees and their families, customers, business partners, shareholders, communities, and the general public. The Company set its following guidelines for the impact mitigation, using this opportunity to provide benefits to its stakeholders and create long-term trust and a good relationship with them, while properly fulfilling its role of "Good Citizenship":

Stakeholders	Impact Mitigation
1. Employee	<ul style="list-style-type: none"> <li>- Employee Welfare: Offered health insurance plans that provides coverage for the coronavirus infection.</li> <li>- Welfare Benefits Supported by the Government: Reduced the employee contribution to the provident fund from 5% to 1% for the period of 3 months ( from March to May 2020).</li> <li>- "Welcome Back Kit": Distributed personal protective gear such as face masks and alcohol for employees returning to work.</li> </ul>



Stakeholders	Impact Mitigation
2. Customer	<p><b><u>Property for sales (Single Detach House, Townhouses and Condominium)</u></b></p> <ul style="list-style-type: none"> <li>- “Worry Free” Campaign: For the “Luxury Condominium Collection” and “SC condominiums”, provided “Personal Online Property Consultant” to advise buyers on the selection of condominiums that suit their lifestyles.</li> <li>- “SC Super Free”: Provided free of charge occupancy up to 24 months or free common fee for 5 years when booking for properties and transferring ownerships within 30 June 2020.</li> <li>- Collaboration with Financial Institutions: Provided financing information to homebuyers at low interest rate loans, and relaxed the credit review criteria to enable homebuyers to make home purchases and ownership transfers.</li> <li>- Foreign Customers: Expanded the ownership transfer period.</li> <li>- Return of Deposits considered the return of deposits for buyers who cancelled their purchase and who had difficulty in paying the down payment during the crisis.</li> <li>- Ruejai Application: Added new features and special measures to ensure homeowners confidence in a time of crisis. These new features and special measures are as follows: <ul style="list-style-type: none"> <li>• <b>Measure 1:</b> Add a new feature called “COVID-19 Tracker”.</li> <li>• <b>Measure 2:</b> Allow its “SC Family” members to advertise their restaurant and beverage shops free of charge on the application.</li> <li>• <b>Measure 3:</b> Offer “Ruejai Home Quarantine” package to its “SC Family” members in an at-risk group under home quarantine.</li> <li>• <b>Measure 4:</b> Sales of special priced goods with home delivery services to reduce outside home activities and to stop the spread of the coronavirus.</li> <li>• <b>Measure 5:</b> Provide monthly or a fixed charge pay-per-use subscription.</li> </ul> </li> </ul> <p><b><u>Property for rent</u></b></p> <ul style="list-style-type: none"> <li>- Rental Reduction Policy for Retailers: 50% rental reduction for retail shops within its office rental buildings to assist retailers who were impacted by the governmental order on closure of non-essential businesses due to the COVID-19 pandemic that resulted in less numbers of customers and reduced income for these retailers. The rental reduction lasted for 3 months (April – June 2020).</li> <li>- Rental Reduction Policy for the Rental of Office Space: Two month rental reduction for its office space for rent (May – June 2020) under the following criteria: <ul style="list-style-type: none"> <li>• 15% rental reduction for customers who have a 100% work-from-home policy.</li> <li>• 10% rental reduction for customers who have a semi work-from-home policy.</li> </ul> </li> </ul>

Stakeholders	Impact Mitigation
3. Partner	<ul style="list-style-type: none"> <li>- Payment Term for Contractors or Suppliers: Quicker payment to its contractors and suppliers upon submission of work and for periodical drawdowns via online channel.</li> <li>- Waiver for Repayment of Advance Payments: The Company waived the requirement for contractors to repay its advance payments for the month of April 2020.</li> <li>- Promote Access to the Four Necessities of Life: Promote access to the four necessities of life which are clothing, food, lodging and medicine, for workers and children in the construction campsites. The Company collaborated with the Labor Protection Network in the "Hand to Hand" project to donate clothing, facial masks, hand sanitizer gel, rice, and dried food to workers in the Company's construction sites.</li> </ul>
4. Shareholder	<ul style="list-style-type: none"> <li>- Shareholders, especially elders: Provide a proxy, as per the form prepared by the Company, which entitles its independent directors to attend the shareholder meeting on behalf of these shareholders. The signed proxy, together with a copy of official identity document of these shareholders, can be sent to the Company by mail in a prepaid reply envelope.</li> <li>- Submission of Shareholder Questions in Advance: The Company's shareholders are able to submit their questions in advance of the shareholders' meetings in the Advance Question Form prescribed by the Company. It was required that the Advance Question Form be submitted to the Company before 28 July, 2020 via mail or email.</li> <li>- Shareholders Who Cannot Attend Shareholders' Meetings: The Company presented a live broadcast of its shareholders' meetings via its website, <a href="http://www.scasset.com">www.scasset.com</a>, and its shareholders could send their questions in to the meetings via the Live Chat program.</li> <li>- Physical Distancing Measure: The Company prescribed a 1 meter physical distancing measure at the health-screening point, the registration point as well as in the meeting room for its shareholders meetings. Thus its shareholder meeting room can only accommodate up to 80 persons of its shareholders/ proxy holders.</li> </ul>
5. Community and Society	<ul style="list-style-type: none"> <li>- Donation of Money for Medical Equipment: The Company made a monetary donation to support the Chakri Naruebodindra Medical Institute, Ramathibodi Foundation for the COVID-19 Prevention and Assistance Project.</li> <li>- "TOGETHER WE CARE" Project: The Company acts as a center to help entrepreneurs who face the COVID-19 crisis by offering free public relations via its RueJai Application.</li> <li>- Blood Donation: The Company, together with the Thai Red Cross Society, organized a blood donation in its residential development projects as a part of the fight against COVID-19.</li> </ul>

Additional information can be viewed in Sustainability Report 2020 or [www.scasset.com](http://www.scasset.com)

### 3. Environmental Sustainability Management

The Company is aware of its operational impacts to the environment, starting from its land acquisition to the occupancy of the homebuyers. It intends to balance the use of natural resources and minimizes any adverse impacts to the environment, by prescribing and implementing its environment management policy and practice guidelines. (For full details of these policies and measures, please visit [www.scasset.com](http://www.scasset.com))

#### 3.1 Environmental Management in Construction

The environmental management related to the construction of landed developments, namely single detached houses and townhomes, includes the preparation of construction plans and the continuous follow-up on the environmental impacts which consists of 3 stages which are pre-construction, during construction, and post-construction.

Pre-construction	During the Construction	Post-Construction
<p><u>Design</u></p> <ul style="list-style-type: none"> <li>- Project planning and floor plan design take into account the wind direction and sunlight path.</li> <li>- Focus on green areas, maintain the condition of natural resources.</li> <li>- Design for flood protection.</li> <li>- Design the infrastructure system with efficient use of water and electricity.</li> </ul>	<ul style="list-style-type: none"> <li>- Carry out a survey and create mutual understanding with nearby communities.</li> <li>- Calculate Bill of Quantities (BOQ) and material requirement for the work.</li> <li>- Build a sample house before any construction to ensure minimum possible errors for design and material calculation.</li> <li>- Balance the construction process in order to reduce any waste pollution from the production.</li> <li>- Select and procure energy-saving and eco-friendly construction materials.</li> <li>- Management of quality control.</li> </ul>	<ul style="list-style-type: none"> <li>- Advise the committees of the housing estate juristic person on the infrastructure system.</li> <li>- Arrange public relation activities that provide knowledge on waste disposal such as dust protection or waste management.</li> </ul>

Environmental management related to high-rise building construction: Comply with building design regulations on earthquake resistance, respect laws and operate according to the Environmental Impact Assessment (EIA) Rules, protect negative and positive environmental impacts of the development process that affects all aspects of the environment by trying to minimize adverse effects as well as taking actions on providing safety solutions for its buildings such as fire escapes, fire alarms and fire protection systems.

Other after-sales services: Analyze environmental impacts which includes a preparation of construction plan and an environmental monitoring plan that covers two periods namely the construction period and the operation period.

### Community feedback surveys of nearby communities

Social Impact	Protective Measures and Remedy for Environmental Effects	Monitoring Measures
Health issues, Relationship with neighbors	(1) Make warning signs for dangerous areas. (2) Putting up notice signs for the work schedule in the construction sites and place red and white flags to indicate the work area on the sites. (3) Notify the working hours of the machinery to protect nearby communities from noise disturbance. (4) Speed limit for vehicles going in and out of the construction sites.	- Visit houses nearby the construction sites and create understanding among parties around the construction sites. - Make opinion survey.

### Protective Measures and Remedy for Environmental Effects Caused by the Project Developments

Social and Environmental Impacts	Key Environmental Effects	Protective Measures and Remedy for Environmental Effects
1) Environmental resources - Air quality and dust	- Effect of dust scattered in the atmosphere	1) Use mesh sheets to cover the outside and canvas on the inside; cover the building structure to prevent construction debris from falling down and the dust from scattering around the construction building. 2) Provide a wheel washing system for cleaning the tires of trucks when they are leaving the construction site and require all vehicles to use the system before leaving the site. 3) Having workers who are on duty to remove the pebbles and soil on the ground.
2) Utilization value to humans - Waste disposal	- In the construction sites, waste from construction materials such as rubble, pebbles, wood debris, etc. - Waste in the construction workers' campsites.	1) Manage construction waste and debris, by having a sorting process to collect, sort, and store in a proper area, and recycle some materials for reuse such as sorting steel from construction debris subsequent to recycling. 1) Provide different garbage containers for waste separation at the workers' campsites and in the construction areas, which can contain up to 3 days of waste. 2) Campaign and control construction workers to throw trash in the provided garbage containers. 3) Coordinate with the District and Sub-district Administrative Organization to collect trash every day in order not to have uncollected trash in the project sites

### 3.2 Reduction of Environmental Effects

The Company pays attention to the efficient use of resources and promotes activities that help create knowledge and understanding on the reduction of environmental effects, as well as make the following attempts so as to be a part of an effort to minimize the environmental effects:

Continue its “Create a Friendly Neighborhood” project for the 3rd year to change the “unnecessary surplus” into “valuable items” by inviting the Company’s customers/ employees/ business partners to donate clothing items which are still in good condition and utensils to construction workers, charitable foundations, and more than 2,000 disadvantaged persons in the society. These acts also help in cleaning out the donors’ closets and houses. This helps reduce greenhouse gas from trash that is clothing by 49,527 Kg. of carbon dioxide (CO<sub>2</sub>) emissions (Calculated according to a study by “WRAP: Working together for a world without waste”).

“BeRightBack” project – with the slogan “the more sorting before discarding, the more sustainable we become” that promotes and encourages awareness of waste management via the “3R” activities; Reuse Reduce and Recycle. Create understanding with self-implementation of employees and alliances in the Shinawatra Tower 3 to try to reduce greenhouse gas emissions and environmental effects. The activities include the sorting of trash to minimize the amount of trash that needs to be disposed, reducing plastic bag usage by using cloth bags, etc.

The “Vibhavadi Zero Waste” project, in which the Company, as one of the 32 organizations located on Vibhavadi Road, participated. The project is a work in collaboration amongst these 32 organizations, the Securities and Exchange Commission, and the Thailand Responsible Business Network (TRBN), to raise awareness and change behaviors on disposal of waste and litter, and to jointly work towards the target of “zero waste”, as well as to share examples and best practices in resource and waste management.

Collaborate with Advanced Info Service Public Company Limited in declaring its intention to restore nature and the environment, together with government and private network partners from over 52 organizations, under the campaign “Thais Say No to E-Waste”. The Company sponsors 6 E-Waste Bins which are located in its office buildings for rent, as well as its housing projects and condominiums. This aims to raise awareness on the dangers of e-waste and its correct and sustainable way of disposal.

*Additional information can be viewed in Sustainability Report 2020 or [www.scasset.com](http://www.scasset.com).*

## 4. Social Sustainability Management

To have society and the Company achieve their sustainable growth, the Company commits to operate its business according to the human rights principles, focuses on fair and equitable treatment of its stakeholders, prescribes the following policy and practice guidelines on its treatment to its employees, customers, communities and society as a whole. (For full details of these policies and measures, please visit the [www.scasset.com](http://www.scasset.com)):



Stakeholders	Results
1. Employee	<ul style="list-style-type: none"> <li>- Obtain opportunities to continue to develop their skills, knowledge, and proficiency.</li> <li>- Receive fair treatment and compensation.</li> <li>- Have a healthy body and mind.</li> <li>- Participate in the development of innovative goods and services in response to customer's needs.</li> <li>- Train its employees according to their job nature, skills, and competency.</li> <li>- Score employees' organization commitment at 88%</li> </ul>
2. Customer	<ul style="list-style-type: none"> <li>- "5 Perfections" – design houses that suit the customer's needs such as design houses that focus on the people who live in them, area allocation for a work from home arrangement.</li> <li>- Design houses based on demographic principle such as elder persons' homes, children's space.</li> <li>- "SC ABLE" excel in integrated after-sales services.</li> <li>- "Ruejai Club" via Ruejai Application.</li> <li>- Customer satisfaction.</li> </ul>
3. Partners	<ul style="list-style-type: none"> <li>- Steady income growth.</li> <li>- "TOR (Term of Reference)" clear and transparent policy, contracts, provisions.</li> <li>- "E-Auction" for work of Baht 500,000 up.</li> <li>- Allocate work to each business partner according to their finances, equipment, and worker capability.</li> <li>- Personnel of business partners must receive continuous development in skills, knowledge, and competency from working together with the Company.</li> <li>- Take care of business partners 'workers via "Create a Friendly Neighborhood" project and "Kids' mission" project.</li> <li>- Annual meeting of contractors.</li> <li>- Evaluate work collaboration.</li> </ul>
4. Shareholders	<ul style="list-style-type: none"> <li>- Good corporate governance</li> <li>- Disclosure of information</li> <li>- Dividends</li> <li>- Share premium</li> <li>- Efficient communication; accurate, complete, prompt information.</li> </ul>
5. Community and Society	<ul style="list-style-type: none"> <li>- Survey community needs and satisfaction</li> <li>- Prevention and minimization of construction impacts.</li> <li>- Environmental Impact Assessment (EIA) Report</li> <li>- Create jobs and businesses for nearby communities.</li> <li>- Promote and improve quality of life of persons with disabilities under Clause 35.</li> </ul>

Additional information can be viewed in Sustainability Report 2020 or [www.scasset.com](http://www.scasset.com)

## CSR Activities

### Community and Social Value Project

The Company's ideology regarding social responsibility is to always support the social and community development practices. An organization cannot focus merely on profitability and growth, and abandons its responsibilities towards communities and society, thus the Company intends to apply its organizational capacity in various aspects to assist and develop major long-term and short-term social development projects. It also focuses on engagement of various social segments including its employees, customers, business partners, and communities, to form a connection network in promoting better and sustainable quality of life for communities and society.

#### 1. Promoting development of the vocational skills in the construction sector via the “Living Solution Expert” program

The Company signed a Memorandum of Understanding with the Office of the Vocational Education Commission to conduct the “Living Solution Expert” program which is a part of the “Excellent Center” project on construction work. This project is a collaboration between organizational alliances of both the private and public sectors to set up a two-year high vocational certificate program. The SC Able Company Limited (a company in the SC Asset Group), which is responsible for integrated after-sales services, coordinated in the drafting of the curriculum and conducted professional training for this high vocational certificate program to establish vocational skills under the supervision of the “Able Academy” to suit the needs of the labour market and to support the country's future development.



## 2. Create a sustainable society by supporting the children in the “Kids’ Mission” project to enter the Thai education system

The Company in collaboration with its contractors jointly create values towards a sustainable society by promoting quality education for children and creating a friendly society for children under the concept of the “Kids’ Mission” project and supporting them to enter the Thai education system by providing the educational costs for 4 children to study in kindergarten and Grade 1 levels at Chumchon Wat Bangkadee School, Pathum Thani, as well as sponsoring a stateless child who is a child born of foreign worker parents in Thailand to study in the Thailand Non-formal and Informal Education Program in the elementary educational level.



## 3. “Create a Friendly Neighborhood” project for the 3rd year to spread smiles and share happiness to everybody in society

The Company, together with over 40 contractors for landed developments jointly organize the “Create a Friendly Neighborhood” project to change the “unnecessary surplus” into “valuable items”, held in the Company’s 12 construction sites and 1 government agency which is the Rangsit City Municipality, Pathum Thani Province, by inviting the Company’s customers/ employees/ business partners to donate items of clothing which are still in good condition and kitchen utensils to construction workers, charitable foundations, and disadvantaged persons in the society. These acts also help in cleaning out the donors’ closets and homes. The project involves a creation of a “Pop-up Store” with a clothes rack on which to hang all the beautiful clothes for recipients to joyfully pick them out, mimicking the feeling of shopping experience at a department store. This emphasizes the encouragement for a society of sharing and a “Lively Neighborhood”.





#### 4. Join hands with the Thai Red Cross Society to organize the “Tueng Wela Ruam Loed Nuar Chat Cheu Thai”

The Company together with the Thai Red Cross Society organized the “Tueng Wela Ruam Loed Nuar Chat Cheu Thai” event which invited “SC Family”, tenants, and business alliances to donate blood. The Company offered the space for the event at the Sport Complex, the Neighborhood Bangkokdi project and at Shinawatra Tower 3.



#### 5. Promote and improve the quality of life of persons with disabilities

The Company supports the actions according to Clause 35 of the Empowerment of Persons with Disabilities Act, B.E. 2550, by hiring 9 visually impaired persons to provide neck and shoulder massages for employees to help prevent Office Syndrome. The program which is arranged on a monthly basis is jointly organized with the Social Innovation Foundation to provide sustainable work for persons with visual impairment.



## 6. A pilot program on digital skill improvement, organized in collaboration with private and public sectors for improvement of employment of persons with disabilities

The Company signed a Memorandum of Understanding to promote digital skills and participated in a discussion on the creation of sustainable opportunities in the “New Normal” era, which was organized by the Digital Economy Promotion Agency, Social Administration Foundation (SAF), and Vulcan Coalition Company Limited. There was also a launching of a digital technology skill development program for occupation and improvement of employment of persons with disabilities. The program is organized by the private sector in collaboration with the Persons with Disabilities’ Network. This pilot program involves the digital skill improvement for persons with disabilities, and trains them to be “AI Trainers” to increase their capability prior to using the knowledge from the digital skills training for their work in the digital age. Additionally, the program also promotes and supports the hiring of visually impaired persons to work in the digital business in order to improve their quality of life. The program started from December 2020 onward.



## 7. Sharing of knowledge with students from the Faculty of Architecture and Planning, Thammasat University

The Company welcomed over 70 lecturers and students from the Faculty of Architecture and Planning, Thammasat University, Rangsit Campus to visit its developments namely Venue Flow Tiwanon-Rangsit and V compound Tiwanon – Rangsit. This site visit has been organized for the fifth year and represents a learning outside the classroom on construction technology and selection of building materials via the company and site visit, as well as a sharing and an exchange of knowledge and guidance for their future occupation.





# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. Performance Overview

In 2020, The Company's operating revenues reached Baht 18,977 million. These revenues comprised of Baht 18,120 in real estate sales, Baht 795 million in revenues from rental and rendering of services, and Baht 62 million in revenues from consulting and management services. The Company had Baht 1,898 million in profit attributable to owners of the parent for the year and a profit per share of Baht 0.4541. The Company had 66 development projects for sales with the combined project value of of Baht 56,700 million; comprising of 56 landed developments, and 10 high-rise developments. As of the year ended 2020, the Company has a backlog of Baht 5,634 million.

In 2021, The Company set its presales and revenues targets of Baht 20,000 million and Baht 19,000 million, respectively. It plans to launch 11 new projects with a total project value of Baht 17,000 million, comprising of 8 landed developments with a total project value of Baht 9,000 million and 3 high-rise development with a total project value of Baht 8,000 million

## 2. Analysis of the Company's Consolidated Operational Results between 2020 and 2019

### 2.1 Operational Analysis

#### 2.1.1 Operating Revenue

The Company's total consolidated revenues in 2020 was Baht 18,977 million as compared to Baht 17,637 million in 2019, showing an increase of Baht 1,340 million or 8%. The increase was mainly attributed to the following developments

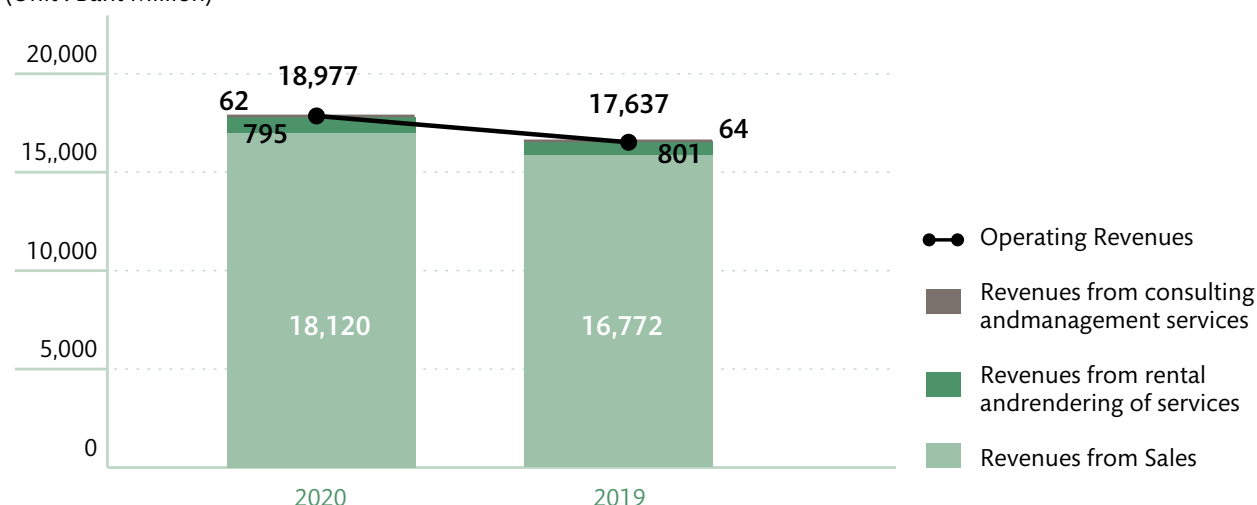
(Unit : Baht Million)

	2020	2019	Increase (Decrease)	
			Amount	%
<b>Revenues from Sales</b>	<b>18,120</b>	<b>16,772</b>	<b>1,348</b>	<b>8</b>
- Landed developments	14,265	11,260	3,005	27
- High - rise developments	3,855	5,512	(1,657)	(30)
<b>Revenues from rental and rendering services</b>	<b>795</b>	<b>801</b>	<b>(6)</b>	<b>(1)</b>
<b>Revenues from consulting and management services</b>	<b>62</b>	<b>64</b>	<b>(2)</b>	<b>(3)</b>
<b>Total operating revenue</b>	<b>18,977</b>	<b>17,637</b>	<b>1,340</b>	<b>8</b>

The revenues from sales comprised of Baht 14,265 million in sales of landed developments, increased 27% from 2019, and Baht 3,855 million in sales of high-rise developments, decreased 30% from 2019.

### 2020 Operating Revenues 18,977 MB

(Unit : Baht Million)



- Revenues from sales increased by Baht 1,348 million or 8%, which mainly resulted from the growth of revenues from landed developments which recorded Baht 14,265 million, increased by Baht 3,005 million or 27%. In 2020 and 2019, the Company reported the revenue from sales from 56 and 48 landed developments, respectively.

The landed developments in 2020 and 2019 comprised of single detached houses, townhouses, and shophouse, which the revenues can be broken down as follows:

(Unit : Baht Million)

	2020		2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
<b>Revenues from landed developments</b>						
- Single detached houses	13,469	95	9,936	88	3,533	36
- Townhouses	768	5	1,120	10	(352)	(31)
- Shophouse	28		204	2	(176)	(86)
<b>Total</b>	<b>14,265</b>	<b>100</b>	<b>11,260</b>	<b>100</b>	<b>3,005</b>	<b>27</b>

Revenues from sales of the Company's landed developments came mostly from its single detached house projects, accounted to 95% of revenues from sales of landed developments. In 2020, the Company recognized its income from sales of 50 housing projects whereas in 2019, it recognized its income from sales of 42 such housing projects.

Revenues from sales of the Company's high-rise developments was Baht 3,855 million, accounted to 21% of revenues from sales in 2020.

As of the year ended 2020, there were Baht 2,466 million in backlog from high-rise developments, waiting for transfers in 2022.

- Revenues from rental and rendering of services decreased by Baht 6 million, or 1%, caused by the decrease in subsidiary company's revenues from rental and rendering of services.
- Revenues from consulting and management services decreased by Baht 2 million or 3%, resulted from consulting and management services for joint venture.

## 2.1.2 Operating Cost

The Company's operating cost was Baht 13,127 million and Baht 11,837 million in 2020 and 2019 respectively. It increased by Baht 1,290 million or 11%. The increase was mainly resulted from the following developments:

(Unit : Baht Million)

	2020	2019	Increase (Decrease)	
			Amount	%
Cost of sales	12,805	11,493	1,312	11
Cost of rental and rendering of services	288	318	(30)	(9)
Cost of consulting and management services	34	26	8	31
<b>Total Operating Cost</b>	<b>13,127</b>	<b>11,837</b>	<b>1,290</b>	<b>11</b>

- The Company's cost of sales increased Baht 1,312 million, mainly in line with the increase in revenues from sales.
- The Company's cost of consulting and management services decreased by Baht 30 million, mainly in line with the decrease in revenues from consulting and management services.

## 2.1.3 Other Income

Other income was Baht 65 million and Baht 38 million in 2020 and 2019, respectively. It increased Baht 27 million or 71%.

## 2.1.4 Gain from fair value adjustment and write-off of investment property

Gain from fair value adjustment and write-off of investment property was Baht 9 million and Baht 112 million in 2020 and 2019 respectively, mainly derived from a decrease of gain from fair value adjustment with value of Baht 103 million or 92%.

## 2.1.5 Selling Expenses

The Company's selling expenses were Baht 1,372 million and Baht 1,383 million in 2020 and 2019, respectively. Selling expenses decreased by Baht 11 million or 1% due to adapting marketing strategy by using aggressive online marketing to comply with COVID-19 pandemic.

## 2.1.6 Administrative Expenses

Administrative expenses were Baht 1,942 million and Baht 1,869 million in 2020 and 2019, respectively. The expenses increased by Baht 73 million or 4% due to business growth.

## 2.1.7 Finance Costs

Finance costs were Baht 155 million and Baht 157 million in 2020 and 2019 respectively. Finance costs decreased by Baht 2 million or 1% from the previous year.

## 2.1.8 Income Tax Expense

Income tax expense was Baht 504 million and Baht 511 million in 2020 and 2019, respectively, a decrease Baht 7 million resulted from the decrease in operating profit for the year.

## 2.1.9 Profit for the year

The Company's profit attributable to owners of the parent for the year was Baht 1,898 million and Baht 2,025 million in 2020 and 2019, respectively, equivalent to a decrease of Baht 127 million or 6% resulted from a decrease in gain from fair value adjustment as mentioned in 2.1.4

## 2.2 Profitability

(Unit : Baht Million)

	Real Estate Sales		Rental and Rendering of Service		Consulting and Management Services		Total Segment	
	2020	2019	2020	2019	2020	2019	2020	2019
Operating Revenues	18,119.59	16,771.49	794.66	801.14	62.66	63.93	18,976.91	17,636.56
Operating Cost	12,805.36	11,493.37	287.34	317.39	33.98	25.80	13,126.68	11,836.56
<b>Gross Profit</b>	<b>5,314.23</b>	<b>5,278.12</b>	<b>507.32</b>	<b>483.75</b>	<b>28.68</b>	<b>38.13</b>	<b>5,850.23</b>	<b>5,800.00</b>
Selling and Administrative Expenses	2,787.19	2,442.32	69.73	33.69	-	-	2,850.92	2,476.01
<b>Operating Result by Segment</b>	<b>2,527.04</b>	<b>2,835.80</b>	<b>443.59</b>	<b>450.06</b>	<b>28.68</b>	<b>38.13</b>	<b>2,993.31</b>	<b>3,323.99</b>
<b>Gross Profit Margin (%)</b>	<b>29.33</b>	<b>31.47</b>	<b>63.84</b>	<b>60.38</b>	<b>45.77</b>	<b>59.64</b>	<b>30.83</b>	<b>32.89</b>
<b>Operating Profit Margin (%)</b>	<b>13.95</b>	<b>16.91</b>	<b>55.14</b>	<b>56.18</b>	<b>45.77</b>	<b>59.64</b>	<b>15.78</b>	<b>18.85</b>

	2020			2019			Increase (Decrease)		
	Unit	MB	@	Unit	MB	@	Unit	MB	@
<b>Revenues from Sales</b>									
- Low - rise development projects	1,550	14,265	9.20	1,456	11,260	7.73	94	3,005	1.47
- High - rise development projects	404	3,855	9.54	474	5,512	11.63	(70)	(1,657)	(2.09)
<b>Total</b>	<b>1,954</b>	<b>18,120</b>	<b>9.27</b>	<b>1,930</b>	<b>16,772</b>	<b>8.69</b>	<b>24</b>	<b>1,348</b>	<b>0.58</b>

- Consolidated gross profit for 2020 was higher than 2019 due to an increase in operating revenues, particularly from the growth in revenues from sales. The landed developments showed an increase in both unit sales and higher selling price per unit. The high-rise developments showed a decrease in both unit sales and lower selling price per unit.
- Consolidated gross profit margin for 2020 was 30.83% lower than in 2019 due to the lower gross profit margin from revenues for real estate sales.
- Operating profit margin for the Company in 2020 was lower than in 2019 resulted from operating profit margin from real estate business.

(Unit: Baht Million)

	2020		2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Operating Revenues	18,977	100	17,637	100	1,340	8
Profit attributable to owners of the parent for the year	1,898	10	2,025	11	(127)	(6)

- In 2020, profit for the year was lower than 2019 due to a decrease in gain from fair value adjustment as aforementioned.

### 3. Analysis of 2020 and 2019 Financial Positions

#### 3.1 Assets

As at year ended 2020, the Company and subsidiaries had total assets of Baht 44,319 million, a decrease of Baht 957 million or 2% from the previous year. The increase can be mainly attributed to the following developments:

(Unit: Baht Million)

	2020	2019	Increase (Decrease)	
			Amount	%
Cash and cash equivalents	2,245	880	1,365	155
Short-term investments	2,231	10	2,221	22,210
Real estate development cost	30,167	33,906	(3,739)	(11)
Deposits for land and buildings	330	1,146	(816)	(71)
Right of use assets, net	1,190	1,078	112	10

- Cash and cash equivalents increased by Baht 1,365 million, caused by the cash flow from operating activities Baht 5,836 million, the use of cash from investing activities Baht 2,325 million and the use of cash from financing activities Baht 2,146 million.
- Short-term investments increased by Baht 2,221 million, mainly derived from an increase of in fixed income funds during the year.
- Real estate development cost decreased Baht 3,739 million due mainly to a decreases of transfers from both landed and high-rise projects during the year.
- Deposits for land and buildings was Baht 330 million which scheduled to transfer in 2021.
- Right of use assets increased by Baht 112 million resulted from right - of - use subsidiaries' assets.

#### Asset Utilization

- Normally, the Company's days receivable is around 15 days. The Company's management has confidence in collecting all its overdue receivables.
- Items accounted in the inventory are the real estate development costs as of year ended 2020. Inventory turnover was 3.12 times. There was allotted houses ready for sale value by Baht 4,404 million

#### 3.2 Liabilities

As at year ended 2020, total consolidated liabilities were Baht 25,676 million in comparison to Baht 27,729 million in 2019, or a decrease of Baht 2,053 million, or 7%. The increase was mainly caused by the following developments:



(Unit: Baht Million)

	2020	2019	Increase (Decrease)	
			Amount	%
Short-term borrowings from financial institutions	7,872	8,697	(825)	(9)
Trade and other payables	519	1,226	(707)	(58)
Current portion of long-term borrowings from financial institutions	1,938	1,348	590	44
Current portion of debentures	2,500	2,900	(400)	(14)
Long-term borrowings from financial institutions	3,339	3,651	(312)	(9)
Debentures	5,245	5,595	(350)	(6)
Lease liabilities	344	236	108	46

- Short-term borrowings from financial institutions decreased by Baht 825 million due to a decrease in repayment of short-term promissory notes and redemption of bill of exchange at maturity.
- Trade and other payables decreased by Baht 707 million, mainly due to a bill of exchange for land due in 2020.
- Current portion of long-term borrowings from financial institutions and long-term borrowings from financial institutions finally increased by Baht 278 million due to an increase of long-term loan by Baht 3,702 million and repayment of long-term borrowings from financial institutions by Baht 3,424 million.
- Debentures decreased by Baht 750 million due to an issuance of new debentures by Baht 2,150 million and redemption of debentures by Baht 2,900 in 2020.
- Lease liabilities increased by Baht 108 million due to land lease liabilities for expansion of subsidiaries' business.

### 3.3 Shareholders' Equity

As at year ended 2020 and 2019, Shareholders' equity of the Company was Baht 18,643 million and Baht 17,547 million, respectively. The Baht 1,096 million increased in shareholder's equity in 2020 resulted from

- Dividend paid of Baht 794 million, which the Company received the resolution from the Board Meeting No. 3/2020 held on 15 April 2020 to pay the dividend of Baht 0.19 per share from the 2019 net profit.
- Profits attributable to owners of the parent were Baht 1,898 million.
- Other components of equity showed a Baht 8 million increase in warrants and losses from exchange translation of Baht 6 million from the translation of the account of the Company's subsidiary in the United States.
- Non-controlling interests decreased by Baht 10 million caused by Baht 10 million in losses on non-controlling interests in 2020.

### 3.4 Liquidity and Adequacy of Liquidity

As of December 31, 2020, the Company had total current assets of Baht 35,335 million, and total current liabilities of Baht 15,366 million. Its current ratio was 2.30. Its cash and cash equivalent as of December 31, 2020 was Baht 2,245 million, an increase of Baht 1,365 million from the previous year due to the following activities:

- Net cash generated from operations was Baht 5,836 million, due mainly to transfers from both landed and high-rise projects during the year.
- Net cash used in investing activities was Baht 2,325 million, due mainly to cash payment for short-term investments and the purchases of property, plant and equipment.
- Net cash used in financing activities was Baht 2,146 million. The main outflows were payment for short-term and long-term borrowings from financial institutions and redemption of debentures during the year.

### Adequacy of Liquidity

(Unit: Baht Million)

Funding Sources as at year ended 2020	Facilities	Outstanding	Remaining
Short-term borrowings from financial institutions			
- Bills of exchange	4,000	3,200	800
- Promissory notes	13,824	4,695	9,128
Long-term borrowings from financial institutions	16,562	5,277	6,591
Debentures	14,000	7,745	6,255
<b>Total</b>	<b>48,567</b>	<b>20,917</b>	<b>22,774</b>

(Unit: Percentage)

Portion	2020	2019
Short-term borrowings	38	39
Long-term borrowings	62	61
<b>Total</b>	<b>100</b>	<b>100</b>

As at December 31, 2020, 62% of the Company's main funding sources were long-term borrowings. In 2020, the Company issued additional Baht 950 million of unsecured and unsubordinated, name-registered debentures without debenture holders' representative and Baht 1,200 million of unsecured and unsubordinated, name-registered debentures with debenture holders' representative. The Company had the debentures outstanding of Baht 7,745 million which in accordance with the resolution of the Company's Annual General Shareholders Meeting held on 23 April 2018, which approved the issuance and sale of debentures for an aggregated amount not exceeding Baht 14,000 million. As at year ended 2020, the Company had outstanding debentures to be redeemed between the periods of 2021-2023. In addition, the other part of the Company's long-term funding came from long-term borrowings from financial institutions detailed as follow:

Contract No.	2019 (Baht Million)	Company	Borrowing Purpose	Borrowing Limit	Interest rate and repayment terms	Guarantees and collaterals
1	1,211	SC Asset Corporation Public Company Limited, Up Country Land Co., Ltd., V. Land Property Company Limited and Scope Co., Ltd.	Developing real estate projects for the periods ranging from 2 - 4 years	Baht 12,462 million 13 agreements (2019: Baht 12,653 million 12 agreements)	<ul style="list-style-type: none"> <li>- The interest is rate at MLR deduct fixed rate per annum and is payable on a monthly basis</li> <li>- The principal repayment at 70 % of selling price (depending on condition of each agreement) but not less than the amount specified by the commercial bank when the mortgage is released for the ownership right transfer to the purchaser.</li> </ul>	<ul style="list-style-type: none"> <li>a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio, and fire insurances for the construction must be made and benefits from such policies must be given to lenders as collaterals.</li> <li>b) Land together with constructions included in real estate development cost are pledged as collaterals.</li> </ul>
2	3,500	SC Asset Corporation Public Company Limited,	Working capital period not exceeding 3 - 5 years	Baht 3,500 million (2019: Baht 3,500 million)	<ul style="list-style-type: none"> <li>- The interest is fixed throughout the contract period and is payable at the end of each month. (Baht 2,500 million)</li> <li>- Fixed rate for the 1st year and for the 2nd - 5th at BIBOR 3 months plus fixed rate per annum. (Baht 1,000 million)</li> <li>- The principal is repayment at the end of the contract</li> </ul>	<ul style="list-style-type: none"> <li>a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio.</li> </ul>
3	566	SC Asset Corporation Public Company Limited	Developing facilities and real estate construction SC Tower	Baht 600 million (2019: Baht 600 million)	<ul style="list-style-type: none"> <li>- Fixed rate for the 1st - 3rd years (4% per annum) and for the 4rd year onward at MLR deduct fixed rate per annum. The interest is payable on a monthly basis.</li> <li>- The repayment of principal must be made quarterly. The first installment shall be paid on the last day of the 39th month after the first withdrawal month. The Company must repay the principal within 150 months from the first withdrawal date.</li> </ul>	<ul style="list-style-type: none"> <li>a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio, and fire insurances for the construction must be made and benefits from such policies must be given to lenders as collaterals.</li> <li>b) The Company mortgaged Shinawatra Tower 1 and 2.</li> </ul>
<b>Total</b>	<b>5,277</b>					

	2020	2019	Increase (Decrease)
Current ratio (Times)	2.30	2.17	0.13
Quick ratio (Times)	0.30	0.06	0.24

Current ratio as of year ended 2020 was 2.30 increased from the previous year due to cash flow generated from operating activities and more short-term investments from higher transfers compared to the previous year as aforementioned.

Quick ratio as of year ended 2020 was 0.30. The ratio was higher than the previous year, caused by an increase in cash and cash equivalents and short-term investments.

### 3.5 Capital Structure

	2020	2019	Increase (Decrease)
Debt to equity ratio (Times)	1.38	1.58	(0.20)
Interest Coverage Ratio (Times)	17.57	17.95	23.15
Debt Service Coverage Ratio (Times)	0.22	0.22	0.27

- Debt to equity ratio as of the year ended 2020 was 1.38, showed a lower than that of year ended 2019. Under the current covenants of the Company's debenture and long-term borrowings from financial institutions, it is required to maintain its debt to equity ratio in accordance with the definition and term condition from loan agreement. The Company was able to maintain the adequate financial ratio during the year.
- Interest coverage ratio as of year ended 2020 was 17.57, showed a lower than that of year ended 2019 due to a decrease of EBITDA.

### 3.6 Contingent Liabilities

As of year ended 2020 and 2019, the Company had the following contingent liabilities relating to obligations from capital commitments:

(Unit: Baht Million)

Item	2020	2019
Capital expenditure in land for project development	1,679	2,505
Capital expenditure in property, plant and equipment and leasehold rights	668	693

## 4. Factors or circumstances which may impact the financial position or future operation

- Risk of COVID-19 pandemic has affected to slowdown of economy and lower purchasing power due to a decrease of income. Meanwhile, available purchasing power was already bought properties since last year because of aggressive sales promotion. Foreign purchasing power has continued to slowdown due to shut down and none of travels, resulted to lower residential buyers from tourists and foreign investors. In addition, there was an increase of bank rejection due to strict regulation of housing loans, affected to lower LTV from financial institutions.

For the year ended 2020, the Company achieved the presales target of landed property at a new high record growing against market trend. Accordingly, market share of SC's single detached house with selling price more than Baht 10 million ranked as No.1 no less than 20%. Owing to business direction in 2021-2022 under SC's fully-loaded preparation, SC set the target goal at No.1 of single detached house's brand by 3 key strategies as follow;

1. Available land
2. Available liquidity
3. Available product

## 5. KEY FINANCIAL HIGHLIGHTS

### Financial Statement

#### (1) Summary of Auditor's reports

From auditor's reports for the past three years (2018-2020), auditor reported with unqualified opinion that the consolidated financial statements of the Company and subsidiaries and the separate financial statements presented fairly, in all material respects, the consolidated and separate financial position, consolidated and separate financial performance and its consolidated and separate cash flows for the year ended in accordance with Thai Financial Reporting Standards (TFRS).

#### (2) Summary table of financial statements

(Unit: Thousand Baht)

Financial Position	Consolidated financial statements (Audited)					
	2020		2019 (Restated)		2018 (Restated)	
	Amonut	%	Amount	%	Amount	%
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	2,245,279	5	880,137	2	1,141,622	3
Short-term investments	2,231,468	5	10,000		179,999	
Trade and other receivables, net	181,583	1	158,191		115,665	
Short-term loans to related parties	-		52,600		-	
Real estate development cost	30,167,465	68	33,906,385	75	32,188,633	75
Deposits for land and buildings	329,575	1	1,145,564	3	322,644	1
Advance for construction work and materials	142,255		217,745	1	244,133	1
Other current assets	36,976		48,721		45,083	
<b>Total current assets</b>	<b>35,334,601</b>	<b>80</b>	<b>36,419,343</b>	<b>81</b>	<b>34,237,779</b>	<b>80</b>
<b>Non-current assets</b>						
Trade receivable due more than one year	-		4,540		25,545	
Land awaiting for development	369,784	1	369,784	1	231,413	1
Investments in subsidiaries	579,242	1	613,138	1	658,096	2
Other long-term investments	-		6,500		40,000	
Investment property, net	5,584,356	13	5,543,216	12	5,371,063	13
Property, plant and equipment, net	1,133,731	2	1,134,364	3	1,075,024	2
Right-of-use assets, net	1,190,152	3	1,077,829	2	1,019,933	2
Intangible assets, net	76,070		67,001		40,785	
Other non current assets	50,901		40,229		39,535	
<b>Total non-current assets</b>	<b>8,984,236</b>	<b>20</b>	<b>8,856,601</b>	<b>19</b>	<b>8,501,394</b>	<b>20</b>
<b>Total assets</b>	<b>44,318,837</b>	<b>100</b>	<b>45,275,944</b>	<b>100</b>	<b>42,739,173</b>	<b>100</b>



(Unit: Thousand Baht)

Financial Position	Consolidated financial statements (Audited)					
	2020		2019 (Restated)		2018 (Restated)	
	Amonut	%	Amount	%	Amount	%
<b>Liabilities and equity</b>						
<b>Current liabilities</b>						
Short-term borrowings from financial institution	7,871,902	18	8,697,140	19	4,870,368	11
Trade and other payables	518,581	1	1,225,909	3	2,561,166	6
Accrued expenses	1,401,736	3	1,414,601	3	1,236,173	3
Advances received from customers	623,536	2	648,337	1	873,975	2
Current portion of long-term borrowings						
Long-term borrowings from financial institution	1,938,067	4	1,348,305	3	1,736,678	4
Debentures	2,500,000	6	2,900,000	6	2,800,000	7
Lease liabilities	11,535		8,737		5,735	
Current portion of deferred leasehold revenue	533		797		2,328	
Income tax payable	163,523		256,760	1	172,469	
Other current liabilities	336,711	1	301,456	1	317,603	1
<b>Total current liabilities</b>	<b>15,366,124</b>	<b>35</b>	<b>16,802,042</b>	<b>37</b>	<b>14,576,495</b>	<b>34</b>
<b>Non-current liabilities</b>						
Long-term borrowings from financial institution	3,338,950	7	3,651,450	8	4,338,750	10
Debentures	5,245,000	12	5,595,000	12	6,100,000	14
Lease liabilities	343,994	1	235,850	1	162,473	
Deferred leasehold revenue	875		1,409		2,206	
Rental and rendering of service deposits	177,979		169,054		170,479	1
Construction retention	343,610	1	426,067	1	381,592	1
Deferred tax liabilities, net	559,414	1	569,730	1	606,711	2
Employee benefit obligations	293,007	1	271,430	1	162,519	
Other non-current liabilities	7,198		6,547		6,541	
<b>Total non-current liabilities</b>	<b>10,310,027</b>	<b>23</b>	<b>10,926,537</b>	<b>24</b>	<b>11,931,271</b>	<b>28</b>
<b>Total liabilities</b>	<b>25,676,151</b>	<b>58</b>	<b>27,728,579</b>	<b>61</b>	<b>26,507,766</b>	<b>62</b>

(Unit: Thousand Baht)

Financial Position	Consolidated financial statements (Audited)					
	2020		2019 (Restated)		2018 (Restated)	
	Amonut	%	Amount	%	Amount	%
<b>Equity</b>						
<b>Share capital</b>						
Authorised share capital	4,379,332		4,379,332		4,379,332	
Issued and paid-up share capital	4,179,625	9	4,179,625	9	4,179,625	10
Premiums on share capital	319,357	1	319,357	1	319,357	1
<b>Other components of equity</b>	17,715		15,837		12,996	
<b>Retained earnings</b>						
Appropriated - legal reserve	437,933	1	437,933	1	437,933	1
Unappropriated	13,707,212	31	12,603,405	28	11,281,649	26
<b>Equity attributable to owners of the parent</b>	18,661,842	42	17,556,157	39	16,231,560	38
<b>Non-controlling interests</b>	(19,156)		(8,792)		(153)	
<b>Total equity</b>	<b>18,642,686</b>	<b>42</b>	<b>17,547,365</b>	<b>39</b>	<b>16,231,407</b>	<b>38</b>
<b>Total liabilities and equity</b>	<b>44,318,837</b>	<b>100</b>	<b>45,275,944</b>	<b>100</b>	<b>42,739,173</b>	<b>100</b>

(Unit: Thousand Baht)

Statement of Comprehensive Income	Consolidated financial statements (Audited)					
	2020		2019 (Restated)		2018 (Restated)	
	Amount	%	Amount	%	Amount	%
<b>Revenues</b>						
Revenue from sales	18,119,588	96	16,771,487	95	14,613,432	95
Revenue from rental and rendering services	794,662	4	801,137	5	831,631	5
Revenue from consulting and management services	62,656		63,934		1,700	
<b>Total revenues</b>	<b>18,976,906</b>	<b>100</b>	<b>17,636,558</b>	<b>100</b>	<b>15,446,763</b>	<b>100</b>
<b>Cost</b>						
Cost of sales	12,805,355	67	11,493,366	65	9,942,598	64
Cost of rental and rendering services	287,342	2	317,386	2	311,353	2
Cost of consulting and management services	33,978		25,795		900	
<b>Total cost</b>	<b>13,126,675</b>	<b>69</b>	<b>11,836,547</b>	<b>67</b>	<b>10,254,851</b>	<b>66</b>
<b>Gross Profit</b>	<b>5,850,231</b>	<b>31</b>	<b>5,800,011</b>	<b>33</b>	<b>5,191,912</b>	<b>34</b>
Other income	64,991		37,857		31,444	
Gain (loss) from fair value adjustment and write-off of investment property	9,023		112,311	1	(692)	
Selling expenses	1,372,266	7	1,382,794	8	1,271,497	8
Administrative expenses	1,942,001	10	1,869,236	11	1,567,165	10
Expected credit losses	40,242					
Finance costs	154,800	1	157,429	1	108,566	1
Share of loss of joint venture	(23,574)		(14,641)		(1,904)	
<b>Profit before income tax expense</b>	<b>2,391,362</b>	<b>13</b>	<b>2,526,079</b>	<b>14</b>	<b>2,273,532</b>	<b>15</b>
Income tax expense	503,791	3	511,414	3	482,810	3
<b>Profit for the year</b>	<b>1,887,571</b>	<b>10</b>	<b>2,014,665</b>	<b>11</b>	<b>1,790,722</b>	<b>12</b>
<b>Other comprehensive income:</b>						
Items that will not be reclassified to profit or loss						
Remeasurements of post-employment benefit obligations	-		(43,264)		-	
Income tax on item that will not be reclassified to profit or loss	-		8,653		-	
<b>Total items that will not be reclassified to profit or loss</b>	<b>-</b>		<b>(34,611)</b>		<b>-</b>	
Item that will be reclassified subsequently to profit or loss						
Currency translation differences	(6,154)		(7,068)		(846)	
<b>Total item that will be reclassified subsequently to profit or loss</b>	<b>(6,154)</b>		<b>(7,068)</b>		<b>(846)</b>	
<b>Other comprehensive income, net of tax</b>	<b>(6,154)</b>		<b>(41,679)</b>		<b>(846)</b>	
<b>Total comprehensive income for the year</b>	<b>1,881,417</b>	<b>10</b>	<b>1,972,986</b>	<b>11</b>	<b>1,789,876</b>	<b>12</b>

(Unit: Thousand Baht)

Statement of Comprehensive Income	Consolidated financial statements (Audited)					
	2020		2019 (Restated)		2018 (Restated)	
	Amount	%	Amount	%	Amount	%
<b>Profit attributable to:</b>						
Owners of the parent	1,897,935	10	2,025,027	11	1,798,296	12
Non-controlling interests	(10,364)		(10,362)		(7,574)	
	1,887,571	10	2,014,665	11	1,790,722	12
<b>Total comprehensive income attributable to:</b>						
Owners of the parent	1,891,781	10	1,983,425	11	1,797,450	12
Non-controlling interest	(10,364)		(10,439)		(7,574)	
	1,881,417	10	1,972,986	11	1,789,876	12
<b>Earning Per Share (Baht)</b>	0.4541		0.4845		0.4303	

(Unit : Thousand Baht)

Statement of Changes in Equity	Consolidated financial statements (Audited)		
	2020	2019 (Restated)	2018 (Restated)
<b>Share Capital</b>			
Beginning Balance	4,179,625	4,179,625	4,179,332
Issued Shares	-	-	293
<b>Ending Balance</b>	<b>4,179,625</b>	<b>4,179,625</b>	<b>4,179,625</b>
<b>Premium on share capital</b>			
Beginning Balance	319,357	319,357	318,564
Increase	-	-	793
<b>Ending Balance</b>	<b>319,357</b>	<b>319,357</b>	<b>319,357</b>
<b>Retained Earnings</b>			
<b>Appropriated Reserve</b>			
Legal Reserve			
Beginning Balance	437,933	437,933	437,933
Increase	-	-	-
<b>Ending Balance</b>	<b>437,933</b>	<b>437,933</b>	<b>437,933</b>
<b>Unappropriated</b>			
Beginning Balance	12,603,405	11,281,649	9,984,906
Dividend Paid	(794,128)	(668,737)	(501,553)
Legal Reserve	-	-	-
Comprehensive Income for the year	1,897,935	1,990,493	1,798,296
<b>Ending Balance</b>	<b>13,707,212</b>	<b>12,603,405</b>	<b>11,281,649</b>
<b>Other components of equity</b>			
Beginning Balance	15,837	12,996	2,210
Warrants	8,032	9,909	11,632
Translation on financial statement	(6,154)	(7,068)	(846)
<b>Ending Balance</b>	<b>17,715</b>	<b>15,837</b>	<b>12,996</b>
<b>Non-controlling interests</b>	<b>(19,156)</b>	<b>(8,792)</b>	<b>(153)</b>
<b>Total equity</b>	<b>18,642,686</b>	<b>17,547,365</b>	<b>16,231,407</b>



(Unit : Thousand Baht)

Statement of Cash Flows	Consolidated financial statements (Audited)		
	2020	2019 (Restated)	2018 (Restated)
<b>Cash flows from operating activities</b>			
<b>Profit before income tax expenses</b>	<b>2,391,362</b>	<b>2,526,079</b>	<b>2,273,532</b>
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment and amortisation of right-of-use assets	149,726	124,828	122,068
Amortisation of intangible assets	13,640	10,172	7,088
Share of loss of joint venture			
- Share of net loss	23,574	14,641	1,904
- Unrealised gain from rendering services to joint venture	10,322	30,317	-
Gain from fair value adjustment in short-term investments	-	(1)	-
Unrealised loss from exchange rate	(6,477)	(7,106)	-
(Gain) loss from fair value adjustment on investment property	(17,650)	(112,352)	(10,352)
Loss from write-off of investment properties	8,627	40	11,044
Loss from disposal of property, plant and equipment	2,823	1,144	13,660
Loss on impairment of property, plant and equipment	1,615	-	1,874
Allowance for devaluation on real estate development cost	43,597	30,863	-
Expected credit loss	40,242	-	-
Loss from changes in fair value of financial assets	6,500	33,500	-
Loss (gain) from disposal of intangible asset	-	(1)	-
Revenue from amortised leasehold rights	(797)	(2,328)	(5,038)
Employee benefit obligations	37,487	65,647	20,683
Share-based payment reserve	8,032	9,909	11,632
Interest expense	154,800	157,429	108,566
	<b>2,867,423</b>	<b>2,882,781</b>	<b>2,556,661</b>
<b>Changes in working capital:</b>			
trade and other receivables	(32,345)	(21,520)	15,765
real estate development cost	4,685,756	(180,526)	(2,446,019)
deposits for land and buildings	(252,839)	(1,145,564)	(322,644)
advance for construction work and materials	75,490	26,387	115,207
other current assets	(15,004)	(3,638)	(32,642)
other non-current assets	(10,672)	(694)	(17,494)
trade and other payables	(25,483)	(2,017,102)	2,018,486
accrued expenses	(4,720)	175,399	(240,361)
advances received from customers	(24,801)	(225,638)	(140,703)
other current liabilities	35,255	(16,147)	59,266

(Unit : Thousand Baht)

Statement of Cash Flows	Consolidated financial statements (Audited)		
	2020	2019 (Restated)	2018 (Restated)
rental and rendering of service deposits	8,926	(1,425)	23,557
construction retention	(82,457)	44,475	79,087
Employee benefit obligations	(15,910)	-	(7,845)
other non-current liabilities	651	6	37
<b>Cash flows generated from (used in) operating activities</b>	<b>7,209,270</b>	<b>(483,206)</b>	<b>1,660,358</b>
Interest paid	(766,396)	(799,977)	(676,262)
Income tax	(607,344)	(455,451)	(437,920)
<b>Net cash generated from (used in) operating activities</b>	<b>5,835,530</b>	<b>(1,738,634)</b>	<b>546,176</b>
<b>Cash flows from investing activities</b>			
Cash (payment) receipt for short-term investment	(2,221,468)	170,000	(9,000)
Cash receipt (payment) from short-term loan to related parties	52,600	(52,600)	-
Purchase of investment properties	(32,136)	(60,706)	(54,225)
Purchase of property, plant and equipment	(105,016)	(192,516)	(141,752)
Purchase of intangible asset	(22,708)	(36,388)	(20,990)
Proceeds from write-off of investment properties	19	4	39
Proceeds from sales of property, plant and equipment	3,434	2,585	4,029
Proceeds from sales of intangible asset	-	1	-
Cash payment for investment in subsidiaries	-	-	(660,000)
<b>Net cash used in investing activities</b>	<b>(2,325,275)</b>	<b>(169,620)</b>	<b>(881,899)</b>
<b>Cash flows from financing activities</b>			
Cash (payment) receipt for short-term loans from financial institutions	(825,239)	3,826,772	(798,481)
Cash receipt from long-term loans from financial institutions	3,701,958	4,569,850	5,384,470
Cash receipt from issuing of debentures	2,150,000	2,395,000	2,700,000
Proceeds from issue of ordinary shares	-	-	1,085
Cash received from non-controlling interests	-	1,800	5,200
Repayment of long-term loans from financial institutions	(3,424,696)	(5,645,524)	(3,847,631)
Payment for lease liabilities	(53,331)	(32,430)	(2,411)
Payment for redemption of debentures	(2,900,000)	(2,800,000)	(2,525,000)
Dividend paid	(794,128)	(668,737)	(501,553)
<b>Net cash (used in) generated from financing activities</b>	<b>(2,145,436)</b>	<b>1,646,731</b>	<b>415,679</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,364,819</b>	<b>(261,523)</b>	<b>79,956</b>
Cash and cash equivalents at 1 January	880,137	1,141,622	1,062,512
Exchange loss on cash and cash equivalents	323	38	(846)
<b>Cash and cash equivalents at 31 December</b>	<b>2,245,279</b>	<b>880,137</b>	<b>1,141,622</b>

### (3) Key Financial Ratios

Financial Ratio	2020	2019 (Restated)	2018 (Restated)
<b>Liquidity Ratio</b>			
Current Ratio (Times)	2.30	2.17	2.35
Quick Ratio(Times)	0.30	0.06	0.10
Cash Ratio (Times)	0.36	(0.11)	0.04
Account Receivable Turnover (Times)	425.38	356.04	262.84
Average Collection Period (Days)	0.76	1.01	1.37
Inventory Turnover (Times)	3.12	3.40	3.65
Average Selling Period (Days)	115.38	105.88	98.63
Account Payable Turnover (Times)	33.33	7.97	6.65
Average Payment Period (Days)	10.80	45.17	54.14
Cash Cycle (Days)	105.43	61.72	45.86
<b>Profitability Ratio</b>			
Gross Profit Margin (%)	30.83	32.89	33.61
Operating Profit Margin (%)	13.36	14.45	15.23
Other Profit Margin (%)	0.39	0.84	0.20
Operating Cash Flow Margin (%)	230.11	(68.24)	23.21
Net Profit Margin (%)	9.96	11.39	11.62
Return on Equity (%)	10.48	11.99	11.55
<b>Efficiency Ratio</b>			
Return on Assets (%)	4.24	4.60	4.43
Return on Fixed Assets (%)	181.76	194.61	181.22
Asset Turnover (Times)	0.43	0.40	0.38
<b>Financial Ratio</b>			
Debt to Equity (Times)	1.38	1.58	1.63
Interest Coverage Ratio (Times)	17.57	17.95	23.15
Interest Bearing Debt to EBITDA (Times)	7.81	7.94	7.96
Debt Service Coverage Ratio (Times)	0.22	0.22	0.27
Divident Payout (%)	40.35***	41.79**	41.03*

\* Approved from the resolution from the Annual General Meeting for 2019

\*\* Approved from the resolution from the Board Meeting No. 3/2020

\*\*\* Calculated from the profit for the year 2020 based on separated statement, adjusted by losses from fair value adjustment of investment properties with value of Baht 15.01 million

## 6. Information disclosure for property developer

Detailed analysis of projects' payment as follow:

### (1) Details of projects' payment for ongoing projects as of December 31,2020

Project	Sold Value (Baht Million) (1)	Cumulative payment based on due date (2)		Cumulative payment (3)		Overdue (2) - (3)		Balance not due (1) - (2)	
		Baht Million	Percentage of sold value	Baht Million	Percentage of cumulative payment based on due date	Baht Million	Percentage of cumulative payment based on due date	Baht Million	Percentage of sold value
1 CENTRIC RATCHAYOTHIN	909.00	903.85	99.43	903.61	99.97	0.24	0.03	5.15	0.57
2 CHAMBERS ONNUT-STATION	1,147.22	1,123.35	97.92	1,123.12	99.98	0.23	0.02	23.87	2.08
3 28 CHIDLOM	4,169.21	3,856.04	92.49	3,855.91	100.00	0.13	-	313.17	7.51
4 SCOPE LANGSUAN	1,954.73	162.31	8.30	157.59	97.09	4.72	2.91	1,792.42	91.70
5 THE CREST PARK RESIDENCE	104.43	9.60	9.19	9.53	99.27	0.07	0.73	94.83	90.81
6 GRAND BANGKOK BOULEVARD SUKHUMVIT	2,762.51	2,723.61	98.59	2,723.61	100.00	-	-	38.90	1.41
7 GRAND BANGKOK BOULEVARD RATCHAPHRUEK - CHARAN	2,383.23	2,331.83	97.84	2,331.83	100.00	-	-	51.40	2.16
8 BANGKOK BOULEVARD SIGNATURE SATHORN-RATCHAPHRUEK	1,502.40	1,468.25	97.73	1,468.25	100.00	-	-	34.15	2.27
9 PAVE PINKLAO - SALAYA	1,454.78	1,445.18	99.34	1,445.18	100.00	-	-	9.60	0.66
10 PAVE PRACHA UTHIT 90	1,314.60	1,302.11	99.05	1,302.11	100.00	-	-	12.49	0.95
11 BANGKOK BOULEVARD SATHORN - PINKLAO 2	1,289.90	1,260.65	97.73	1,260.65	100.00	-	-	29.25	2.27
12 BANGKOK BOULEVARD SRINAKARIN-BANGNA	1,175.55	1,139.13	96.90	1,139.13	100.00	-	-	36.42	3.10
13 BANGKOK BOULEVARD RAMA 9	1,051.58	966.03	91.86	966.03	100.00	-	-	85.55	8.14
14 BANGKOK BOULEVARD PINKLAO - PHETKASEM	1,018.21	999.16	98.13	999.16	100.00	-	-	19.05	1.87
15 GRANADA PINKLAO- PHETKASEM	832.30	780.16	93.74	780.16	100.00	-	-	52.14	6.26
16 VENUE RAMA 9	817.45	791.63	96.84	791.63	100.00	-	-	25.82	3.16
17 PAVE BANPHO - CHACHOENGSAO	584.96	573.99	98.12	573.99	100.00	-	-	10.97	1.88
18 VENUE WESTGATE	554.30	539.24	97.28	539.24	100.00	-	-	15.06	2.72

Project	Sold Value (Baht Million) (1)	Cumulative payment based on due date (2)		Cumulative payment (3)		Overdue (2) - (3)		Balance not due (1) - (2)	
		Baht Million	Percentage of sold value	Baht Million	Percentage of cumulative payment based on due date	Baht Million	Percentage of cumulative payment based on due date	Baht Million	Percentage of sold value
19 VENUE FLOW RANGSIT	510.56	504.25	98.76	504.25	100.00	-	-	6.31	1.24
20 PAVE BANGNA	476.71	461.15	96.74	461.15	100.00	-	-	15.56	3.26
21 BANGKOK BOULEVARD SIGNATURE LADPRAO-SERITHAI	452.51	434.43	96.00	434.43	100.00	-	-	18.08	4.00
22 VERVE RAMA 5	400.74	396.36	98.91	396.36	100.00	-	-	4.38	1.09
23 V COMPOUND TIWANON-RANGSIT	396.14	396.36	100.06	396.36	100.00	-	-	-0.22	-0.06
24 VENUE FLOW RAMA 5	322.05	306.50	95.17	306.50	100.00	-	-	15.55	4.83
25 BANGKOK BOULEVARD RAMINTRA-SERITHAI 2	303.66	278.26	91.64	278.26	100.00	-	-	25.40	8.36
26 VENUE FLOW CHAENGWATTANA	299.29	275.28	91.98	275.28	100.00	-	-	24.01	8.02
27 PAVE MOTORWAY - CHACHOENGSAO	284.83	269.51	94.62	269.51	100.00	-	-	15.32	5.38
28 VENUE FLOW TIWANON-RANGSIT	253.47	206.51	81.47	206.51	100.00	-	-	46.96	18.53
29 THE GENTRY PHATTHANAKAN	245.33	162.98	66.43	162.98	100.00	-	-	82.35	33.57
30 THE GENTRY SUKHUMVIT	224.00	136.26	60.83	136.26	100.00	-	-	87.74	39.17
31 V COMPOUND BANGNA	210.81	206.43	97.92	206.43	100.00	-	-	4.38	2.08
32 GRAND BANGKOK BOULEVARD EAST RAMA 9	183.87	146.23	79.53	146.23	100.00	-	-	37.64	20.47
33 VERVE PHETCHKASEM	157.63	148.90	94.46	148.90	100.00	-	-	8.73	5.54
34 GRAND BANGKOK BOULEVARD BANGNA-ONNUT	104.00	76.30	73.37	76.30	100.00	-	-	27.70	26.63
Total	29,851.96	26,781.83	89.72	26,776.44	99.98	5.39	0.02	3,070.13	10.28

**Remark:** Overdue balance was reported for total amount in purchase and sale contract and in the period of installment payment but unpaid on due date as aforementioned. However, customer already paid with value of Baht 0.34 million at February 7, 2021.

**(2) Details of overdue payment as of December 31, 2020**

Project	Cumulative overdue payment		Overdue 1-3 months		Overdue 4-6 months		Overdue more than 6 months	
	No. of customers	Baht	No. of customers	Baht	No. of customers	Baht	No. of customers	Baht
1 CENTRIC RATCHAYOTHIN	2	240,620.00			2	240,620.00		
2 CHAMBERS ONNUT-STATION	1	223,250.00					1	223,250.00
3 28 CHIDLOM	1	131,800.00	1	131,800.00				
4 SCOPE LANGSUAN	9	4,722,050.00	5	1,422,000.00	3	954,000.00	4	2,346,050.00
5 THE CREST PARK RESIDENCE	2	72,540.00	2	72,540.00				
Total	15	5,390,260.00	8	1,626,340.00	5	1,194,620.00	5	2,569,300.00



# GENERAL INFORMATION AND OTHER SIGNIFICANT INFORMATION

## 1. General Information

**The Securities Registrar** Thailand Securities Depository Company Limited  
93 The Stock Exchange of Thailand Building, 14<sup>th</sup> Floor,  
Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400  
Tel : 0-2009-9000  
Fax : 0-2009-9991

**Registrar** CIMB Thai Bank Public Company Limited  
44 Langsuan Road, Lumpini, Patumwan, Bangkok 10330  
Tel : 0-2626-7506, 0-2626-7511  
Fax : 0-2626-7543

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 1/2017 (Series 2) due 2022

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 1/2018 due 2021

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 2/2018 due 2021

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 2/2019 due 2021

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 3/2019 due 2022

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 4/2019 due 2022

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 5/2019 due 2023

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 1/2020 due 2023

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 2/2020 due 2023

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 3/2020 due 2023

Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 4/2020 due 2023

<b>Registrar</b>	<p>Bank of Ayudhya Public Company Limited 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120</p> <p>Tel : 0-2296-3582 Fax : 0-2683-1293</p>
	<p>Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 3/2018 (Series 2) due 2021</p>
	<p>Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 1/2019 due 2021</p>
<b>Debenture Holders' Representative</b>	<p>Bank of Ayudhya Public Company Limited 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120</p> <p>Tel : 0-2296-3582 Fax : 0-2683-1293</p>
	<p>Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 4/2020 due 2023</p>
<b>Auditor</b>	<p>Ms. Annothai Leekitwattana Certified Public Accountant (Thailand) No. 3442 PricewaterhouseCoopers ABAS Ltd. 15<sup>th</sup> Floor, Bangkok City Tower 179/74-80 South Sathorn Road, Thungmahamek , Sathorn, Bangkok, 10120</p> <p>Tel : 0-2824-5000, 0-2344-1000 Fax : 0-2286-5050</p>

## 2. Legal Dispute

In 2020, the Company and its subsidiaries had no legal disputes that adversely impacted the assets of the Company or its subsidiaries in the amount higher than 5% of its shareholders' equity as of the latest fiscal year-end, and there was no action or dispute that materially affected the Company's business operations of which the effect cannot be estimated in numbers, as well as no legal case which is not caused by the normal business operations of the Company (as per the notification of the Capital Market Supervisory Board at TorJor. 44/2556 re: Rules, Conditions and Procedures for Disclosure on Financial Status and Operational Results of Securities Issuers)

Additionally, the Company has no dispute related to employment and corruption, or its business operations that materially impacted the society and the environment.

### 3. Frequently contacted financial institutions

1. CIMB Thai Bank Public Company Limited  
44 Langsuan Road, Lumpini, Patumwan, Bangkok 10330  
Tel : 0-2626-7506, 0-2626-7511  
Fax : 0-2626-7543
2. KASIKORNBANK Public Company Limited  
1 Soi Rat Burana 27/1, Rat Burana Road,  
Rat Burana Sub-district, Rat Burana District,  
Bangkok 10140  
Tel : 0-2222-0000
3. TMB Bank Public Company Limited  
3000 Phahonyothin Road, Chom Phon Sub-district,  
Chatuchak District, Bangkok 10900  
Tel : 0-2299-2349, 0-2299-2350  
Fax : 0-2273-7806
4. Asia Plus Securities Company Limited  
3/1 Floor, Sathorn City Tower, 175 South Sathorn Road,  
Sathorn, Bangkok 10120  
Tel : 0-2680-1111, 0-2680-1000  
Fax : 0-2285-1900-1
5. Capital Nomura Securities Public Company Limited  
25 Bangkok Insurance Building, 15th -17th Floor,  
South Sathorn Road, Sathorn, Bangkok  
Tel : 0-2081-2644  
Fax : 0-2285-0964

The background features a complex, abstract design of thin, flowing lines in shades of orange and grey. These lines create a sense of movement and depth, resembling a stylized, three-dimensional wave or a series of overlapping, curved planes. The overall color palette is warm, dominated by various tones of orange, with a darker grey area on the left side where the text is located.

# Corporate Governance

# THE COMPANY'S CORPORATE GOVERNANCE POLICY

The Board of Directors arranged to have a printed version of the Good Corporate Governance Policy, of which its contents and material also in compliance with guidance prescribed by the Stock Exchange of Thailand, Principles Of Good Corporate Governance For Publicly Listed Companies (CG Code 2017) prescribed by The Securities and Exchange Commission Thailand as well as practice guidance of related official agencies and principal of Asean Corporate Governance Scorecard (ASEAN CG Scorecard) for elevating the Company's conducts to be of an international standard. This printed policy has been disseminated to the Company's directors, executives, and all its employees via internal e-mail and continually inform and communicate for acknowledgement and compliance. The policy is also distributed to the Company's shareholders and the public via the Company's website.

The Company believes that a good management system, responsive directors and executives with vision, well-functioning control mechanisms, suitable check and balance measures, and corporate governance processes are important and essential components for sustainable business operations, which shall enable an organization to achieve its corporate mission, planned visions and eventual success goals. Such belief inspires effectiveness and efficiency in its operational conducts that highlight the following principles:

1. For good corporate governance practice, the Board of Directors placed emphasis on leadership, vision, Board of Directors' appointment composition and independence, which are implemented through appropriate prescription of qualifications, scope of work, authority, duties, and responsibilities of board members.
2. The nomination and development of the top key executives and people management
3. Promotion of nurture innovation and responsible business
4. Promotion of appropriate internal controls, internal audit and risk management systems for the purpose of mitigation of potential risks.
5. Full, adequate, credible, and prompt disclosure of information to all relevant parties
6. Equitable treatment of shareholders and stakeholders.

## 1. The Overview of Policy and Guidelines on Corporate Governance

### 1.1. Policy and Guidelines in relation to the Board of Directors

#### Policy on Director and Executive Nomination

##### • Policy on Director Nomination

The Company has set the policy on director nomination by prescribing criterias and condition for nomination including qualification and director appointment process. The Board of Directors will review Board structure and composition for suitability and board diversity such as education background, experiences, expertise, skills and knowledge according to the Company's Board Diversity Policy and the Company's strategies need. Additionally, consideration was also given to Board skill matrix in order to nominate the directors's qualifications by considering skills which have been missing and also appropriate qualifications in compliance with the structure of Directors and in line with the Company's strategic directions both in short term and long term without gender, race or religion discrimination. The Company will also use Director Pool from the Thai Institute of Directors (IOD) as comparison criteria for director nomination

## **Nomination and Selection Criteria for Directors**

1. The Company allows every shareholders to nominate qualified directors by submitting their names via the Company website ([www.scasset.com](http://www.scasset.com)).
2. The Nomination and Remuneration Committee has prescribed the specific qualifications of the candidates for nomination and selection for directorship.
3. The Nomination and Remuneration Committee has also set the requirements on specific knowledge and expertise that the Board of Directors requires as well as taken in to account the needs to fulfill the knowledge and expertise that the board lacks. In doing so, the Board Skill Matrix is applied in considering director candidates.

## **Process for the Appointment of Director**

1. The Nomination and Remuneration Committee applies various channels in its candidate selection. The Company also makes use of the list of the “Director Pool” of the Institute of Director (IOD) as comparison criteria for directorship selection for new director or reconsideration for renewal of directorship of its former directors for another office term.
2. The Nomination and Remuneration Committee selects those qualified to be directors and tables their names for the Board of Directors’ endorsement.
3. The Board of Directors endorses the list of directors for subsequent approval by the Annual General Meeting of Shareholders.

Detailed information on “Policy on Director Nomination” can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>

## **Policy on the Nomination of the Chief Executive Officer / Executives**

### **• Policy on the Nomination of the Chief Executive Officer**

The Nomination and Remuneration Committee takes responsible to nominate the Chief Executive Officer pursuant to prescribed criteria and procedures. According to the criteria and selection procedure for nomination, the Chief Executive Officer must be qualified according to the requirements of the Company, knowledgeable with skills and experience in management and development of real estate as well as being capable of managing the Company’s operations to achieve its corporate objectives and the targets prescribed by the Company’s Board of Directors. The Nomination and Remuneration Committee shall propose to nominate the qualified candidate together with the supporting reasons for the Board of Directors to consider the appointment thereof.

### **• Nomination of Executive(s)**

The Human Resources and Administration Department is responsible for seeking internal candidate(s) with appropriate qualifications, possessing knowledge, ability and experience from each particular line of activities to be appointed as executive of the Company. If the Company cannot seek appropriate qualified candidate(s) from the internal employees, the Company will seek and recruit appropriate qualified candidate(s) with knowledge, proven capability, vision and positive attitude to the Company and then propose him/her to the Chief Officer of each particular line of activities or the Chief Executive Officer for appointment.

Detailed information on “Policy on the Nomination of the Chief Executive Officer / Executives” can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>



## **Policy on Directors Development**

### **• The Orientation of New Director**

In the event there is a new directors, the Company prescribed that each new director must participate in the orientation program to equip them with knowledge and understanding of the Company's businesses and operations, as well as the business directions of the Company. This shall prepare them to be ready to undertake their duty as the Company's directors. Additionally, the Company will arrange for each of them to acquire new knowledge which includes industrial situations, competition, technology, and innovation with aims to enhance their proficiency in undertaking their duties as the board members, particularly in the fields such as corporate businesses, operational plans, corporate objectives, corporate vision and missions, corporate structure and shareholding, management, duties and responsibilities of the board, corporate philosophy, ethics, good governance, social responsibilities, good governance policies, the Company's projects both present and past, including arranging the site visit program for the Board.

### **• Training Courses or Relevant Seminars for Directors**

It is a policy of the Company and its Board of Directors to encourage directors to consistently obtain appropriate knowledge applicable for performance of their roles and duties through attendance of training courses and relevant seminars such as participation in courses offered by the Thai Institute of Director (IOD), the Stock Exchange of Thailand, the Securities and Exchange Commission, (SEC), independent organizations as well as courses held by other organizations. The purpose of this policy is for these participants to apply any obtained knowledge for promoting continuity of our corporate stability and sustainable growth

Detailed information on "Policy on Directors Development" can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>

## **Policy on Performance Assessment of Board of Directors / Chief Executive Officer**

### **• Performance Assessment of Board of Directors**

the Company launched a performance assessment for the Board of Directors at least once a year in order to comply with the principles of good corporate governance and to improve the performance of Directors. The result of performance assessment can be used to improve and develop the Board's performance for greater efficiency and to consider for the suitability of board's structure. There are three types of performance assessment, namely;

- (1) An assessment of collective board Form (The entire Board)
- (2) An assessment of individual director Form divided into self- assessment and cross self- assessment by other directors
- (3) An assessment of Sub-Committees Form (each sub-committees)

### **• The Assessment Procedures of the Board of Directors**

1. The Board of Directors authorizes and reviews the evaluation forms to assure that they are correct, complete, and in line with the required regulations from relevant regulators.
2. The Company's Secretary will send four types of a performance assessment form to each director consisting of an assessment of collective board Form (The entire Board), an assessment of individual director Form (self- assessment), an assessment of individual director Form (cross self- assessment by other directors) and an assessment of Sub-Committees Form (each sub-committees).

3. After each director completes his/her performance assessment, he/she will return the performance assessment forms to the Company Secretary for collecting and analyzing the assessment data.
4. The concluded results will be reported to the Board of Directors by the Company Secretary at its first meeting of each year. The resulting report will be applied for the purpose of the Director's performance improvement.

• **The Board of Directors' Assessment Criteria**

1. The assessment criteria for the evaluation scores are as follows:

Assessed Scores (%)	Scale
85 - 100	Very Good - Excellent
75 - 84	Good
65 - 74	Fairly Good
50 - 64	Fair
Under 50	Require Improvement

2. Performance assessment for the entire board comprises of 6 major aspects, which are
  - (1) Board of Directors' structure and qualification
  - (2) Board of Directors' role, duty and responsibility
  - (3) Board of Directors' Meeting
  - (4) Director's performance
  - (5) Relationship with Managerial person
  - (6) Director's self development and management team's improvement
3. Performance assessment for each individual director (self-assessment) comprises of 6 major aspects, which are:
  - (1) Accountability to their decisions and actions
  - (2) Responsibility in performing their job with ability and efficiency
  - (3) Accountable and equitable treatment of stakeholders
  - (4) Transparency of actions and information disclosure
  - (5) Visionary towards long-term creations of added corporate value
  - (6) Business ethics and integrity
4. Performance assessment for each individual director (cross self- assessment by other directors) which the assessments shall be made by other directors and each director shall assess other directors' performance comprises of 9 major aspects, which are:
  - (1) Profound knowledge of the Company's business
  - (2) Providing opinions and recommendations which are beneficial to the Company and is not contradictory with principles of good corporate governance
  - (3) Independent and perceptive suggestions
  - (4) Providing information and facts which are useful for the Board of Directors' decision process

- (5) Responsible for stakeholder benefits by providing opinions or suggestions that lead to fair and equitable practices
- (6) Refraining from voting or meeting participation, if conflict of interest or self-interest in terms of stakeholder involvement is presented
- (7) Study provided details of meeting agenda prior to of relevant meetings
- (8) Regularly and promptly attending all required meetings. If absence of meeting attendance is unavoidable, duly make prior request of absence to the Chairman of the Board in advance of such meeting
- (9) Honors and respect the rights of other directors

5. The Company's Board of Directors resolved the approval for performance assessments of all the Company's sub-committees to help the Company monitor and improve the efficiency of its governance conducts .The performance assessment for 5 sub-committees applies a similar evaluation process and standards as the performance assessment for the Board of Directors.

- **Performance Assessment for the Chief Executive Officer**

The Company arranges the performance assessment of the Chief Executive Officer twice a year to assess his efficiency in performing his duty and use the assessment results to consider the rate of salary increase as well as other forms of remuneration for the Chief Executive Officer.

- **The Assessment Procedures of the Chief Executive Officer**

1. The members of the sub-committee to assess the performance of the Chief Executive Officer comprise of:
  - The Chairman of the Board of Directors (Independent Director)
  - The Chairman of the Nomination and Remuneration Committee (Independent Director)
  - The Chairman of the Audit Committee (Independent Director)
2. After finished assessing the Chief Executive Officer, the assessment result will be submitted to the Nomination and Remuneration Committee for the consideration of appropriate remuneration scheme; the outcome thereof shall then be proposed to the Board of Directors for their approval.
3. The assessments take place twice a year, the 1<sup>st</sup> assessment is made on thd date of June 30 while the 2<sup>nd</sup> assessment is made on the date of December 31.

- **The Chief Executive Office Assessment Criteria**

The assessment criterias of chief executive officer relies on 6 major aspects, namely;

1. Business management as per corporate targets and business plan
2. Marketing and customer service management
3. Financial, investment and expenses management
4. Human resource development and creation of corporate culture toward sustainable growth
5. Good corporate governance
6. Corporate management and business operation as per policies prescribed by the shareholders and the Board of Directors

Detailed information on "Policy on Performance Assessment of Board of Directors / Chief Executive Officer" can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>

### Policy on Board of Directors Meeting

- The Company clearly prescribed the policy on the board of directors meeting in writing in its Corporate Governance Policy to ensure that the Board of Directors can monitor the Company's performance continuously and efficiently,
- The Company specifies its guidelines for the meeting of the Board of Directors as follows;
  1. The Board of Directors' Meeting shall be held at least 7 times a year (at least once every quarter) to appropriately suit the duties and responsibilities of the Board of Directors as well as the nature of the Company's business. The management shall submit a report on the Company's operational results for the month in which there is no board meeting to the board members.
  2. The meeting agenda and meeting date of the Board of Directors, the Sub-Committee and AGM will be determined in advance. All directors will also be notified since the last year in order to allow them to manage their time to attend the meeting together. The meeting schedule will be published on the Company's Website.
  3. All directors are requested to attend all such meeting, except if any urgent and important matters should arise. Notwithstanding the foregoing, each director should not attend less than 75% of the meetings held in each year .
  4. For voting, each director shall have one voting right, and the minimum quorum at the time of voting must be at least two-third of total directors.
  5. The Chairman of the Board of Directors and the Chief Executive Officer shall jointly review and select the meeting agenda for the board meetings and allows each director to freely propose any agenda item, which is deemed beneficial to the Company as additional agenda items for the board meetings. This proposal can be submitted via the Company Secretary.
  6. The Chairman of the Board of Directors allocates adequate time for management to present documents and supplementary information for review and discussion of important issues. Each director is entitled to express opinions independently. The Company Secretary performs duty of supporting the information documents and recording minutes of meeting in writing and then submitting the minute to the next Board's meeting for approval.
  7. The directors who may have any interest in any agenda must temporarily leave the meeting and refrain from voting in that agenda in order to allow the meeting to freely consider the agenda.
  8. The Executive or related person may be invited to attend the meeting to provide information or answer question.
  9. Independent directors who are non-executives may organize meetings among themselves without the presence of the Company's management at least once a quarter, or not less than 4 times in a year.
  10. All director must be received notice of Board of Directors' meeting at least 7 days prior to the date of meeting in the form of normal document or electronic form to ensure that all directors will have sufficient time to understand all matters unless there was an emergency or urgent matter.
  11. The Company Secretary shall take notes and prepare the Minutes of the Board of Directors Meeting that covers all material and relevant matters of the meetings within 14 days of the meeting date,

Detailed information on "Policy on Board of Directors Meeting" can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>

## Policy on Director Remuneration

- The Company clearly and transparently prescribes the director remuneration policy by considering cfrom the Board of Directors' duties and responsibilities, and has been designed to the Company's Directors at the similar level to the industry compensation of Thai listed companies. It's believed that such remuneration could attract, retain and motivate the directors to perform their roles and carry out their responsibilities to accomplish the Company's goals efficiently and transparently, and be confident to the shareholders.
- The Company specifies its guildlines and procedures for determination of directors remuneration as follows;
  - The Nomination and Remuneration Committee has its duty to review the appropriateness of these remunerations and propose to the Board of Directors and further approval by annual general meeting of shareholders' resolution not less than two-thirds (2/3) of all votes of the shareholders present at the meeting.
  - The Board's remuneration comes in 4 forms: monthly meeting allowance, salary, meeting allowances, and bonus without other kind of remuneration / other benefits as follows;

Position	Kind of Remuneration	Remuneration Rate
Chairman of the Board	: Monthly Meeting Allowance : Bonus : Other Remuneration / Benefit	150,000 Baht / Month Amount approved by shareholders'meeting None
Authorized Director	: Salary : Meeting Allowances : Bonus : Other Remuneration / Benefit	30,000 Baht / Month 25,000 Baht / Meeting Amount approved by shareholders'meeting None
Director	: Meeting Allowances : Bonus : Other Remuneration / Benefit	25,000 Baht/ Meeting Amount approved by shareholders'meeting None

**Remark:** Excluding executive directors.

- Board members who take the positon as member of any sub-committee shall receive additional remuneration in proportion to such responsibilities at the rate as follows;

Positon	Kind of Remuneration	Remuneration Rate
Chiarman of Sub-Committee	: Meeting Allowances : Bonus : Other Remuneration / Benefit	30,000 Baht / Month Amount approved by shareholders'meeting None
Member of Sub-Committee	: Meeting Allowances : Other Remuneration / Benefit	25,000 Baht / Month None

**Remark:** Excluding executive directors.

Detailed information on "Policy on Director Remuneration" can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>

## Policy on Independence of the Board of Directors from the Management

The Company has prescribed a clear segregation of duties and responsibilities of the Board of Directors, as well as a clear delegation of management authority set in writing for the management. The intention is to allow the Board of Directors to freely perform its duties independently from the management. The Board of

Directors has its duties to prescribe the Company's policies, visions, missions, objectives, primary business goals, business directions, and business strategies, for the management to implement. It also oversees the work performance of the management by determining auditing method to oversight performance of the management efficiently, transparently, legally, and in compliance with various rules to enable the Company's operation to be appropriate and for the best interest of the Company and shareholders.

Detailed information on "Policy on Independent of the Board of Directors from the Management" can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>

### **Policy on Governance of Company's Subsidiaries and Associates**

- The Company's Board of Directors prescribes policy on governance of company's subsidiaries and associates to be the governing mechanism for overseeing their operations. The Board of Directors has also set forth mechanisms for overseeing and monitoring the management and operations of Company's subsidiaries and associates in order to receive investment return and benefit from the investment, and to ensure the confidence of the shareholders.
- The Company specifies the guidelines to govern the Company's subsidiaries and associates as follows;
  1. The Board of Directors select representatives to be directors, executives, in those entities and the number of the Company's representatives in each subsidiary and associate is determined by the percentage of holding in that entity. Unless in the case that such subsidiaries or associates are small companies which act as operating arms for their parent companies, then the Board of Directors shall assign the appointment authority to the Company's Chief Executive Officer.
  2. The Company's representatives must oversee the operation of subsidiaries and associates properly and in compliance with the relevant laws, regulation, good corporate governance principles, the code of conduct, the policy and measures on anti-corruption, and other policies according to the Company.
  3. The Company's representatives can use their discretion to act in the best interests of the Company, its subsidiaries, or its associated companies in considering and voting in the meetings related to their normal course of business operations and their general management.
  4. The Company's representatives must oversee the following transactions or actions, which require the consent/approval of the Company's Board of Directors or the Company's shareholders (as the case may be) prior to their requesting for the authorization from the Board of Directors and/or the shareholders of the said subsidiaries or the associated companies to transact such transactions or actions:
    - A capital increase / decrease which is not in proportion to the ratio of shareholding of the existing shareholders.
    - A subsidiary agrees to enter into any connected transaction with any related party of the Company
    - A transaction related to an acquisition or a disposal of any assets of the subsidiaries
    - Any other transactions which are not in the ordinary course of business that materially impact the Company's financial status and operating results.
  5. The Company's representative must oversee disclosure of operating results and financial information; connected transactions; acquisition or disposal of assets; or complete and accurate material transactions pursuant to the the rules and procedures stipulated by relevant laws.



6. The Company's representatives must oversee that there are sufficient and efficient internal control systems, risk management system, and anti-corruption prevention to ensure that the companies' operations are conducted according to their policy.
7. The subsidiaries shall have the same external auditor as its parent.

Detailed information on "Policy on Governance of Company's Subsidiaries and Associates" can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>

## 1.2 Policy and Guildlines in relation to Shareholders and Stakeholders

### Shareholders' Rights

- The Company recognizes the rights of its shareholders in supervising its business activities. The Company's shareholders maintain important roles in the company investments as well as taking part in jointly making decisions on the Company's business direction. The shareholders elected directors to oversee the business management on their behalf
- The Company has prescribed the guildlines regarding shareholders' rights as follow;
  1. Fundamental Rights of Shareholders; for example, rights to buy, sell, transfer, and be transferred of shares and the rights to receive share certificates, right to sufficiently and promptly obtain accurate information, right to receive deviden, right to attend the meeting and make a decision on matter issue such as the director appointment and remuneration determination, increase or reduce the registered capital, appointment of the Company's auditors and audit fee determination and amendment of the Company's Articles of Association and/or Memorandum of Association etc.
  2. Rights which are higher than required by law or the prescribed standards of good corporate governance such as facilitating the shareholders during the annual general shareholders meeting, as well as recognizing the shareholders' ownership rights in the Company and their freedom in making decisions on important changes in the Company, etc.

Detailed information on "Shareholders' Rights" can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>

### Equitable Treatment of Shareholders

- The Company respects the equal treatment of all shareholders and implements policy in writing to equally and fairly treat the shareholders in order to protect the rights of shareholders in every group including majority shareholders, minority shareholders, institutional shareholders, as well as foreign shareholders. In addition, the shareholders' interest is also looked after justly and is protected from being exploited from any person who has controlling power
- The Company has prescribed the guildlines regarding equitable treatment of shareholders as follow;
  1. Granting shareholders the opportunity to propose matters to be included in the meeting agenda and propose the name of the person whose qualifcation is suitable to hold the position as directors prior the the Annual General Meeting Of Shareholders.
  2. Granting shareholders the opportunity to submit questions that are related to the agenda of the Annual General Meeting of Shareholders in advance. Shareholders are also given the opportunity to ask question or give a comment to the Companys' directors, executives or external auditors.

3. Determining clear agenda item so that the meeting will proceed in the order of the agendas notified in the meeting's invitation letter.
4. Preparing the meeting's invitation letter and meeting's relevant supporting documents as well as minutes of shareholders' meeting in Thai and English
5. Allowing all shareholders to access the Company's information, and providing distinct and various channels to communicate to the Company.

Detailed information on "Equitable Treatment of Shareholders" can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>

### **Policy on Preventing Misuse of Internal Information**

- The Company prescribed in writing the policies for the safekeeping of inside information and the prevention misuse of internal information to ensure that the Company's operations are conducted with honesty and equitability to all stakeholders and shall not provide any preferential benefits to only a particular person or particular group of persons.
- The Company has prescribed the following guidelines related to the preventing of misuse of internal information:
  1. Identifying the level of confidentiality, and limiting the number of persons entitled to access internal or confidential information
  2. Prescribing confidentiality as a condition in its employment contract and prohibiting to disclose of confidential information to third parties.
  3. The company's directors, executives, and employees who are in positions or in business lines which are responsible for such internal information, or who have access to such material internal information that may cause any impact to its share price, must be prohibited from engaging in any trading of the Company's securities for a period of 1 month before public disclosure of such internal information and other material information such as the Company's business performance and financial statements, and within 24 hours after such disclosure
  4. If the Company's Directors and the Company's first four executives wish to buy or sell the Company's securities and forward contracts, they state the intention to buy or sell at least 1 business day prior to such transaction to the Board of Directors via designated person
  5. Directors and the first 4 executive positions of the Company must prepare and submit a report on the changes in the Company's securities and forward contracts holding, as well as those of their spouses and cohabitants, minor children, as well as the juristic person in which these directors and the first four top executive positions of the Company, or their spouses or cohabitants or minor children hold more than 30% of its voting shares and are the major shareholders of such juristic person. This report must be submitted to the Office of the Securities and Exchange Commission within 3 business days after the purchase, sales, transfer or receipt of securities and future contract of the Company, and report to the Board of Director's Meeting whenever there is.
- In overseeing the compliance thereof, the Company has communicated and created understandings among all related parties such as communications via email to related parties to be aware of the policy and practice guidelines on the preventing misuse of internal information, notifications on prohibition of share trading during the blackout period, communications on the compliance with the trading guidelines for the Company's securities, as well as reviewing of the procedure for accessing the Company's confidential information.

- A violation of such policy and practice guidelines shall be regarded as a serious offense and could lead to disciplinary action as per the Company's human resources regulations.

Detailed information on "Policy on Preventing Misuse of Internal Information" can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>

### **Policy on Preventing of Conflict of Interest**

- The Company's Board of Directors always adheres to and complies with its corporate governance policy which dictates that the Company shall operate its business with equity, honesty, transparency and accountability. Thus the Board of Directors emphasises on the consideration and review of any transaction in which there may have been a conflict of interest. This intends to ensure that any action made by the Company's directors, executives, and employees is carried out on the basis of fairness, without personal gain or any gain by a related person, and only for ultimate benefits of the Company
- The Company has prescribed the following guidelines, prohibitions, and considerations related to the preventing of conflict of interest:
  1. Directors, executives, and employees shall not use the opportunity of being director, executive, or employee of the Company to exploit personal interest or intimate person, either in terms of finance or other aspects of business.
  2. Directors, executives, and employees are prohibited to undertake any business, or to take any position as directors, executives, or consultants of any company which is in the same business as the Company and its subsidiaries, or is a business competitor of the Company.
  3. Avoid any connected transaction which is self-related and/or related to any related persons which may cause any conflict of interest to the Company, except for the case which is necessary for the benefits of the Company and is in compliance with the rules and regulations of the supervisory and regulatory authority.
  4. Avoid to trade land property close to the planned development sites of the Company which may be perceived as the exploitation of internal information for self-benefit or for the benefits of others.
  5. Prescribe policy for directors and executives to disclose and report their interests and their related person's interests in the report form for reporting of interests of directors and executives as prescribed by the Company, and submit this completed report to the Company's Secretary. The Company Secretary shall submit this report to the Chairman of the Board of Directors and the Chairman of the Audit Committee within 7 working days from the date of the receipt of such report.
  6. In the event that any director or executive has any connected interests in any of the meeting agenda items related to any transaction to be entered by the Company, that director or executive shall refrain from participating in such meeting for considering or approval of such connected transaction in order to allow other directors and executives who have no connected interests to consider such matter.
  7. For the approval of any connected transaction / any acquisition or disposal of assets transaction, the approval must be given by the shareholders' meeting, and any shareholder who has in resolution, a special interest in any matter, shall not be entitled to vote on such matters.
- In monitoring the compliance thereof, the Company has communicated and created understanding among all related parties such as communications via email to related parties to be aware of the matter, and prescribed that the Company Secretary has his duty to perform an annual check on the stakeholding and submit the information to the Board of Directors for their acknowledgement, and

eventually disclose such information in the Company's Annual Report. Furthermore, in the case of any transaction which may cause any conflict of interest, the Company set forth that the Audit Committee shall play an important role in prescribing that each such transaction must be first considered and scrutinized by the Audit Committee whether such transaction is acceptable according to the regulations of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand, and is suitable and equitable according to general trade terms, as well as is in the Company's best interest. Then, such transaction can be submitted to the authorized party for approval.

- Any violation of such policy or practice guidelines shall be deemed as a violation of the Company's Code of Conduct and the Good Corporate Governance Policy, and shall be regarded as cause for disciplinary action as per the Company's human resources regulations. The Company places emphasis on thorough communications and strict investigation so that there is no violation of such policy and practice guidelines.

Detailed information on "Policy on Preventing of Conflict of Interest" can be found in Corporate Governance Policy appeared in the Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>

#### Role toward Stakeholders

#### Policy on role toward stakeholders

<b>Shareholders</b>	The Board of Directors must be a good representative of its shareholders in conducting its activities with honesty, good professional ethics and equitable. Moreover, it manages its business with the ultimate objective of driving for a long-term sustainable growth in the Company's value and complying with its promised corporate mission. It also aims to maximize shareholders' economic satisfaction and to create a continued flow of good earnings to its shareholders in long-term, and respects its disclosure obligations in reporting accurate and transparent information to its shareholders
<b>Employees</b>	Develop and promote organizational culture and foster a positive work environment, encourage teamwork and collaboration within the Company. Adhere to morality and ethics in the workplace, encourage continuous development in staff skills and competency, and have a clear and concrete policy on safety and health in the workplace. Provide fair and equitable treatment of employees' remuneration, welfare benefits, and provident fund.
<b>Customers</b>	Focus on quality operations which are fair, accountable, responsible, creative, and with continual innovation, aiming to offer its customers a quality product or service that meets their needs at a reasonable price. The business is always conducted efficiently and effectively to enhance customer satisfaction and confidence, as well as to build a long-term relationship with its customers.
<b>Businee Partners</b>	Treat business partners on the basis of fair competition, equality, honesty, transparency, and take into account the mutual benefits of all involved parties. Strictly adhere to commitments to business partners. Have a clear set action plan for selection of business partners that are equitable, fair, reputable, and conforming to applicable laws, regulations and traditions, as well as focus on sustainable supply chain management.

<b>Creditors</b>	Treat creditors, whether trade creditors or lenders, with responsibility and fairness. Make prompt payments to all debts owed to financial institutions or trade creditors according to their agreed repayment schedules or contractual obligations, as well as strictly comply with all other debt covenants prescribed in the trade or financial agreements.
<b>Co-Investors</b>	Equally value all joint ventures and treat them fairly and justly, because a joint venture partnership is a way to strengthen the Company's business operations whether in terms of funding, technology exchange, and technological innovation. It also elevates the Company's performance and enables the Company to continuously adjust to a fast-changing business environment.
<b>Trade Competitors</b>	Emphasis on conducting business with ethical principles and transparency, compete with trade competitors lawfully, with trade ethics, best practice, and good governance within the purview of international principles of trade competition
<b>Communities / Societies</b>	Encourage organization of social activities and/or support community development activities to enhance social stability and quality of life in the nearby communities by supplying residential developments that cause no pollution to the surrounding community and avoiding creating all forms of pollution. Additionally, the Company also helps to improve the environmental sanitation in the nearby community. All of these to help in improving the surrounding communities of its development projects, and create harmonious coexistence, as well as to work together in order to bring benefits to society as a whole.
<b>Environment</b>	Conduct business under environmental laws and standards, environmental impact management, and maximization of limited resources as well as use them efficiently. Reduce the use of natural materials and replace them with substitute materials that can help mitigate the global warming effects. This effort is a part of the Company's social duty to reduce environmental problems, protect the ecosystem and biodiversity. It also implements policies on occupational safety, health, and environment, as a part of its business operations.

## 1. Guidelines towards shareholders

- Overseeing that the Company's assets are in place, not misappropriated, or not improperly impaired in value.
- Reporting the Company's position, operating performance and financial status consistently and completely as per factual conditions both on the positive and negative points via various channels.
- Offering opportunities for its shareholders to propose additional meeting agenda items, and nominate qualified candidates for any available director position, prior to the AGM date, including allowing shareholders to submit their questions.
- regularly making public release on the Company website to encourage shareholders to visit its development projects as appropriate.
- Providing sufficient details regarding the shareholders' meetings and all relevant information to shareholders prior such meetings for the shareholders to promptly make their decisions.
- Managing the Company so that it can achieve its maximized operational capability, while effectively and efficiently fulfilling its corporate objectives, both short-term and long-term as well as being competitive in its business performance with targets set to provide shareholder annual dividend in accordance with dividend payment policy.

- Overseeing the Company's directors, executive, and employee, or their families, or related persons to not abuse the Company by exploiting any inside information for their own benefit, and/or acting in a manner that may lead to any possible conflicts of interests against the Company.

## **2. Guidelines towards employees**

- Treating employees with respect by being polite and respecting their individuality as well as their human rights pursuant to the Company's human right policy.
- Appointing, transferring, rewarding and punishment are made on fair justifications and based on employee's capability, knowledge and suitability under the provisions of the Company's established rules and regulations.
- Establishing a complaint and whistleblowing process to assure fair treatment among employees and to protect them against any possible unfair treatment.
- Emphasizing the importance of the employee's knowledge development and skill improvement by consistently providing them with equal opportunities, and providing continuity of internal and external training in order to enhance their work efficiency and support creativity and innovative development that provides added value.
- stimulating workplace collaboration and teamwork and creating a bonding relationship among employees, as well as between supervisors and subordinates by organizing in-house training and interoffice activities.
- Assuring a work environment that supports the protection of life and property of the employees, and ensuring the health and safety of the workplace, by clearly stating the importance of the employee's security and well-being in the employee's manual.
- Monitoring employees' remuneration, welfare benefits, and fringe benefits to ensure that they are justified, fair and comparable to those of leading companies.
- Supporting a better work-life balance for employees. The Company arranges activities for employees and continually organizes various clubs in which employees can join according to their preferences and interests such as the badminton club, table tennis club, and also regularly hold a meditation session every Wednesday after work, etc.
- Promoting its employees' efficiency and good corporate performance together with encouraging the Company's philosophy of "Work Life Balance" which emphasized the well-balance life style of each employee that requires three basic elements.
- Complying with the relevant laws , rules and regulations on employee.

## **3. Guidelines towards customers**

- Hiring standardized contractors to construct the Company's buildings
- Delivering safely products and services and are in line with or beyond the customers' expectations at a fair price
- Providing adequate and accurate information to protect them from any possible misunderstandings on quality, quantity and conditions of such products and services
- creating an innovation, research, and development to deliver products and services that meet customers satisfactorily,
- Contacting customers in a courteous, proficient and trustworthy manner.



- Establishing proper systems and processes to manage customers' complaints. Also, arranging the department to take responsible of providing quickly advices, solutions and respond to customers' needs, and be committed towards customers' ultimate satisfaction in goods and services.
- keeping customer's confidential information and will not illegally use such information for their benefit or for the benefit of any related parties without customers' consent.
- Providing after-sales services to build a better customer relationship and organizing social and environmental awareness activities to enhance closer relationships between the Company and its customers.

#### **4. Guidelines towards business partners**

- The Company selects suitable contractors as the Company's business partners via its selection process. The process of contractor selection is supervised by a selection committee established by the Company, to evaluate the candidate profiles using the same set of prescribed criteria, which is aimed at creating fairness and equitability to all participants. Selection Criteria are set as follows:
  - (1) Have sufficient work experience, with past performances that are qualified and suited to the Company's requirements, and operate their business with honesty and integrity.
  - (2) Reliable with a good track record and credibility of their financial positions
  - (3) Competent and have the capability to provide required workforce, labor, machinery, and raw materials needed for relevant constructions and productions.
  - (4) Capable of delivering the work within the prescribed time frame.
  - (5) Be able to provide performance guarantee and after-sale services
  - (6) Have a well systemized construction process or a production process that abides by social and environmental standards, and compliance with legal and regulatory requirements such as not being harmful to the environment, non-violation of human rights, and non-infringement of intellectual property, etc., as well as having the potential to grow and develop alongside the Company in the long-term.
  - (7) Have innovation, creativity, research & development, and ability to apply technologies in their production and services.
  - (8) Do not employ illegal foreign workers,
- Offering the opportunity for new business partners to work with the Company and develop their technical skills and new skills.
- Providing correct and accurate information and reports.
- Refraining from demanding, receiving or paying deceitful benefits to its business partners and encouraging business partners to cooperate in compliance with the Company's policy and measure on anti - corruption
- Complying with conditions prescribed in its agreements strictly. In the event that the Company cannot abide by any of its obliged conditions, it will promptly notify its trade partners about the situation and try to jointly search for remedies on the grounds of a good business relationship.
- Developing its supply chain system that allows its business partners to quickly issue trade documents, settle the payments, and verify the accuracy and correctness of such transactions via the system. This allows its trade partners to receive quick and correct payment amounts, which help improve their liquidity positions.

- Providing contact channels for trade partners to voice any potential unfair treatment that may arise during the working relationship with the Company.
- Supporting and controlling business partners to treat their employees fairly regarding work remuneration and respecting of human rights including child labor prohibition.
- Meeting with business partners who are the Company's contractors on a monthly basis and annually basis to assure proper understanding of the work process to ensure benefits to all parties
- Encouraging and supervising business partners to train their employees and workers on occupational safety, health, and environment according to the nature of work performed.

## **5. Guidelines towards creditors**

- Providing correct, relevant, and adequate information to creditors for their accurate credit reviews or makes decision.
- Preparing agreements with all creditors in the manner that is lawful without taking advantages of its counter parties.
- Utilizing the loan and credit facilities obtained from the creditors or financial institutions in accordance with their prescribed lending purposes
- Repaying its debt obligations according to their prescribed repayment conditions promptly
- Maintaining its Interest Bearing Debt ratio at the level not to exceed 2 times which is the required level prescribed by its financial institution creditors.
- In the event of any occurrences of any material adverse situations that might impair the Company's repayment capability, the Company shall promptly inform its lenders and shall jointly work out potential solutions with them to protect all parties against any possible damages. The Company shall strictly comply with the requirements regarding disclosure of information. In a case where the Company meets with the financial problems or significant issues that may have a material impact on the financial status, or ability to repay debts, the Company will set a plan to resolve such financial problems, taking into consideration the fairness towards debtors and stakeholders. The Company's management team is required to report the remedial actions to the Board of Directors on a continual basis.
- Strictly complying with the terms and conditions of its debt agreements with creditors or its loan agreement with financial institutions, particularly on conditions related to guarantees, the management of the Company financial structure to ensure its appropriate combination and assure its creditors of the financial strength of the Company's financial positions and debt repayment ability, as well as monitoring the quality of the assets pledged as collateral to make sure that they are in line with the requirements set by its creditors or financial institutions.

## **6. Guidelines towards co-investors**

- Respecting co-investors' rights and treating all co-investors fairly and equitably
- Providing operational assistance to co-investment activities and promoting co-investment potentiality so that they can achieve their planned targets.
- Promoting and supporting exchanges of opinions and suggestions, as well as collaborating in setting business plans and strategies with the goal to achieve maximized benefits of the co-investment ventures.
- Allocating benefits Appropriately, equitably, and transparently.

- Following-up on the operations of the co-investment ventures to assure that they are conducted in accordance with applicable laws and policies, as well as abiding by the guidelines of good corporate governance and sustainable development.

## **7. Guidelines towards trade competitors**

- Abiding by generally accepted business framework.
- Supporting and promoting free and fair trade, refraining from any monopolistic attempts or from any restrictive efforts that might obligate its counterparts to solely trade with the Company
- No breaching any confidentiality obligations or obtain competitor's trade secrets unlawfully and unethically.
- Not destroying trade competitors' reputation by spreading harmful rumors
- Avoiding entering into any trade agreement or action which may cause unfair trade practice, or trade monopoly.
- Avoiding competition by using unscrupulous methods such as spreading rumors, distorted information, or false information about competitors
- Not carrying out any act that may cause infringement of intellectual property

## **8. Guidelines towards communities / societies**

- Supporting activities and/or participating in community development activities to promote the strength of the community.
- Exploring and understanding governing laws and relevant regulations, prior to the undertaking of any business act or transaction, to avoid any possible business engagement that might impact on the existing community pattern or social way of life.
- The Company places emphasis on compliance with government stipulated policies as well as actively participating in a social governance network such as allowing the National Electronics and Computer Technology Center to install a closed-circuit television system (CCTV) in front of the Shinawatra Tower III to monitor traffic conditions on Viphavadi-Rangsit Road and Uthumphak Elevated Tollway.
- In the event of any situations or news that is linked and related to the Company, it will promptly communicate to the public by disclosing facts and updating ongoing circumstances without any cover-up or distortion of truth, in order to make the public fully and promptly aware of the Company's position

## **9. Guidelines towards environment**

- Conducting its business according to the general legal compliance and shall abide by the real estate development laws including any relevant laws, rules, regulations and standards in connection with environment.
- Supporting and promote the efficient and worthwhile use of resources in every business-related process by arranging employees' activities and providing knowledge to employees on conservation of energy and natural resources, and enhancing the learning process on the efficient and effective usage of natural resources.
- Developing products/services without impact on environment and opposing the use of materials affecting environment.
- Arranging to have operation measures that encourage eco-friendly conduct by abiding to the practices of minimizing stakeholder impacts, which includes implementing of wastewater quality control measure

by installing water gates and waste treatment control, and monitoring quality of water emission from the Company's development projects to protect water glut and water pollution

- Continuously fostering clear awareness of, and concerning about environmental responsibility among the Company's employees at all levels, and recognizing business partners who abide by and comply with fair practice and environmental responsibility.
- Arranging employees training, directly and indirectly, on energy and environmental knowledge such as energy saving technologies, energy conservation, choices of green energy etc.

#### **Policy and Measures on Anti-Corruption**

- The Company has a policy and measures on anti-corruption formulated in writing to emphasize its standpoint and intent against all forms of corruption. It also requires that its directors, executives and employees at all levels shall not engage or participate in any direct or indirect corruptive acts and shall not receive, give, request, perform or accept any form of corruption for the benefits or any other inappropriate business interests of themselves or other persons, or to induce favorable actions or wrongfully restrain from performing duties.
- The Company has prescribed the following written guidelines to which its directors, executives and employees at all levels are to comply:
  - Prohibiting from using of the Company's money or assets to support or make contributions to any politicians or political parties, and the use of corporate positions and working time to engage in any political activities and political assistance.
  - Donations must be made only for the charitable purpose of public benefit under the rules as prescribed in the Company, and it is prohibited to donate money to customers, business partners, or middlemen who are members of the private sector or civil servants.
  - Contributions are allowed to be made to any organizations and any outside parties for the purpose of supporting the Company's brand awareness, social and environmental responsibility activities, public relation activities, and any other activities which promote the Company's business operations and will not be considered a form of corruption.
  - Prohibiting of offering or receiving of presents, gifts or any other benefits on behalf of the Company during any festive season.
  - Payment of entertainment costs and/or other expenses in respect of business relations with business partners can be made only on the condition that it is not an act to obtain unfair advantages or unlawful benefits.
  - Conducts corruption risk assessments for business operations every year so that it can properly and correctly set its anti-corruption measures.
- As for the implementation of the anti-corruption policy and measures, the Company prioritizes the importance of providing appropriate communication, education, and understanding to all its stakeholders and employees through various channels such as staff orientation and training via "SC IN ONE" channel, dissemination of information in the Company's website ([www.scasset.com](http://www.scasset.com)) and intranet, etc.
- In the event of any violation or non-compliance with the Company's anti-corruption policy and measures, it is considered as an offense in which the Company has prescribed relevant penalty as per its personnel management regulations and/or applicable laws.

Detailed information on "Policy and Measure on Anti-Corruption" can be found in at <https://www.scasset.com/th/about-us/company-governance/>

## 2. Code of Conduct

The Company believes that, other than business policy and strategy, the major factors which contribute to its business success, as well as its achievement of corporate vision and mission as per its “For Good Morning” slogan which focuses on making every morning a good and cheerful morning for its customers are values, behavior, culture, and business ethics of the corporation and employees, as well as the monitoring and control processes that ensure the compliance of the same. All of these are important elements that enable the Company to achieve its business targets.

- **Code of Conduct**

Since 2003, when the Company became a public company and was listed on the Stock Exchange of Thailand, the Company has always paid attention to its good corporate governance and established its Code of Conduct to guide its corporate operations based on its prescribed corporate ideology, and uses this Code of Conduct as the guideline for ethical behavior and decisions of its directors, executives and employees, to ensure that the Company’s business is conducted in a consistently legal and ethical manner.

The Company’s Code of Conduct consists of principles namely practice guidelines towards stakeholders, human rights, anti-corruption as well as workplace conduct etc. The Company’s directors, executives and employees are each required to comply with this Code, and the Code is deemed as a part of the Company’s personnel management regulations. This Code of Conduct is annually reviewed and approved by the Company’s Board of Directors to ensure that it is compatible with a rapidly changing business environment, and that it can support the Company’s operational goals.

In 2020, the Company make its Code of Conduct known to its directors, executive and employees, and ensures that each of its employees is aware of this Code of Conduct from their first day of work. The Code is always prescribed as an agenda topic in the orientation of new directors, executives, and employees, and it is a requirement that each employee must abide by and comply with this Code.

- **Corporate Culture/ Values/ Behavior**

other than being prescribed in writing in the Code of Conduct, the Company has also created its corporate culture known as “#SCskydive” to foster employees’ behavior, decision making, and concepts to conform with the directions in which the Company believes that will lead its organization to its targeted goals. These prescribed values include:

- **CARE: Care for customers, Know customers’ needs**

With a mission to offer a good to each customer, the Company focuses on customer and stakeholder awareness. Thus, the Company encourages its employees to have following behavior;

- ✓ Listening attentively to the problems of customers and colleagues
- ✓ Paying attention and being ready to assist, attending and remembering the things that customers and colleagues like or dislike so that their needs can be serviced
- ✓ Evaluating performance based on from customers’ satisfaction
- ✓ Delivering products or services that exceed demand or expectation, creating the best impression to the client and service receiver

- **COURAGE: Dare to think, Dare to speak, Dare to take action and Present new ideas**

The Company expects its employees to work with trust and confidence, dare to do the right thing, and do it bravely and not be afraid to continue doing something, even though it might be difficult All these shall

steer the Company's operation in the right direction, and towards the best practices. Thus, the Company encourages its employees to have following behavior;

- ✓ Having the courage to speak, express opinions, and trying new things that have never been done before
- ✓ Willing to admit a mistake/ problem that occurs without finding fault, and trying to rectify the problem together
- ✓ Having the courage to tell colleagues in the same work unit and from different work units, if they do something wrong.
- ✓ Expressing opinions in meetings/ team, and raising a hand to ask when in doubt

■ **COLLABORATION: Work with other departments, companies, with the aim to reach the mutual goals**

The Company believes on collaborative strength and that the strength of collaboration can lead to organizational success. Thus, the Company encourages its employees to have following behavior;

- ✓ Learning and understanding how to work with other departments and companies to develop products/services
- ✓ Working under agreed standards and guidelines, solving problems together using teamwork
- ✓ Meeting with other work units as teamwork, listening and gathering various ideas to work on
- ✓ Always paying attention to speed and quality of work so that others can carry on their work smoothly

■ **CONTINUOUS IMPROVEMENT: Learning new things and Continue to develop**

One of the Company's missions is to develop goods and services that can best bring a good to its customers. Learning, self-development, creativity, and never stop growing are the key elements for business sustainability. Thus, the Company encourages its employees to have following behavior;

- ✓ Learning, researching, and following business news
- ✓ Finding and updating new information and knowledge to continually improve one's work
- ✓ Always being eager to learn new things, to widen one's scope of thinking, even if the issue is not directly linked to work
- ✓ Finding ways to further improve the existing work despite that work is already being good.

Throughout the year 2020, the Company continues to encourage its employees to behave according to its organizational culture by introducing various learning and activities that shape the characteristics of its executives and employees, and promote the core values of the Company, with the Board of Directors being the role model. These learning and activities include

- |   |   |
|---|---|
| - Voice of Customer                     | which promote the behaviors of "CARE"                   |
| - Grow Ideas and Voice of People Survey | which promote the behaviors of "COURAGE"                |
| - All – Hands Meeting and SC Town Hall  | which promote the behaviors of "COLLABORATION"          |
| - HR Live and SC Food for Thought       | which promote the behaviors of "CONTINUOUS IMPROVEMENT" |

and other activities such as 4Cs Challenge, "4Cs in The Act" etc. Additionally, the Company also promotes learning and understanding of good behavior and practices which include the expectations of behavior in the workplace that can be found via e-learning and the "SC IN One" application.

Full information of "Corporate Governance Policy" and "Code of Conduct" can be found at <https://www.scasset.com/th/about-us/company-governance/>



### 3. Major Changes and Development of Corporate Governance Policy, Guidelines, and System in 2020

#### 3.1 Major Changes and Development

- During the meeting of the Company's Board of Directors No. 8/2020 on December 16, 2020, the Board considered and reviewed the Corporate Governance Code (CG Code) prepared by the Securities and Exchange Commission, Thailand (SEC). The Board establishes its clear leadership role and responsibilities as the Company's Governing Board in applying the good corporate governance principles for the benefits of the company's business sustainability, and compares each principle of this CG Code with the Company's governance policy, Code of Conduct, and existing good corporate governance practices under the current business context and conditions, the Board is of the opinion that the Company's governance policy, measures and procedures are in accordance with said CG Code. Additionally, the Company has both short-term and long-term action plans for improvement of its good corporate governance system that are suitable with its business growth plan and context.
- In the meeting of the Company's Board of Directors No. 7/2020 on November 11, 2020, the Board considered and reviewed the Company's Risk Management Policy for suitability with the Company's corporate risk management objectives and strategies.
- In the meeting of the Company's Board of Directors No. 5/2020 on July 15, 2020, the Board considered and reviewed the Company's Policy and Measures on Anti-Corruption to ensure its appropriateness for business risks and the business environment, as well as its compliance with rules and regulations as prescribed by the Thai Private Sector Collective Action Against Corruption (CAC).
- The Company's Board of Directors considered and reviewed the Charter of the Board of Directors, the Charter of the Audit Committee, the Charter of the Risk Management Committee, and the Charter of the Corporate Governance and Sustainable Development Committee to ensure that all these charters are in compliance with the Company's operational process, the duties and responsibilities of each of the said committees, and the applicable rules and regulations, as well as the good corporate governance guidelines and standards prescribed by the applicable regulatory authorities such as the CG Code, the CAC principle standards, etc.

#### 3.2 Compliance with Good Corporate Governance

During the entire year of 2020, the Company fostered and paid attention to its full and continual compliance with the principles of the good corporate governance for publicly listed companies B.E. 2555 published by the Stock Exchange of Thailand. Additionally, it has applied the principle of good corporate governance for publicly listed companies published in 2017 (CG Code 2017), by the Securities and Exchange Commission, for its governance and appropriately adapted such principles to its business practice. The policy including the practices and procedures related to good corporate governance have been reviewed and developed to comply with the generally accepted principles by adopting the new principles to apply to the Company's strategies and direction, in order that the Company's business operation could be developed and prosper transparently, open to investigation, and protect the equitable rights of every shareholder including all other stakeholders.

Nonetheless, the Company has undertaken other different approaches than those specified in good corporate governance principles as mentioned below:

(1) The Company has not set the maximum term for independent directors

This is because the grounds that the Company has considered as essential factors the knowledge, competency and professional experience of each independent director, contributable to the benefits of all stakeholders and the Company's business growth, as well as the individual performance assessment throughout the term of directorship. Each independent director has proved that his independence is maintained without any conflict of interest and /or material interest with the Company. Over the past years there were no objections or allegation made by the stakeholders or governing authorities concerning the qualification of the Company's independent directors. Nevertheless, while not failing to observe the good corporate governance practice, the Company regularly developed and reviewed the internal control system, the audit system and the stakeholders' petition process to improve the efficiency of the audit system and to assure that all Company's independent directors will not be disqualified from independent directorship as specified by the Securities and Exchange Commission (SEC). It is also the policy of the Board of Directors that the Nomination and Remuneration Committee should review the term and years in office of the independent directors on a yearly basis.

(2) The Company has not yet prescribed cumulative voting as a voting method for its Board of Directors election

Since the practice of cumulative voting is perceived by the Company to have certain flaws, which facilitate minority shareholders to concentrate their votes on candidates who are not nominated by the Company, and not selected via the Nomination Committee's selection process. The Nomination and Remuneration Committee knows what qualifications are suitable to corporate strategy and required to help the Company achieve its development and business suitability targets, and thus mostly required for a director to have. Therefore, a director candidate who is not reviewed and selected via the Nomination and Remuneration Committee's selection process may not be acceptable to work with other board members, which could then result in a non-cohesive corporate administrative and governance direction that could further cause damage to the Company's business operation.

### 6.3.3 Other Good Corporate Governance Practices

#### **Whistleblowing Policy**

The Board of Directors pays attention to the rights of all interested parties of the Company and is also aware of their required roles in the participation of the Company's corporate governance, and has therefore prepared and developed a "Whistleblowing Policy" so that its directors, executives, employees, and stakeholders can be informed of the proper channel and procedure for reporting of information and cases on violation of the Company's code of conduct, bribery, fraud, corruption including the violation of rights, illegality, breaching of the Company's regulations or policies, wrongdoing, and any other actions that may cause damage to the Company. An individual can contact the Company to report wrongdoing incidents, make suggestions, complain, and request for relevant advice. All of these are aimed towards improving or correcting the situations, as well as creating transparency and fairness. This "Whistleblowing Policy" prescribes details which all the Company's employees and stakeholders must be aware and can also be applied as essential practice guidelines for them.

## • Whistleblowing Channels

The Company's Board of Directors provides various channels for all stakeholders to be able to contact, report, make suggestions or complaints to the Board of Directors, particularly on matters which may cause damage to the Company. Additionally, the Company also provides channels and processes for employees to report illegal behaviors, corruptions and immoralities to the Board of Directors. The contacts, suggestions, and complaints can be directed to each of the board members, the Company Secretary via their following addresses and emails.

Information and contact addresses of each Director are available on the Company's Website ([www.scasset.com](http://www.scasset.com)) under the "Corporate Governance" Section (<https://www.scasset.com/th/about-us/whistleblowing-channels/>) as follow;

### 1. Board of Directors

<b>Mr. Rath Kitivejosoth</b>	<b>Mr. Nuttaphong Kunakornwong</b>	<b>Mr. Nathpath Ouajai</b>
33, 110 Yak 3 Alley, Lat Phrao Road, Plub Pla Sub-district, Wang Thonglang District, Bangkok, 10310 rath@scasset.com	640/83-85 Petchburi Road, Thanon Phetchaburi Sub-District, Ratchathevi District, Bangkok, 10400 nuttaphong@scasset.com	112, Chok Chai 4, 18 Alley, Lat Phrao Sub-district, Lat Phrao District, Bangkok, 10230 nathpath@scasset.com
<b>Mr. Kunodom Tharmmaphornphilas</b>	<b>Mr. Prasert Samanawong</b>	<b>Mr. Precha Sekhararidhi</b>
179/5, Bang Khun Non 31 Alley, Bang Khun Non Road, Bangkok Noi Sub-District, Bangkok Noi District, Bangkok, 10700 kunodom@scasset.com kunodom@hotmail.com	2/94 Mu Ban Seri (1 Alley), On Nut Road, Prawet Sub-district, Prawet District, Bangkok, 10250 praserts@scasset.com sertsam@yahoo.com	68/174, Mu Ban Pracha Niwet 4, Samakkhi Alley, Pracha Chuen Road, Tha Sai Sub-district, Mueang District, Nonthaburi, 11000 precha@scasset.com prechas2555@hotmail.com
<b>Mr. Songsak Premsuk</b>	<b>Ms. Vilasinee Puddhikarant</b>	<b>Mr. Attapol Sariddipuntawat</b>
9 Phuttha Bucha 20 Alley, Phuttha Bucha Road, Bang Mod Sub-District, Chom Thong District, Bangkok, 10150 songsak@scasset.com	519 Sri Ayudhya Road, Phayathai Sub-District, Ratchathewi District, Bangkok, 10400 vilasinee@scasset.com	117/75 Moo 9 Bangrakpattana Sub-District, Bangbuathong District, Nonthaburi, 11110 attapol@scasset.com

## 2. Company Secretary / Internal Audit

Mr. Somboon Kuptinamus (Company Secretary)	Internal Audit
635 Rangsit-Nakornnayok 52 Road, Prachathipat Sub-District, Thanyaburi District, Pathumthani Province, 12130 companysecretary@scasset.com	SC Asset Corporation Public Company Limited (floor P14)1010 Shinawatra tower 3, Viphavadi Rangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok, 10900 Internal_Audit@scasset.com

- **Process and procedures on the management of complaints/ whistleblowing for employees and all interested parties**

The Company has clearly prescribed its process and procedures regarding the management of complaints / whistleblowing to assure that its employees and all interested parties who intend to report any wrongdoing/ complaint, or to provide any information/ suggestion to the Company so that all interested parties can be confident that their reports and suggestions will be transparently, honestly, fairly, and confidentially reviewed, and such matters will promptly be processed within a reasonable time as follows;

1. The stakeholders and employees may report their complaints directly to each director, the Company Secretary or Internal Audit by mailing to address or e-mail address as it appeared above.
2. After receiving a complaint, the Company will investigate the complaint initially. If a prima facie ground is found, an interrogation team will be set up to investigate the complaints competently, diligently and impartially. The team will deal with the complaints appropriately and promptly.
3. The Company will respond and report back investigating results to director(s) and appellant(s). If there is any damage to appellant(s) the Company is glad to remedy them fairly. The existing procedures for stakeholders and employee to contact, make suggestion, or report illegal, dishonest or unethical behaviors or any action deemed detrimental to the Company are as follows:

- **Measures and guidelines for protection of a whistleblower or the complainant**

The Company set up the Whistleblower protection procedures and guidelines especially by not disclosing a name of employee(s), and appellant(s) to any third party and will keep them confidential. A committee will be set up for fact finding and to review the matters with transparency and fairness toward both the whistleblower or the complainant and the one being accused.

In 2020 the Company did not receive any complaint from its employees , but received a complaint from outsider concerning the behaviour of one of its employee's behaviour which was in violation of his assigned duties and responsibilities. The Company set up a committee to investigate the matter and found out that there was unacceptable behaviour that could be considered a misconduct offense, the Company therefore penalized the said employee according to the Company's regulations. Furthermore, the Company periodically investigated other actions related to its business operations to ensure that no director, executive, or employee has any unlawful behaviour or was connected in any way with any illegal activity, corruption or actions which may cause damage to the Company.

- **Policy on avoidance of connected transactions with non-subsidiaries**

It is the Company's policy to avoid any transactions with other companies, which are not its subsidiaries, in a manner that may be deemed as a rendering of financial assistance such as lending money or guaranteeing credit to other companies, except such transactions which involve an offering of financial assistance to its subsidiary or an offering of financial assistance to its joint-venture company for the amount contributed according to the ratio of its shareholding under its joint-venture agreement.

In 2020, there were no related party transactions in the manner that may be deemed as a rendering of financial assistance under any circumstances.

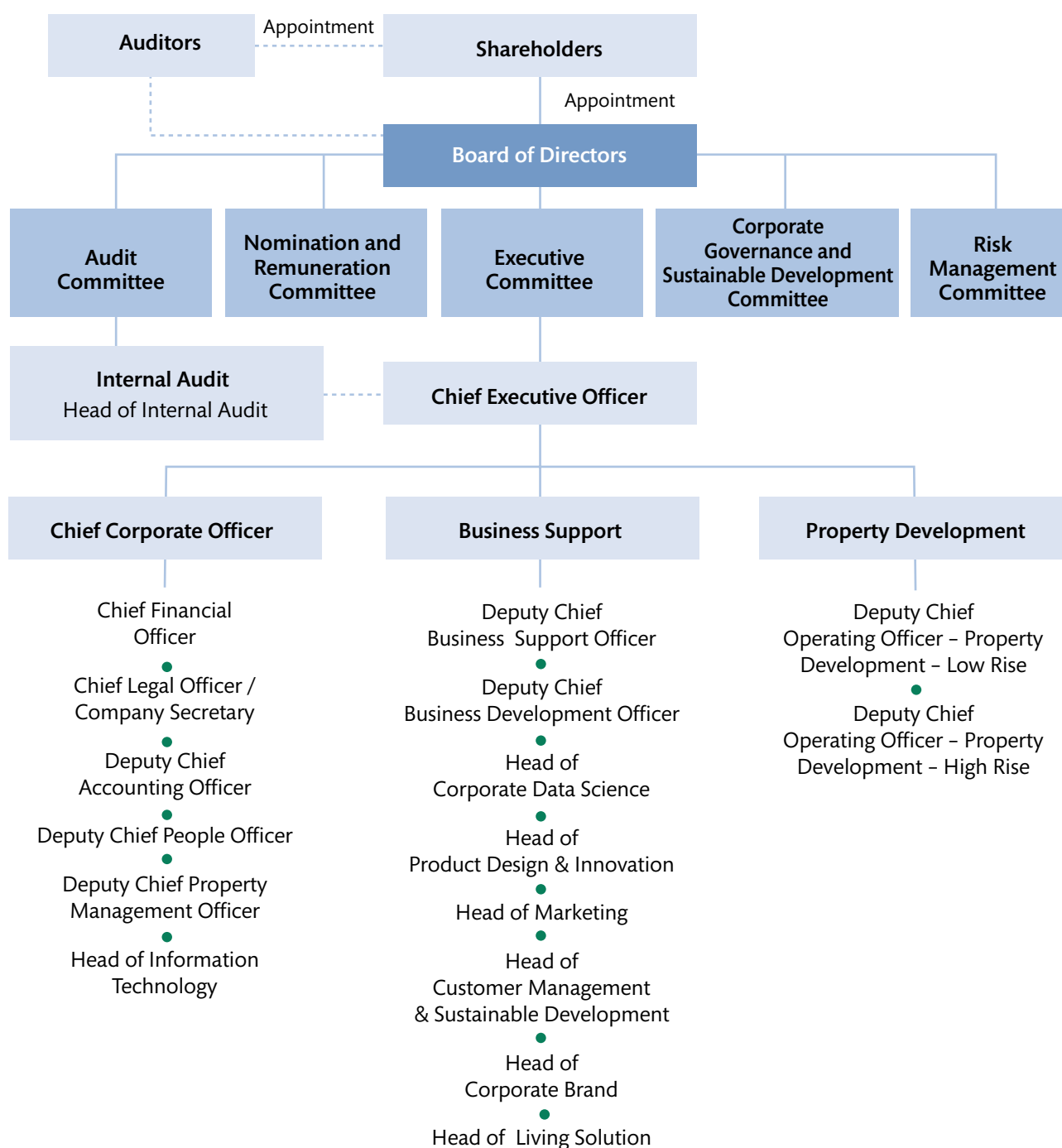
- **Policy that the Chairman of the Board of Directors must be an independent director**

The Company has prescribed its policy that requires the Chairman of the Board of Directors to be an independent director, only as prescribed in the definition of the Independent Directors by the Stock Exchange of Thailand. At present, the Company's Chairman of the Board of Directors is an independent director and maintains his independence in policy assignments and supervision of the operation of the Company.

# CORPORATE GOVERNANCE STRUCTURE AND OTHER SIGNIFICANT INFORMATION

## 1. Organization Structure / Corporate Governance Structure

As of December 31, 2020, the Company's corporate governance structure is clear, balanced and accountable. The Board of Directors and the management perform in the best interest of the Company and its shareholders and that there is a clear distinction of roles and responsibilities between the Board and the management.





## 2. Board of Directors Information

### The Board of Directors Structure

Subject to the Company's Article of Association and Good Corporate Governance Policy, the Board of Directors consists of:

- The Board of Directors has established Board Diversity Policy by specifying that the Board should comprise the members with diversity qualification possessing skills, knowledge professional experience, expertise and specific skills in various fields matching the Company's business strategies in both short and long term which are identified through Board Skill Matrix preparation, without prejudice to their gender, nationalities, religions, proficiency or other discrimination. Details of each director appears in the Attachment 1.
- To implement a flexible management, the Company thus limit the the Board of Directors structure to have at least 5 and not exceed 12 directors, which is suitable for the size and nature of the Company's business. Presently, the Board of Directors consists of 9 directors.
- The Board of Directors comprise of specialists in various fields aimed to provide integrated knowledge and proficiency and at least 1 of non-executive directors must posses the professional experience relevant to the Company's business. In addition, at least 1 of member of the Audit Company must be knowledgeable in finance and accounting including having experience to review the Company's financial statement.
- The number of independent director shall exceed 50 percent of the total board members in order to ensure that the Board of Directors could independently perform the duties on the behalf of the shareholders and stakeholders with an appropriate check – balance system. As of December 31, 2020, the Company had 6 independent directors, which accounted to 66 percent of the total board members.
- The number of non – executive directors shall exceed 50 percent of the total board members. As of December 31, 2020, the Company had 7 independent directors, which accounted to 77.77 percent of the total board members.
- There must be 1 female independent director. As of December 31, 2020, the female independent director is Ms. Vilasinee Phddhikarant, which accounted to 77.77 percent of the total board members
- The chairman of the Board of Directors must be an independent director and must not be the same person as the Chief Executive Officer as well as must not be member in any sub-committee in order to reciprocally balance the power.
- All of the Company's independent directors are independent of the management and major shareholders and have qualification of independent directors as prescribed by the Company, which is more stringent than the requirement of the office of Secruities and Exchange Commission. The Company has prescribed the qualification of independent directors as follow;
  1. Hold shares not exceeding 0.5 percent of the total number of shares with voting rights of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director.
  2. Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the applicant, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person.

3. Must not be a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child of other directors, executives, major shareholder, controlling person, or person to be nominated as executive or controlling person of the applicant or its subsidiary company.
4. Neither having nor used to have a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person.
5. Neither being nor used to be an auditor of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of an audit firm which employs auditors of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person.
6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services.
7. Must not be a director appointed as representative of directors of the applicant, major shareholder or shareholder who is related to major shareholder.
8. Must not undertake any business in the same nature and in competition to the business of the applicant or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the applicant or its subsidiaries.
9. Must not have any other characteristics which cause the inability to express independent opinions with regard to the applicant's business operation.
10. Be able to attend the board meetings and freely make judgments and decisions.
11. Be equitably oversee the interests of all shareholders and oversee that there is no conflict of interest

In 2020 There was neither business relationship transaction nor professional advisor transaction between independent director (and director) and its parent company, subsidiary, or juristic person who may have conflicts of interest having the amount more than prescribed in Notification of the Capital Market Supervisory Board No. Tor Chor. 28/2551 Re: Application for an Approval of Offer for Sale of Newly Issued Shares Which is Defined Significantly and is not Independent, which are:

- 1) A normal business relationship transaction with the amount of three percent or more of the net tangible assets or twenty million Baht or more, whichever is lower. It shall include the transaction taking place during the course of six months prior to a date of transaction. The amount of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship commences.
- 2) Being an auditor or professional advisor of the company such as legal advisor, financial advisor or asset appraisal.

## Board Skills Matrix

Director	Type	Administration and Management	Real Estate Development	Engineering	Architecture	Finance	Accounting	Marketing	Legal	Information Technology
Mr. Rath Kitivejosoht	Independent Director	✓				✓			✓	
Mr. Nuttaphong Kunakornwong	Executive Director	✓	✓		✓					
Mr. Nathpath Ouajai	Director	✓	✓	✓						
Mr. Kunodom Tharmmaphornphilas	Independent Director	✓		✓						
Mr. Prasert Samanawong	Independent Director	✓					✓			
Mr. Precha Sekhararidhi	Independent Director	✓		✓						
Mr. Songsak Premasuk	Independent Director	✓			✓			✓		
Ms. Vilasinee Puddhikarant	Independent Director	✓				✓		✓		✓
Mr. Attapol Sariddipuntawat	Executive Director	✓				✓	✓			
<b>Total</b>		<b>9</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>

## Board of Directors

The Company's Board of Directors comprises of members who are qualified with knowledge and proficiencies. They have major roles in prescribing the Company's policies. The short-term and long-term corporate strategies are set by the board members together with the Company's top executives. The Board of Directors also lead an important role in overlooking, reviewing, and evaluating the Company's business operations and results, as well as assessing the performances of the Company's top executives to ensure that their actions are in line with the targeted goals. As of December 31, 2020, there are 9 directors on the Company's Board of Directors consisted of:

No.	Name	Type of Director	Position
1	Mr. Rath Kitivejosoht <sup>(1)</sup>	Independent Director	Chairman of the Board of Directors
2	Mr. Nuttaphong Kunakornwong <sup>(2)</sup>	Executive Director	Vice – Chairman of Director / Member of the Executive Committee / Member of the Corporate Governance & Sustainable Development Committee / Member of the Risk Management Committee / Chief Executive Officer (Authorized Director)
3	Mr. Nathpath Ouajai <sup>(3)</sup>	Director	Director / Member of the Executive Committee (Authorized Director)
4	Mr. Kunodom Tharmmaphornphilas <sup>(4)</sup>	Independent Director	Director / Chairman of the Audit Committee / Member of Nomination and Remuneration Committee
5	Mr. Prasert Samanawong <sup>(5)</sup>	Independent Director	Director / Chairman of Nomination and Remuneration Committee / Member of the Audit Committee / Member of the Risk Management Committee

No.	Name	Type of Director	Position
6	Mr. Precha Sekhararidhi <sup>(6)</sup>	Independent Director	Director / Chairman of the Corporate Governance & Sustainable Development Committee / Chairman of the Risk Management Committee / Member of the Audit Committee
7	Mr. Songsak Premsuk <sup>(7)</sup>	Independent Director	Director/ Member of the Executive Committee / Member of Nomination and Remuneration Committee / Member of the Corporate Governance & Sustainable Development Committee
8	Ms. Vilasinee Puddhikarant <sup>(8)</sup>	Independent Director	Director / Member of the Executive Committee
9	Mr. Attapol Sariddipuntawat <sup>(9)</sup>	Executive Director	Director / Member of the Executive Committee / Member of the Risk Management Committee / Chief Corporate Officer (Authorized Director)

#### Remarks

- <sup>(1)</sup> Mr. Rath Kitivejosoth was appointed as chairman of the Board of Directors, in replacement of Mr. Chaiwat Wiboonsawat, effective from March 1, 2007 onwards.
- <sup>(2)</sup> Mr. Nuttaphong Kunakornwong was elected by the meeting of the Board of Directors No. 2/2012 on February 28, 2012 to act as a director, in replacement of Mr. Chanon Chotevijit who resigned from his position
- <sup>(3)</sup> Mr. Nathpath Ouajai has been a director in replacement of Ms. Pranee Vejpruekitak, effective from March 20, 2006 onwards.
- <sup>(4)</sup> Mr. Kunodom Thammaphornphilas has been a director in replacement of Mr. Somphong Nakornsri, effective from March 20, 2006
- <sup>(5)</sup> Mr. Prasert Samanawong has been a director in replacement of Mr. Krit Umpote, effective from January 31, 2007
- <sup>(6)</sup> Mr. Precha Sekhararidhi has been a director in replacement of Mr. Chaiwat Wiboonsawat, effective from March 26, 2007
- <sup>(7)</sup> Mr. Songsak Premsuk was appointed by the Annual General Meeting of Shareholders for 2015, dated April 23, 2015 as a director in replacement of Ms. Nangnoi Na Ranong who retired by rotation
- <sup>(8)</sup> Ms. Vilasinee Puddhikarant was appointed by the resolution of the Board of Directors dated January 15, 2016 to be a director of the Company and member of the Executive Committee (Independent Director) in replacement of Ms. Phensom Damapong, who resigned from her directorship. She was re-elected by the resolution of the Annual General Meeting of Shareholders for 2016 as a director (Independent Director) for another term.
- <sup>(9)</sup> Mr. Attapol Sariddipuntawat was appointed by the Annual General Meeting of Shareholders for 2017 as a director and he was also appointed by the Meeting of the Board of Directors No.3/2017 to act as member of the Executive Committee.

#### Authorized Directors

The Authorized Directors of the Company as per the Company's Regulation and the Certificate of Registration issued by Department of Business Development, Ministry of Commerce, as of December 31, 2020, are Mr. Nuttaphong Kunakornwong, Mr. Nathpath Ouajai and Mr. Attapol Sariddipuntawat, any two of these three directors co-sign their names and affix the Company seal.

#### Controlling Persons

As of December 31, 2020, there were 4 controlling persons with controlling interests in the Company in accordance with the definition prescribed by the Securities and Exchange Commission which are

Controlling Persons		Number of Shares	Percent (%)
1. Ms. Paetongtarn	Shinawatra	1,216,149,870 shares	29.097
2. Ms. Pintongta	Shinawatra Kunakornwong	1,176,915,495 shares	28.158
3. Khunying Potjaman	Damapong	117,109,887 shares	2.802
4. Mr. Panthongtae	Shinawatra	14,000,000 shares	0.335

## **Directors' Scope of Authorities and Responsibilities**

1. Defining the prime goals and objectives of the business, vision, mission, strategy, policy and direction of the Company's business operations; supervise the management in operating the business towards sustainable growth alongside value creation for the business, customers, stakeholders and society as a whole, so to meet the prescribed objectives efficiently and effectively through the adoption of innovation and technology suitable for the changing era.
2. Monitoring, evaluating and overseeing the business performance in accordance with the target, strategy and action plans in order to improve and develop the competitiveness over other operators and to achieve good business outcomes while preventing long-term perspective, including being prepared and studying of business environment and social for corporate resilience.
3. Determining the proper number of the Board members and review that the Board structure is at a reasonable size which must comprise at least 5 directors and not be more than 12 directors, with independent directors constituting more than half of the Board to allow for flexibility in management, appropriate and necessary to steer the Company towards its corporate goals and objectives.
4. Ensuring that all directors and executives perform their responsibilities in compliance with their fiduciary duty, and that the Company operates in accordance with any relevant laws, the Company's objectives, Article of Association including the resolution of the shareholders' meetings when required by law to be approved by a resolution of the shareholders such as entering into connected transaction, purchase or sale of significant assets as defined by the regulations of the Stock Exchange of Thailand or other government organization, etc.
5. Defining the criteria and process in relation to the nomination of qualified senior executives who should possess knowledge, skills, experience, and attributes necessary to drive the organization towards the defined goals; consider the compensation structure and evaluate their managerial performance and development of human resources to obtain appropriate knowledge, skill and motivation; as well as to monitor the preparation of the annual succession plan for the Executive Chairman, Chief Executive Officer, and Senior Executives.
6. Encouraging innovative endeavors, appropriate and effective application of innovation or technology to create business value and sustainable value to the corporate which is attributable to the society; to develop or reduce the negative impact on the environment; as well as to monitor the management to conduct every process of the business with social and environmental responsibility
7. Establishing the Company's accounting systems, ensure reliable financial reports are created and properly audited, and monitoring the evaluation procedures for the appropriateness and effectiveness of internal control systems and internal audit functions, including risk management.
8. Defining the policy in relation to the allocation and management of information technology resources; monitor, review and develop the information technology to be appropriate and consistent with the risk.
9. Monitoring the policy and guidelines with regards to anti-corruption via communication on [www.scasset.com](http://www.scasset.com) requiring everyone in the organization and external stakeholders to support the actual implementation,
10. Monitoring possible conflict of interest among the stakeholders, i.e. the conflict of interest between the Company and the management, directors or shareholders; protect against the misuse of assets, information, and the Company's business opportunities, including improper transactions with persons connected to the Company.

11. Ensuring that the financial reporting system and disclosure of material information is accurate, adequate and timely in accordance with the relevant regulations, standards, and guidelines, by means of monitoring the financial administration to efficiently maintain financial liquidity sufficient to conduct the business and to service debt payment, with the plans to secure funding from various sources so as to prevent impact from financial issues.
12. Supervising and supporting the shareholders to have the opportunity to participate effectively in decision-making involving significant corporate matters through the Annual General Meeting or the Extraordinary Meeting. The quarterly business result communicated to the shareholders via [www.scasset.com](http://www.scasset.com)
13. Monitoring and supervising that the Letter of Invitation to the Annual General Meeting of Shareholders be distributed to all shareholders for their acknowledgement of the meeting agenda in advance, and such letter be published on the Company's website ([www.scasset.com](http://www.scasset.com)) to enable the shareholders to effectively exercise their rights during the Annual General Meeting of Shareholders, as well as overseeing that the arrangement of the Annual General Meeting of Shareholders be conducted in an orderly, transparent, and efficient manner. Additionally, the Meeting Resolutions shall be promptly disclosed, and the Minutes of the Shareholders' Meeting shall be accordingly reported in a complete and correct manner.
14. Establishing the Good Corporate Governance policy and Code of Conduct, and supervising the business operations to follow the established policy and Code of Conduct, as well as to consistently carrying out an annual review of the governance policy and Code of Conduct.
15. Taking responsibility for the business outcome and performance of the management in undertaking the business operations ethically with respect and accountability to shareholders and stakeholders.
16. Considering on significant issues such as business plans, business risk management, investment in major projects, management authority, and other matters in compliance with laws.
17. Appointing other persons to operate the Company's businesses under the control of the Board of Directors, or it may authorize other persons, to perform other duties for period of time as deemed appropriate. The Board reserves its right to change or revoke any authorities given to any such person

#### **The Board of Directors' Approval Authorities:**

The Company reserves the right for the Board of Directors to approve the following matters, which are

1. Approval of the Company's business investment budget with no limitation on the investment amount.
2. Approval the delegation of authority regarding financial transactions and payment such as capital investment, fixed assets, costs and expenses, and advance payment. For the sake of good management, such delegation of authority and the authorization limit grant to each executive level shall be clearly stated according to the corporate hierarchical layers namely the Executive Committee / Chief Executive Officer / Chief Corporate Officer / Chief Officer/ Deputy Chief Officer / Head of / Vice President / Assistant Vice President (Please refer to further details in the topic "Authorized transactions and authorization limit per transaction")
3. Approval the Company's vision, business' objectives, strategies, business operation plans, major investment project, implementation of the Company's significant projects including important policies such as risk management policies or dividend payment.
4. Approval or providing the opinion regarding the connected transactions of the Company and its subsidiaries as per criteria set forth in the relevant notifications, rules, and guidelines of the Stock Exchange of Thailand.



5. Approval the individual with required qualifications and without prohibition attributes prescribed under the Public Limited Companies Act, B.E. 2535, the Securities Exchange of Thailand Act, as well as the notifications rules and/or regulations related to an appointment of the Company director in the event of any vacancy thereof due to the reasons other than the expiration of his/ her term, including the approving of sub-committee appointment.
6. Approval of the performance assessment of the Board of Directors, the sub-committees, and the Chief Executive Officer.
7. Approval of the remuneration of the Chief Executive Officer/ High-level executives of the Company.
8. Approval the setting of the date for the Company's Annual General Meeting of Shareholders.
9. Approval other matters prescribed by laws, or set forth under rules and regulations to be the duties of the Board of Directors.

**Authorized transactions and authorization limit per transaction of Board of Directors/ Executive Committee / Chief Executive Officer / Chief Corporate Officer / Chief Officer / Deputy Chief Officer / Head of / Vice President and Assistant Vice President**

Item	Board of Directors	Executive Committee	Chief Executive Officer	Chief Corporate Officer	Chief Officer	Deputy Chief Officer	Head of	Vice President / Assistant Vice President
	(Baht)	(Baht)	(Baht)	(Baht)	(Baht)	(Baht)	(Baht)	(Baht)
1. Capital Investment								
1.1 Budget	Unlimited	2,000,000,000	1,500,000,000	50,000,000	10,000,000	5,000,000	2,000,000	500,000
1.2 Non-Budget / Over Budget	Unlimited	1,000,000,000	800,000,000	5,000,000	500,000	200,000	100,000	20,000
2. Fixed Assets								
2.1 Budget	Unlimited	50,000,000	30,000,000	2,000,000	1,000,000	500,000	200,000	50,000
2.2 Non-Budget	Unlimited	50,000,000	10,000,000	500,000	200,000	100,000	50,000	5,000
3. Cost / Expenses								
3.1 Cost	Unlimited	50,000,000	30,000,000	10,000,000	2,000,000	1,000,000	500,000	100,000
3.2 Marketing Expense	Unlimited	50,000,000	30,000,000	5,000,000	2,000,000	1,000,000	500,000	200,000
3.3 Staff Expense	Unlimited	50,000,000	30,000,000	5,000,000	2,000,000	1,000,000	500,000	100,000
Customer Service Expense								
Administrative Expense	Unlimited	50,000,000	30,000,000	5,000,000	2,000,000	1,000,000	500,000	100,000
3.4 Entertain Expense								
4. Advance Payment	Unlimited	50,000,000	30,000,000	1,000,000	200,000	100,000	50,000	30,000

**Remark** - Connected Transaction are treated in accordance with measures prescribed by the Securities and Exchange Commission

**Segregation of roles and duties between the Board of Directors and Management**

The Company defines shared and separate roles and duties between the Board and Management for clarity in performing their respective functions as follows;

#### **Matters for which the Board has primary responsibility:**

- Defining objectives and business model
- Developing culture of compliance and ethical conduct, and lead by example
- Strengthening an effective board structure and practices conducive for achieving the Company's objectives
- Ensuring suitable Chief Executive Officer selection, remuneration, development, and performance evaluation
- Ensuring appropriate compensation architecture that supports achievement of the Company's objectives

#### **Matters involving shared responsibility of the Board and Management:**

- Formulating and reviewing policies and strategies, plans and targets
- Ensuring robust system for risk management and internal control
- Clearly defining management's responsibilities
- Overseeing appropriate policies and plans for resource allocation, including Human Resource, Information Technology and budgeting
- Monitoring and evaluating the Company's performance
- Ensuring integrity of financial and non-financial information disclosure

#### **Matter that the Board should delegate or not get involved with:**

- Engaging in activities in accordance with the strategies, policy, and plans approved by the Board
- Not getting involved in or influencing matters in which a director may have vested interests

#### **Policy of Separating Chairman of the Board of Directors and the Chief Executive Officer (CEO) Positions**

The Company determines a policy that the Chairman of the Board of Directors must be an independent director according to the definition of the Stock Exchange of Thailand (SET) and must not be the same person as the Chief Executive Officer in order to reciprocally balance the power, as well as must not have any relationship with the management. There is a clear segregation of duty and responsibility in determining policy, monitoring, and governing of the business operation and management.

The Chairman of the Company's Board of Directors has an important role and duty in determining policy, and monitoring and governing of the business operation to be in line with the prescribed policy. The Chairman of the Company's Board of Directors also supports and provides suggestions on the work of the management without interfering in the work scope which is under the management's responsibility. Furthermore, in any connected transaction relating to the Chairman of the Board of Directors and the Chief Executive Officer, there is a policy prohibiting interested party to take part in the approval, which other independent director will perform the duty in place of the Chairman in that transaction

The Company also clearly prescribes and segregates the duty and responsibility of the Chairman of the Board of Directors and the Chief Executive Officer as follows:

#### **Chairman of the Board of Directors' Responsibilities**

- Overseeing the Board of Directors' Meeting and Shareholders' Meeting and perform the duty of chairman of such meetings to ensure that the meetings are efficient and legal and comply with corporate governance principals as well as clear voting in each agenda, especially the agenda that is significant

necessary including allocating sufficient time and promote each director to debate important matter thoroughly and exercise independent judgment.

- Overseeing, monitoring, and ensuring that the Board of Directors efficiently carries out its duties to achieve the Company's objective and goals.
- Overseeing and ensuring that all directors contribute to the Company's ethical culture and good corporate governance.
- Setting the Board of Directors' Meeting agenda by discussing with the Chief Executive Officer which important matter should be included.
- Promoting a culture of openness and debate through ensuring constructive relations between Executive Director and Non-Executive Directors, and between the Board of Directors and Management.

A present, Mr. Rath Kitivejsoth, an independent director, is the Company's chairman of the Board of Directors

### **Chief Executive Officer's Responsibilities**

- Taking responsible for the management and business operation as per the direction and supervision assigned by the Board of Directors and the Executive Board. He is also committed to manage the Company according to its corporate plan and/or corporate budget approved by the Board of Directors and the Executive Board, for the best achievable benefits of the Company and its shareholders according to prescribed objective and goal of corporate plan.
- Setting the Company's budget, operational plan, annual investment plan to be submitted to the Executive Committee and/or the Board of Directors for their review and approval.
- Overseeing that the Company's executives and employees are performing their work as per the prescribed policies, with efficiency maximization, and achieve the Company's prescribed goals.
- Reviewing new technologies to be used in management and operations of the Company aiming to increase its competitive edge, as well as to enhance its risk management.
- Auditing, monitoring and evaluating of operational results of the management team. To assure that the operations are conducted as per the prescribed strategies and business plans, and as set in the policy and goals of the Company.

At present, Mr. Nuttaphong Kunakornwong, Chief Executive Officer, is the Company's highest level of management.

### **3. Sub-committees' Information**

The Company's Board of Directors has appointed directors appropriately equipped with knowledge and professional proficiency in the various sub-committees to help oversee corporate governance by a performing detailed study and screening of the issues within the scope of their respective responsibilities, with an aim to increasing the effectiveness of Board of Directors' performance. In this way, the sub-committees could more specifically consider and discuss the related issues and reported the result of their meetings to the Board of Directors on a regular basis, as well as their annual performance to the Company's shareholders. Presently, 5 sub-committees have been appointed as follows:

## 1. The Executive Committee

Scope of duties and responsibilities, term of office, as well as meeting rules are set in accordance with the Executive Committee Charter. Interested parties are encouraged to visit the Company's website: [www.scasset.com](http://www.scasset.com) for more information in the "About Us"/ "Corporate Governance"/ "Charters" / "Executive Committee Charter" Section. (<https://www.scasset.com/th/about-us/charter/>)

As of December 31, 2020, the Executive Committee consisted 5 members are as follows

1. Mr. Nuttaphong	Kunakornwong	Member (Chairman of the Meeting)
2. Mr. Nathpath	Ouajai	Member
3. Mr. Songsak	Premasuk	Member (Independent Director)
4. Ms. Vilasinee	Puddhikarant	Member (Independent Director)
5. Mr. Attapol	Sariddipuntawat	Member

The Secretary of the Executive Committee is Ms. Namtip Promchua, Deputy Chief Accounting Officer.

### Scope of Duties and Responsibilities:

1. Formulating the policies, business direction, strategies and the construction business management of the Company by reviewing the current, and future economic trends and competitive situation as previously outlined to shareholders and submit to the Board of Directors for their approval.
2. Setting business plan, annual budget, and management guideline of the Company and submit to the Board of Directors for their approval.
3. Monitoring and following up operations to ensure compliance with policies and other management directions of the Company for its operational efficiency.
4. Monitoring and following up the performance of the Company as set forth in the approved business plans
5. Considering all major project investments
6. Carrying out financial transactions with financial institutions in respect of the opening of bank accounts, loans, pledge, mortgage, guaranty, and any other transactions including sales and purchases, and the registration of any land title as laid down in the objectives of the Company for the benefit of the Company's operations under the determined budget.
7. Operating any other activities specifically assigned by the Board of Directors.

### Meetings:

Meetings of the Executive Committee shall be hold monthly meetings, at least once a month. The meeting schedule for the whole year are made in advance and the members of the Executive Committee are informed for their acknowledgement.

In 2020, the Executive Committee held 12 meetings to follow up and manage the operation of the Company's business, of which the attendance details were disclosed under the topic "Attendance Record of an Individual Member of the Sub-Committees".

## 2. The Audit Committee

The Audit Committee was formed on September 1, 2003, with committee composition, member qualifications, prescribed scope of duties and responsibilities, term of office, as well as meeting rules set in accordance with the Audit Committee Charter. Interested parties are encouraged to visit the Company's website: [www.scasset.com](http://www.scasset.com) for more information in the "About Us"/ "Corporate Governance"/ "Charters" / "Audit Committee Charter" Section. (<https://www.scasset.com/th/about-us/charter/>)

As of December 31, 2020, the members of the Audit Committee consisted of 3 independent directors. All members of the Audit Committee have knowledge and understanding or experiences concerning accounting or finance, details are as follows

- |                |                   |   |
|----------------|-------------------|---|
| 1. Mr.Kunodom  | Tharmmaphorphilas | Chairman of the Audit Committee (Independent Director), having structural engineering and financial accounting background. He has competence and experience to review the Company's financial statements. |
| 2. Mr. Prasert | Samanawong        | Member (Independent Director), having financial and accounting background. He has competence and experience to review the Company's financial statements.   |
| 3. Mr. Precha  | Sekhararidhi      | Member (Independent Director), having engineering, management, financial and accounting background) He has competence and experience to review the Company's financial statement.                         |

The Secretary of the Audit Committee is Mr. Kanapon Charoonroch Na Ayudhya, Head of Internal Audit

**Term of Office:**

The term of office of the members of the Audit Committee is 3 year each. Nevertheless, a retiring member is eligible for re-appointment.

**Scope of Duties and Responsibilities:**

1. Reviewing the Company's financial statements to ensure they are accurate, reliable and have sufficient disclosure in accordance with the financial reporting standard.
2. Reviewing the efficiency and appropriateness of the Company's internal controls and internal audit systems. Overseeing the independency of the Internal Audit Department. Giving accord for considerations made regarding appointment, transfer, and terminal of employment of the Head of the Internal Audit Office,
3. Reviewing practices to ensure compliance with rules and regulations of the Stock Exchange of Thailand (SET), and other related authorities.
4. Considering for the selection, nomination and determining the remuneration of the Company's external auditors, as well as the recommendation for removal the external auditors.
5. Considering for endorsement regarding connected transactions or transactions which may represent conflict of interest are reviewed according to applicable laws and regulations of the Stock Exchange of Thailand (SET) in order to ensure their rationality and for the benefit of the Company.
6. Reviewing the efficiency and effectiveness of the Company's risk management systems.
7. Considering and approval the annual internal audit plan, and monitoring the implementation of such plan by the Internal Audit Department.
8. Preparing the Audit Committee Report in order to disclose in the Company's annual report. The Audit Committee Report must be signed by the Chairman of the Audit Committee and should at least include the following information:
  - (1) Opinion on the accuracy and accountability of the Company's financial statements.

- (2) Opinion on the Company's risk management and the adequacy of its internal control system.
  - (3) Opinion on the Company's compliance with laws governing securities and exchange, rules and regulations of the Stock Exchange of Thailand (SET), or other relevant laws which govern business activities of the Company
  - (4) Opinion on the suitability of the Company's certified external auditor.
  - (5) Opinions on the transactions which may represent conflict of interest.
  - (6) Number of the Audit Committee Meetings and the attendance record of each committee member.
  - (7) Opinions or general remarks obtained by the Audit Committee in performing its duties in accordance with the Audit Committee Charter.
  - (8) Other transactions of which the general shareholders and investors should be aware under the scope of duties and responsibilities assigned by the Board of Directors to the Committee.
9. In performing the duties assigned to the Audit Committee, if there is any finding or doubts on any item or action which may have any material impacts to the Company's financial positions and operations results, the committee shall report to the Company's Board of Directors for acknowledgement, consideration and assigned management team to correct within designated time as appropriate, the said item or action as follow:
- (1) Conflict of Interest Transaction
  - (2) Fraud, Corruption or irregularity or deficiency in material respects, in the internal control system.
  - (3) Violation of laws on securities and stock exchange and/or the notification of the Securities and Exchange Commission of Thailand and/or regulations of the Stock Exchange of Thailand and/or other laws relating to the business of the Company
- Upon implementation of such action, report the outcome to the Audit Committee. If the remedies applied by the management fail to solve the problem and situations, the Audit Committee or any member of the Audit Committee may report to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand that there has been such transaction and action made as per the prior clause.
10. Reporting the performance of Audit Committee to the Board of Directors on quarterly basis and at least 4 times a year.
  11. Having the authority to invite management, executives or relevant employees of the Company to provide related information and/or opinions within the scope of duties and responsibilities assigned to the Audit Committee.
  12. Having authority to hire external advisors or outsiders, under the Company's prescribed rules to provide opinions or advice if necessary.
  13. Reviewing and supervising the performance audits in each business unit of the Company to ensure that every business unit is properly and adequately complying with the Company's policy and measures on anti-corruption, so that the risk of corruption can be eliminated or mitigated. The actions are taken in compliance with the anti-corruption measures prescribed by the Thai Private Sector Collective Action Against Corruption (CAC), in which the Company is a member. Additionally, review the Company's anti-corruption policies and measures at least once a year to ensure that such policies and measures are appropriate and adequate under the current circumstances.



14. Reviewing the accuracy of the reference documents and self-evaluation forms relating to the Company's anti-corruption measures as per the requirement of the Thailand's Private Sector Collective Action Coalition against Corruption (CAC)
15. Carrying out the undertaking assigned by the Board of Directors.

### **Qualification and Composition of the Audit Committee**

1. The Audit Committee must comprise of independent directors, as prescribed by the Company's definition appointed by the resolution of the General Meeting of Shareholders or the Company's Board of Directors. A member of the Audit Committee shall be appointed as the Chairman of the Audit Committee
2. Member of the Audit Committee must not be a director who is assigned by the Board of Directors to make any business decision for the Company, its parent company, its subsidiaries, its affiliates, fellow subsidiaries, major shareholders or controlling persons.
3. Member of the Audit Committee must not be a director of the Company's parent company, its subsidiaries, its affiliates and fellow subsidiaries which are listed companies.
4. The Audit Committee must comprise of three independent directors as a minimum. At least one of the members of the Audit Committee must have adequate experience to make an assessment review on the accountability of the financial statement.
5. Member of the Audit Committee must possess qualifications prescribed by the Securities and Exchange Commission of Thailand (SEC).

In addition to the above required qualification and specific composition of the Audit Committee, member of the Audit Committee also maintain qualification and specific composition as independent director.

### **Meeting:**

Meeting of the Audit Committee shall be at least 8 meetings per year.

In 2020, the Committee held 10 meetings including 5 meetings in connection with the Audit Committee's scope of duties, 4 meetings in connection with the audit results, the performance of the Internal Audit Department and the compliance audit; and 1 exclusive meeting with the external auditors without the presence of the Management. The Audit Committee submits its report to the Board of Directors consistently without delay. The quarterly meetings were held with the certified auditors and Deputy Chief Accounting Officer to review the Company's financial statements. The attendance details are disclosed under the topic "Attendance Record of an Individual Member of the Sub – Committee".

### **3. The Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was formed on April 29, 2005 by a resolution of the Board of Directors meeting No. 3/2548 which approved the merge of the Nomination Committee and the Remuneration Committee into the Nomination and Remuneration Committee. Its role, authority, duty, responsibility, qualifications, term of office, and meetings are prescribed in the Nomination and Remuneration Committee Charter. Interested parties are encouraged to visit the Company's website: [www.scasset.com](http://www.scasset.com) for more information in the "About Us"/ "Corporate Governance"/ "Charters" / "The Nomination and Remuneration Committee Charter" Section. ( <https://www.scasset.com/th/about-us/charter/>)

As of December 31, 2020, the Nomination and Remuneration Committee consists of 3 members. The Chairman of the Nomination and Remuneration Committee and all members are independent directors, details are as follows:

1. Mr. Prasert	Samanawong	Chairman of the Nomination and Remuneration Committee (Independent Director)
2. Mr. Kunodom	Thammaphornphilas	Member (Independent Director)
3. Mr. Songsak	Premsuk	Member (Independent Director)

The Secretary of the Nomination and Remuneration Committee is Ms. Sirikul Kriangkrai, the Deputy Chief People Officer.

#### **Term of Office:**

The term of office of the members of the Nomination and Remuneration Committee is 3 year each. Nevertheless, a retiring member is eligible for re-appointment.

#### **Scope of Duties and Responsibilities:**

1. Setting policy and rules for selection of qualified candidates for director positions in the Board of Directors and in the Company's committees.
2. Reviewing and nominating qualified candidates for the Company's director positions and submit these names to the Board of Directors and/or the shareholders' meeting (as the case may be) for consideration and approval.
3. Reviewing and nominate qualified candidates for the Company's Chief Executive Officer and top executives in the event of the vacancy of such positions.
4. Setting policy and rules for remuneration of the members of the Board of Directors and top executives of the Company and submit such policy and rules to the Board of Directors for their approval, as the case may be.
5. Setting remuneration amount and criteria for the members of the Board of Directors and top executives of the Company to be in line with the business competition and in accordance with circumstances to inspire them to devote themselves in conducting their duties and responsibility.
6. Preparing successor plan for the position of the Company's Chief Executive Officer to submit to the Board of Director for their approval
7. Reviewing and preparing the annual budget for the remuneration of the Board of Directors to be submitted to the Company's Board of Directors for endorsement, prior to its submission to the Annual General Meeting of Shareholders for approval.
8. Carrying out the undertaking assigned by the Board of Directors.

#### **Meetings:**

Meetings of the Nomination and Remuneration Committee shall be held at least twice a year.

In 2020, the Committee held 2 meetings, of which the attendance details were disclosed under the topic "Attendance Record of an Individual Member of the Board of Directors and Sub- Committees".

#### 4. The Corporate Governance and Sustainable Development Committee

The Corporate Governance and Sustainable Development Committee was appointed as per the resolution of the Meeting of the Board of Directors No.1/2554 on January 12, 2011, to take responsibility on the formulation the policy and establishment the working plan regarding the good corporate governance corporate Social Responsibility and the corporate sustainable development. Its role, authority, duty, responsibility, qualifications, term of office, and meetings are prescribed in the Corporate Governance and Sustainable Development Committee Charter. Interested parties are encouraged to visit the Company's website: [www.scasset.com](http://www.scasset.com) for more information in the "About Us"/ "Corporate Governance"/ "Charters" / "The Corporate Governance and Sustainable Development Committee Charter" Section. (<https://www.scasset.com/th/about-us/charter/>)

As of December 31, 2020, the Corporate Governance and Sustainable Development Committee consists of:

- |                   |              |   |
|-------------------|--------------|---|
| 1. Mr. Precha     | Sekhararidhi | Chairman of the Corporate Governance and Sustainable Development Committee (Independent Director) |
| 2. Mr. Nuttaphong | Kunakornwong | Member (Vice Chairman of Director and Chief Executive Officer)                                    |
| 3. Mr. Songsak    | Premasuk     | Member (Independent Director)   |

The Secretary of the Corporate Governance and Sustainable Development Committee is Mr. Somboon Kuptimanus, the Company Secretary, Chief Legal Officer and the Head of Compliance Unit.

##### **Term of Office:**

The term of office of the members of the Corporate Governance and Sustainable Development Committee is 3 year each. Nevertheless, a retiring member is eligible for re-appointment.

##### **Scope of Duties and Responsibilities:**

1. Proposing good practices and recommendations regarding corporate governance, social & environmental responsibility and guidelines for sustainable development to the Company's Board of Directors. The practices should be appropriate and in line with the Company's business activities.
2. Encouraging the Company's directors, executives, and employees to always expand their knowledge on corporate governance, social & environmental responsibility and sustainable development for appropriate work application and uplift the standards of practice to those of international status and in accordance with recommendations from the relevant governing authority and agency.
3. Monitoring the application by the management on good corporate governance and social & environmental responsibility including guidelines for sustainable development in corporate development and in project development for the sustainable growth of the Company.
4. Considering and reviewing the Company's policies on good corporate governance, the Code of Conduct, as well as other policies and guidelines which support the Company's business operations as per its corporate governance and its social and environmental responsibility to assure transparency, equitability, and business sustainability, as well as keeping in line with international standard guidelines. The consideration and review are made prior to the submission of such items to the Board of Directors for approval, and to assure that these documents are always updated and suited to prevailing circumstances.

5. Monitoring, reviewing, and assessing the performance of the Company's work processes to ensure their compliances with the principles of good corporate governance, good corporate governance policies, code of conduct, and the prescribed Best Practice, as well as periodically report the progress thereof to the Board of Directors. Additionally, appropriately disseminate such progress to external entities.
6. Supervising the disclosure of information on the Company's business sustainability to stakeholders in the Company's Annual Report and in the Sustainability Report.
7. Carrying out the undertaking assigned by the Board of Directors.

#### **Meetings:**

Meetings of The Corporate Governance and Sustainable Development Committee shall be held at least twice a year

In 2020, the Committee held 3 meetings, of which the attendance details were disclosed under the topic "Attendance Record of an Individual Member of the Sub-Committees".

#### **Sustainable Development Working Group**

The Corporate Governance and Sustainable Development Committee approved to form the Sustainable Development Working Group ("SD Working Group") on the date of December 16, 2014 to be directly responsible for undertaking the sustainable activities.

As of December 31, 2020, the SD Working Group comprises of 8 members as follows

1. Mr. Suriya	Pleansi	Chairman of the SD Working Group
2. Mr. Paphandech	Pacharachanant	Member
3. Mr. Mongkut	Techolan	Member
4. Mr. Prayongyut	Itthiratchai	Member
5. Ms. Sirikul	Kriangkrai	Member
6. Mr. Somchai	Larhaburanakit	Member
7. Ms. Chomchada	Kuladiloke	Member
8. Ms. Sudarat	Charoengatemongkol	Member and Secretary

The working group was entrusted with the duty to formulate the strategies and implement the sustainable development activities in compliance with the policy laid down by the Corporate Governance and Environmental & Social Responsibility Committee, and to follow up the sustainable development activities of the Company to be in line with the approved strategies and work plans.

#### **5. The Risk Management Committee**

Composition, qualification, prescribed scope of duties and responsibilities, term of office, as well as meeting rules set in accordance with the Risk Management Committee Charter. Interested parties are encouraged to visit the Company's website: [www.scasset.com](http://www.scasset.com) for more information in the "About Us" / "Corporate Governance" / "Charters" / "The Risk Management Committee Charter" Section" (<https://www.scasset.com/th/about-us/charter/>). Additionally, Risk Management Policy is provided via the Company's website: [www.scasset.com](http://www.scasset.com) in the "About Us" / "Corporate Governance" / "Risk Management Policy".

As of December 31, 2020, the Risk Management Committee consists of 4 members, which 2 of them are independent directors. The Chairman of the Risk Management Committee is an independent director, details are as follows:

- |                   |                 |  |
|-------------------|-----------------|--|
| 1. Mr. Precha     | Sekhararidhi    | Chairman of the Risk Management Committee (Independent Director) |
| 2. Mr. Prasert    | Samanawong      | Member (Independent Director)                                    |
| 3. Mr. Nuttaphong | Kunakornwong    | Member (Vice – Chairman of director and Chief Executive Officer) |
| 4. Mr. Attapol    | Sariddipuntawat | Member (Director and Chief Corporate Officer)                    |

The Secretary of the Risk Management Committee is Mr. Kanapon Charoonroch Na Ayudhya, Head of Internal Audit Officer.

#### **Term of Office:**

The term of office of the members of the Risk management Committee is 3 year each. Nevertheless, a retiring member is eligible for re-appointment.

#### **Scope of Duties and Responsibilities:**

1. Considering and providing opinions on the drafts of risk management policies and framework, as well as determining the Company's risk appetite and risk tolerance prior to their submission to the Company's Board of Directors for consideration and approval.
2. Acknowledging, reviewing, and approving of risk assessment results, risk management guidelines and measures, and action plan for residual risks, to ensure that the Company has appropriate and adequate risk management processes which cover various aspects of risks that include at least the following risks: IT Risk, Cyber Security, Operational Risk, and Financial & Investment Risk.
3. Overseeing and supporting the Company's risk management system to ensure that it achieve the prescribed objectives and targets, as well as suggest protection and mitigation methods to keep the risk levels within their acceptable range. It also follows-up on the operational plan to continuously mitigate relevant risks and to ensure that the plan is suited to the business environment, and ensure that risks are adequately and appropriately managed.
4. Monitoring and supporting the review of risk management policy and framework at least once a year to ensure that such policy and framework are still updated and are appropriate for the general business conditions of the Company.
5. Exchanging information and coordinating work in relation to risk and internal control with the Audit Committee.
6. Reporting its performances and actions to the Audit Committee and the Company's Board of Directors continually.
7. Providing opinions and recommendations on outsourcing of work in the event that the Company needs to hire any outsiders for work due to insufficient internal manpower and/or lack of specific knowledge or expertise required to complete any targeted work plan. Nevertheless, such hiring shall only be temporary.

#### **Meetings:**

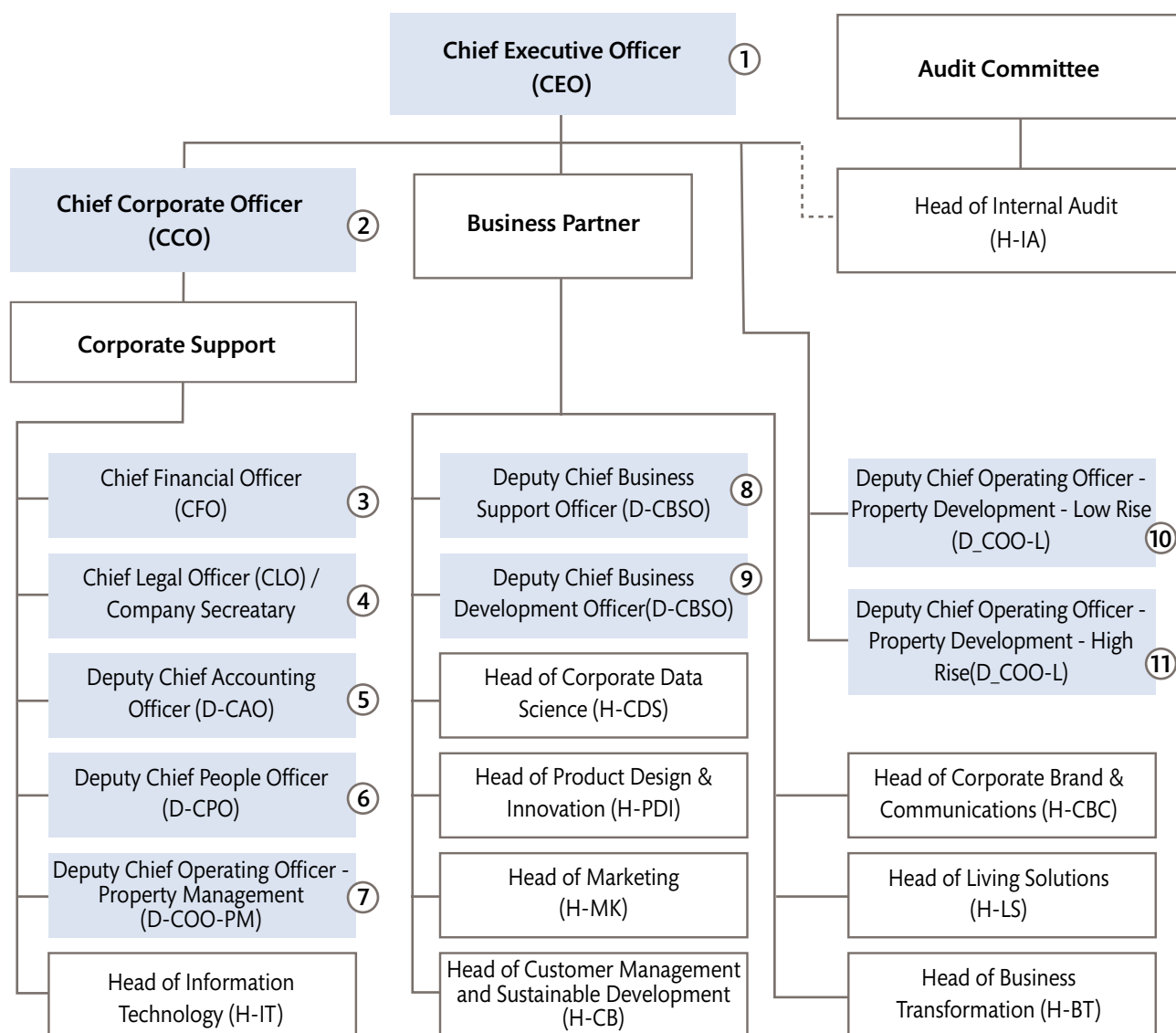
Meetings of The Risk Management Committee shall be at least twice a year.

In 2020, the Committee held 4 meetings, of which the attendance details were disclosed under the topic "Attendance Record of an Individual Member of the Sub-Committees".

#### 4. Executives' Information

Executive refers to the Chief Executive Officer as the highest level of executive and the first four top-ranking executives after the chief executive officer level as well as all other 4th ranking equivalent, and accounting or finance executives of department head level and up.

As of December 31, 2020, the Company's executives's structure is as follows;



**Remark:** ①-⑪ are regarded as executives under SEC's notification in relation to the determination of definitions in Notifications relating to Issuance and Offer for Sale of Securities



As of December 31, 2020, there are 11 executives considered as executive under SEC's notification in relation to the determination of definitions in Notifications relating to Issuance and Offer for Sale of Securities and other 9 executives, details are as follows;

1.	Mr. Nuttaphong	Kunakornwong	Chief Executive Officer
2.	Mr. Attapol	Sariddipuntawat	Chief Corporate Officer
3.	Ms. Pradthana	Patsaman	Chief Financial Officer
4.	Mr. Somboon	Kuptimanus	Chief Legal Officer / Company Secretary
5.	Ms. Namtip	Promchua	Deputy Chief Accounting Officer
6.	Ms. Sirikul	Kriangkrai	Deputy Chief People Officer
7.	Mr. Somchai	Laohaburanakit	Deputy Chief Operating Officer - Property Management
8.	Mr. Paphandech	Pacharachanant	Deputy Chief Business Support Officer
9.	Mr. Manit	Banchongthanakit	Deputy Chief Business Development Officer
10.	Mr. Mongkut	Techolarn	Deputy Chief Operating Officer - Property Development - Low Rise
11.	Mr. Prayongyut	Itthiratchai	Deputy Chief Operating Officer - Property Development - High Rise
12.	Mr. Parawut	Kobboon	Head of Information Technology
13.	Mr. Adchariya	Charoenpanichsiri	Head of Corporate Data Science
14.	Mr. Kandisak	Ruenjaichon	Head of Product Design & Innovation
15.	Mr. Nattagit	Sirirat	Head of Marketing
16.	Ms. Sudarat	Charoengatemongkol	Head of Customer Management and Sustainable Development
17.	Ms. Chomchada	Kuldiloke	Head of Corporate Brand & Communications
18.	Ms. Direk	Tayakee	Head of Living Solutions
19.	Mr. Pongtewin	Kunavatanothai	Head of Business Transformation
20.	Mr. Kanapon	Charoonroch Na Ayudhya	Head of Internal Audit

#### **The management team's scope of roles, authorities and responsibilities**

1. Operating corporate business efficiently and effectively in accordance with approved policies, directions and strategies, as well as in compliance with prescribed core operative structure.
2. Preparing the business plan, corporate budget and administrative directives and submits them for the Executive Committee's approvals.
3. Managing corporate business honestly and cautiously as per plans and/or budget approved by the Executive Committee for the Company and shareholders' ultimate benefits.
4. Monitoring corporate business in accordance with planned policies and approved budget.
5. Reporting operating performance and corporate outcomes to the Executive Committee at least once a month.
6. Operating any other actions assigned by the Executive Committee.
7. Supervising general corporate activities prescribed in the Company's rules and regulations.

## **Policy for Succession Plan for Highest Executive Position and Executives Position**

### **• Managing Director /Chief Executive Officer (CEO) level**

In the event that the positions of the Chief Executive Officer (the Company's highest executive position) is vacant or the individual in such positions cannot perform their duties, the Company has an arrangement whereby executives in a closely comparable level or their deputy shall act on their behalf until the selection process for the qualified replacements is completed. The Nomination and Remuneration Committee shall be responsible for the selection process and submit their most suitable qualified and experienced person to the Company's Board of Directors for approval and further appointment. The Company's successor plan for Managing Director /Chief Executive Officer (CEO) level is prescribed as follows;

1. The Nomination and Remuneration Committee set criteria for knowledge, proficiency, and experiences that are suitable with the Company's corporate culture and behavioral requirements. Additionally, the candidates for the Company's highest executive positions must have appropriate vision required for their posts.
2. There is an assessment of performance and proficiency of the Company's executives to assure that they are equipped with qualifications desired by the Company. These qualifications are essential for the Company's executive proficiency development as well as efficiency enhancement, aimed for these executives to effectively perform their work duty as per the Company's targets.
3. The executives of the Human Resource and Administrative Department is responsible to oversee and monitor the required training and proficiency development of the selected successor of the position of the Chief Executive Officer
4. The successor plan shall be reviewed for the positions of the Chief Executive Officer and other top executives post in the event of possible changes in the Company's scope of business conducts or in the event that the Nomination and Remuneration Committee views that there are changes in any prescribed criteria.

### **• Executives level**

In the event that there is any vacancy in any management positions from the level of Department Managers upward, or any individual in any executive position cannot perform their duty as expected, the Company shall select appropriate candidates for such positions and present them to the Chief Officers or the Chief Executive Officer of the relevant business group for appointment. The Company's successor plan for executives' level is prescribed as follows:

1. The Company shall review knowledge, proficiency, experience, skill, personality, and attitude of the candidates for each position in order to find suitable and appropriate personnel for such required posts. This will also allow the Company to successfully carry on its employee proficiency development.
2. The Company prescribes its executive proficiency plan and conducts training for selected candidates for executive positions before the retirement or resignation of the predecessor.
3. The Company assesses the availability of its manpower to assure that it is in line with its strategy, both in the short-term and long-term plans. Additionally, it also undertakes personnel development and selection plans for any upcoming vacancy in management positions.
4. The Company selects and evaluates employee work as well as assesses employee potentiality, aims to assure the candidacy's suitability for their assigned posts and provides chances for candidates to familiarise themselves with work of the potential assigned posts.
5. In the event that the assessment results of proficiency and potentiality of the candidates are not as expected, the Company shall reselect new candidates from within or outside its organization.

## Policy for Chief Executive Officer and Top Executive Remuneration

### • Remuneration Type

The Company has established a remuneration policy for Chief Executive Officer (CEO), and top executives both in terms of monetary remuneration i.e., salary, bonus (no meeting allowance provided). The remuneration policy is clear and transparent formulated based on relevant considerations such as experiences, duties, roles, and responsibilities of the executives, as well as their performances or anticipated serviceable outcomes. All of these incentives are given in a level suitable for the company to retain their qualified chief executive officer (CEO) and executives, and in the range comparable to its industry peers who are also Thai public listed companies in the same industry sector.

In this regard, the Remuneration Policy for Chief Executive Officer (CEO) and Top Executives is prescribed in detail for both monetary remuneration and other non-monetary benefits and in both forms of short-term and long-term incentives:

**1. Short term Incentive** The short-term incentives aim to motivate and inspire directors and executives' work performances. This is because high-performance executives are a key element that creates good corporate results. The short-term incentives consist of both monetary incentives and other non-monetary incentives which are

- (1) Short-term monetary incentives include salary and an annual bonus payable according to individual performance and actual company performance, salary increase for Chief Executive Officer (CEO), and top executives based on demonstrated individual achievement evaluated under the Balanced Scorecard (BSC) and applying Objective Key Results (OKRs) measure for setting relevant targets and strategy regarding the director remunerations to be in line with the major targets of the Company.
- (2) Other short-term non-monetary incentives include various benefits provided to Chief Executive Officer (CEO) and top executives.

**2. Long Term Incentive** The long-term incentives aim to reward directors and executives for their dedicated work performance and to create motivation for them to make long-term accomplishments. Retaining qualified employees to work for the Company for the long-term is its key strategy for corporate productivity and value maximization. The long-term incentive will be considered and approved each time they deem appropriate such as Employee Stock Option Program (ESOP).

### • Process of Remuneration Determination

The Company also clearly prescribed a remuneration process for Chief Executive Officer (CEO) and top executives according to their roles and positions, as follows:

**1. Chief Executive Officer (CEO):** The process in remunerating for the Chief Executive Officer (CEO) based on the consideration of the performance assessment assessed by the Chief Executive Officer's Performance Assessment Sub-Committee, which consists of

- Chairman of the Board of Directors (Independent Director)
- Chairman of Audit Committee (Independent Director) and
- Chairman of Nomination and Remuneration Committee (Independent Director)

The Chief Executive Officer's performance assessment results will be reported to the Nomination and Remuneration Committee for determining the monetary remuneration as well as and other non-monetary and in both short-term incentives and long-term incentives forms for further proposing to the Board of Directors for approval.

**2. The Top Executives:** The Nomination and Remuneration Committee has been assigned to determine the reasonable and appropriate remuneration for top executives. The remuneration is considered from the individual executive's performance as well as the Company's operating performance after that the remuneration will be proposed to the Board of Directors for further, approval.

### Total Remuneration for Top Executives

For the year 2020, the Board of Directors approved total remuneration comprising of monetary remuneration and other non-monetary benefits, paid to 11 executives consisting of the Chief Executive Officer and the first four executive, details are as follows:

### Monetary Remuneration

Remuneration	2020	
	Persons	Amount
Salary and Bonus	11*	115.80 Million Baht

*Remark: \* Excluding first four executive who retired during the year*

### Other Non-Monetary Benefits

#### 1. Provident Fund

In 2020, The Company made the following contributions to the provident fund of the high-level executives of the Company as follows:

Remuneration	2020	
	Persons	Amount
Provident Fund	11	4.24 Million Baht

#### 2. Employee Stock Option Program (ESOP)

The Company issued its stock options and offered them to its executives and employees under the Employee Stock Option Program (ESOP) with the purpose to motivate and compensate the executives and employees for their contributions, as well as to retain them for a long-term career to maximize the benefits for the Company.

At the end of the year 2020, there were 4 Employee Stock Option Programs (ESOP) approved by the Annual General Meeting of shareholders, details are as follows;

Details	(ESOP Grant I)	(ESOP Grant II)	(ESOP Grant III)	(ESOP Grant IV)
Total Number of Warrants to be Offered	34,200,000 Units	39,000,000 Units	34,080,000 Units	37,290,000 Units
Offering Price per Unit	0 Baht / Unit	0 Baht / Unit	0 Baht / Unit	0 Baht / Unit
Offering Period	January 31, 2018	January 31, 2019	January 31, 2020	December 28, 2020
Term	Not exceeding 5years from the date of issuance and offering	Not exceeding 5years from the date of issuance and offering	Not exceeding 5years from the date of issuance and offering	Not exceeding 5years from the date of issuance and offering
Number of Reserved Shares	34,200,000 shares	34,200,000 Shares	34,080,000 shares	37,290,000 shares
Exercise Ratio	1 warrant per 1 ordinary share	1 warrant per 1 ordinary share	1 warrant per 1 ordinary share	1 warrant per 1 ordinary share
Exercise Price	3.71 Baht/Share	3.72 Baht/Share	3.05 Baht/Share	2.26 Baht/Share

\* calculating by the weight average closing price of the Company's shares trade on the Stock Exchange of Thailand during the period of 15 consecutive working days prior of the shareholders' meeting date (no discount from the market price).

Below were the name of directors and employees entitled to receive warrants to purchase the ordinary shares of more than 5 percent of the total warrants issued:

#### ESOP Grant I : Year 2017

Directors/Employees	Number of Allocated Warrants	Percent of Total Allocated Warrants
Mr. Nuttaphong Kunakornwong	5,000,000 Units	12.5%
Mr. Attapol Sariddipuntawat	3,000,000 Units	7.5%

#### ESOP Grant II: Year 2018

Directors/Employees	Number of Allocated Warrants	Percent of Total Allocated Warrants
Mr. Nuttaphong Kunakornwong	3,000,000 Units	7.5%
Mr. Attapol Sariddipuntawat	3,000,000 Units	7.5%

#### ESOP Grant III 3: Year 2019

Directors/Employees	Number of Allocated Warrants	Percent of Total Allocated Warrants
Mr. Nuttaphong Kunakornwong	3,000,000 Units	7.5%
Mr. Attapol Sariddipuntawat	3,000,000 Units	7.5%

#### ESOP Grant IV: Year 2020

Directors/Employees	Number of Allocated Warrants	Percent of Total Allocated Warrants
-None-		

In 2020, no director, executive, and employee of the Company was eligible for the allotment of warrants in the amount exceeding 5 percent.

## 5. Employees' Information

### • Personnel

As of December 31, 2020, the Company and its subsidiaries has total headcount of 1,052 excluding the Chief Executive Officer and the first four executives, details are as follows;

Business Division	Personals
Property Development Division	522
Corporate Support Division	183
Business Support Division	150
Internal Audit Division	16
The Company's Subsidiaries	181
<b>Total</b>	<b>1,052</b>

Indeed, there has no material change in the number of the Company's employees during the past 3 years.

## Policy on Employee Remuneration and Benefits

It is the Company's objective to create quality of life for its employees to motivate them to commit to their work and focus on working together to bring their organization to success and to keep on developing their work proficiency. Therefore, the Company has prescribed a policy on employee remuneration and welfare to be fair and suitable to individual work performance, and in line with the Company's operational results both in the short-term i.e, bonus and long- term i.e, salary, provident fund or employee stock option program, which are deemed as long-term financial benefits for the Company's employee. The Company also provides other fringe benefits both in accordance with the legal requirement such as social security, and in excess of the legal requirement such as loans from financial institutions arranged by the Company, health and accident insurance, and other monetary assistance namely wedding money, funeral hosting fee, funeral money for employees and employees' parents, and scholarships for employees' children, etc. The details are provided as follows:

### • Remuneration

#### 1. Salary

The Company's policy is to fairly offer its employees' remunerations which are higher than the legal requirement, based on the Company's short term and long term performances. The Company applies salary payment system based on individual responsibilities in order to motivate a continual development of its employees' operational competency. The Company appropriately adjusts their salary levels to be in line with the Company's business targets and growth direction, as well as its individual work achievements based on its KPI approach.

#### 2. Bonus

Every beginning of each year the Company and its employee set as agree target to be achieved applying Objective & Key Result: OKRs for the Company itself, operation team and and assessment result of relevant KPI for calculationg annual bonus for employees.

#### 3. Provident Funds

The funds are intended to promote savings and financial security for employees and their families as well as allowing the employees to have tax benefit. Employees also receive tax credit. Employees have the right to participate as a member of the "SC Asset Group of Companies Registered Provident Fund". The investment of the employee contribution is subject to the employees' choice of plan. The employees can inform the fund manager of their preferred choices of investment plan. The employees can also choose their contribution rate which varies from 3% to 15% of their monthly salary. The Company shall pay its employer contribution at the rate between 3% to 7% subject to the employees' length of employment, life insurance, and health.

### Details of participation in provident fund

The Company / Subsidiaries	Yes / No	Number of Joined Employees	Percent of Joined Employees
SC Asset Corporation Public Company Limited	Yes	800	90.70%
SC Able Company Limited	Yes	59	96.72%
SC Expedition Company Limited	Yes	7	87.50%
Bridgt Group (Thailand) Company Limited	Yes	11	84.61%
V. land Property Company Limited	Yes	49	94.23%
Scope Company Limited	Yes	40	85.10%



## **Policy on Selection for Provident Fund Manager**

It is the Company's policy to encourage the Provident Fund Committee to select the Manager of the Company's Provident Fund according to the Investment Governance Code (I code), as well as assure that such manager shall manage the investment of the fund with awareness for the Environment, Society, and Governance (ESG), and fully comply with I Code. The Company also discloses the guidelines for the selection of the Company's Provident Fund Manager to members of the provident fund. This shall lead to the fund management scheme that is fully aware of the long-term benefits that are best for the fund members.

In 2020, the Provident Fund Committee selected the BBL Asset Management Co., Ltd to be the fund manager for the Provident Fund of the SC Asset Group, which is a registered fund.

## **Policy on promote knowledge and understanding of employees in investment**

The policy to promote knowledge and understanding of employees in investment is an attempt to take care and create understanding for the Company's employees on their long-term personal financial management plan. The Company thus arranges training on personal financial management for its employees, by providing training in investment where experts from the securities company or related agencies, such as Bangkok Bank Public Company Limited to give knowledge relevant to the benefits of the provident fund and investment in the funds appropriate for the employees of all levels to assure returns to support their spending throughout their work life and after retirement. The Company thus arranges training on personal financial management for its employees to promote their financial understanding and knowledge.

### **• Fringe Benefits**

#### **1. Social Security Fund**

It is available in the event of illness and accident not related to work. The contributions to the fund are compulsory and made by employees, the Company, and the government

#### **2. Life and Health Insurances**

The Company has arranged life and health insurances for its employees. The employees can benefit from these insurances when they are sick. The policy covers both in and out patient, accident, and death. The sum insured depends on the job grade of each employee.

#### **3. Loans**

The Company coordinates with financial institutions and has agreements with some of them for employee loans under the following conditions:

- These loans are available for full-time employees who have worked with the Company for no less than 1 year.
- Borrowers must have a qualified income amount at the level as specified by the lending banks, and the banks shall lend at the amount of no more than 90-100% the pledged collateral appraised by the Bank.
- Repayments shall be made from the borrowers' payroll account, as per the lending bank's approval.
- Loan amount shall be finalized by the lending bank, and subject to changes in accordance with the bank's lending rules

#### **4. Workmen's Compensation Fund**

In the event of work-related illness/injuries the contribution to the workmen's compensation fund shall be paid .

## 5. Gifts for hospital visits

For hospitalization or childbirth of employees or employee's spouse

## 6. Monetary Assistance

It is available for events such as marriage, disaster relief money, payment for funeral flowers and wreaths and sponsoring money for funeral ceremony. This monetary assistance is available for employees and their parents, spouses, and children etc.

## 7. Extra Activities

Extra activities are organized for employees and management to participate, and aimed to reduce stress from work, as well as allow employees to get to know their co-workers who are employees of other departments. This will enhance cooperation and unity, positive thinking, and organization strength. These activities include New Year celebration, Loy Kra Thong celebration, etc.

## 8. Granting of Scholarship for Employees' Children

The granting of scholarship for employees' children is a way to assist and relieve the Company's employees from their financial hardship caused by educational expenses of their children. The Company provides a scholarship for each employee's family for their children who are studying in the educational levels from kindergarten to bachelor degree.

## Employee Remuneration

For the year 2020, the total remuneration paid to the Company's employees (excluding the Chief Executive Officer and first four executives) was 761 Million Baht, details are as follows;

Remuneration for employee	2020	
	Persons	Amount (Million Baht)
Salary and Bonus	871	738
Provident Fund	794	23

## Policy on People Development

The Company has its people development policy which is intended to regularly promote competency, skills, knowledge, and proficiency in all its employee. It continues to organize both in-house and external training sessions to enhance work efficiency, and encourages the application of training knowledge for work improvement, as well as enable its employees to have creativity and innovative thinking. All of these shall increase the overall competitiveness for the Company. Its people development guidelines include:

1. Establish training plans that promote employees knowledge, understanding, and ability to perform their tasks correctly and appropriately in each job position. Focus on the adaptation of employees concept and work process to cope with uncertainty and fluctuation in the market environment to ensure that the Company remains competitive and is able to maintain a steady growth.
2. Arrange in-house training to encourage competency, ideas, as well as knowledge and ability to perform tasks according to the Company's assigned targets including being in line with the current market competition.
3. Arrange external training for employees to attend, as well as send employees for domestic and overseas study tours and field trips. Such training programs or seminars are organized by external training institutions.

4. Raise awareness and enhance understanding among employees periodically, to change their attitudes and behavior in the workplace towards the 4 core company values under the “#SCskydive” corporate culture, which are CARE, COURAGE, COLLABORATION, and CONTINUOUS IMPROVEMENT.

## Human Resource Development

In 2020, the Company prescribed its guidelines for human resource development that are in accordance with its corporate strategy and target of being a “Living Solutions Provider” of which “Employee” is deemed to be a key driver towards the sustainable growth of an organization. Therefore, the employees’ readiness for today’s fast-changing business world and modern technologies are important.

The challenge and the new learning patterns of the digital era under the “New Normal” environment force an organization to adapt itself, recognize diversified learning patterns, and search for better solutions for the lifestyles of the new generations. The instructional media known as “Blended Learning” has become an influential method in the organizational learning process, and has created a learning society via the electronic system which can reduce the limitation on time and place for learners as they can learn anytime and from anywhere. The learning does not even stop during the work from home period.

The Company focuses on promoting learning for its employees both in terms of reskill and upskill, as well as fosters a growth mindset in its employees of all levels, under the corporate culture of “#SCskydive” and the “4C” corporate values which are CARE, COURAGE, COLLABORATION, and CONTINUOUS IMPROVEMENT. Each corporate value requires the fostering of different mindsets. With the belief that profound concepts of the “4C” values can help improve the competency of its employees and drive the organization to compete and be able to handle the challenge of the digital era under the “New Normal” environment.

The Company thus focused its organizational learning in 2020 on the development of 4 skills which are:

1. Productivity: add effective techniques that work best,
2. Mindset: foster a growth mindset at work by learning and creating new work concepts,
3. Leadership: create leadership that inspires the trust of others and leads the team to mutual success,
4. Communication: create communication skills for working creatively.

These consist of 3 major programs which are:

### 1) Mandatory Learning Program

- **Orientation for New Recruits:** The readiness of new recruits for their work is important, therefore, the Company provides, in its orientation of new recruits, the basic knowledge about its organization, business, corporate vision and mission, important policies, products and services, corporate culture, and their fringe benefits. The new recruits are also welcomed to get acquainted with their new role, workplace and work routine, which they must learn and know how to collaborate with others at work.

Two weeks after starting work, the Company shall send the “2 weeks feedback” program to these new recruits. The program involves a set of electronic survey questionnaires that questions the new recruits on their opinions in various subjects as they travel along their employee journey. The Company also assures the new recruits that it is taking good care of them during their probation period, by openly discussing topics such as targets and expectations, job training, workplace atmosphere, etc. All these help in creating a positive employee experience in the workplace.

- **Safety, Health and Working Environment for Employees and Supervisors Program:** To comply with the Occupational Safety, Health and Environment Act B.E. 2554, and to encourage employees to be aware of occupational safety, the Company arranges to provide training on this subject by certified experts.

- **Personal Data Protection Act 2019 (PDPA) Program:** To provide employees with knowledge and understanding of this Act, the Company arranges an e-learning program on the subject for all employees, and sets forth an appropriate test with a required minimum pass score of 80%. Furthermore, it also arranges classroom training on the subject for employees who have direct contact with customers.
- **Program on Practice Guidelines according to the Policy and Measures on Anti-Corruption:** To be aware of the relevant regulations and best practices and to ensure that its operations are free from corruption, the Company requires every employee to attend the e-learning course on this subject and sets forth an appropriate test with a required minimum pass score of 100%.

## 2) Corporate Learning Program

Providing training courses in a mixed method approach of online learning and virtual class room training to encourage learning through experience and development of 4 skills which are:

**Productivity:** Add working techniques for most effective and successful results with a critical thinking program that helps employees to gain critical thinking skills and judgmental decision making. The course focuses on making decisions on mainly facts and logic with questioning and fact - finding skills. The design thinking course trains learners about the key decision method and problem - solving solutions that are based on the needs of the customers. This course teaches learners methods to better understand customers, find out customer needs, and design a thinking pattern that helps in improving the quality of life and using creativity to create new experiences for customers. The strategic thinking course, using simulation games such as “business game on” for executives, is another course in this program.

**Mindset:** Create a new working concept that emphasizes on the growth mindset that suits the business environment. In the “New Normal” economic era, quick adaptation and flexibility are needed requirements. Therefore, a growth mindset with the initiative to be brave, not afraid of failure, and ready for improvement, is important in fostering a strong workplace culture and building an agile organization. The organizational characteristics that involve a willingness to speed up, innovate and take risks, and experiment with new ideas are factors that help an organization to survive in the current business environment. Additionally, the Company develops an “outward mindset” conceptual framework for its executives so that they can lead the team to work toward the same goals, and enhance their feedback and coaching skills by conducting performance feedback dialogues through role playing, aiming to improve work performance and team empowerment that leads to success.

**Leadership:** Create leadership that inspires the trust of others and leads the team to mutual success by focusing on building coaching skills, performance feedback dialogues, and a successful agile organization. The Company designs its leadership development programs for each level of employee to suit their roles and duties, as well as the organizational expectation. As for employees who change their roles from a day-to-day operator to become a team leader, the Company requires them to be trained in the “self-leadership for new management” course which encourages learners to understand their strength and be capable of honing their leadership skills.

**Communication:** Build communication skills for creative work environment. Effective communication helps create an understanding of management policy, improving employee relationships as well as good customer relations, and enabling understanding of interlocutor and analysis of discussor’s personality. The Company inspires its employee to be good coordinators and communicators, as well as promotes workplace collaboration. Additionally, the Company encourages its organization leaders to develop storytelling skills

and apply the knowledge of Enneagram to improve interpersonal relations and communications. This program teaches learners how to better understand their customers, to find out customer needs, and to design new creative concepts that improve customer lifestyles and create new experiences for customers.

### **3) Functional Learning Program**

The Company commits to constantly maintain the standards of work and services for both the “touchpoint” and the “non-touchpoint” employees by providing knowledge and competency development for all employees of various career levels to enable them to work professionally and to provide better quality work. The learning patterns include following training programs:

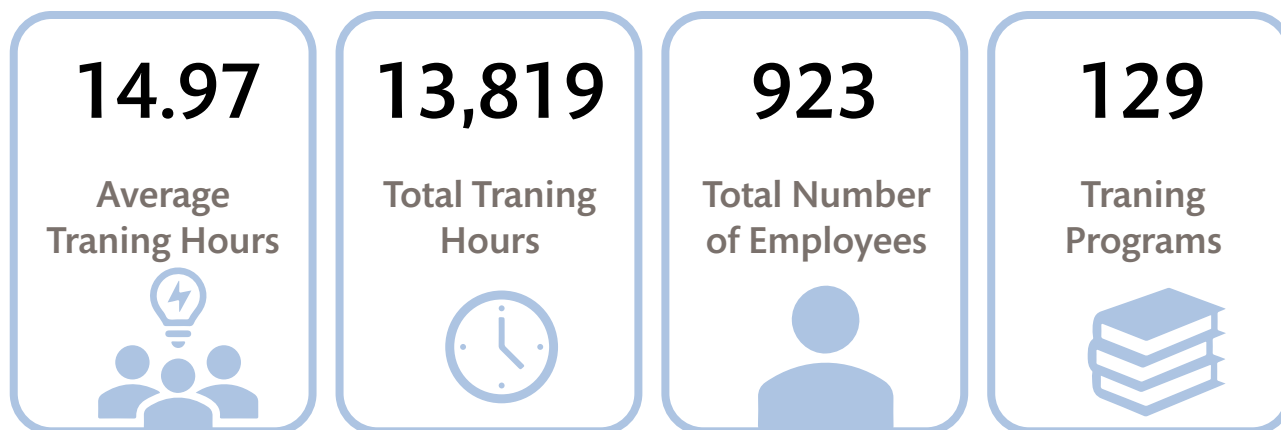
#### **3.1 For “touchpoint” employees**

- **Sales**
  - SC Service Standard Program, Professional Personality for Services Program, and Construction Housing and Real Estate Law Courses Program: to learn how to maintain the standards of the after-sales services, as well as to improve sales consultant skills by creating consultative selling mindset that emphasizes on understanding of customers’ real needs, and maintains a long-term relationship with customers.
- **Engineer**
  - Standard of Quality Control in Construction Program including the regular testing of engineering knowledge by the Construction Academy to ensure their quality of work in professionally delivering the Company’s products that are up to the required standard to its customers.
  - Communication Skill Development Program, Presentation Skill Improvement Program and Personality Development for Employees in the Service Business Program are provided to conduct themselves professionally. The course helps project managers and project engineers to foster a trustworthy personality, and have confidence in providing their services to customers.
- **Customer Service**
  - A course on “How to say no to customers in a positive way” is provided to develop communication concepts and skills for employees so that they can provide their services by knowing and understanding customers’ needs. The employees learn the skills of using empathy statements for customer service, and know the suitable form of communication for each given situation, to respond to customers with understanding and to create impressive service.
  - Professional Personality Development Course is provided to promote self-confidence within employees in delivering customer service.

#### **3.2 For the “non-touchpoint” employees such as Marketing Department, Human Resources Department, Legal Department, Internal Audit Department, Accounting Department, etc.**

- Arrange for employees to join public training and seminars such as Creative Talk Conference 2020, Marketing Oop Summit 2020, and iCreator Conference to learn from each other’s real life experiences, as well as create a learning network to add-on and improve relevant skills that can be used in planning business strategies or applying it to their own departments.

As of December 31, 2020, the Company's employees had total internal and external training hours as follows;



## 6. Other Important Information

### Person Supervising Accounting

Ms. Namtip Promchua was appointed by the Company to be its executive holding the position of Deputy Chief Accounting Officer, who has been directly responsible for supervising of the Company's accounting, as of 1 July 2019 up to the present time. Ms. Namtip Promchua holds one of the first top four executive positions of the Company. The profile information and training records of the person assigned to be directly responsible for supervising of the Company's accounting can be found in Attachment 1

### Qualifications and Experiences

1. Registered as a bookkeeper under the relevant notification prescribed by the Department of Business Development
2. Having no less than 3 years of work experiences in the accounting field
3. Having no less than 6 hours per year of training in continuous learning in the field of accounting particularly under the programs as prescribed by the notification of Department of Business Development

### Company Secretary

The Meeting of the Board of Directors No.5/2008, dated August 13, 2008, appointed Mr. Somboon Kuptimanus, the Company's Chief Legal Officer and Head of Compliance Unit, to act as the Company Secretary with effective from September 1, 2008. At present, he has been defined as the Company's first four executives. The profile information, training records and scope of role, duties and responsibilities of the Company Secretary can be found in Attachment 1 and contact Company Secretary via E-mail address: somboon@scasset.com

### Qualifications of Company Secretary

1. Having basic knowledge and understanding concerning legal matters, the Company's Articles of association, the regulations governing public limited company, the securities and exchange law, regulations of the Stock Exchange of Thailand and having attended training courses concerning company secretarial practices.



2. Having knowledge and understanding concerning corporate governance principles and best practices.
3. Having working experiences on the Company Secretary namely the secretarial function, and the board of directors' meeting and annual general meeting of shareholders arrangement.

#### **Company Secretary's scope of role, duties and responsibilities**

1. Providing and keeping record of Directors, notice of Board of Directors meeting, minutes of Board of Directors meeting, notices and minutes of all shareholders' meetings and the Company's annual report.
2. Organizing shareholders' meetings and Board of Directors' meetings in compliance with laws, the Company's Articles of Association and other relevant regulations.
3. Keeping all interest or conflicts of interest report reported by directors or any members of management team and submit such report to the Chairman of the Board of Directors and Chairman of the Audit Committee within 7 days upon the receipt of such report.
4. Acting with full responsibility, duty of care and duty of loyalty and comply with relevant laws, the Company's objectives, regulations, resolutions of Board of Directors' meeting and resolutions of annual general meeting of shareholders.
5. Performing any other actions as determined by Capital Market Supervisory Board.

#### **Head of Internal Audit Unit**

The Company appointed Mr. Kanapon Charoonroch Na Ayudhya, Head of Internal Audit Officer, who is qualified, possesses knowledge as well as experience in audit field, and appropriate to the position of head of internal audit. In order that the Internal Audit Office be independent from the Management to enable the Board of Directors to efficiently monitor the performance of the Company, the Board of Directors has set the reporting line of the Internal Audit Office to come under the Audit Committee which reports its performing of duties, the results or opinions in various issues such as the number of meetings, assessment and review of the internal control system, entering into the connected transactions, the consideration of external auditor appointment, review of the financial statements, review of the compliance issues related to the policy and regulations, as well as opinions on those reviews as well as opinion of the Audit Committee's on those performance. To ensure independence of the Internal Audit Office, the Audit Committee is authorized to appoint, transfer, dispose, and assess the performance of the Head of Internal Audit unit. The profile information of the Head of Internal Audit Unit can be found in Attachment 3.

#### **Head of Compliance Unit**

The Company appointed Mr. Somboon Kuptimanus, Chief Legal Officer and Company Secretary, to act as Head of the Compliance Unit in order to support the Board in monitoring the performance of the management, employees as well as other units in the organization to ensure compliance with the relevant laws, rules and regulations of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET); and to coordinate with the governing authorities to update the relevant laws, rules and regulations governing the Company's business operation. The Board of Directors would set a monitoring work plan and assessment system, review and adjust the work plan, on a yearly basis, to align with the changing situations and regulations. The profile information of the Head of Compliance Unit can be found in Attachment 3.

#### **Head of Investor Relations Unit**

The Company set up Investor Relation Units and appointed Ms. Rachada Suvanajata to act as Head of Investor Relations Unit. The Investor Relations Unit takes responsibilities to provide assistance and convenience to shareholders and investors and arranges investor relation plans in advance to make useful

information, news, and public relation release available for investors, shareholders, analysts, and the general public. It also arranges quarterly presentations of corporate results and operational performance to analysts, institutional investors and financial institutions, media, and press conferences, as well as supplying relevant disclosure of information to the Stock Exchange of Thailand (SET). All the actions are undertaken to assure that the Company has fully complied with rules, regulations, and applicable laws.

Investors or any interested persons can directly contact the Company's Investor Relations Unit for via the following 5 channels for more information:

- 1) Mail : SC Asset Corporation Public Company Limited 1010 Shinawatra Tower III, 10<sup>th</sup> Floor, Viphavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok 10900
- 2) Phone : 66 (0) 2949-2344
- 3) E-mail : ir@scasset.com
- 4) Fax : 66 (0) 2949-2499
- 5) Website : www.scasset.com

### Auditor Remuneration

The Company and its subsidiaries paid the following audit fee to PricewaterhouseCoopers ABAS Limited which is the company that audit the Company's financial statements for 2020

Auditor Remuneration (Baht)	2020	2019
(1) Audit Fee		
• The Company	2,380,000	2,130,000
• Its subsidiaries	3,150,000	2,535,000
(2) Non-audit fee		
• The Company	-None-	-None-
• Its subsidiaries	-None-	-None-

# REPORT OF IMPORTANT ACTIONS ON CORPORATE GOVERNANCE

## 1 Summary of the Board of Directors' Performance in 2020

### 1.1 Nomination, Development and Performance Assessment of the Board of Directors

#### Directors' Nomination

The Company's Directors and Independent Directors are appointed by the Nomination and Remuneration Committee of which all its members are independent directors, prudently and carefully select qualified candidates via its recruitment process. Candidates who are selected to be appointed as the Company's directors must possess the qualifications as prescribed by the Company, and if they are selected to be appointed as independent directors, they must also meet the criteria for an independent director as required by the Company's prescribed definitions. Additionally, the selection thereof also takes into account other required qualifications of the candidates which include knowledge, experiences, skills, and proficiency, as well as the required roles, structure, and composition of the Board, the board diversity, and the board skills matrix. The said searching is aimed to find competent individuals who have experience relevant to the Company's business, are able to devote their time to fully perform their duties for the Company, and work effectively according to the Company's short-term and long-term business strategy. There shall be a nomination of new directors to the vacant directorship positions upon the completion of the term by other directors, for the consideration of the Board of Directors, and for further approval from the shareholders in the General Meeting of Shareholders.

In 2020, the Nomination and Remuneration Committee gave the opportunity to the Company's shareholders to nominate qualified director candidates during the period of 17 September 2019 – 2 February 2020. However, there was no nomination. The Nomination and Remuneration Committee considered that the 3 directors who had completed their terms; namely Mr. Kunodom Tharmmaphornphilas (Independent Director), Mr. Prasert Samanawong (Independent Director), and Mr. Attapol Sariddipuntawat, are qualified according to the Company's policy, and applicable rules, laws, and regulations, and possess of knowledge, skills, and experiences that are useful for the business operations. During their directorship period they had efficiently performed their duties as directors and members of the sub-committees, expressed their opinions, and provided valuable suggestions that were mostly useful for the Company's operations. As for the two independent directors, the Nomination and Remuneration Committee viewed that even though they have been in the directorship positions for over 9 consecutive years, their past performances as independent directors justified them to be re-nominated to serve another term of independent directorship. The two independent directors are qualified as per the Company's prescribed rules, and are well-equipped with knowledge, skills, and experiences. They both have performed their duties that are beneficial to all stakeholders, and retained their independence, transparency, equitability, and honesty without having any conflict of interest and/or material interest against the Company, and without having any business relationship with or rendering of any professional services to the Company. Both directors have always performed their duties and expressed their independent opinions according to the prescribed regulations. Consequently, the Nomination and Remuneration Committee has nominated the three directors to resume their continued directorship positions for another term. The Board of Directors considered and agreed to recommend the re-appointment of the three directors and submitted such re-appointment to the General Meeting of Shareholders for further approval. At the 2020 Annual General Meeting of Shareholders, for the voting for election of the Company's directors, the Company requested the shareholders to cast their votes for each individual candidate nominated for directorship position. All the elected directors received the majority votes from the shareholders who attended the meeting and cast their votes.

## Directors' Development

### • The Orientation of New Director

In 2020, the Company did not have any new directors but the Company arranged to have a revision and updating of its rules and regulations, as well as its important policies such as corporate governance policies, business ethics, and anti-corruption policies and measures. These matters are always reported to the Board of Directors for their acknowledgement and knowledge of the up-to-date information. Additionally, the Company arranged the Board of Directors visit the newly launched developments, together with the Company's top executives, to enable the board members to be aware of the Company's operational direction and its product concept, as well as providing an opportunity for exchanging opinions among the Company's board members and its top executives on business operations.

### • Training Courses or Relevant Seminars for Directors

The Company's 9 directors have participated in various training sessions organized by the Thai Institute of Directors (IOD) with the attendance record of 100 percent, details are as follows;

#### Courses

1. Mr. Rath Kitivejsoth	: Director Accreditation Program (DAP) Class 30/2004 : Director Certification Program (DCP) Class 53/2005 : Improving the Quality of Financial Reporting Class 4/2006 : Audit Committee Program (ACP) Class 14/2006
2. Mr. Nuttaphong Kunakornwong	: Director Certification Program (DCP) Class 157/2012
3. Mr. Nathpath Ouajai	: Director Accreditation Program (DAP) Class 53/2006 : Director Certification Program (DCP) Class 91/2007 : Corporate Governance Report of Thai Listed Companies Program
4. Mr. Kunodom Tharmmaphornphilas	: Director Accreditation Program (DAP) Class 53/2006 : Audit Committee Program (DAP) Class 53/2006 : Improving the Quality of Financial Reporting Class 4/2006 : Director Certification Program (DCP) Class 87/2007 : Accounting Standard for Director Program : Corporate Governance Report of Thai Listed Companies Program
5. Mr. Prasert Samanawong	: Audit Committee Program (ACP) Class 21/2008 : Director Certification Program (DCP) Class 85/2007 : Director Accreditation Program (DAP) Class 61/2007 : Accounting Standard for Director Program : Risk Management Program for Corporate Leaders (RCL) Class 2/2015
6. Mr. Precha Sekhararidhi	: Director Accreditation Program (DAP) Class 13/2004 : Director Certification Program (DCP) Class 97/2007 : Risk Management Program for Corporate Leaders (RCL) Class 2/2015
7. Mr. Songsak Premasuk	: Director Accreditation Program (DAP) Class 9/2004 : Ethical Leadership Program (ELP) Class 16/2019
8. Ms. Vilasinee Puddhikarant	: Director Certification Program (DCP) Class 85/2007 : Board that Make a Difference (BMD) Class 8/2018 : Advanced Audit Committee Program (AACP) Class 29/2018
9. Mr. Attapol Sariddipuntawat	: Director Accreditation Program (DAP) Class 142/2018

- In 2020, there were directors who had attended additional course provided by the Thai Institute of Directors (IOD) as follows:

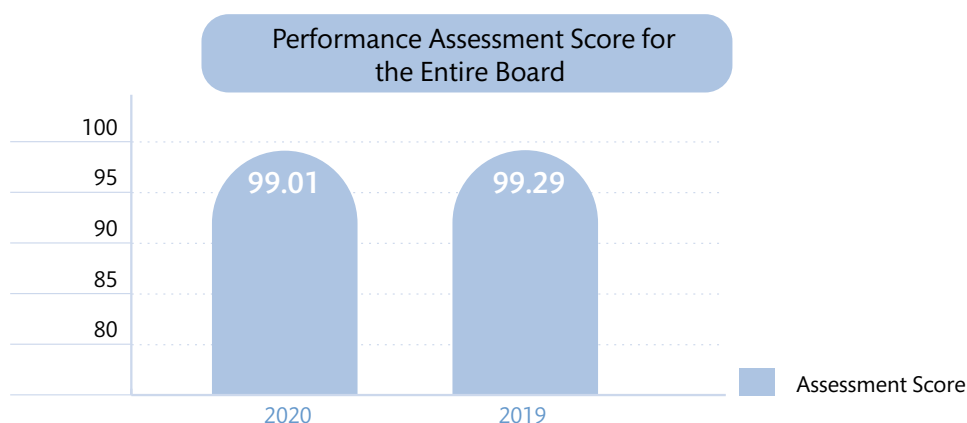
#### Course

Mr. Precha Sekhararidhi

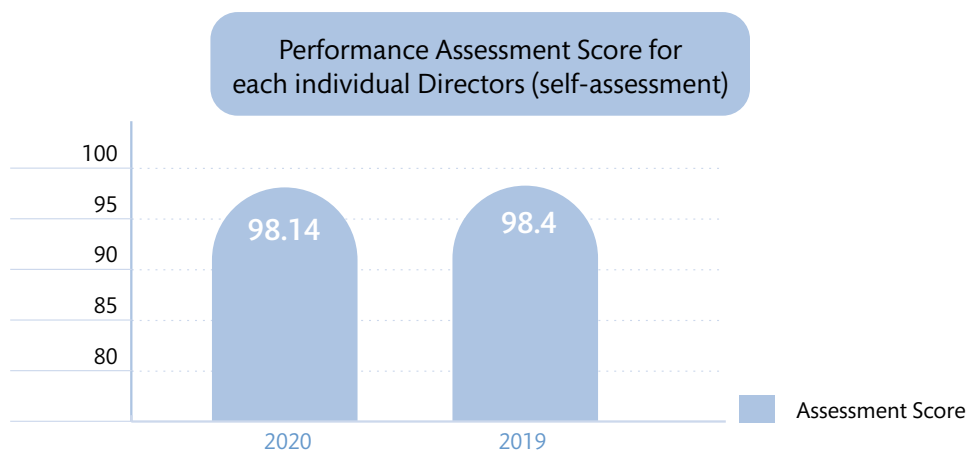
: Board Matters and Trends (BMT) Class 9/2020

#### Directors' Performance Assessment

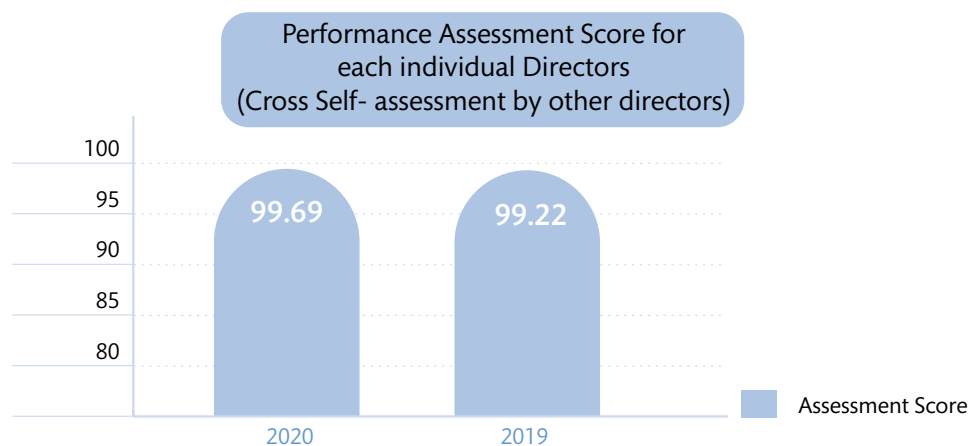
- **The result of performance assessment for the entire board:** For 2020, the average score of 99.01% which is considered Very Good - Excellent



- **The result of performance assessment for each individual director (self-assessment):** For 2020, the average score of 98.14% which is considered "Very Good - Excellent

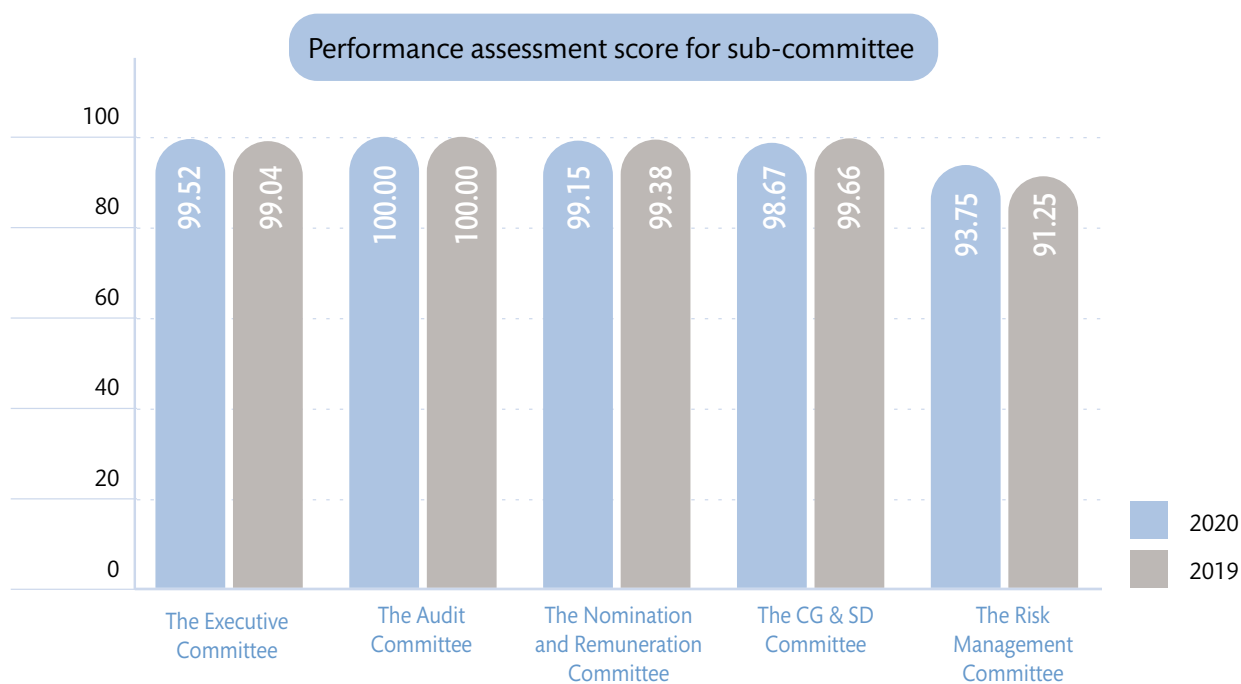


- **The results of the performance assessment of each individual director (cross self-assessment by other directors):** For 2020, the average score of 99.69% which is considered Very Good - Excellent



- **The result of performance assessment for the Sub-Committees :** For 2020, the scores are as follow;

The Sub-Committee	Average Score (Percent)	Scale
Executive Committee	99.52	Very Good - Excellent
Audit Committee	100.00	Very Good - Excellent
Nomination and Remuneration Committee	99.15	Very Good - Excellent
Corporate Governance and Sustainable Development Committee	98.67	Very Good - Excellent
Risk Management Committee	93.75	Very Good - Excellent





## The result of performance Assessment for the Chief Executive Officer

In 2020, the assessment result for Mr. Nuttaphong Kunakornwong, who holds the position of the Chief Executive Officer, was 4.45 out of 5 marks or equivalent to level A in the CEO's Performance Assessment Rating Scale of the Stock Exchange of Thailand, which is within the "Excellent" range.

### 8.1.2 Meeting Attendance and Remuneration for Individual Directors

#### Detailed Information of Board Meeting Attendance of Individual Directors

- Detailed Information of Attendance of Individual Directors at General Meeting of Shareholders**

In 2020, there was one Annual General Meeting of Shareholders held on the July 29, 2020 at Shinawatra Tower III, Viphavadee Rangsit Road. The following table shows details of the accumulated records of attendance to the shareholders' meeting by the Company's Board members since 2004 as follows:

Directors			Number of Attendance / Number of Meeting	
			Shareholder Meeting 2004-2020	Shareholder Meeting 2020
1.	Mr. Rath	Kitivejsoth	17/17	1/1
2.	Mr. Nuttaphong	Kunakornwong	9/9	1/1
3.	Mr. Nathpath	Oujai	15/15	1/1
4.	Mr. Kunodom	Tharmmaphornphilas	15/15	1/1
5.	Mr. Prasert	Samanawong	14/14	1/1
6.	Mr. Precha	Sekhararidhi	14/14	1/1
7.	Mr. Songsak	Premasuk	5/5	1/1
8.	Ms. Vilasinee	Puddhikarant	4/5	1/1
9.	Mr. Attapol	Sariddipuntawat	4/4	1/1

- Detailed Information of the Attendance of Individual Directors at the Board of Directors' Meetings**

The Board of Directors holds board meetings at least once every quarter and in 2020, the Board held 8 meetings and the ratio of the attendance by the Board of Directors for their board meetings are 98.61%. The following table shows details of the Board's meetings since 2004.

Directors			Number of Attendance / Number of Meeting		
			2004-2020	2020	2020 (%)
1.	Mr. Rath	Kitivejsoth	116/116	8/8	100
2.	Mr. Nuttaphong	Kunakornwong	60/60	8/8	100
3.	Mr. Nathpath	Oujai	101/101	8/8	100
4.	Mr. Kunodom	Tharmmaphornphilas	101/101	8/8	100
5.	Mr. Prasert	Samanawong	95/95	8/8	100
6.	Mr. Precha	Sekhararidhi	93/93	8/8	100
7.	Mr. Songsak	Premasuk	41/41	8/8	100
8.	Ms. Vilasinee	Puddhikarant	25/35	7/8	87.50
9.	Mr. Attapol	Sariddipuntawat	26/27	8/8	100

• **Detailed Information of the Attendance of Individual Directors at the Sub- Committees' Meetings**

In 2020 there are 5 sub-committees namely the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance and Sustainable Development Committee, and the Risk Management Committee, which the attendance records of each Sub-Committee thereof are presented as follows:

Directors	Number of Attendance / Number of Meeting				
	Executive Committee	Audit Committee	Nomination & Remuneration Committee	Corporate Governance & Sustainable Development Committee	Risk Management Committee
1. Mr. Rath Kitivejsoth	-	-	-	-	-
2. Mr. Nuttaphong Kunakornwong	12/12	-	-	3/3	4/4
3. Mr. Nathpath Ouajai	12/12	-	-	-	-
4. Mr. Kunodom Tharmmaphornphilas	-	10/10	2/2	-	-
5. Mr. Prasert Samanawong	-	10/10	2/2	-	4/4
6. Mr. Precha Sekhararidhi	-	10/10	-	3/3	4/4
7. Mr. Songsak Premasuk	12/12	-	2/2	3/3	-
8. Ms. Vilasinee Puddhikarant	10/12	-	-	-	-
9. Mr. Attapol Sariddipuntawat	12/12	-	-	-	4/4

**Remuneration of Individual Directors**

- The 2020 Annual General Meeting of Shareholders held on the date of July 29, 2020, has resolved to determine the remuneration of the Company's Directors, in the total amount of not more than 10 Million Baht details are as follows:

Kind of Remuneration	Directors / Position	Remuneration Rate	2020
<b>Monthly Meeting Allowance</b>	Mr. Rath Kitivejsoth (Chairman of Board of Directors)	150,000 Baht / month	1,800,000 Baht
<b>Salary</b>	Mr. Nathpath Ouajai (Authorized Director)	30,000 Baht / month	360,000 Baht
<b>Meeting Allowance</b> (only director attending the meeting)	<b>Directors</b> 1. Mr. Nathpath Ouajai 2. Mr. Kunodom Tharmmaphornphilas 3. Mr. Prasert Samanawong 4. Mr. Precha Sekhararidhi 5. Mr. Songsak Premasuk 6. Ms. Vilasinee Puddhikarant	25,000 Baht / meeting	200,000 Baht 200,000 Baht 200,000 Baht 200,000 Baht 200,000 Baht 175,000 Baht

Kind of Remuneration	Directors / Postion	Remuneration Rate	2020
Bonus	<b>Chairman of Board of Directors</b>		
	Mr. Rath Kitivejsoth	600,000 Baht	600,000 Baht
	<b>Authorized Director</b>		
	Mr. Nathpath Ouajai	550,000 Baht	550,000 Baht
	<b>Chairman of Board of Directors</b>		
	1. Mr. Kunodom Tharmmaphornphilas	550,000 Baht	550,000 Baht
	2. Mr. Prasert Samanawong	550,000 Baht	550,000 Baht
	3. Mr. Precha Sekhararidhi	550,000 Baht	550,000 Baht
Other Remuneration / Benefits	<b>Directors</b>		
	1. Mr. Songsak Premsuk	500,000 Baht	500,000 Baht
	2. Ms. Vilasinee Puddhikarant	500,000 Baht	500,000 Baht
	Chairman of Board of Directors	-None-	
	Directors	-None-	

Remark: excluding excutive directors

Kind of Remuneration	Director / Position	Remuneration Rate	2020
<b>Meeting Allowance</b> (only director attending the meeting)	<b>Chairman of Sub-Committee</b>	30,000 Baht / Meeting	
	1. Mr. Kunodom Tharmmaphornphilas		270,000 Baht
	2. Mr. Prasert Samanawong		60,000 Baht
	3. Mr. Precha Sekhararidhi		210,000 Baht
	<b>Member of Sub-Committee</b>	25,000 Baht / Meeting	
	1. Mr. Nathpath Ouajai		300,000 Baht
	2. Mr. Kunodom Tharmmaphornphilas		50,000 Baht
	3. Mr. Prasert Samanawong		315,000 Baht
	4. Mr. Precha Sekhararidhi		225,000 Baht
	5. Mr. Songsak Premsuk		425,000 Baht
	6. Ms. Vilasinee Puddhikarant		250,000 Baht
Other Remuneration / Benefits	Chairman of Sub-Committee	-None-	
	Member of Sub-Committee	-None-	

• **Information on the remuneration of each individual director for the year 2020**

The remuneration consisting of meeting allowance and bonus paid to each director of the Board of Directors and Sub-Committees for the year ended December 31, 2020 was ..... Million Baht, details are as follows:

(Unit : Baht thousand)

		The Board of / The Committee					
		Directors	Executive	Audit	Nomination and Remuneration	CG & SD	Risk Management
1. Mr. Rath	Kitivejsoth	2,400					
2. Mr. Kunodom	Tharmmaphornphilas	750		270	50		
3. Mr. Precha	Sekhararidhi	750		225		90	120
4. Mr. Prasert	Samanawong	750		225	60		100
5. Mr. Nathpath	Oujai	1,110	300				
6. Mr. Songsak	Premasuk	700	300		50	75	
7. Ms. Vilasinee	Puddhikarant	675	250				
<b>Total</b>		<b>7,135</b>	<b>850</b>	<b>720</b>	<b>160</b>	<b>165</b>	<b>220</b>

• **Comparison of Remuneration of Directors in 2020 and 2019**

Remuneration	2020		2019	
	Directors	Amount (Baht)	Directors	Amount (Baht)
Monetary Remuneration	7	9.25 Million Baht	7	8.89 Million Baht
Other Remuneration	7	None	7	None

**Remark:** The above remuneration comprises salary, bonus and meeting allowance (the above remuneration excludes the remuneration for 2 directors who hold an executive position namely Mr. Nuttaphong Kunakornwong (Chief Executive Officer) and Mr. Attapol Sariddipuntawat (Chief Corporate Officer)).

### 8.1.3 Governance of Subsidiaries and Associated Companies

The Company's Board of Directors prescribed policy and guidelines for governance of its subsidiaries and associated companies that any appointment of directors for its subsidiaries and associated companies must be approved by the Company's Board of Directors. As of December 31, 2020, the Company has 10 subsidiaries namely

1. SC Able Company Limited
2. Land Company Limited
3. V. Land Property Company Limited
4. Company Limited
5. SC Alpha Inc.
6. Bridge Group (Thailand) Company Limited
7. SC Expedition Company Limited
8. Scope Tower Company Limited
9. SC NNR 1 Company Limited
10. SC Asset Tree Company Limited

and there is also an affiliate namely

1. Fire One One Company Limited

The Company's Board of Directors resolved to appoint the Company's personnel to be the directors of its subsidiaries and associated companies in the number according to a percentage of the total number of shares held by the Company therein.

The personnel appointed as directors shall then cast their votes on the business operation agenda in the best interests thereof, and shall act within the scope of their duties and responsibilities as set forth in the governance policy of such subsidiaries and associated companies.

The said directors therein shall supervise on the matters related to connected transactions, acquisition or disposal of assets, as well as any other material transactions, and ensure that such transactions are complete and correct according to the applicable laws and disclosure regulations, in a manner consistent with the Company's transactions. In the past year, SC Expedition Company Limited, a subsidiary of the Company, made one connected transaction and an acquisition of an asset which was a lease of land on the Title Deed No. 184370, Parcel No. 654, Sub-District No. 90696 on Pattaya 2 Road, Nong Prue Subdistrict, Bang Lamung District, Chonburi Province, with a total land area of 3 rai, 3 ngan (1,500 square wah), with the lease term is 30 years. The lessor is Rende Development Company Limited, which is a related party to the Company. The land will be used for the construction of a hotel. There is a reciprocity clause which prescribes that upon the end of the lease term, the Company agrees to allow Rende Development Company Limited, the lessor, to have ownership in the buildings on the land. Upon the end of the lease term, the lessee is entitled to the right of first offer for the rent of the property. The total value of the land lease, the construction costs, and the expenses related to the hotel construction amounts to approximately Baht 1,462,428,000, with a present net value of Baht 1,353,683,092. Given the size of the transaction, the approval from the Company's shareholders is thus required. The transaction was reviewed by the Company's Audit Committee and the Board of Directors prior to its consequent submission to the shareholders' meeting for approval. The transaction was approved by the Company's 2020 Annual General Meeting of Shareholders on 29 July, 2020.

Furthermore, the directors of the Company's subsidiaries and associated companies also monitored to ensure that there is a proper and adequate internal control system, as well as the appropriate storing of information and accounting records for audit, compilation, and prompt preparation of the companies' financial statements.

#### 8.1.4 The Follow Up on the Compliance of Policy and Guidelines of Corporate Governance

Good corporate governance is the foundation of corporate management and business activity supervision. It also dictates long-term corporate growth and development, and leads a business entity toward sustainable development. Thus the Company pays attention to the compliance of good corporate governance principles, and prescribes relevant policy and guidelines in the Company's Corporate Governance Policy and the Code of Conduct (Full details of the Company's Corporate Governance Policy and the Code of Conduct appear in Annex 5). The Company's Board of directors promote and encourage the continued compliance of the good corporate governance principles as it is a key driver of long-term credibility, business transparency, and sustainable corporate growth. Good corporate governance also provides ultimate benefits to and creates confidence among the Company's shareholders, investors, and stakeholders, as well as fosters appropriate adaptation to changes in the business environment, encourages long-term growth, creates sustainable value, and allows shareholders and the public to easily, promptly, equitably, and efficiently be aware and monitor the company's business operations

In 2020, the Company monitored to ensure the compliance of good corporate governance practices, particularly on the 5 elements of the good corporate governance principles, which are shareholders' rights, equitable treatment of shareholders, roles of stakeholders, information disclosure and transparency, and responsibilities of directors, as follows:

## Shareholders' Rights

- Provided corporate information which is accurate, adequate, prompt, and equitable via the Stock Exchange of Thailand and the Company's website on a quarterly basis.
- Disclosed the meeting schedule for the Company's 2020 Annual General Meeting of Shareholders, as well as the board resolution on the postponement of such meeting and the rescheduling thereof, for the shareholders to know in advance via the Stock Exchange of Thailand's SETLink.
- Due to the Corona Virus (COVID-19) pandemic, the Company rescheduled its 2020 Annual General Meeting of Shareholders to be held on July 29, 2020 from 2 p.m. to 5 p.m. at the Auditorium on 9th Floor, Shinawatra Tower 3, Viphavadi Rangsit Road, Bangkok, which is the same location as its Head Office. The Company's shareholders can easily reach the meeting venue as it is conveniently situated for easy access with major public transportation systems such as the BTS Skytrain System (Phahon Yothin 24 Station), and the MRT system (Phahon Yothin Station). The Company facilitated its shareholders by enabling them to register for the shareholders' meeting at least 2 hours in advance of the meeting, thus, the registration was opened from 12.00 p.m. onward. There were also screening measures for protection against the transmission and the spread of the COVID-19 virus. Moreover, with regards to shareholders who could not attend the meeting, they were able to send their questions into the meeting via the Live Chat channel.
- Distributed the invitation letter to the 2020 Annual General Meeting of Shareholders both in Thai and English with details of date, time, venue and agendas of such meeting via the Company's website 33 days ahead of the meeting, which was on June 25, 2020. The invitation letters to the 2020 Annual General Meeting of Shareholders with details of each agenda items and relevant opinions of the Board of Directors and/or the sub-committee on each of such agenda items were sent 25 days ahead of the meeting, which was on July 3, 2020. Invitation letter of such meeting was also published in the newspapers for 3 consecutive days and at least 7 days ahead of the meeting, which was between July 1 - 3, 2020, for the shareholders to each receive information that is accurate, sufficient, and provided within the reasonable timeframe.
- The barcode system was applied to facilitate the verification of shareholders' documents, the meeting registration, the vote counting, and the display of the voting results, so that all these procedures were completed quickly, correctly, and accurately. The revenue stamp was also provided without charge to be affixed on the proxy form that authorized the proxy holder to attend the meeting
- The 2020 Annual General Meeting of Shareholders considered agenda matters in the order they were listed in its invitation letter to shareholders' meeting that was prior distributed to the shareholders. There was no change in the order of the agenda and no request for the meeting to consider other matters which were not listed in its invitation letter. Prior to the vote on each agenda, the Chairman of the meeting allowed the shareholders, who were physically present at the meeting, and who participated in the meeting through electronic mode of online meeting, to freely express their opinions, provide their suggestions, or ask questions, of which the details of such participations are recorded in the minutes of meeting.
- Reported on interim dividend payment to shareholders which was paid out in cash at the ratio of Baht 0.19 (Ninety Satang) per share, accounted to 41.79 percent of the 2019 net profit.
- The election of directors and the director compensation were separated into two different agenda items. On the agenda of election of directors, shareholders were allowed to cast their votes for election of each director candidate on an individual basis. In term of the director remuneration, a set of rules and procedures that clearly specified the remuneration composition and the remuneration amounts was



proposed. Additionally, there was an explanation made to the shareholders on the policy, procedures, and rules that governed the remunerations of directors and members of sub-committees, in each position.

- During the 2020 Annual General Meeting of Shareholders, the Company invited Mr. Sumethee Innhu, an independent legal advisor who is independent and had no vested interest in the Company, to represent the shareholders in checking the vote counting during the meeting. In addition Mrs. Anothai Leekitwattana, Miss Peerada Ratchaiboon and Miss Sunida Visetchottikul as representatives from PricewaterhouseCoopers ABAS Company Limited were also invited to participate in this shareholders' meeting to clarify matters relating to the Company's financial statements for the shareholders who attended this meeting.
- Facilitated the shareholders who were not able to attend this meeting by providing a live broadcast of this meeting via the Company's website, [www.scasset.com](http://www.scasset.com).

### **Equitable Treatment of Shareholders**

- The Company has determined that there shall be one type of share, i.e. common share with the owner's name specified on the certificate, with an equal voting right, i.e. "one share, one vote."
- Provided an opportunity for the shareholders to propose agenda items and nominate qualified candidates for director positions before the meeting. The Company prescribed rules and procedures for its shareholders to propose matter to be included as an agenda item in the General Shareholders' Meeting and to nominate any individuals to be considered as director positions in replacement of the directors who retired by rotation. The related rules and procedures were disseminated online via the SETLink of the Stock Exchange of Thailand and the Company's website at least 3 months before the ending date of the Company's fiscal year.

Regarding to the proposal of meeting agenda items, The Company allows one or more shareholders who hold any combination of shares totaling no less than 50,000 shares to propose any agenda items for the General Meeting of Shareholders. Consequently, the Company's Board of Directors shall consider and notify in the invitation letter to the meeting of shareholders in order that the shareholders can acknowledge that such agenda items in the meeting agenda were proposed by the shareholders (if any), and in the event that the Company refuses to add and such agenda items proposed by any of the shareholders to the meeting, the Company shall provide supporting reasons for such refusal to the General Meeting of Shareholders.

Additionally, the Company allows one or collectively more of its shareholders who hold any combination of shares totaling no less than 50,000 shares with relevant voting rights to nominate, in advance, any qualified individuals who possess none of the characteristics prohibited under the applicable laws, as well as rules and regulations prescribed by the Company's, to be elected as directors in the General Meeting of Shareholders. The Nomination and Remuneration Committee shall review and select, together with other parties, the eligible director candidates according to the Company's director selection process, and nominate its selected candidates for directorship appointment to Board of Directors for their consideration before proposing to the General Meeting of Shareholders for further approval.

In 2020, the Company issued a letter to the Stock Exchange of Thailand notifying that its shareholders could propose matters to be included as an agenda item for the Annual General Meeting of Shareholders and nominate candidates for a directorship appointment from September 17, 2019 – February 2, 2020, however, neither proposals for agenda items nor qualified candidates for a directorship appointment were proposed in advance of the 2020 Annual General Meeting of Shareholders.

- The Company allowed its shareholders to submit in advance, their questions related to the meeting agenda or the Company, as well as any inquiry related to the shareholders' meeting or any other important information of the Company, to the Company at least 3 months before the ending date of the Company's fiscal year. The Company gives rights to each shareholders to send questions in advance to the Company as per the methods as prescribed by the Company and the Company shall disseminate such information via the SETLink of the Stock Exchange of Thailand. The Company Secretary typically would act as a preliminary reviewer of those questions prior to their submission to the Board of Directors or the Company's management for the preparation of the relevant answers thereof on the date of the General Meeting of Shareholders.

In 2020, the Company issued a letter to the Stock Exchange of Thailand notifying that its shareholders could submit their questions in advance of the shareholders' meeting from 17 September 2019 – March 31, 2020. Nevertheless, due to the spread of the COVID-19 virus, the Company had extended the timeframe for such submission to July 28, 2020, and facilitated its shareholders by allowing them to send the questions in their reply mails to the meeting invitation letter, or to the email of the Company Secretary. Consequently, there was no questions submitted in advance of the 2020 Annual General Meeting of Shareholders.

- The Company entered into 2 connected transactions which required disclosure according to the rules of the Stock Exchange of Thailand. The first transaction, which was under the authority of the Board of Directors, involved a receipt of financial assistance related to the issuance of bill of exchange for private placement that were offered to the Company's related parties for an amount of Baht 2,500,000,000 for the maximum term of no more than 270 days at the interest rate which was subjected to the prevailing money market rate. Another transaction which required approval from the shareholders' meeting involved SC Expedition Company Limited, a subsidiary of the Company, of which the Company holds 99.99 per cent of its shares. SC Expedition Company Limited leased plots of land on Pattaya 2 Road, Nong Prue Sub-District, Bang Lamung District, Chonburi Province, with a total land area of 3 Rai, 3 Ngan (1,500 Square Wah) for a registered period of 30 years from a related party of the Company to construct a hotel thereupon. The total value of the rental payment, construction costs, and expenditures related to the hotel construction amounted to approximately Baht 1,462,428,000 Prior to the making of this transaction, the Company had clearly disclosed to its shareholders the details and information on the name and its relationship with such related party, the pricing policy, the total value of the transaction, and the opinions of the Board of Directors on the transaction.
- The Company facilitated its shareholders who could not attend the meeting in person by delivering a proxy Form B which allowed shareholders to direct their vote cast in each meeting agenda a, i.e. Approve, Disapprove, or Abstain together with the invitation letter of shareholders' meetings. The shareholders can authorize representative or name any one of the two selected Company's Independent Directors appointed particularly for this assignment to attend the shareholders' meeting on their behalf. Furthermore, the Company presents information of meeting, agendas including procedure, document, and evidence required for the proxy in the invitation letter, and on the Company's Website without determining condition or rule that require document certification by government authority or other rules that cause difficulty to shareholder in the proxy.

In the 2020 Annual General Meeting of Shareholders, there were 150 shareholders attending the meetings, 43 shareholders presented in person while 107 shareholders by proxy. Regarding the proxy, 9 shareholders appointed other persons to attend the meeting by proxy and 98 shareholders appointed the assigned independent directors to attend the meeting by proxy.

## Role of Stakeholders

### Shareholders / Investors

- The Company's Board of Directors, on behalf of the Company's shareholders, executives and employees, has operated and managed the Company's business activities as per the prescribed corporate visions and missions, and in accordance with the good corporate governance for the ultimate benefits of the shareholders and the long-term shareholder values.
- The Company's Board of Directors supervises to ensure equitable treatment of shareholders, both for the basic rights as prescribed by law and in the Company's Article of Association, as well as on other matters which shall promote and facilitate the exercise of the shareholders' rights. (Please refer to details in the topic of "Rights of Shareholders" and "Equitable Treatment of Shareholders")
- Established the Code of Conduct for Investor Relations as the practice guidelines for its personnel who are involved in taking care of shareholders and investors to which they must properly and appropriately comply. The Code covers the Confidentiality of Internal Information, the Equitable and Fair Disclosure of Information, and the Performance of Assigned Duties with Honesty all of which are set to ensure confidence of shareholders/investors.
- The Company communicates and presents its operational results to its shareholders, investors, and investment analysts via various communication channels and various forms of activities.

### Employees

#### • Safety Health and Environment

The Company prescribes its policy and guideline on "safety, health, and environmental policy in order to establish the management system in accordance with applicable law, international standard as well as other regulations. This policy also prescribes measures to prevent workplace accidents and promoting workplace safety guidelines and encouragement of employees to have knowledge, understanding. It also includes the monitoring and evaluating the outcomes of such prescribed measures and guidelines as per its safety, health, and environmental policy in accordance with annual work plan. (Full details of the Policy and Practice Guidelines on Safety Health and Environment can be disclosed at [www.scasset.com](http://www.scasset.com) in topic "About Us" / "Corporate Governance")

In 2020 the Company has followed the following performance undertook as per its policy and guidance on Safety, Health, and Working Environment

#### 1. Training / Development

The Company has continually organized various training programs as per legal requirement for every employee to know and understand safe work practices. The Company appropriately arranges training for staff of all levels to be aware of their roles, duties and responsibility regarding safety in the workplace as follows;

- Orientation for new recruits: The Company informs and communicates to its new recruits on its policies and guidelines on workplace safety, health, and the environment. This subject is listed as an important agenda issue in the said orientation. Policy guidelines on fundamental workplace safety are discussed, together with relevant work directions for new recruits who are office staff as well as on site employees.
- Training on Occupational Safety, Health, and Environment in the Workplace for employees: On December 15, 2020 and December 18, 2020, to enhance knowledge and understanding of operational employees on their roles and duties in relation to occupational safety as well as promote collaboration

with their supervisors in searching and assessing potential workplace hazards, and the ability to act in compliance with the policy of occupational safety, health, and environment along with relevant regulations.

- Arranging basic firefighting techniques training on the date of December 21, 2020 to protect employees against harm from fire and dangers from fire and loss to individuals or the workplace, as well as arrange protection against potential causes of fire that may impact the public.
- Arranging of annual training for the emergency team leaders on evacuation during a fire as well as fire drills and evacuation plans for employees, trade partners, and customers in the Company's office buildings, high-rise buildings/condominiums on the date of December 22, 2020

**As of December 31, 2020, the amount of personnel who were trained under these programs are as follows**

Courses	Persons
Orientation for new recruits: workplace safety, health, and the environment	91 persons
Training on Occupational Safety, Health, and Environment in the Workplace for employees	37 persons
Basic firefighting techniques training	240 persons
Annual training for the emergency team leaders on evacuation	14 persons

## 2. The protective measures against coronavirus 2019 (COVID-19)

Due to the spread of COVID-19 in 2020, the Company prescribed that one of its Objectives and Key Results (OKRs) is no COVID-19 infection among its employees. The following measures have been set for COVID-19 infection prevention and control:

- Set essential supportive measures for semi-work from home, by allowing supervisors to set appropriate work schedules for rotational shift work that includes dates, time, and place of work.
- Prescribe the video conferencing platforms, such as Zoom, for the meetings between the management and employees.
- Arrange screening point at every entrance point of the Shinawatra Tower 3, the Company Head Office, and its construction sites
- Provide employees with knowledge on self-protective measures via internal communication channels.
- Provide two-way communication channels with employees known as "COVID 19 Alert".
- Provide welfare for employees during the spread of COVID 19 such as provision of COVID 19 insurance, support for the testing costs for COVID 19, and support for medical expenses for the Covid-19 treatments.

## 3. Medical Care Benefits

- Providing a health insurance card from the health insurance company prescribed by the Company, and are entitled to the relevant benefit plan which covers medical and treatments costs in the participating hospitals under such plan for the amount not more than the prescribed limits, which vary according to work levels. Employees also receive dental care benefits in addition to their general health care package
- Providing a nursing room at the workplace, whereas employees who work at development sites can request for basic medicine at the site office of such sites.
- Arranging an annual health checkup which is planned according to each employee's age bracket.
- Arranging to have vaccinations against influenza for all employees without cost.

#### 4. Health Care Benefits

The Company places importance to the employees' health care, the Company thus continually arrange following activities to promote better health and have more efficient in work so that can result in the Company's sustainable business growth by

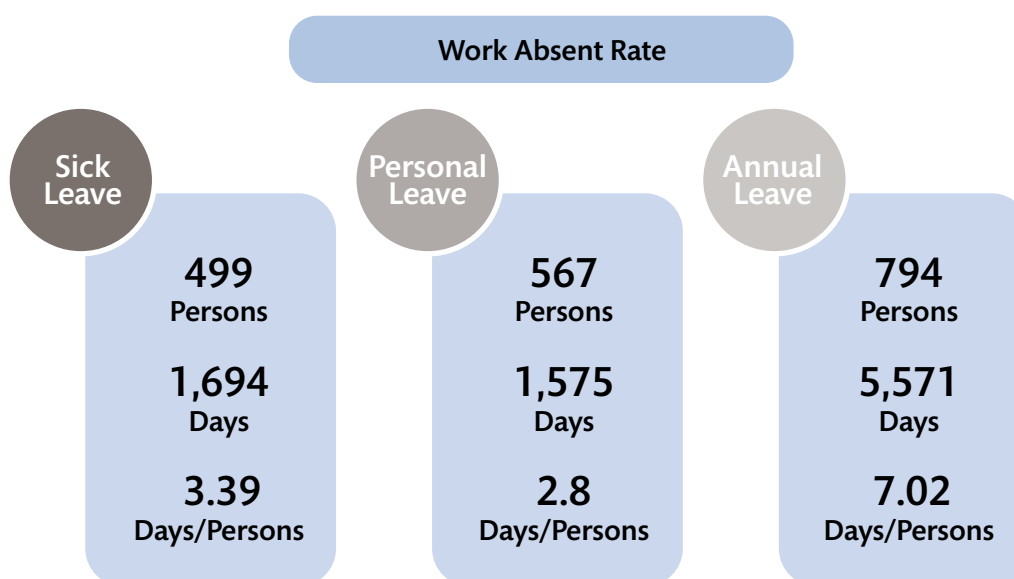
- Organized "Fast 2 Fit to defeat COVID 19" during the period of May 2020 – July 2020 to promote employee awareness on the importance of health care in which 93 employees participated in this activity. The Company also organized various activities to motivate its employees to regularly pay attention to their healthy lifestyles
- Organized "Farm 2 Fit – Easy gardening of vegetables in the office for consumption" during the period of August 2020 – September 2020. This activity encouraged the healthy eating of fruits and vegetables among employees, as well as promoted the growing and harvesting of vegetables from their home gardens to reduce the danger of food contamination. The program also introduced and demonstrated easy home gardening techniques that anybody could do in which 35 employees participated in this program.
- Organized "SC Master Chef – Health food workshop" - a healthy cooking class which encouraged the consumption of at least 400 grams of fruits and vegetables per day according to the World Health Organization's healthy diet standard. There is proven researches which states that such habits could reduce the risk of non-communicable diseases (NCDs).
- "Massage Time" a program which was jointly organized with the Social Innovation Foundation, to provide neck and shoulder massages for employees, to help prevent Office Syndrome.
- Arranged prayer and meditation sessions every Wednesday and invited learned monks to guide the sessions, aimed to foster moral values among participated employees.

#### 5. The Reporting of Accident at Work

The Company prescribes a channel for its employees to report information on accidents at work via its application named "SC In One", which provides an easy and quickly access connection. The "SC In One" application shall record information on accidents at work and their causes. This information can enable the relevant work units to come up with appropriate actions and guidance for further improvement in accordance with the applicable safety standard and to render safest work condition for the employees and outsiders who work in the Company's workplace.

With suitable and continuous actions taken as per the Company's guidelines and regulations on workplace safety and health, the 2020 statistics for accidental rate, workplace absence rate, and workplace sickness and injury rate are provided as follows:

3 Persons	{	<i>Statistics for work -related injuries</i>
2 Persons	{	<i>Statistics for work -related illness</i>



*\* Only for employees who were entitled to annual leave; newly recruited employees are not included*

- **Remuneration and Benefits**

The Company has prescribed a policy on employee remuneration and benefit to be fair and suitable to individual work performance, and in line with the Company's operational results both in the short-term and long-term. In addition, the remuneration and benefits are managed to ensure our competitiveness peers in same industry. (Detailed information on "Remuneration and Benefits" can be found in Topic 7.5 "Information of Employees" / "Policy on Employees' Remuneration and Benefits").

- **Human Resource Management**

The company has prescribed rules and guidelines on human resource management to determine the fair and equitable treatment of employees subject to the conditions that the employee shall be recruited basing on an individual's knowledge and competency that suitable for each business and a Merit System is applied for salary increment and promotion. Furthermore, employees are frequently invited to communicate or ask any question with the chief executive officer as well as executives; for example, organizing "SC Townhall" in order to providing opportunity for all employees to meet and talk with chief executive officer and executives etc. IN addition, the Company provides channel via Application "SC IN ONE" for all employees to complain, give a feedback or propose their creative idea further development of business processes.

- **People Development**

The Company emphasizes on people potential development according to the corporate culture SKYDIVE by focusing on the development of employee's potential and knowledge regularly. The Company set the clear development direction for each individual employee, and supervise employees at all levels to be developed according to the said direction systematically and continuously. Therefore, the employees are able to work in their current duties efficiently and well prepared to take on a higher-level role and responsibilities in the future. (Detailed information on people development policy and the development of people in the previous year can be found in Topic 7.5 "Information of Employees" / "Policy on People Development").



### 3. Customers

- Providing contact channels for customers to suggest, complain on matters, or request for help or advice on matters concerning the Company; either directly to the Company's address or to contact its 24-Hour Call Center at 1749, or to the Company's Website ([www.scasset.com](http://www.scasset.com)). to get information on customer's opinions, remarks, suggestions to the Company and its products for further improvement.
- Development of "Ruejai Platform" : In the past year, the Company developed an operating system to work on Home Hub which shall facilitate the control of automated electronic equipment, aimed to meet the needs of customers in their daily life requirements. The system helps in providing conveniences to customers, and allows them to spend more time on other important issues in their lives.
- The Ruejai Subscription was developed to enable a good quality lifestyle with quality for customers, as well as to provide solutions to their needs with convenient and modern technology. The system includes various services in one application such as house cleaning services, home maintenance, car wash delivery service, etc.
- Apply Net Promoter Score (NPS) System, this system is to assess customer satisfaction and customer brand loyalty and use the assessment and information outcome to continually improve its work process, aiming to fulfill customer needs for products and services.
- Operate a Customer Relation Management (CRM) system that helps provide necessary information and solutions that best serve customers' needs. It regularly organizes free customer events and family gatherings that encourage building of a "quality" community.
- Invent a new concept for low rise housing developments by using "Human-Centered Design", to try and understand the real issues of residency problems and use them to develop the Company's housing design solutions known as "SC New Prototype" which is a housing solution that response to customers according to demographic segmentation.
- Organize the "SC Asset Green Market" fair for the Company's office building tenants to encourage green and healthy living under its promoted "Lively Neighbourhood" concept which promotes direct sales of community products to consumers. The Company's customers as its building tenants and employees are inspired to be health conscious and are introduced to health products.

(Please refer to further details in the "Sustainability Report for 2020" or <https://www.scasset.com/th/about-us/csr-report/> )

### 4. Business Partners / Contractors

- Establish the Code of Conduct for Business Partners as their guidance for business operations, which enables sustainability in its supply chain. Information on the "Code of Conduct for Business Partners" can be found at <https://www.scasset.com/th/about-us/company-governance/>
- Organize supplier engagement meetings to explain the Company's policy and plans to contractors for their acknowledgement and in the event that any contractors have any inquiry or problem which require the Company's actions, or any other questions on any additional guidelines, they can directly contact the Company's executives.
- Provides whistle blowing channels for its business partners to report on any misconducts or unfair treatments. In 2020, there were no complaints from any business partners or contractors.
- Established protective measures against the spread of COVID-19 and relays these measure to its business partners and their workers in the project sites, by email and Line. There are screening points

for temperature checks, as well as continuous observation for individuals with risk for infection. As of December 31, 2020 there were no workers who were infected with COVID 19.

- Established measures to support business partners/contractors in the situation of COVID 19 crisis which included financial assistances aimed to support the liquidity positions of business partners/contractors such as the suspension of the repayment of advance money, issuance of new rules on advance payment assistances, approval of advance payments for business partners/contractors who are in financial difficulties, etc.

(Please refer to further details in the “Sustainability Report for 2020” or <https://www.scasset.com/th/about-us/csr-report/> )

## **5. Creditors**

- Strictly comply with the terms and conditions of its agreements with all creditors, particularly on conditions related to guarantees, fund management, and any event of default which is clearly prescribed.
- Repay its debt obligations according to their prescribed repayment conditions promptly
- Maintain its Interest Bearing Debt ratio at the level not to exceed 2:1
- In 2020 there were no issues related to financial liquidation and ability to repay debts, and according to the review of the Company’s accounting and financial information revealed no defaulted or late payments to any creditors; both financial institutions and trade creditors, no breach of covenants on misrepresentations or inappropriate disclosure of information, no violation on any terms and conditions of any financial agreements, and no breach of any collateral contracts.

## **6. Trade Competitors**

- Fair trade competition in compliance with international free trade framework and under trade competition laws.
- In 2020, there were no complaints from the Company’s trade competitors on unfair competition or unfair trade practice against trade competitors.

## **7. Communities / Societies**

- Employed 9 visually impaired individuals via the Vulcan Coalition Company Limited to use their listening skills in Thai language to help develop order and information management using artificial intelligence system for the improvement of the Company’s services.
- Organized community and social development activities via “Sang Mittr Chid Rua Year 3” program with the objective of collecting surplus items of customers and converting them to be useful items for workers in the Company’s construction sites. The Company invited its customers/employees/ business partners to donate clothing and items in good conditions to construction workers, charity foundations, and underprivileged people.
- Organized “Kids’ Mission” program for the 2nd consecutive year to promote quality of life for children in construction camps with the intention of avoiding possible accidents at work and reduce childcare worries of the workers. This program helps improve workforce productivity. In the past year, five children from the program entered the Thai primary education system.

( Please refer to further details in the “Sustainability Report for 2020” or <https://www.scasset.com/th/about-us/csr-report/> )

## 8. Environment

- Participated in the “Viphavadi Zero Waste” program jointly organized by the Securities and Exchange Commission and the Thailand Responsible Business Network (TRBN) which intends to promote collaborations among private organizations which operate on Viphavadi Rangsit Road to efficiently manage waste, increase waste recycling rates, and reduce the volume of waste disposal at the sanitary landfill.
- Participated, in collaboration with Advanced Info Service Public Company Limited, in the “E-Waste” project which encourages the reduction of electronic waste or e-waste by raising awareness on the impact of improper disposal of e-waste, and promotes a safe and proper e-waste disposal through sustainable management processes for a better environment and less residual e-waste in Thailand. The Company has also placed 6 e-waste disposal boxes in its Head Office and Sites.
- Participated, in collaboration with SCG Packaging Public Company Limited, in the “PAPER X” project which established waste-trading platforms on mobile application for trading of paper and plastic waste, and a recycling of these waste materials and converting them for utmost reuse in a production process, as per the concept of a circular economy.
- Organized following training/seminars for employees on topics which are related to energy, natural resource consumption, and environment to enhance skills and knowledge that can be applied for environmental management and proper use of natural resources without destroying the environment.

Training / Seminars	Held By
Policies to Reduce Greenhouse Gas Emissions: Opportunity, Challenge and Reporting Method	The Securities and Exchange Commission, Thailand
Seminar on Vibhavadi Zero Waste Project	Thailand Responsible Business Network (TRBN)
Seminar on the Progress in reforming system and Environmental Impact Assessment	Office of Natural Resources and Environmental Policy and Planning, Ministry of Natural Resources and Environment

( Please refer to further details in the “Sustainability Report for 2020” or <https://www.scasset.com/th/about-us/csr-report/> )

### Prohibition on Infringement of Intellectual Property Rights

- The Company has set forth its policy and practice guidelines in writing on non-infringement of intellectual property, copyrights, and computer software which are included as a part of the Company’s good corporate governance policy for its personnel to properly comply under laws or regulations governing intellectual property, whether they be copyrights, patents, or trademarks. The prescribed practice guidelines state as follows;
  1. The designs of the Company’s products must be its new creations, and there shall be no infringement of another person’s copyrights.
  2. Installing duly licensed software applications on all the Company’s employees’ workstations legally. If there is any need to install any additional software applications on any employee workstation, the license software will be installed and monitored by Information Technology Department.
  3. Not wrongfully using information, data, press release, printed materials, and trade secrets, or make use of them without the proper lawful authorization of their owners. If the Company utilizes information, data, press release, and printed material which belong to others, it will refer to their sources or make known of their owner’s names, or provide the links to the original thereof.

Full details of the Policy and Practice Guidelines on the Prohibition of Intellectual Property Rights, Copyright and Computer Program Infringement can be found in Corporate Governance Policy appeared in Attachment 5 or [/www.scasset.com/th/about-us/company-governance/](http://www.scasset.com/th/about-us/company-governance/)

- In 2020, the Company's Board of Directors monitored and checked for actions during the year which could be related to infringement of intellectual property of another person, and found out that there were no infringements of another person's intellectual property or any violation of the said policy and practice guidelines on non-infringement of intellectual property, copy rights, and computer software.

#### **Prohibition on Violation of Human Rights**

- The Company has set forth its policy and practice guidelines in writing on non-involvement in any human rights violations as per the UN Guiding Principles on Business and Human Rights (UNGPR), which are included as a part of the Company's good corporate governance policy. Such policy and practice guidelines ensure that the Company's business operations have no human rights abuse, and prescribe guidelines such as promote, respect and protect human rights, and equitable treatment of everyone irrespective of physical appearance, belief, race, nationality, religion, sex, language, age, gender identity, disability, education, and social status, as well as using such distinguishing characteristics to influence any recruitment decision or employee performance assessment. The Company is against child labor, forced labor, and illegal foreign workers. It also gives employees fair and appropriate terms of employment, and provides a reasonable compensation package suited to the employees' capabilities. The Company provides appropriate whistleblowing/ complaint procedures for reporting such matters or actions that involve human rights violations.
- Additionally, the Company undertakes its human rights risks assessment and has put in place appropriate protective measures to mitigate adverse impacts of such risk in its business activities, to ensure that its operations have no acts of violations of human rights. It also monitors on the compliance of its business with relevant human rights regulations. The Company encourages its subsidiaries, business partners, and all stakeholders to comply with human rights principles and to follow international human rights standards.

Full details of the Policy on No Violation of Human Rights can be found in Corporate Governance Policy appeared in Attachment 5 or [/www.scasset.com/th/about-us/company-governance/](http://www.scasset.com/th/about-us/company-governance/)

- The Company's Board of Directors monitored and reviewed the Company's operations with regard to non-violations of human rights, and found that the Company has fully complied with the prescribed practice guidelines. In order to promote the non-violation of human rights, the Company prescribed in its contracts the provisions which stated that its business partners / contractors must comply with labor laws and regulations that include compensation payments, health and safety in the workplace; for example, the business partners / contractors must pay their workers at a rate that is not less than the minimum wage required by law, and the wages must be paid promptly. Additionally, in the event that any contractors or contract parties do not comply with such provisions, and fail to pay the wages of their workers, the Company as the employer can deduct from payments then due under those employment contracts and directly pay the workers of the contractors or contract parties so as to preserve their rights and not permit the contractors or contract parties to take advantage of their workers in such situations. Such contracts also prohibited for the Company's business partners / contractors to use illegal labor, such as child labor or illegal foreign workers. The setup of these requirements is intended for the Company's business partners to strictly comply with, and to jointly promote the respect for human rights for everyone, as well as to support the anti-trafficking measures and not to be involved in all forms of human rights violations.

(Please refer to further details in the “Sustainability Report for 2020” or <https://www.scasset.com/th/about-us/csr-report/> )

In 2020, the Company had no incidents of violation of labor laws, employment laws, consumer protection laws, and environmental laws. It should be noted that there was no case with any regulatory authorities on the failure to notify information on any important internal incidents within the prescribed period or in any other cases.

### **Information Disclosure and Transparency**

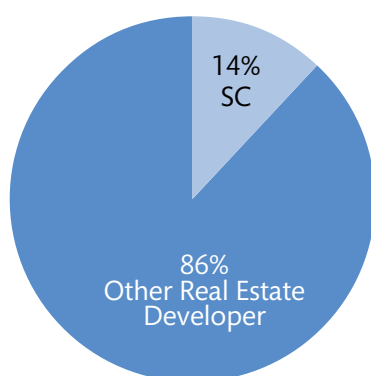
- Disclosed of information on shareholdings by Directors and executives, either directly or indirectly, as well as the prescribed policy that Directors and executives must disclose/report their trading activities of the Company shares in every meeting of the Board of Directors, and disclose the number of shares that they, their spouses, or minor children hold at the beginning and the end of the year, together with any trading during the year, in the Annual Report.
- Submitted the quarterly and yearly financial reports stating unqualified opinions from the auditors to the Securities and Exchange Commission/the Stock Exchange of Thailand within the prescribed timeframe. The Company has no history of receiving any orders from the regulatory authorities to rectify its financial statements.
- Published its Annual Report within 120 days from the end of its fiscal year and publish the invitation letter for the General Meeting of the Shareholders and the Minutes of the latest General Meeting of the Shareholders on the Company’s website.
- Appointed 3 auditors who were approved by the 2020 Annual General Meeting of the Shareholders namely
  1. Mrs.Anothai Leekitwattana from PricewaterhouseCoopers ABAS LTD., being appointed for 5 consecutive years
  2. Mr. Paiboon Tankul from PricewaterhouseCoopers ABAS LTD., being appointed for 5 consecutive years
  3. Miss.Sakuna Yamsakul from PricewaterhouseCoopers ABAS LTD., bein reappointed for 2 consecutive years who are qualified without any characteristics prohibited by the rules of the Stock Exchange of Thailand, and are approved by the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as being independent and without any relationship and/or interests with the Company/its subsidiaries/its executives/its major shareholders or the related parties of such persons. These auditors do not provide any other services to the Company.
- Prepared the Report of the Board of Directors’ Responsibilities for the Financial Statements, together with the auditor’s report and published them in the Annual Report
- Disclosed in the Annual Report and the Company’s website with full disclosure of the Company’s visions, and missions, nature of business, financial statements, news releases, shareholder structure, organizational structure, corporate group structure, information on the Board of Directors and executives, investor relations information, Annual Report, Sustainability Report, etc.
- Disclose the Company’s non-financial performance in order that the Company is aware of the demand and customer satisfaction of its products and services, and use this knowledge to improve its products and services to satisfy the needs of customers as well as to adjust the Company’s marketing strategies to be in a competitive positions vis- à- -vis other companies, as follows:

## 1. Market Share

In 2020, Total presales of single detached houses, townhouses and condominiums in BMR were reported with value of Baht 265,623 million, separated to single detached houses 'presales by Baht 101,613 million, townhouses and home offices' presales by Baht 68,712 million and condominiums 'presales by Baht 95,299 million.

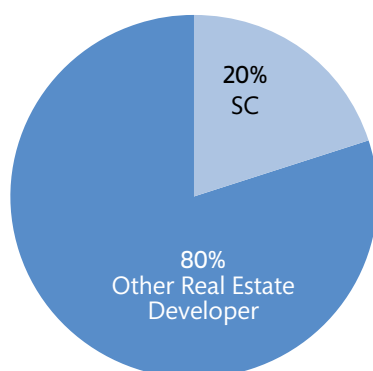
In the past year, the Company reported total presales of single detached houses, townhouses and condominiums in BMR by Baht 16,602 million, accounted for market share at 6% of total presales of single detached houses, townhouses and condominiums in BMR. In addition, The Company's presales of single detached houses ranked as No.2 or 13% of single detached houses' presales, No. 10 or 2% of townhouses and home offices 'presales and No.13 or 2% of condominiums 'presales as well.

**Market Share of the Company's  
single detached houses (In BMR)**



For single detached houses market at all price ranges, the Company reported market share at 14% of total single detached houses' presales.

**Market Share of single detached houses in BMR  
with the starting price from Baht 10 million**



For single detached houses with starting price from Baht 10 million market, the Company reported market share no less than 20% of total single detached houses with starting price Baht 10 million 'presales.

Source: Agency for Real Estate Affairs (AREA)  
and the Company's Information



## 2. Customer's Satisfactory Levels

The Company surveys and collects information, opinion and customer satisfaction in "Repair Quality Index" "Overall Quality Index User Satisfaction and "Community Management Index" by the scores of satisfaction assessment criteria ascending from 1 to 5

The results of the customer's satisfactory surveys are disclosed in the "Sustainability Report for 2020" which is published as a separate report and disseminated to the Company's shareholder

### • Communication Channels

The Company recognizes the importance of information disclosures that are accurate, full, and transparent whether they are financial information, operational results, and other important information. Other than the disclosures that are required by law, the Company also adds many channels for release of information to assure that it is conveniently and equitable accessible to its shareholders, investors or other stakeholders:

1. Investor Relations Unit: The unit which has direct contact and communication with investors, and security analysts.
2. Opportunity Day Opportunity Day: The quarterly of the Company's operational results are releases to investors and analysts which are organized as "Info Meeting" or "Opportunity Day" events.
3. Press conference and press releases: The Company distributes its press releases and newsletters on its operational results or financial status.
4. The Company arranges employees' meetings to clarify its policies, and business directions, as well as explain about its new products. It also disseminates news and information to its employees via electronic channels and media such as intranet, email, and various social medias.
5. The Company arranges Company Visit Projects for securities analysts.
6. Annual Report
7. The Company's website "www.scasset.com"

In 2020, the Company arranged various activities to provide information in relation to operation results and to communicate with investors via following channels

Activities	2020
Info Meetings	4
Press Conferences relating to Business Plan	1
News Letters relating to operational results	4
Company Visit	2
Site Visit	2

### Responsibility of the Board of Directors

- The Board of Directors has established the Company's vision and mission with both short-term 1 year and long-term 5 years in order to steer the executives and employee towards a common goal. In 2020, the Board reviewed the corporate vision and mission for the past fiscal year while recognizing the changes in circumstances and scope of business. It approved the revised corporate vision and mission to assure that they are in line with social environment and current business competition, and still adhere to the core organizational goal of creation of sustainable value.

- The Company's Board of Directors monitor the implementation of the Company's corporate strategies and follow-up on its implementation assessment by requiring regular reporting of the corporate performances. It also prescribes Key Performance Indicators (KPI) to track different aspects of the company's performances to ensure that they are in line with the prescribed business plan and strategies. In addition, the Board of Directors monitors the management's operational performances, and prescribes the reporting of the Company's operations in the board meetings every quarter, to ensure that the operations, operating results, and operational targets are in line with the prescribed strategies. In 2020, the Board of Directors reviewed the corporate strategies and the annual corporate plan during the half year operations in July 2020 to ensure that they are consistent with the corporate visions and missions, and the key corporate objectives prior set within the strategic framework for the 3 year plan for its business operation. The Board also prescribed the long-term business plan for the Company in 2023 which set forth the net profit growth at Baht 3,000 million, with average growth rate subject to changes in circumstances and the country's economic conditions.
- To enable the efficient performance of each board member and to ensure that every board member can fully dedicate their time to carry out their duties to Company, the Board of Directors thus prescribed the limitation of positions and directorship in other companies for the Company's directors and the Chief Executive Officer as follows:

1. Director may hold director position in other listed companies but not exceed 3 listed companies which SC Asset Corporation Public Company Limited is include. The Directors may also hold position either other non-listed companies or other organizations together not more than 5 companies as follows;
  - Director may hold director position in other listed companies but not exceed 3 listed companies which SC Asset Corporation Public Company Limited is include. The Directors may also hold position either other non-listed companies or other organizations together not more than 5 companies as follows;
  - Charity organization/foundation promoting public benefits and education

In 2020, director holds director position in other listed companies not more than 3 listed companies.

2. The Chief Executive Officer shall not maintain any other similar position in any other listed entity except for his/her position in the SC Asset Corporation Public Company Limited; furthermore, he/she shall hold positions no more than 4 other non-listed companies or other organizations:
  - The Company's associated company which operates business other than real estate development, and he/she shall not take the position of the Chief Executive Officer or Managing Directors of such company.
  - Charity organization/foundation promoting public benefits and education

In 2020, the Chief Executive Officer (CEO) of the Company hold a position in only 1 listed company, i.e. SC Asset Corporation Public Company Limited only

- No director or top executive of the Company should ever have been an employee or a partner of the audit firm that the Company has used for the past two years.
- As of December 31, 2020, there are 7 non-executive directors possessing the professional experience relevant to the Company's business , namely Mr. Rath Kitivejsoth, whose knowledge and professional experience in the field of legal and finance, Mr. Precha Sekhararidhi and Mr. Kunodom Tharmmaphornphilas, whose knowledge and professional experience in the field of engineering, Mr. Prasert Samanawong, whose knowledge and professional experience in the field of accounting, Mr. Nathapath Ouajai has knowledge and work experience in engineering, real estate development, and

advertisement. Mr. Songsak Premasuk, whose knowledge and professional experience in the field of marketing, and Ms. Vilasinee Puddhikarant has knowledge and experiences in economics. She also has work experience in customer management and services. Those knowledge and experiences of those 7 non-executive directors are directly relate to and support the Company's business operation.

- No executive director of the Company holds a directorship position in more than two other listed companies outside the Company's business group
- The Company has no history of violation of any regulations of the Securities and Exchange Commission/ the Stock Exchange of Thailand.
- Prescribed the policy that for voting, each director shall have one voting right, and the minimum quorum for the voting of at least two-third of total directors. (Detailed information on "Policy on the Board of Director's Meetings" can be found in Corporate Governance Policy, Attachment 5 or <https://www.scasset.com/th/about-us/company-governance/>)
- In 2020, there were 8 Board of Directors' meetings held to ensures the Board of Directors can monitor the Company's performance continuously and efficiently.
- Set the meeting agenda and determines the meeting dates for the Board of Directors Meetings, meeting dates for the Meetings of the Sub- Committee and for the Annual Genral Meeting of Shareholders for the year of 2021 in advance and notified to all directors at the Board of Directors' meeting no. 8/2020 dated December 16, 2020 to allow all directors to manage their time to attend the meeting together. The meeting schedule will be published on the Company's Website. Such schedule and agenda may change as appropriate and additional meeting may be held if necessary
- In the past year, there were 8 meetings of the non-executive directors ( independent directors) to consider, provide opinions, and make objections or recommendations on the Company's management. The meetings were held before the board meetings.

#### **Non-Executive Directors Meeting in 2020**

No. 1/2563	January 22, 2020
No. 2/2563	February 19, 2020
No. 3/2563	April 15, 2020
No. 4/2563	May 12, 2020
No. 5/2563	July 15, 2020
No. 6/2563	August 10, 2020
No. 7/2563	November 11, 2020
No. 8/2563	December 16, 2020

- The Company's Board of directors established a Compliance Unit to support supervision of the work duties of Company's executives, employees, and business units to ensure their compliance with laws and regulations of the relevant regulatory authorities such as the Securities and Exchange Commission and the Stock Exchange of Thailand, and to coordinate with the regulatory authorities to ensure that the operations of the Company are in compliance with the applicable laws, rules, orders, and regulations related to its business. The Board of Directors reviews and sets action plans, governance process, and performance assessment, as well as improves its supervisory plans every year to adapt to the changing business and regulatory environment (Please refer to more details on the Chief of Compliance Unit in Attachment 3).

- The Board of Directors set up the Internal Audit Office as an internal unit in the Company since the date of the establishment of the Company, and prescribed that the Internal Audit Office shall directly report to the Audit Committee to ensure its independence from the management, as well as allowing the Audit Committee to efficiently monitor the operations of the Company (Please refer to more details on the Chief of Compliance Unit in Attachment 3).
- In 2020, the Board of Directors committed no fraud and unethical conduct, and no director resigned on matters relating to corporate governance. The Company also has no negative reputation caused by any failure of the board on any oversight of the Company.

### **Prevention of Conflicts of Interest**

The Company prescribed a policy on the prevention of conflicts of interest to prevent its directors, executives and employees from taking advantage of their roles for their personal interests or for the interests of others, whether financial or any other aspects thereof, which may harm the Company. Directors and top executives are required to report their interests and the interests of their related parties. In the case of a conflict of interest, a director or an executive must refrain from decision making on such a matter by refraining from participating in the meeting or abstaining from voting on the matter for the fairness of any decision made by the board and the best interests of the Company.

In 2020, the Company monitored and investigated the following cases which involved conflicts of interest or potential conflicts of interest:

1. No directors, executives, and their related parties were involved in any transaction that may lead to a conflict of interest, therefore there was no submission of the report of the interests thereof to the Chairman of the Board of Directors and the Chairman of the Audit Committee.
2. The Company undertook connected transactions and acquisitions of assets transaction which the Board of Directors ensured that the related directors shall temporarily leave the meeting, and abstain from voting on the matter, as well as ensure that the related shareholders refrained from voting on the matter
3. To improve the corporate governance within the organization by prescribing the policy on protection of personal data and included therein the protective and risk mitigation measures for the use of information of customers, business partners, and all stakeholders. The issues were approved by the Board of Directors on May 12 May, 2020

In this regard, the Company appointed a Personal Data Protection Committee, and appointed Mr. Somboon Kuptimanus, the Company Secretary to act as Data Controller on behalf of the Company.

### **The use of inside information for benefits**

The Company's Board of Directors oversees the use of inside information to be in compliance with applicable laws and the principles of good corporate governance, and prescribed this in writing in its Good Corporate Governance Policy and in the Code of Conduct, with the aim to prevent the use of inside information for trading of the Company's shares. The summary of the policy is as follows:

1. Prohibit the Company's directors, executives, and employees who are in the positions or in the line of responsibility that are involved or have access to Company inside information (as well as their spouses/ cohabiting couples and minor children) to trade the company's shares within 1 month before the public disclosure of quarterly and annual financial statements, and 24 hours after the disclosure thereof

In 2020, the Company Secretary notified the related personnel in advance by email to be aware of the “Blackout Period”. There was no related director, executive, or employee involved in any trading of the Company’s shares during the prohibited period.

- Prescribe that the Company’s directors and the first four executives who desire to trade the Company’s shares must report their decision to the Board of Directors at least 1 working day in advance, and must report the change in the shareholding status to the Securities and Exchange Commission within 3 working days from such change via the website of the Securities and Exchange Commission, as well as report the said transaction to the Board of Directors during the next board meeting.

In 2020, directors and executives carried out 4 trading transactions of the Company’s shares, and according to the review all trades were in full compliance with the prescribed policy of the Company.

The report of the acquisitions and the disposal of the Company’s shares by the directors and first 4 executives of the Company are as follows:

**Report of holding of Company’s security of directors and their spouse  
or cohabitants and minor children in the Year 2020**

Directors		2019	2020		
		Number of Shares on December 31, 2019	Acquired	Disposed	Number of Shares on December 31, 2020
1. Mr. Rath	Kitivejsoth	-	-	-	-
2. Mr. Nuttaphong	Kunakornwong	1,600,000	150,000	-	1,750,000
Spouse <sup>(1)</sup>		1,176,915,495	-	-	1,176,915,495
3. Mr.Nathpath	Oujai	-	-	-	-
4. Mr. Kunodom	Tharmmaphornphilas	-	-	-	-
5. Mr. Prasert	Samanawong	-	-	-	-
6. Mr. Precha	Sekhararidhi	37,968	-	-	37,968
7. Mr. Songsak	Premasuk	-	-	-	-
8. Ms. Vilasinee	Puddhikarant	-	-	-	-
9. Mr. Attapol	Sariddipuntawat	8,589,843	-	-	8,589,843

**Note:**

- <sup>(1)</sup> Mr. Nuttaphong Kunakornwong’s wife is Miss Pintongta Shinawatra Kunakornwong who holds 1,176,915,495 shares. Such shares have been held before Mr. Nuttaphong Kunakornwong was elected to be the Company’s director on March 1, 2012

**Report of acquisition or disposition of Company's security of first 4 executives  
including their spouse or cohabitants and minor children in the Year 2019**

Executives		2019	2020		
		Number of Shares on December 31, 2019	Acquired	Disposed	Number of Shares on December 31, 2020
1. Ms. Pradthana	Patsaman	4,796,718	-	-	4,796,718
2. Mr. Somboon	Kuptimanus	7,361,612	-	-	7,361,612
3. Ms. Namtip	Promchua	-	-	-	-
4. Ms. Sirikul	Kriangkrai	50,000	74,500	-	124,500
5. Mr. Somchai	Laohaburanakit	-	-	-	-
6. Mr. Paphandech	Pacharachanant	-	-	-	-
7. Mr. Manit	Banchongthanakit	503	-	-	503
8. Mr. Mongkut	Techolarn	-	-	-	-
9. Mr. Prayongyut	Itthiratchai	-	-	-	-

**Anti-Corruption**

- The Company prescribed its policy and measures on anti-corruption which require that its operations must not involve any form of fraud or corruption whether it be the demand or acceptance of bribes or any kind of other benefits. The anti-corruption policy and measures were approved by the Company's Board of Directors and has been reviewed annually for their appropriateness to the operational risk of the Company. In 2020, the Board of Directors resolved the approval of the review of the Company's policy and measures on anti-corruption in the board meeting No. 5/2020 on July 7, 2020.
- The details can be found in the Topic "6.1.2 Policy and Practice Guidelines Related to Shareholders and Stakeholders"/ "Policy and Measures on Anti-Corruption" and on the Company's website under the heading of "Corporate Information"/ "Corporate Governance". (<https://www.scasset.com/th/about-us/company-governance/>)
- The Company declared its intention to participate in the Collective Action Coalition Against Corruption (CAC) on January 15, 2016 and was certified as a CAC member on February 12, 2018. At present, the Company is in the process of requesting for recertification as a CAC member for the 2nd time.
- In the past year, the Company undertook the following actions in compliance with the anti-corruption policy and measures:
  - The Risk Management Committee assessed the business risk to ascertain whether the Company's operational process faces any risk of possible involvement in corruption, named the responsible persons in each business unit set forth guidelines for risk mitigation and control against corruption, and prohibited directors, executives and employees of all levels to participate in any direct or indirect acts of corruption. The directors, executives, employees, and business partners must abide by the prescribed anti-corruption measures which cover strict procedures and actions. For example, directors, executives, and employees are prohibited to take advantage of their roles for any personal benefits, or benefits of others, as well as prohibited to accept or give any gift, souvenir, or any other benefits on behalf of the Company on any festive occasion (No Gift Policy). Since the core business of the Company involves real estate development, which requires land allocation permits and building permits, the Company thus prohibits all forms of bribery payments to government officers. Any



request made to outsiders, especially to the government agencies, must be processed according to the Company's regulations or the prescribed regulations of the relevant government agencies in line with the practice of the general public, without supporting any forms of bribery.

2. Communicate its anti-corruption policy and measures, as well as laws, rules, and regulations related thereto, to its directors, executives, and employees, in order to foster anti-corruption consciousness and understanding, as well as raise awareness on the harm of corruption among them, encourage all employees to be aware of various forms of corruption, and the impacts and damage caused by corruption, disseminate practice guidelines for avoidance and prevention of corruption and penalties for violation of the Company's anti-corruption policy and measures including acknowledge the procedures provided for complaining, reporting, and whistleblowing when encountering any wrongdoing or suspicious acts of corruption. This encourages its employees to have the feeling of being part of the corporate culture, and enable them to recognize the harm of corruption which could affect themselves, their families, and the society.

In 2020, the Company organized a course on its anti-corruption policy and measures via the "SC IN ONE" application that required all employees to attend and take the test to ensure their understanding of anti-corruption as per the Company's prescribed policy and measures. These policy and measures are one of the topics in the orientation of new recruits before they start working. At present, 100% of the Company's employees have attended this training course. The Company also communicates via email to all employees to make them aware of the potential risk of corruption as well as guidelines on actions against corruption such as No Gift Policy during major festive seasons, SC Whistleblowing System via "SC IN ONE" application, etc.

3. The Company continuously monitors and evaluates the implementation of its anti-corruption policy and measures, by assigning the Internal Audit Unit to oversee and monitor the compliance of such policy and measures, and report the outcome of such compliance to the Audit Committee for further report to the Board of Directors. In the past year, it was found that there are 2 incident of fraud or corruption inside the organization while no incident has been found outside the organization.
4. The Audit Committee performs its duties in reviewing the completeness, adequacy, and accuracy of the overall work processes in the Company, which also includes the oversight of the internal control system to ensure its efficiency and effectiveness, as well as the sufficiency and appropriateness of risk management. The Committee regularly arranges to have the evaluations of the audit and review results of the Company's policy and measures on anti-corruption at least once a year so as to consider possible changes in the risk factors and prescribe practice guidelines that comply with the applicable policy, regulations, provisions, rules, and notifications, as well as changes in the business environment, and finds measures to mitigate the relevant risks.

In 2020, during the Meeting of the Audit Committee No. 8/2020 on November 9, 2020, the Internal Audit Unit reported the results of its examination of the anti-corruption measures which covered the compliance of the anti-corruption policy and measures, and the efficiency of the internal control system for sufficient controls on corruption prevention. In addition, in the Meeting of the Audit Committee No. 2/2020 on March 16, 2020 and No. 9/2020 on December 2, 2020, the Audit Committee considered and reviewed the adequacy of the Company's internal control system according to the Internal Control System Sufficiency Evaluation Form of the Securities and Exchange Commission (SEC), the review agenda covered the assessment of various aspects of the Company's operational risks, together with fraud and corruption risks. The results of the assessment showed that the Company has a sufficient and adequate internal control system that is capable of covering

all aspects of operations. The results were then reported to the Company's Board of Directors in the board meeting No. 4/2020 on May 12, 2020 and in the board meeting No. 8/2020 on December 16, 2020

5. In 2020, the Company campaigned against corruption both inside its organization and outside, and continued to follow up on the compliance of the anti-corruption policy. In the past year, it found the 2 following incidents related to the violation of the anti-corruption policy and measures:
- (1) An employee of the Company's subsidiary requested money from a contractor to support the organization of the sports event and New Year party of that subsidiary. The contractor who made the contribution also participated in such event and party with the employees of the subsidiary.
  - (2) Employees of the Company requested money from a contractor who won the bid for payment of a meal attended by the employees in the department.

Upon investigation of such incidents, the Company performed as follows;

- ☐ the Company set up an investigation committee in order to gain a reliable understanding of the facts and give fair treatment to all concerned parties. The Company disciplined the executive and employees who were guilty on the basis of their wrongdoings.
- ☐ In order to prevent repeated misconducts, the Company communicates with its employees to foster their continual awareness and understanding on what type of action is deemed as a violation of the Company's policy and measures on anti-corruption.
- ☐ The Company also informs its related parties such as contractors and customers that it is not its policy to demand money or benefits from its business partners as had occurred in the two such aforementioned incidents. In case of any knowledge of any violation of the anti-corruption policy and measures by its executives or employees, a complaint or a whistleblowing report can be made directly to the Board of Directors, the Company Secretary, or the Internal Audit Office. The Company shall keep the information related to such complaint or whistleblowing report confident and shall employ measures to prevent possible impacts on the whistleblowers.

## **Whistleblowing**

The Company provides communication channels for its stakeholders to make their whistleblowing report and complaint to The Company via its prescribed process namely via an email to any director, the Company Secretary, and the Internal Audit Unit including a telephone call to Call Center No. 1749, a message via "SC IN ONE" application, which is an application developed only for the internal use of the Company's employees.

In 2020, the Company received 3 cases of whistleblowing reports and complaints. The 3 cases involved the violation of its Code of Conduct, its Corporate Governance Policy, and its Policy and Measures on Anti-Corruption, as follows:

Case No.	Issue	whistleblowing channel	Action/ Remediation Guidelines
1	Employees of the Company's subsidiary requested money from a contractor which is against the objective of the Company prescribed anti-corruption policy.	Internal Audit Unit	<ol style="list-style-type: none"> <li>1.The Company formed an investigation committee for fact finding and fair treatment to all concerned parties.</li> <li>2.The Company consider each wrongdoing and punished each of the involved executives and employees according to its personnel management regulations.</li> <li>3.In order to prevent any reoccurrence of such wrongdoings, the Company notified its executives and employees, as well as the executives and employees of its subsidiaries to acknowledge that they are prohibited from requesting money from any contractors for their own interests or the interest of their related parties.</li> <li>4.The Company informed all of its contractors that it is not the Company's policy to demand any money for supporting of its internal activities. If any of the Company's employees ever make such demand, the contractors can make a complaint or a whistleblowing report to the Company via its prescribed communication channels.</li> </ol>
2	An employee of the Company directly accepted a hiring contract for housing design and renovation work from a customer.	Call Center (1749)	<ol style="list-style-type: none"> <li>1. The Company formed an investigation committee for fact finding and fair treatment to all concerned parties, and punished such employee for such conduct by dismissal from work.</li> <li>2. In order to prevent any reoccurrence of such wrongdoings, the Company notified its executives and employees of all levels that obtaining a contract of work directly from customers for their own benefit is a wrongdoing and a violation of the Company's good corporate governance, of which such violation shall incur punishment.</li> </ol>
3	An employee of the Company provided information of one bidder to another bidder, as well as requested money from the winning bidder. The whistleblowing channel is the supervisor of such employee	The supervisor of such employee	<ol style="list-style-type: none"> <li>1. The Company formed an investigation committee for fact finding and fair treatment to all concerned parties, and punished such employee according to its personnel management regulations.</li> <li>2. The company communicated with its executives and employees that the disclosure of business partners' information to an outsider is considered a misconduct according to the Company's Code of Conduct and good corporate governance policy, of which such violation shall incur punishment. Additionally, it also educated them on the operational guidelines on how not to violate the Company's anti-corruption policy and measures</li> <li>3. The Company informed the contractor who was the winning bidder that it is not the Company's policy to demand any money from the bidders, and such action is a violation of the Company's policy. If any of the Company's employees ever make such demand, the relevant contractor can make a whistleblowing report to the Company via its prescribed communication channels.</li> </ol>

# INTERNAL CONTROLS AND RELATED TRANSACTIONS

## 1. Internal Controls

At the Company's Board of Directors Meeting No. 8/2020 held on December 16, 2020, all 6 Independent Directors participated, 3 of whom are members of the Audit Committee. The Board of Directors had assessed the Company's internal control system by applying the Adequacy Assessment Form for the Internal Control System prescribed by the Securities and Exchange Commission of Thailand and also inquired about other relevant information from the management. The Board also reviewed the Audit Committee's report covering its assessments of the Company's internal system in 5 elements namely control environment, risk assessment, control activities measures, information and communication system, and monitoring and evaluation system.

The Board of Directors opined that the Company's internal control system and risk management is adequate and appropriate. The Company would disclose the Adequacy Assessment on the Company's Website ([www.scasset.com](http://www.scasset.com)).

In order to assure the adequacy and appropriateness of the Company's internal control system, the Company prepares an annual budget and arranges to have sufficient manpower available to efficiently undertake operational control tasks that are required to carry on systematically. The budget is allocated to each business unit in order that they can ensure a suitable workforce to monitor operations of the Company's subsidiaries and to assure that their assets are properly protected from any possible embezzlement or any unauthorized use by Directors or management. The monitors also cover transactions that pose a potential conflict of interest and transactions with related parties. The Board is of the opinion that sufficient monitoring is in place and other aspects of internal control measures are adequately applied (Please refer to further details in the topic "Policy on Governance of Company's Subsidiaries and Associates")

In 2020, the audit Committee presented its opinion in the report of the Audit Committee that the Company has appropriate and adequate internal controls. The opinion is similar to that of the Company's Board of directors, Independent directors and The Company's external auditors (PricewaterhouseCoopers ABAS Co., Ltd.), who audited its 2020 financial statements, did not make any remark on the Company's internal controls. (Please refer to further details in the topic of "Financial Statements and Notes to Financial Statements")

The Company's Board of Directors prescribed the establishment of the Company's Internal Audit Unit as soon as it was first incorporated. At present Mr. Kanapon Charoonroch Na Ayudhya is the Head of Internal Audit. He attended various internal audit training courses such as Certified Professional Internal Auditor (CPIA), COSO Internal Control and CFO Certification Program. He has good understanding of the Company's business and operations, and thus is suitable to perform her assigned tasks.

The Audit committee has its authority, duties and responsibilities as prescribed in the Charter of the Audit Committee. (Please refer to the further details in the Company's Website: [www.scasset.com](http://www.scasset.com) in the topic of "Corporate Profile/Corporate Governance/Charter/Charter of the Audit Committee") as well as the approval on the appointment, transfer, lay-off and performance appraisal of the Head of Internal Audit. In case of the Compliance Unit, the Company appointed Mr. Somboon Kuptimanus, Company Secretary, acting the Head of Compliance Unit to be the person in the position of authority. The Compliance Unit oversees the Company's regulatory compliances. (Please refer to further details concerning qualifications of the persons in the position of authority in the topic of "Details of Head of Internal Audit, and Company

Secretary and Head of Compliance”), and Ms. Namtip Promchua, Deputy Chief Accounting Officer is the Company’s accountant. (Please refer to further details concerning qualifications of the persons in the position of authority in the topic of “Details of Directors, Management Team, Advisor and Controlling Persons”)

### **Internal Audit**

The Board of Director has set the Internal Audit Unit, which is independent and able to access the necessary information for its auditing and directly report to the Audit Committee. The Unit’s scope of work, duties and authority are prescribed in its Internal Audit Charter which was approved by the Chairman of the Executive Committee and the Chairman of the Audit Committee. The internal audit duties include providing auditing and advisory services as well as monitoring, control and assessment of internal corporate systems with the goal of maintaining proper internal check-and-balance and ensure appropriate confidence in the achievement of the Company’s operational objectives. Systematic assessment and development processes are implemented to assure that the existing risk management, control, and governance systems are effective and meet the Standard for the Professional Practice of Internal Auditing and fully satisfy relevant laws, rules and regulation of compliance audit. In addition, in order to enhance its audit process to be efficient, modern, and up-to-date, the Internal Audit Office has continually improved the quality of its internal audit tasks and taskforce by providing the general internal audit training to all its staff members, and also offering courses on specific skills such as Digital Treats & CobiT5, etc.

### **Internal Control**

The Company’s Board of Directors has emphasized on the importance of good internal control systems, and the efficiency of such controls on the management level and on the operational level. It encourages the management to prescribe rules, practice methods, and segregation of duties that create an appropriate level of checks and balances. In order to maximize the effective controls over utilization of corporate assets, the Company clearly set in writing the relevant scope of duties, responsibilities, and authorities of all executives and staff. In addition, their roles are also properly segregated.

The Company also applies the COSO (The Committee of Sponsoring Organizations of the Treadway Commission) methods and standards for its internal controls which govern all aspects of corporate activities; namely financial, operations and administration. Executive and staff scopes of authority are clearly defined in writing and the following corporate objectives are established to ensure operational rationality and success:

1. Corporate plans, projects and targets need to be implemented as set.
2. Financial, managerial and operational information must be accurate.
3. Operations and staff duties need to be carried out in accordance with the Company’s rules and regulations, and abide with all applicable laws.
4. Corporate assets and resources must receive effective and efficient administration. Safeguarding corporate assets and adequate safety protection are essential.
5. Quality of operational process and control mechanism, at all steps, need to be regularly monitored and continuously improved.

The Internal Audit Department is responsible for the reviews of accuracy, sufficiency and efficiency of the Company’s internal control system and submits its findings to the Audit Committee for further consideration and compliance review. All these actions are intended for enhancement of integrated coverage of proper controls in the following aspects:

- (1) **Management Control:** The Internal Audit Department oversees that targeted corporate missions are achieved and business plans are prepared and carried out as per its prescribed objectives. It also monitors and assesses operational performance, and regularly reports the internal audit outcomes to the Audit Committee and the Board of Directors. The Executive Committee sets up the meeting on monthly basis.
- (2) **Operational Control:** Review operational controls of various work systems such as cost system, purchase system, sales system, accounting system, and customer service system etc. Controls are also exercised through SC System, SAP (Systems Applications and Products), Customer Care system, Call Center system, E-Auction system and E-Slip Online is a system that provides the transmission of salary slips via the Company's intranet, etc. Most of these systems are internally developed programs applied for administrations and operations, aiming to enhance customer or user satisfaction.
- (3) **Financial Control:** The Company applies the SAP system and SC System for accounting, financial and budget controls, as well as for financial ratio analysis. The system also assists in providing early warning signs for accounting irregularities and adverse financial concerns.

The Company's Board of Directors emphasizes having adequate, effective and efficient internal control systems as follows:

### 1. Control Environment

The Company's Board of Directors encourages a good internal control environment by motivating executives and staff to conduct their duties on the basis of good business ethics and honesty, providing an organizational structure and work environment that enhance the effectiveness of the internal control mechanism as per the Company's targeted plan, clearly defining the scope of staff duties and reasonability, having apparent business objectives and measurable performance targets that are approved by the Board of Directors and offering reasonable remunerations based on internal and external factors. The existing organization structure enhances the management's ability to efficiently operate the Company's activities.

It is the Company's strategy to cautiously prescribe its policy and work procedures in writing, particularly for transactions related to financial operations, procurement, and general administration. It has internally developed a suitable control system to better monitor its operations in all business modules of the SC System which is a control process applicable for budget control, cost control, and expense payment etc. The SC system also performs data verification on a timely and systematic manner on the same data base system. The system emphasizes effective data storing for efficient operational and management controls. The Company also prescribes ethical codes and prohibitions as part of its corporate governance policy, and requires its directors, executives and employees to comply with such conduct codes in order to avoid an occurrence of any conflicts of interest. Such ethical codes and prohibitions are disseminated via a printed handbook, the company's Website ([www.scasset.com](http://www.scasset.com)), and internal e-mail regularly forwarded to its entire employees.

### 2. Risk Assessment

The Board of Directors established the Risk Management Committee. There have been regular adjustments made in the Company's risk assessment process to update the appropriateness of the process under the best practice framework prescribed in the Company's Risk Management Policy which is disseminated to executives and staff for their awareness. Additionally, they can also view this policy on the Company's intranet via its website ([www.intra.scasset.com](http://www.intra.scasset.com)). In 2020, the Risk Management Committee, which is comprised of the Company's non-executive directors, the Chief Executive Officer and Chief Corporate Officer, is responsible to set the objective of risk management and assess the risk factors, both internally and externally, that could potentially impact the Company's business operations, as well as perform their



impact assessments and analysis of their likelihoods of occurrences in order to response to such risks. The assessment outcomes were also presented to the Audit committee, and the Board of Directors. During 2020, there were 4 assessments and follow-ups of the risk factors. The Risk Management Committee have requested related business units to participate in the determination of the risk management measures and encourage them to implement such measures in their work unit. These business units are also asked to follow-up on incidents which are the root causes of such risk factors. The Company's risk management procedures are clearly stated and regularly updated. The risk management unit is responsible for monitoring the compliance of the risk management plan.

The Risk Management Committee includes risk assessments as a part of the Adequacy Assessment Form for the Internal Control System. The Internal Audit Office makes its annual audit plan and assesses the Company's risks which also includes fraud risks such as loss of assets , corruption etc.

### **3. Control Activities Measures**

The Company's Board of Directors establishes relevant controls for all scope of work processes. Reporting of operational outcomes is regularly required in order to provide the management with relevant information required for decision-making and problem solving. Segregation of duties in each business unit is clearly set to separate between the authorization of approval, accounting and information recording and monitoring and maintenance of assets in order to provide check-and-balance features. Authority and authorization limits are prescribed in writing for all decision making levels, the further details which appeared in the internal website of the Company "[www.intra.scasset.com](http://www.intra.scasset.com). Safeguarding procedures for corporate assets are exercised to protect against possible damage and inappropriate use.

Any corporate transactions with major shareholders, directors and executives or related parties of major shareholders, directors and executives are required, without any exception, to be accordingly approved by all authorized levels. The Company assigns the Accounting Department and the Legal Department to be responsible for reviewing and proposing required transaction authorization of which the authorization procedure is in compliance with the rules and regulations of the Securities Exchange of Thailand. All relevant transaction authorizations are to be considered by the Audit Committee. Approvals are made on the ground of maximized corporate benefits. In addition, control measures are also set to prohibit related parties from taking advantage of any situations for personal interests. Oversight frame-work is established to monitor business operations of subsidiaries. Procedures are prescribed to assure that the Company always acts in compliance with applicable laws and regulations.

### **4. Information and Communication System**

The Company's Board of Directors incessantly develops its information and technology system, most of which are internally developed to suit the internal data processing requirements of various work units as well as appropriate practices of the industry. In addition, the Company prescribed training schedule and employees can also independently study via the Company's website ([www.scasset.com](http://www.scasset.com)) regarding relevant systems such as SC System Video and Training. The company maintains a division which oversees data base management and controls. Data is properly sorted and processed for decision making of directors, executives, employees, shareholders and stakeholders with concerns over their accuracy, completeness, easy to access, understandable, and timeliness. Data are also classified and appropriately stored. The Company's directors receive, at least 7 days prior to each meeting, meeting notifications as well as relevant information and documents required for meeting attendance. Minutes of previous meetings and notes recording important questions or remarks, whether supportive or disagreeing, are also attached with the dispatched notifications.

Executives and employees of the Company at all levels are reminded to be cautious in using the Company's data base and IT system and to observe the rules and ethic codes prescribed by the Company. It is the Company's policy to maintain strict security measures on application of its information, data base and IT systems, which all employees are obliged to promptly comply with. The Information Technology Department is assigned to oversee system security and efficiency of the Company's computer and information systems, which are well monitored and continually updated by the Information Technology Department, in collaboration with the Internal Audit Office and other relevant departments. Contingent and back up plans are established for emergency purposes and against loss of data pursuant to Information Technology Security Policy. The Company's accounting policy and records comply with the generally accepted accounting standards as well as appropriate practices of the industry. The Company has never been informed by the external auditors regarding the error of accounting records maintenances.

## **5. Monitoring and Evaluation System**

For good practice for monitoring and assessment of the Company's operation, in 2020, the Company held 8 board meetings, monthly meetings of the Executive Committee, and weekly meetings among executives to review and monitor management performance and operational results to assure whether the results were in line with the targeted plan; or whether there were any changes or adjustment in strategy; or whether there were any adaption of targeted goals to changing circumstances. The Internal Audit Unit also performed their duty in auditing and assessing the overall organizational controls and followed up on any improvement and rectification of previous mistakes and errors and reported the outcomes to the Audit Committee to assure that compliances were made in accordance with the control plans, and subsequently reported to the Board of Directors on a quarterly basis.

### **Internal Controls against Corruption**

The Company pays attention to the prevention against corruption and therefore, the Company's Board of Directors, executives, and the members of the steering committee on anticorruption have jointly prescribed the guidelines and rules for protection, monitoring, and governance of anticorruption in business operations. In order to assure that the guidelines and rules as prescribed in the internal controls can lead the organization to achieve its anticorruption goals, the Company has prescribed the following measures in its internal controls against corruption:

- (1) The Company prescribes its policy and measures on anticorruption that includes guidelines on payments that may run the risk of being regarded as being created for corruption purposes such as donations, support money, receptions, and gift giving. These policy and measures are communicated and published in writing in the Company's website ([www.scasset.com](http://www.scasset.com)) for all employees to acknowledge and are also disseminated at the orientation of the new recruits. The Company also prescribe disciplinary action for any violation of such policy and measures.
- (2) As the main business of the Company involves applications for land allocation permits and building construction permits that requires that the Company to work with government agencies which may expose it to a possible corruption risk, whether it be to facilitate conveniences or to remedy errors, the Company thus prescribes that its design and construction control divisions are jointly responsible for reviewing of the design and land allotment plans to assure that they are in compliance with any relevant laws and regulations prior to its handling of such designs and allotment plans to the business relation division, who shall submit the plans to relevant government agencies, for another review prior to the submission thereof. These actions can help to ensure that documents required to be submitted to the relevant government agencies are correct and free of errors, hence reducing the potential risk of bribery.

- (3) To reduce potential bribery risk in trying to speed up the approval and authorization process regarding any issuance of permits or licenses, the Company prescribes that its relevant divisions and business units are to jointly determine the development period and project management timeframe that include possible delays and remedial time in order to avoid any need to speed up the approval and authorization process.
- (4) In the event that the Company is required to use an agent to act on its behalf, the Company has to inform and explain to its agent that the Company has prescribed a suitable timeframe for any work in relation to any involvement with outside parties or government agencies, and also assure that such prescribed timeframe is in line with the actual processing time. Additionally, it has also included a condition in the relevant hiring contract prohibiting any bribery both giving and receiving, and such actions if committed shall be deemed as a breach of the hiring contract and the Company can therefore cancel such hiring.
- (5) The Company uses an enterprise resource planning software, known as the SAP system, to record all its payments on expenses made for application of permits and licenses from government agencies. Each of these transactions are reviewed by the Company's outside auditors for accuracy as per rules, policies, and measures against corruption.
- (6) The Internal Control Office reviews the operations in relation to the Company's applications for permits and licenses, as well as their relevant payments which includes payments which are deemed as having potential bribery risks. Thus, if there is any error or incompliance, the Internal Control Office shall duly report it to the Audit Committee and the Chairman of the Executive Board for acknowledgement

## 2. RELATED TRANSACTIONS

Any Company arrangements by the Company and/or subsidiaries in transactions with related companies and/or persons have been for regular business operations, and necessary to acquire the strongest support for the operations of the group of companies. They have all been to the benefit of the Company. Such related transactions are necessary and justified. The Company's returns gained from these related transactions are subject to the toughest criteria regarding consideration of market prices or cost plus. In the case of cost plus price was determined by estimated cost calculated from the Company's budget plus a reasonable determined profit rate. The Company, through the Audit Committee and with the approval of the Board of Directors, annually takes into account the cost and profit rates that it sees as reasonable and proper prices.

## 2.1 Details of Related Transactions with Related Companies and/or Persons

For 3 year ended December 31, 2020, the Company and subsidiaries have engaged in transactions with related companies and/or persons as listed below

### 1. Revenue from Sales – The Company sold residential product to related persons.

(Unit : Baht Million)

Related Persons	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018
Khunying Potjaman Damapong <sup>1</sup>	17.23	-	-
Mr.Jiroj Sariddipuntawat <sup>11</sup> ( Son of Director)	13.20	-	-
Mr.Prayongyut Itthiratchai <sup>8</sup>	2.96	-	-
Ms.Paetongtarn Shinawatra <sup>4</sup>	-	126.43	-
Mr.Panthongtae Shinawatra <sup>2</sup>	-	65.10	-
Ms.Pintongta Shinawatra Kunakornwong <sup>3</sup>	-	33.72	-
Mr.Nuttaphong Kunakornwong <sup>5</sup>	-	5.93	47.61
Mr. Attapol Sariddipuntawat <sup>6</sup>	-	-	13.89
<b>Total</b>	<b>33.39</b>	<b>231.18</b>	<b>61.50</b>

### 2. Revenue from Rental and Rendering Services – The Company provided rental space and services to related companies and/or person.

(Unit : Baht Million)

Related Companies and/or Person	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018
Rende Development Company Limited <sup>31</sup>	3.15	2.83	2.75
B.B.D. Development Company Limited <sup>20</sup>	2.60	2.60	2.55
Thai-Com Foundation <sup>14</sup>	2.37	2.39	2.36
SCK Estate Company Limited <sup>16</sup>	0.06	-	-
Mr.Nuttaphong Kunakornwong <sup>5</sup>	0.05	0.09	-
OAI Consultant & Management Company Limited <sup>28</sup>	0.03	0.01	-
Shinawatra University <sup>15</sup>	0.02	0.10	2.07
Voice TV Company Limited <sup>29</sup>	0.01	0.01	0.01
Rende Ploen Chit Hotel Company Limited <sup>32</sup>	-	0.05	1.07
<b>Total</b>	<b>8.29</b>	<b>8.08</b>	<b>10.81</b>

**3. Cost of Rental and Rendering Services** – These transactions involved the payment made by the Company and subsidiaries to related companies and/or person.

(Unit : Baht Million)

Related Companies and/or Person	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018
SC Office Park Company Limited <sup>24</sup>	37.06	35.63	33.94
P.T. Corporation Company Limited <sup>25</sup>	5.91	6.21	6.20
SC Office Plaza Company Limited <sup>23</sup>	5.80	9.48	9.48
Alpine Garden Design Company Limited <sup>27</sup>	0.87	0.23	0.29
Khunying Potjaman Damapong <sup>1</sup>	0.06	0.07	0.07
<b>Total</b>	<b>49.70</b>	<b>51.62</b>	<b>49.98</b>

**4. Selling and Administrative Expenses** – These transactions involved the payment made by the Company and subsidiaries to related companies.

(Unit : Baht Million)

Related Companies	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018
Alpine Garden Design Company Limited <sup>27</sup>	16.51	14.17	16.06
Param 9 Hospital Public Company Limited <sup>17</sup>	1.29	1.15	1.29
Rende Ploen Chit Hotel Company Limited <sup>32</sup>	1.03	1.37	-
OAI Consultant & Management Company Limited <sup>28</sup>	0.99	1.92	2.13
Alpine Golf & Sports Club Company Limited <sup>22</sup>	0.60	0.83	1.79
B.B.D. Development Company Limited <sup>20</sup>	0.18	0.12	0.12
Fortay (Thailand) Company Limited <sup>30</sup>	0.18	-	-
Voice TV Company Limited <sup>29</sup>	0.15	-	1.04
Works Creative Company Limited <sup>19</sup>	0.10	0.10	-
Thames Valley Khao Yai Hotel Company Limited <sup>33</sup>	0.03	0.03	1.12
Chiangmai Golf & Country Club Company Limited <sup>26</sup>	0.02	0.10	0.05
SC Office Plaza Company Limited <sup>23</sup>	0.01	-	-
P.T. Corporation Company Limited <sup>25</sup>	0.02	-	-
OAI Leasing Company Limited <sup>21</sup>	-	-	0.16
Thai-Com Foundation <sup>14</sup>	-	0.10	0.10
Healthlink Company Limited <sup>18</sup>	-	0.04	0.37
<b>Total</b>	<b>21.11</b>	<b>19.93</b>	<b>24.23</b>

**5. Trade Receivables** – These transactions incurred from sales of residential units to executives under the criteria and term as prescribed by the resolution of the Company's Board of Directors and rendering services.

(Unit : Baht Million)

Related Companies and/or Person	As at December 31, 2020	As at December 31, 2019	As at December 31, 2018
Rende Development Company Limited <sup>31</sup>	0.12	-	-
SCK Estate Company Limited <sup>16</sup>	0.06	-	-
Mr. Nuttaphong Kunakornwong <sup>5</sup>	-	20.71	22.05
Mr. Vitit Visalpattanasil <sup>12</sup>	-	-	5.14
<b>Total</b>	<b>0.18</b>	<b>20.71</b>	<b>27.19</b>

**6. Loans from related persons** – These transactions incurred from issuance of debentures to related persons.

(Unit : Baht Million)

Related Person	As at December 31, 2020	As at December 31, 2019	As at December 31, 2018
Ms.Pintongta Shinawatra Kunakornwong <sup>3</sup>	30.00	-	-
Ms. Anchalee Kunakornwong <sup>9</sup>	10.00	10.00	10.00
Mr. Attapol Sariddipuntawat <sup>6</sup>	3.00	-	3.00
Mr. Kanit Patsaman <sup>10</sup>	2.00	2.00	2.00
Ms. Pradthana Patsaman <sup>7</sup>	2.00	-	1.00
Ms. Pranee Visalpattanasin <sup>13</sup>	-	-	2.00
<b>Total</b>	<b>47.00</b>	<b>12.00</b>	<b>18.00</b>

**The Relationship of Related Companies and/or Persons are as follows**

Related Companies and/or Persons	Relationship	Type of Business
1. Khunying Potjaman Damapong	Major shareholder's mother	-
2. Mr.Panthongtae Shinawatra	Major shareholder's brother controlling person	-
3. Ms.Pintongta Shinawatra Kunakornwong	Major shareholder	-
4. Ms. Paetongtarn Shinawatra	Major shareholder	-
5. Mr. Nuttaphong Kunakornwong	Director	-
6. Mr. Attapol Sariddipuntawat	Director	-
7. Ms. Pradthana Patsaman	Management	-
8. Mr.Prayongyut Itthiratchai	Management	-
9. Ms. Anchalee Kunakornwong	Mother of Director	-
10. Mr. Kanit Patsaman	Spouse of management	-
11. Mr.Jiroj Sariddipuntawat	Son of Director	-
12. Mr. Vitit Visalpattanasil	Management (Vacated on 1 July 2019)	-
13. Ms. Pranee Visalpattanasin	Sister of vacated management	-
14. Thai-Com Foundation	Major shareholder Family is a founder	-



Related Companies and/or Persons	Relationship	Type of Business
15. Shinawatra University	Major shareholder Family is a founder	Education Business
16. SCK Estate Company Limited	Shinawatra Family is a major shareholder/controlling parson	Real estate for rent
17. Praram 9 Hospital Public Company Limited	Khunying Potjaman Damapong is a major shareholder.	Hospital Business
18. Healthlink Company Limited	A Subsidiary of B.B.D. Development Company Limited.	Hotel Business
19. Works Creative Company Limited	A Subsidiary of P.T. Corporation Company Limited.	Film and Video
20. B.B.D. Development Company Limited	Mr. Bhanapot Damapong is a major shareholder.	Real Estate Business
21. OAI Leasing Company Limited	Ms. Pintongta Shinawatra Kunakornwong is a major shareholder.	Car Rental Business
22. Alpine Golf & Sports Club Company Limited	Shinawatra Family is a major shareholder /controlling parson	Golf Business
23. SC Office Plaza Company Limited	Shinawatra Family is a major shareholder/controlling parson	Land Rental
24. SC Office Park Company Limited	Shinawatra Family is a major shareholder /controlling parson	Land Rental, property management business.
25. P.T. Corporation Company Limited*	Shinawatra Family is a major shareholder/controlling parson	Real Estate Business
26. Chiangmai Golf & Country Club Company Limited	A Subsidiary of OAI Management Company Limited.	Golf Business
27. Alpine Garden Design Company Limited	Ms. Paetongtarn Shinawatra is a major shareholder.	Garden Design Business
28. OAI Consultant & Management Company Limited	Shinawatra Family is a major shareholder/controlling parson	Hotel Business
29. Voice TV Company Limited	Mr. Bhanapot Damapong and Ms. Pintongta Shinawatra Kunakornwong are major shareholder.	Import and distribution of all types of communications equipment and providing entertainment services.
30. Fortay (Thailand) Company Limited	A Subsidiary of OAI Consultant & Management Company Limited.	Coffee Business
31. Rende Development Company Limited**	Shinawatra Family is a major shareholder/controlling parson	Real estate business
32. Rende Ploen Chit Hotel Company Limited	A Subsidiary of Rende Development Company Limited.	Hotel Business
33. Thames Valley Khao Yai Hotel Company Limited	Ms.Pintongta Shinawatra Kunakornwong and Ms. Paetongtarn Shinawatra are major shareholder.	Hotel Business

**Remark :**

\* This company is in the business of rental of small office space, and began its operation before the listing of the Company in the Stock Exchange of Thailand. The company has no other competing business with the Company and only owns the office buildings for the rental business that was earlier listed in this report. In addition, the company's customer base is different from that of the Company. Its office buildings are not in the same location as the Company's. The highest rental rate commanded by the company is Baht 375 per sq. meter, whereas the Company's office rental rates are in the range of Baht 440-730 per sq. meter.

\*\* This company is in the business of rental of small office space, and began its operation before the listing of the Company in the Stock Exchange of Thailand. The company has no other competing business with the Company and only owns the office buildings for the rental business that was earlier listed in this report. In addition, the company's customer base is different from that of the Company. Its office buildings are not in the same location as the Company's or its office locations are in provincial areas.

## Summary of the Nature of Related Party Transactions

The Company and its subsidiaries entered into contracts with related persons/companies which were undertaken on the basis or conditions that it would be of benefit to the Company in the same manner as if they were undertaken with other general companies. The major transactions of this nature which were undertaken in 2020 are as follows:

- **Space rental and services**

The Company and its subsidiaries entered into space rental and service contracts with related companies.

- **Land lease and uses of services**

- The Company and its subsidiaries leased the land from a parent of the major shareholders and from related companies.
- The Company used services related to hotel, golf course, billboard rental services, car rental service, etc. from related companies.

## 2.2 Procedures and Policies for Approval of Related Transactions

Approval procedures for related party transactions, which are transacted to support the Company's normal course of business operations, such as space rent, shall be governed by the conditions prescribed by the Company to suite the general nature of such trading activities. For other related party transactions, the Company shall prescribe measures and procedures which are in line with their underlying trade characteristic and nature, and use prevailing market prices for their pricing, similar to the transactions normally made to any other non-related customers. In the case that there are no applicable market prices for comparison, the Company will contract at least three independent specialists, approved by the Securities and Exchange Commission of Thailand, to appraise the transaction and define proper market price and suitable conditions. Then, it shall benchmark the appropriate price at the amount not higher than the average mean of all those independent assessments. Such implementation intends to assure the maximization of the Company and its shareholders' benefits. The Company shall also propose the outcomes and the matter to its Audit committee for reviewing and consider the rationality of such related party transactions and appropriateness of its pricing, prior to the further submission to the Board of directors, or in some cases to the shareholders, for the approval.

In accordance with the practice of disclosure of related transactions, the acquisition or sales of significant assets owned by the Company and subsidiaries conform to all the laws on securities and exchange, including regulations, notifications, orders of the Stock Exchange of Thailand and Thai Accounting Standards issued by the Federation of Accounting Professions.

## 2.3 Trend of Future Related Transactions

In the future related transactions will still be a regular part of business operations transactions such as the space rental etc. There may have transactions for the sale and purchase of land with related persons but they will be mostly extraordinary transactions. Any such transactions to be engaged in the future shall conform to the measures and procedures of approval as outlined.



# Financial Statements and Notes to Financial Statements



# BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

## Dear Shareholders,

The Board of Directors of SC Asset Corporation Public Company Limited is responsible for the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the company including all other financial information that appears in its reports. The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRSs), applying appropriate and consistent accounting policies with careful and reasonable estimations. The Company has properly and transparently disclosed all important information in the notes to the financial statements for the benefit of shareholders and investors.

The Board of Directors has provided appropriate and efficient internal control and risk management systems to ensure that the accounting records are accurate, complete and protect its assets and adequate to prevent any fraud or materially irregular operation.

In this regard, the Board of Directors has appointed the Audit Committee to review the financial reports, internal controls, connected transactions and internal audit system. The Audit Committee's opinion appears in this annual report.

The Auditor, namely Pricewaterhouse Coopers ABAS Ltd. has audited the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the Company. The Board of Directors supplied all relevant information and documents to the Auditor to allow them to express an opinion in accordance with generally accepted accounting standards. The Auditor's opinion is presented in the auditor's report as part of the annual report.

The Board of Directors believes that the overall internal control system of the Company is sufficient and appropriate, which ensures that the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the Company for the year ending December 31, 2020 are prepared in accordance with Thai Financial Reporting Standards (TFRSs).



(Mr. Rath Kitivejsoth)  
Chairman of the Board of Directors



(Mr. Nuttaphong Kunakornwong)  
Chief Executive Officer

# INDEPENDENT AUDITOR'S REPORT

## To the shareholders of SC Asset Corporation Public Company Limited

### My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of SC Asset Corporation Public Company Limited (the Company) and its subsidiaries (the Group) and separate financial position of the Company as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2020;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

### Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that 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 judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Valuation of investment properties. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p><b>Valuation of investment properties</b></p> <p>Refer to note 21 of the financial statements.</p> <p>The Group has recorded the investment properties at fair value which was calculated using the income approach model: discounted cash flow projections and recognised changes in the fair value of investment properties as profit or loss in the consolidated statements of comprehensive income for the year.</p> <p>As of 31 December 2020, the management has estimated the fair value of the Group's investment properties to be Baht 5,584.36 million with a valuation gain for the year in the consolidated statements of comprehensive income of Baht 17.65 million for the year then ended.</p> <p>I focused on this area because fair value valuation models are complex and involve significant assumptions. Also, the information is subject to management's judgment.</p> <p>The management engaged the independent professional valuers for determining a property's valuation, the valuers consider current property-specific information such as the existing tenancy agreements and rental income earned by assets. Assumptions in relation to the income approach mainly comprise the current rate of market rent, growth rate and discount rate, based on available market data and transactions, which have been applied to arrive at the valuation outcomes.</p> <p>I particularly focused on the reasonableness and impact of key assumptions, including:</p> <ul style="list-style-type: none"> <li>• the discounted cash flow projection derived from internal and external forecasts</li> <li>• the assumptions about the future performance to support the fair value of investment properties such as the market rent, discount rate and growth rate, including the risk factors.</li> </ul>	<p>I assessed the appropriateness of the method of valuation of investment properties and evaluated the discounted cash flow projection and the process by which they were drawn up. Also, I assessed the independent professional valuers' competence and objectivity,</p> <p>I tested the fair value calculations of the investment properties and checked on a sample basis for the accuracy and relevance of the input data and the appropriateness of the assumptions used in the discounted cash flow projection, such as:</p> <ul style="list-style-type: none"> <li>• comparing rental income earned by current assets and the current rate of tenancy agreements</li> <li>• assessing the appropriateness of the current rate of market rent and growth rate by comparing them to economic and property forecasts and the growth expectation of the nearby areas, and</li> <li>• considering the method used to calculate the discount rate and rates used in comparable industries.</li> </ul> <p>In performing this work, I used my auditor's expert to support my assessment of the reasonableness of the assumptions used by management.</p> <p>I found that the key assumptions used to calculate the fair value were supported by the available evidence and were in line with my expectations.</p>



## Other information

The directors are 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 the audit committee.

## Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine 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, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

## Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

I communicate with the audit committee 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 the audit committee 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 the audit committee, 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.

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in black ink, appearing to read 'Anothai Leekitwattana', with a long horizontal stroke extending to the right.

Anothai Leekitwattana

Certified Public Accountant (Thailand) No. 3442

Bangkok

17 February 2021

# Statement of Financial Position

SC Asset Corporation Public Company Limited  
As at 31 December 2020

(Unit: Baht)

		Consolidated financial statements			Separate financial statements		
		31 December 2020	(Restated) 31 December 2019	(Restated) 1 January 2019	31 December 2020	(Restated) 31 December 2019	(Restated) 1 January 2019
Notes							
Assets							
Current assets							
Cash and cash equivalents	11	2,245,279,204	880,137,390	1,141,621,797	1,557,682,160	580,761,425	772,368,139
Short-term investments	12	2,231,468,471	10,000,000	179,998,658	2,226,279,265	-	159,998,658
Trade and other receivables, net	13.1	181,582,867	158,190,702	115,665,207	357,565,645	229,223,069	154,423,990
Short-term loans to related parties	41.4	-	52,600,000	-	1,321,400,376	171,530,100	187,569,600
Real estate development cost	15	30,167,464,700	33,906,385,016	32,188,632,728	22,137,716,067	26,989,832,123	26,553,031,723
Deposits for land and buildings		329,574,650	1,145,563,848	322,644,400	252,391,828	1,068,827,648	104,564,900
Advance for construction work and materials		142,254,870	217,745,203	244,132,514	9,753,457	76,911,707	234,719,388
Other current assets	16	36,975,620	48,721,181	45,083,331	27,016,472	41,026,023	33,664,248
Total current assets		35,334,600,382	36,419,343,340	34,237,778,635	27,889,805,270	29,158,112,095	28,200,340,646
Non-current assets							
Trade receivable due more than one year	17	-	4,539,580	25,545,180	-	4,539,580	25,545,180
Land awaiting for development		369,783,859	369,783,859	231,412,859	369,783,859	369,783,859	231,412,859
Investments in subsidiaries	18	-	-	-	1,344,229,770	885,739,800	874,739,860
Interests in joint venture, net	19	579,241,784	613,138,156	658,096,118	659,999,980	659,999,980	659,999,980
Other long-term investments	20	-	6,500,000	40,000,000	-	-	-
Long-term loan to related parties	41.4	-	-	-	2,277,191,000	2,799,708,512	2,533,229,012
Investment properties, net	21	5,584,356,352	5,543,216,397	5,371,062,657	4,592,594,221	4,584,114,221	4,427,417,972
Property, plant and equipment, net	22	1,133,731,306	1,134,363,739	1,075,024,298	1,017,552,789	1,073,264,938	996,257,798
Right-of-use assets, net	24	1,190,152,173	1,077,828,541	1,019,933,313	881,633,800	916,146,256	950,658,712
Intangible assets, net	23	76,069,506	67,001,477	40,784,761	73,234,897	64,500,087	40,516,440
Other non-current assets		50,901,330	40,228,855	39,535,040	36,337,813	31,188,006	30,006,592
Total non-current assets		8,984,236,310	8,856,600,604	8,501,394,226	11,252,558,129	11,388,985,239	10,769,784,405
Total assets		44,318,836,692	45,275,943,944	42,739,172,861	39,142,363,399	40,547,097,334	38,970,125,051

The accompanying notes are an integral part of these consolidated and separate financial statements.

# Statement of Financial Position

SC Asset Corporation Public Company Limited

As at 31 December 2020

(Unit: Baht)

Notes	Consolidated financial statements			Separate financial statements		
	31 December 2020	(Restated) 31 December 2019	(Restated) 1 January 2019	31 December 2020	(Restated) 31 December 2019	(Restated) 1 January 2019
<b>Liabilities and equity</b>						
<b>Current liabilities</b>						
Short-term borrowings from financial institutions 26	7,871,901,779	8,697,140,036	4,870,368,004	4,943,175,159	6,265,760,403	4,870,368,004
Trade and other payables 29	518,580,931	1,225,908,984	2,561,166,133	428,196,379	804,259,910	586,278,265
Accrued expenses	1,401,735,510	1,414,601,195	1,236,173,104	1,215,875,452	1,282,375,434	1,120,921,947
Advances received from customers	623,536,067	648,336,755	873,974,645	451,525,784	522,145,669	856,725,074
Current portion of long-term borrowings						
- Long-term borrowings from financial institutions 27	1,938,066,505	1,348,304,554	1,736,678,394	1,839,664,705	1,285,753,354	1,484,347,394
- Debentures 27	2,500,000,000	2,900,000,000	2,800,000,000	2,500,000,000	2,900,000,000	2,800,000,000
- Lease liabilities 28	11,535,298	8,737,868	5,735,133	2,203,052	2,844,826	624,259
Current portion of deferred leasehold revenue 30	533,280	796,979	2,328,213	533,280	533,280	533,280
Income tax payable	163,523,206	256,760,260	172,468,794	129,402,349	217,711,908	136,682,866
Other current liabilities	336,711,286	301,455,864	317,603,034	283,194,603	250,699,217	283,656,566
<b>Total current liabilities</b>	15,366,123,862	16,802,042,495	14,576,495,454	11,793,770,763	13,532,084,001	12,140,137,655
<b>Non-current liabilities</b>						
Long-term borrowings from financial institutions 27	3,338,950,000	3,651,450,000	4,338,750,000	3,243,750,000	3,566,250,000	4,338,750,000
Debentures 27	5,245,000,000	5,595,000,000	6,100,000,000	5,245,000,000	5,595,000,000	6,100,000,000
Lease liabilities 28	343,994,314	235,850,171	162,472,646	127,399,549	129,602,601	128,783,072
Deferred leasehold revenue 30	875,265	1,408,545	2,205,523	875,265	1,408,545	1,941,825
Rental and rendering of service deposits	177,979,299	169,053,507	170,478,867	154,125,373	145,879,581	146,060,226
Construction retention	343,609,843	426,067,187	381,592,457	293,664,594	378,441,957	341,148,685
Deferred tax liabilities, net 25	559,413,571	569,730,177	606,711,699	560,922,596	553,203,070	533,055,027
Employee benefit obligations 31	293,007,184	271,430,002	162,518,954	264,474,950	250,388,135	155,634,575
Other non-current liabilities	7,198,046	6,547,162	6,540,662	6,540,662	6,540,662	6,540,662
<b>Total non-current liabilities</b>	10,310,027,522	10,926,536,751	11,931,270,808	9,896,752,989	10,626,714,551	11,751,914,072
<b>Total liabilities</b>	25,676,151,384	27,728,579,246	26,507,766,262	21,690,523,752	24,158,798,552	23,892,051,727

The accompanying notes are an integral part of these consolidated and separate financial statements.

# Statement of Financial Position

SC Asset Corporation Public Company Limited

As at 31 December 2020

(Unit: Baht)

Notes	Consolidated financial statements			Separate financial statements		
	31 December 2020	(Restated) 31 December 2019	(Restated) 1 January 2019	31 December 2020	(Restated) 31 December 2019	(Restated) 1 January 2019
<b>Equity</b>						
Share capital 34						
Authorised share capital Ordinary shares, 4,379,332,012 shares of par Baht 1.00 each	4,379,332,012	4,379,332,012	4,379,332,012	4,379,332,012	4,379,332,012	4,379,332,012
Issued and paid-up share capital Ordinary shares, 4,179,624,512 shares of paid-up Baht 1.00 each	4,179,624,512	4,179,624,512	4,179,624,512	4,179,624,512	4,179,624,512	4,179,624,512
Premiums on share capital 34	319,356,787	319,356,787	319,356,787	319,356,787	319,356,787	319,356,787
Other components of equity	17,715,279	15,837,580	12,996,686	31,783,275	23,751,316	13,842,466
Retained earnings						
Appropriated - legal reserve 35	437,933,202	437,933,202	437,933,202	437,933,202	437,933,202	437,933,202
Unappropriated	13,707,211,505	12,603,404,739	11,281,648,813	12,483,141,871	11,427,632,965	10,127,316,357
Equity attributable to owners of the parent	18,661,841,285	17,556,156,820	16,231,560,000	17,451,839,647	16,388,298,782	15,078,073,324
Non-controlling interests	(19,155,977)	(8,792,122)	(153,401)	-	-	-
<b>Total equity</b>	18,642,685,308	17,547,364,698	16,231,406,599	17,451,839,647	16,388,298,782	15,078,073,324
<b>Total liabilities and equity</b>	44,318,836,692	45,275,943,944	42,739,172,861	39,142,363,399	40,547,097,334	38,970,125,051



# Statement of Comprehensive Income

SC Asset Corporation Public Company Limited

For the year ended 31 December 2020

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2020	(Restated) 2019	2020	(Restated) 2019
<b>Revenues</b>					
Revenue from sales		18,119,588,377	16,771,487,466	16,248,075,604	14,864,695,567
Revenue from rental and rendering services		794,661,809	801,137,464	683,238,074	687,507,548
Revenue from consulting and management services		62,656,092	63,933,639	74,069,732	106,995,013
<b>Total revenues</b>		18,976,906,278	17,636,558,569	17,005,383,410	15,659,198,128
<b>Cost</b>					
Cost of sales		(12,805,355,090)	(11,493,366,319)	(11,544,016,445)	(10,234,649,509)
Cost of rental and rendering services		(287,341,234)	(317,385,891)	(263,390,141)	(289,467,648)
Cost of consulting and management services		(33,978,496)	(25,795,343)	(34,469,054)	(38,309,322)
<b>Total cost</b>		(13,126,674,820)	(11,836,547,553)	(11,841,875,640)	(10,562,426,479)
<b>Gross profit</b>		5,850,231,458	5,800,011,016	5,163,507,770	5,096,771,649
Other income	37	64,990,639	37,857,368	218,389,770	141,044,581
Gain (loss) from fair value adjustment and write-off of investment property		9,023,241	112,310,871	(23,636,714)	96,872,379
Dividend income	41.1	-	-	150,014,982	150,014,982
Selling expenses		(1,372,265,911)	(1,382,794,446)	(1,239,947,546)	(1,196,712,090)
Administrative expenses		(1,942,000,583)	(1,869,236,052)	(1,701,768,005)	(1,606,746,336)
Expected credit losses		(40,242,479)		(39,845,479)	-
Finance costs		(154,800,066)	(157,428,442)	(242,400,503)	(212,289,397)
Share of loss of joint venture	19	(23,574,145)	(14,641,113)	-	-
<b>Profit before income tax expense</b>		2,391,362,154	2,526,079,202	2,284,314,275	2,468,955,768
Income tax expense	39	(503,790,795)	(511,414,204)	(434,676,921)	(472,450,724)
<b>Profit for the year</b>		1,887,571,359	2,014,664,998	1,849,637,354	1,996,505,044

The accompanying notes are an integral part of these consolidated and separate financial statements.

# Statement of Comprehensive Income

SC Asset Corporation Public Company Limited  
For the year ended 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
		2020	(Restated) 2019	2020	(Restated) 2019
Notes					
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations	31	-	(43,264,096)	-	(34,314,863)
Income tax on item that will not be reclassified to profit or loss	39	-	8,652,819	-	6,862,973
Total items that will not be reclassified to profit or loss		-	(34,611,277)	-	(27,451,890)
Item that will be reclassified subsequently to profit or loss					
Currency translation differences		(6,154,260)	(7,067,956)	-	-
Total item that will be reclassified subsequently to profit or loss		(6,154,260)	(7,067,956)	-	-
Other comprehensive income, net of tax		(6,154,260)	(41,679,233)	-	(27,451,890)
Total comprehensive income for the year		1,881,417,099	1,972,985,765	1,849,637,354	1,969,053,154
Profit attributable to:					
Owners of the parent		1,897,935,214	2,025,026,833	1,849,637,354	1,996,505,044
Non-controlling interests		(10,363,855)	(10,361,835)	-	-
		1,887,571,359	2,014,664,998	1,849,637,354	1,996,505,044
Total comprehensive income attributable to:					
Owners of the parent		1,891,780,954	1,983,424,516	1,849,637,354	1,969,053,154
Non-controlling interests		(10,363,855)	(10,438,751)	-	-
		1,881,417,099	1,972,985,765	1,849,637,354	1,969,053,154
Earnings per share	40				
Basic earnings per share (Baht per share)		0.4541	0.4845	0.4425	0.4777
Diluted earnings per share (Baht per share)		0.4538	0.4845	0.4423	0.4777

The accompanying notes are an integral part of these consolidated and separate financial statements.

# Statement of Changes in Equity

SC Asset Corporation Public Company Limited  
For the year ended 31 December 2020

Consolidated financial statements (Baht)										
Notes	Attributable to owners of the parent								Non- controlling interests	Total equity
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity		Equity attributable to owners of the parent			
			Appropriated - legal reserve	Unappropriated	Warrants	Translation on financial statements				
Opening balance at 1 January 2019	4,179,624,512	319,356,787	437,933,202	11,289,454,668	13,842,466	(845,780)	16,239,365,855	(153,401)	16,239,212,454	
Effect from changes in accounting policies	-	-	-	(7,805,855)	-	-	(7,805,855)	-	(7,805,855)	
Opening balance at 1 January 2019 (Restated)	4,179,624,512	319,356,787	437,933,202	11,281,648,813	13,842,466	(845,780)	16,231,560,000	(153,401)	16,231,406,599	
Change in equity for the year 2019										
Dividend paid	-	-	-	(668,736,546)	-	-	(668,736,546)	-	(668,736,546)	
Warrants	-	-	-	-	9,908,850	-	9,908,850	-	9,908,850	
Total comprehensive income for the year	-	-	-	1,990,492,472	-	(7,067,956)	1,983,424,516	(10,438,751)	1,972,985,765	
Proceeds from increase in non-controlling interests	-	-	-	-	-	-	-	1,800,030	1,800,030	
Closing balance at 31 December 2019	4,179,624,512	319,356,787	437,933,202	12,603,404,739	23,751,316	(7,913,736)	17,556,156,820	(8,792,122)	17,547,364,698	
Opening balance at 1 January 2020	4,179,624,512	319,356,787	437,933,202	12,612,607,743	23,751,316	(7,913,736)	17,565,359,824	(8,792,122)	17,556,567,702	
Effect from changes in accounting policies	-	-	-	(9,203,004)	-	-	(9,203,004)	-	(9,203,004)	
Opening balance at 1 January 2020 (Restated)	4,179,624,512	319,356,787	437,933,202	12,603,404,739	23,751,316	(7,913,736)	17,556,156,820	(8,792,122)	17,547,364,698	
Change in equity for the year 2020										
Dividend paid	-	-	-	(794,128,448)	-	-	(794,128,448)	-	(794,128,448)	
Warrants	-	-	-	-	8,031,959	-	8,031,959	-	8,031,959	
Total comprehensive income for the year	-	-	-	1,897,935,214	-	(6,154,260)	1,891,780,954	(10,363,855)	1,881,417,099	
Closing balance at 31 December 2020	4,179,624,512	319,356,787	437,933,202	13,707,211,505	31,783,275	(14,067,996)	18,661,841,285	(19,155,977)	18,642,685,308	

The accompanying notes are an integral part of these consolidated and separate financial statements.

# Statement of Changes in Equity

SC Asset Corporation Public Company Limited  
For the year ended 31 December 2020

	Notes	Separate financial statements (Baht)					
		Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity Warrants	Total equity
				Appropriated - legal reserve	Unappropriated		
<b>Opening balance at 1 January 2019</b>		4,179,624,512	319,356,787	437,933,202	10,130,776,058	13,842,466	15,081,533,025
Effect from changes in accounting policies	5	-	-	-	(3,459,701)	-	(3,459,701)
<b>Opening balance at 1 January 2019 (Restated)</b>		4,179,624,512	319,356,787	437,933,202	10,127,316,357	13,842,466	15,078,073,324
<b>Change in equity for the year 2019</b>							
Dividend paid	36	-	-	-	(668,736,546)	-	(668,736,546)
Warrants	33	-	-	-	-	9,908,850	9,908,850
Total comprehensive income for the year		-	-	-	1,969,053,154	-	1,969,053,154
<b>Closing balance at 31 December 2019</b>		4,179,624,512	319,356,787	437,933,202	11,427,632,965	23,751,316	16,388,298,782
<b>Opening balance at 1 January 2020</b>		4,179,624,512	319,356,787	437,933,202	11,431,565,310	23,751,316	16,392,231,127
Effect from changes in accounting policies	5	-	-	-	(3,932,345)	-	(3,932,345)
<b>Opening balance at 1 January 2020 (Restated)</b>		4,179,624,512	319,356,787	437,933,202	11,427,632,965	23,751,316	16,388,298,782
<b>Change in equity for the year 2020</b>							
Dividend paid	36	-	-	-	(794,128,448)	-	(794,128,448)
Warrants	33	-	-	-	-	8,031,959	8,031,959
Total comprehensive income for the year		-	-	-	1,849,637,354	-	1,849,637,354
<b>Closing balance at 31 December 2020</b>		4,179,624,512	319,356,787	437,933,202	12,483,141,871	31,783,275	17,451,839,647

The accompanying notes are an integral part of these consolidated and separate financial statements.

# Statement of Cash Flows

SC Asset Corporation Public Company Limited  
For the year ended 31 December 2020

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2020	(Restated) 2019	2020	(Restated) 2019
Cash flows from operating activities					
Profit before income tax expenses		2,391,362,154	2,526,079,202	2,284,314,275	2,468,955,768
Adjustments for:					
Dividend received from subsidiary	41.1	-	-	(150,014,982)	(150,014,982)
Depreciation of property, plant and equipment and amortisation of right-of-use assets	22,24	149,725,665	124,828,200	107,278,625	99,537,741
Amortisation of intangible assets	23	13,640,243	10,171,820	13,236,549	9,874,249
Share of loss of joint venture					
- Share of net loss	19	23,574,145	14,641,113	-	-
- Unrealised gain from rendering services to joint venture	19	10,322,227	30,316,849	-	-
Gain from fair value adjustment in short-term investments	12	-	(1,342)	-	(1,342)
Unrealised loss from exchange rate	41.4	-	-	327,900	5,229,500
Translation adjustment		(6,476,818)	(7,106,125)	-	-
(Gain) loss from fair value adjustment on investment property	21	(17,649,801)	(112,351,538)	15,010,154	(96,913,046)
Loss from write-off of investment properties	21	8,626,560	40,667	8,626,560	40,667
Loss from disposal of property, plant and equipment	22	2,822,665	1,143,831	1,254,227	1,143,831
Loss on impairment of property, plant and equipment	22	1,614,695	-	-	-
Allowance for devaluation on real estate development cost	15	43,596,969	30,863,192	43,596,969	-
Expected credit loss		40,242,479	-	39,845,479	-
Loss from changes in fair value of financial assets	14	6,500,000	33,500,000	-	-
Loss (gain) from disposal of intangible asset	23	6	(499)	6	(499)
Revenue from amortised leasehold rights	30	(796,979)	(2,328,212)	(533,280)	(533,280)
Employee benefit obligations		37,487,182	65,646,952	31,176,977	60,438,697
Share-base payment reserve	33	8,031,959	9,908,850	8,031,959	9,908,850
Finance costs		154,800,066	157,428,442	242,400,503	212,289,397
		2,867,423,417	2,882,781,402	2,644,551,921	2,619,955,551
Changes in working capital:					
- trade and other receivables		(32,345,064)	(21,519,895)	(126,648,475)	(53,793,479)
- real estate development cost		4,685,755,955	(180,526,691)	5,909,888,958	381,132,118
- deposits for land and buildings		(252,838,450)	(1,145,563,848)	(252,391,828)	(1,068,827,648)
- advance for construction work and materials		75,490,333	26,387,311	67,158,250	157,807,681

The accompanying notes are an integral part of these consolidated and separate financial statements.

# Statement of Cash Flows

SC Asset Corporation Public Company Limited  
For the year ended 31 December 2020

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2020	(Restated) 2019	2020	(Restated) 2019
- other current assets		(15,004,439)	(3,637,850)	(5,990,449)	(7,361,775)
- other non-current assets		(10,672,475)	(693,815)	(6,329,969)	(1,181,414)
- trade and other payables		(25,483,098)	(2,017,102,104)	(10,565,563)	(147,516,323)
- accrued expenses		(4,720,170)	175,398,474	(58,169,691)	158,604,031
- advances received from customers		(24,800,688)	(225,637,890)	(70,619,885)	(334,579,405)
- other current liabilities		35,255,422	(16,147,170)	32,495,386	(32,957,349)
- rental and rendering of service deposits		8,925,792	(1,425,360)	8,245,792	(180,645)
- construction retention		(82,457,344)	44,474,730	(84,777,363)	37,293,272
- Employee benefit obligations		(15,910,000)	-	(15,910,000)	-
- other non-current liabilities		650,884	6,500	-	-
Cash flows generated from (used in) operating activities		7,209,270,075	(483,206,206)	8,030,937,084	1,708,394,615
<u>Less</u> Interest paid		(766,395,496)	(799,976,224)	(648,770,985)	(690,296,991)
Income tax		(607,344,455)	(455,451,441)	(515,266,954)	(364,410,666)
<b>Net cash generated from (used in) operating activities</b>		5,835,530,124	(1,738,633,871)	6,866,899,145	653,686,958
<b>Cash flows from investing activities</b>					
Cash (payment) receipt for short-term investment	12	(2,221,468,471)	170,000,000	(2,226,279,265)	160,000,000
Cash receipt (payment) from short-term loan to related parties	41.4	52,600,000	(52,600,000)	(1,167,198,176)	10,810,000
Cash receipt (payment) from long-term loan to related parties	41.4	-	-	522,517,512	(266,479,500)
Dividend received from subsidiary	41.1	-	-	150,014,982	150,014,982
Purchase of investment properties	21	(32,135,976)	(60,705,742)	(32,135,976)	(60,686,743)
Purchase of property, plant and equipment	22	(105,016,289)	(192,515,618)	(19,716,795)	(144,376,239)
Purchase of intangible asset	23	(22,708,278)	(36,388,539)	(21,971,365)	(33,857,899)
Proceeds from write-off of investment properties	21	19,262	4,000	19,262	4,000
Proceeds from sales of property, plant and equipment	22	3,434,458	2,585,012	1,408,548	1,199,983
Proceeds from sales of intangible asset	23	-	502	-	502
Cash payment for investment in subsidiaries	18	-	-	(458,489,970)	(10,999,940)
<b>Net cash used in investing activities</b>		(2,325,275,294)	(169,620,385)	(3,251,831,243)	(194,370,854)

The accompanying notes are an integral part of these consolidated and separate financial statements.



# Statement of Cash Flows

SC Asset Corporation Public Company Limited  
For the year ended 31 December 2020

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2020	(Restated) 2019	2020	(Restated) 2019
<b>Cash flows from financing activities</b>					
Cash (payment) receipt for short-term loans from financial institutions	26	(825,238,257)	3,826,772,032	(1,322,585,244)	1,395,392,399
Cash receipt from long-term loans from financial institutions	27	3,701,957,968	4,569,850,000	3,434,557,968	4,046,500,000
Cash receipt from issuing of debentures	27	2,150,000,000	2,395,000,000	2,150,000,000	2,395,000,000
Cash received from non-controlling interests		-	1,800,030	-	-
Repayment of long-term loans from financial institutions	27	(3,424,696,017)	(5,645,523,840)	(3,203,146,617)	(5,017,594,040)
Payment for lease liabilities	28	(53,330,820)	(32,429,996)	(2,844,826)	(1,484,631)
Payment for redemption of debentures	27	(2,900,000,000)	(2,800,000,000)	(2,900,000,000)	(2,800,000,000)
Dividend paid	36	(794,128,448)	(668,736,546)	(794,128,448)	(668,736,546)
<b>Net cash (used in) generated from financing activities</b>		(2,145,435,574)	1,646,731,680	(2,638,147,167)	(650,922,818)
<b>Net increase (decrease) in cash and cash equivalents</b>		1,364,819,256	(261,522,576)	976,920,735	(191,606,714)
Cash and cash equivalents at 1 January		880,137,390	1,141,621,797	580,761,425	772,368,139
Exchange loss on cash and cash equivalents		322,558	38,169	-	-
<b>Cash and cash equivalents at 31 December</b>		2,245,279,204	880,137,390	1,557,682,160	580,761,425
<b>Non-cash transactions</b>					
Significant non-cash transactions for the year ended 31 December are as follows:					
- Transferred land deposits to real estate development cost		1,068,827,648	322,644,400	1,068,827,648	104,564,900
- Acquisition of right-of-use assets under lease contracts		164,272,393	108,810,256	-	4,524,727
- Transferred real estate development cost to investment properties		-	1,283,522	-	1,283,522
- Transferred real estate development cost to land awaiting for development		-	138,371,000	-	138,371,000
- Transferred investment properties to real estate development cost		-	6,620,000	-	6,620,000
- Transferred investment properties to property, plant and equipment		-	47,122	-	47,122
- Land cost payable		-	681,844,955	-	365,497,968
- Reclassified right-of-use assets to investment properties		-	4,524,727	-	4,524,727

The accompanying notes are an integral part of these consolidated and separate financial statements.

# NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

SC Asset Corporation Public Company Limited  
For the year ended 31 December 2020

## 1 General information

SC Asset Corporation Public Company Limited (“the Company”) is a public limited company which listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

1010 Vibhavadi Rangsit road, Chatuchak, Bangkok.

The principal business operations of the Company and its subsidiaries (together “the Group”) are real estate development for sale and rental, including services management.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 17 February 2021.

## 2 Significant events during the current year

### Coronavirus Disease 2019 outbreak

The outbreak of Coronavirus Disease 2019 (“COVID-19”) in early 2020 has insignificant effects on operating results for the year ended 31 December 2020.

## 3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 9.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

## 4 New and amended financial reporting standards

### 4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group

#### a) Financial instruments

The new financial standards related to financial instruments are as follows:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial instruments: Disclosures
TFRS 9	Financial instruments
TFRIC 16	Hedges of a net investment in a foreign operation
TFRIC 19	Extinguishing financial liabilities with equity instruments

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both i) business model for holding the financial assets; and ii) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets' measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

#### b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, *Leases* will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 January 2020, the Group has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

c) **Amendment to TAS 12, Income tax** clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

d) **Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement)** - clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

**e) Amendment to TAS 23, Borrowing costs** clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

**f) Amendment to TAS 28, Investments in associates and joint ventures (long-term interests in associates and joint ventures)** clarified the accounting for long-term interests in an associate or joint venture, which is in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. The Group must account for such interests under TFRS 9, Financial instruments before applying the loss allocation and impairment requirements in TAS 28, Investments in associates and joint ventures.

**g) Amendment to TFRS 3, Business combinations** clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages. The previously held interest is therefore re-measured.

**h) Amendment to TFRS 11, Joint arrangements** clarified that the party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.

**i) TFRIC 23, Uncertainty over income tax treatments** explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored.
- that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

#### **4.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2021 and have significant impacts to the Group**

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

**a) Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) **Amendment to TFRS 3, Business combinations** amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term ‘outputs’ is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.

c) **Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

d) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

e) **Amendment to TFRS 16, Leases** amended to provide a practical expedient where lessees are exempted from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. It applies to rent concessions that reduce lease payments due from 1 June 2020 to 30 June 2021. The amendment is effective for the annual accounting period beginning on or after 1 June 2020 where early application is permitted.

#### 4.3 **Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 and have significant impacts to the Group**

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

a) **Amendment to TFRS 16, Leases** amended to include a practical expedient for leases that are modified as a direct consequence of IBOR reform (e.g. replacement of THBFIX as a benchmark interest rate due to the cancellation of LIBOR) for lessee to remeasure the lease liability by discounting the revised lease payments using a discount rate that reflects the change in the interest rate. An early application of the amendment is permitted.

## 5 **Impacts from initial application of the new and revised financial reporting standards**

This note explains the impact of the adoption of TAS 32 Financial Instruments: Presentation, TFRS 7 Financial Instruments: Disclosure, TFRS 9 Financial Instruments and TFRS 16 Leases on the Group’s financial statements and discloses the new accounting policies that have been applied from 1 January 2020.

The Group has adopted accounting standard and financial reporting standards relating to financial instruments (TAS 32, TFRS 7 and TFRS 9) retrospectively from 1 January 2020 under the modified retrospective approach and has not restated comparatives for the 2019 reporting period, as permitted in the standards.

The adjustments and reclassifications arising from the new requirements of financial reporting standards are not affected in the opening statement of financial position on 1 January 2020.

The Group has adopted financial reporting standards relating to leases standard (TFRS 16) from 1 January 2020 by applying the new standard retrospectively and have restated comparatives for the prior period presented.

The Group has applied the accounting standard relating to investment property (TAS 40), amendment 2019, by applying the standard retrospectively and have restated comparatives for the prior period presented. The Group classified the right-of-use assets in relation to leases which are previously been classified as operating leases to investment property. These right-of-use assets were measured at the fair value method.

(Unit: Baht)

Statement of financial position	Consolidated financial statements		
	Amounts under the previous standards	Adjustments from TFRS 16	31 December 2020 as reported
Trade and other receivables, net	242,258,308	(60,675,441)	181,582,867
Investment properties, net	5,579,831,625	4,524,727	5,584,356,352
Right-of-use assets, net	-	1,190,152,173	1,190,152,173
Leasehold rights, net	833,556,781	(833,556,781)	-
Accrued expenses	1,436,129,477	(34,393,967)	1,401,735,510
Current portion of lease liabilities	1,126,042	10,409,256	11,535,298
Lease liabilities	2,420,349	341,573,965	343,994,314
Deferred tax liabilities, net	561,843,637	(2,430,066)	559,413,571
Other non-current liabilities	11,991,946	(4,793,900)	7,198,046
Unappropriated retained earnings	13,717,132,115	(9,920,610)	13,707,211,505

(Unit: Baht)

Statement of financial position	Separate financial statements		
	Amounts under the previous standards	Adjustments from TFRS 16	31 December 2020 as reported
Investment properties, net	4,588,069,494	4,524,727	4,592,594,221
Right-of-use assets, net	-	881,633,800	881,633,800
Leasehold rights, net	796,481,143	(796,481,143)	-
Accrued expenses	1,250,269,419	(34,393,967)	1,215,875,452
Current portion of lease liabilities	499,466	1,703,586	2,203,052
Lease liabilities	209,721	127,189,828	127,399,549
Deferred tax liabilities, net	561,887,008	(964,412)	560,922,596
Unappropriated retained earnings	12,486,094,576	(2,952,705)	12,483,141,871



(Unit: Baht)

Statement of comprehensive income	Consolidated financial statements		
	For the year ended 31 December 2020		
	Amounts under the previous standards	Adjustments from TFRS 16	As reported
Cost of rental and rendering services	297,891,884	(10,550,650)	287,341,234
Administrative expenses	1,948,075,354	(6,074,771)	1,942,000,583
Finance costs	137,185,726	17,614,340	154,800,066
Income tax expense	503,988,579	(197,784)	503,790,795

(Unit: Baht)

Statement of comprehensive income	Separate financial statements		
	For the year ended 31 December 2020		
	Amounts under the previous standards	Adjustments from TFRS 16	As reported
Cost of rental and rendering services	271,764,294	(8,374,153)	263,390,141
Finance costs	234,231,222	8,169,281	242,400,503
Income tax expense	434,635,947	40,974	434,676,921

The following tables show the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relate to leases standard (TFRS 16):

(Unit: Baht)

Statement of financial position	Consolidated financial statements		
	As at 31 December 2019		
	Previously reported	TFRS 16	Restated
Trade and other receivables, net	179,968,099	(21,777,397)	158,190,702
Investment properties, net	5,538,691,670	4,524,727	5,543,216,397
Right-of-use assets, net	-	1,077,828,541	1,077,828,541
Leasehold rights, net	867,346,913	(867,346,913)	-
Accrued expenses	1,446,370,167	(31,768,972)	1,414,601,195
Current portion of lease liabilities	2,435,314	6,302,554	8,737,868
Lease liabilities	901,540	234,948,631	235,850,171
Deferred tax liabilities, net	572,030,928	(2,300,751)	569,730,177
Other non-current liabilities	11,296,662	(4,749,500)	6,547,162
Unappropriated retained earnings	12,612,607,743	(9,203,004)	12,603,404,739

(Unit: Baht)

Statement of financial position	Consolidated financial statements		
	As at 1 January 2019		
	Previously reported	TFRS 16	Restated
Trade and other receivables, net	115,451,754	213,453	115,665,207
Right-of-use assets, net	-	1,019,933,313	1,019,933,313
Leasehold rights, net	901,137,045	(901,137,045)	-
Accrued expenses	1,264,784,081	(28,610,977)	1,236,173,104
Current portion of lease liabilities	2,768,353	2,966,780	5,735,133
Lease liabilities	3,356,309	159,116,337	162,472,646
Deferred tax liabilities, net	608,663,163	(1,951,464)	606,711,699
Other non-current liabilities	11,245,762	(4,705,100)	6,540,662
Unappropriated retained earnings	11,289,454,668	(7,805,855)	11,281,648,813

(Unit: Baht)

Statement of financial position	Separate financial statements		
	As at 31 December 2019		
	Previously reported	TFRS 16	Restated
Investment properties, net	4,579,589,494	4,524,727	4,584,114,221
Right-of-use assets, net	-	916,146,256	916,146,256
Leasehold rights, net	826,925,757	(826,925,757)	-
Accrued expenses	1,314,144,406	(31,768,972)	1,282,375,434
Current portion of lease liabilities	1,308,613	1,536,213	2,844,826
Lease liabilities	709,186	128,893,415	129,602,601
Deferred tax liabilities, net	554,186,155	(983,085)	553,203,070
Unappropriated retained earnings	11,431,565,310	(3,932,345)	11,427,632,965

(Unit: Baht)

Statement of financial position	Separate financial statements		
	As at 1 January 2019		
	Previously reported	TFRS 16	Restated
Right-of-use assets, net	-	950,658,712	950,658,712
Leasehold rights, net	857,370,371	(857,370,371)	-
Accrued expenses	1,149,532,924	(28,610,977)	1,120,921,947
Current portion of lease liabilities	1,146,133	(521,874)	624,259
Lease liabilities	2,037,254	126,745,818	128,783,072
Deferred tax liabilities, net	533,919,952	(864,925)	533,055,027
Unappropriated retained earnings	10,130,776,058	(3,459,701)	10,127,316,357

(Unit: Baht)

Statement of comprehensive income	Consolidated financial statements		
	For the year ended 31 December 2019		
	Previously reported	TFRS 16	Restated
Cost of rental and rendering services	327,023,541	(9,637,650)	317,385,891
Administrative expense	1,868,998,578	237,474	1,869,236,052
Finance costs	146,281,830	11,146,612	157,428,442
Income tax expense	511,763,491	(349,287)	511,414,204

(Unit: Baht)

Statement of comprehensive income	Separate financial statements		
	For the year ended 31 December 2019		
	Previously reported	TFRS 16	Restated
Cost of rental and rendering services	297,108,801	(7,641,153)	289,467,648
Finance costs	204,057,440	8,231,957	212,289,397
Income tax expense	472,568,884	(118,160)	472,450,724

## 5.1 Financial instruments

On 1 January 2020 (the date of initial application), the management has assessed which business models apply to the financial assets and financial liabilities, and has classified its financial instruments into the appropriate TFRS 9 categories below.

(Unit: Baht)

Financial assets	Consolidated financial statements		
	Fair value through profit or loss	Amortised cost	Total carrying amount
Cash and cash equivalents	-	880,137,390	880,137,390
Short-term investments	-	10,000,000	10,000,000
Trade and other receivables, net	-	158,190,702	158,190,702
Short-term loans to related parties	-	52,600,000	52,600,000
Trade receivable due more than one year	-	4,539,580	4,539,580
Other long-term investments	6,500,000	-	6,500,000
	6,500,000	1,105,467,672	1,111,967,672

(Unit: Baht)

Financial liabilities	Consolidated financial statements	
	Amortised cost	Total carrying amount
Short-term borrowings from financial institutions	8,697,140,036	8,697,140,036
Trade and other payables	1,225,908,984	1,225,908,984
Long-term borrowings from financial institutions	4,999,754,554	4,999,754,554
Debentures	8,495,000,000	8,495,000,000
Lease liabilities	244,588,039	244,588,039
Rental and rendering of service deposits	169,053,507	169,053,507
Construction retention	426,067,187	426,067,187
	24,257,512,307	24,257,512,307

(Unit: Baht)

Financial assets	Separate financial statements	
	Amortised cost	Total carrying amount
Cash and cash equivalents	580,761,425	580,761,425
Trade and other receivables, net	229,223,069	229,223,069
Short-term loans to related parties	171,530,100	171,530,100
Trade receivable due more than one year	4,539,580	4,539,580
Long-term loan to related parties	2,799,708,512	2,799,708,512
	3,785,762,686	3,785,762,686

(Unit: Baht)

Financial liabilities	Separate financial statements	
	Amortised cost	Total carrying amount
Short-term borrowings from financial institutions	6,265,760,403	6,265,760,403
Trade and other payables	804,259,910	804,259,910
Long-term borrowings from financial institutions	4,852,003,354	4,852,003,354
Debentures	8,495,000,000	8,495,000,000
Lease liabilities	132,447,427	132,447,427
Rental and rendering of service deposits	145,879,581	145,879,581
Construction retention	378,441,957	378,441,957
	21,073,792,632	21,073,792,632

## 5.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the zero coupon yield curve plus corporate bond yield curve based on company’s credit rating and contract period. The rates applied to the lease liabilities was 3.60 - 6.58% per annum.

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. Other right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

For leases previously classified as finance leases the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

The recognised right-of-use assets relate to the following types of assets:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Properties	1,190,152,173	1,077,828,541	881,633,800	916,146,256
<b>Total right-of-use assets</b>	<b>1,190,152,173</b>	<b>1,077,828,541</b>	<b>881,633,800</b>	<b>916,146,256</b>

### *Practical expedients applied*

In applying TFRS 16 for the first time, the group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease, and
- elect not to reassess whether a contract is, or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an Arrangement contains a Lease.

## 6 Accounting policies

### 6.1 Principles of consolidation and equity accounting

#### 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 consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

#### b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using cost method.

#### c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

##### *Joint ventures*

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method.

#### d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

#### e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other



comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

#### **f) Intercompany transactions on consolidation**

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

### **6.2 Foreign currency translation**

#### **a) Functional and presentation currency**

The financial statements are presented in Thai Baht, which is the Group's functional and presentation currency.

#### **b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

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 recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

#### **c) Group companies**

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

### **6.3 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date [and bank overdrafts].

In the statements of financial position, bank overdrafts are shown in current liabilities.

## 6.4 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 15 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 6.6(f).

## 6.5 Real estate development costs including properties under development

Real estate development costs including properties under development are those properties which are held with the intention of development and sale in the ordinary course of business. They are measured the lower of cost or net realisable value. Cost consists of land cost, expenses directly related to the project (design expense, public utilities expense, construction cost) and borrowing cost on loans funding a development property capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development. Net realisable value being the estimated sale value in the course of normal business less by necessary expenses for such sale.

## 6.6 Financial asset

For the year ended 31 December 2020

### a) Classification

From 1 January 2020, the Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

### b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

### c) Measurement

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

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

### d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

### e) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

### f) Impairment

From 1 January 2020, the Group assesses on a forward looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

For the year ended before 31 December 2019

### **Investments in debt and equity securities**

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

### **Trading and available-for-sale investments**

Trading investments and available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income and are subsequently reclassified to profit or loss when the investment is disposed.

### **Held-to-maturity investments**

Held-to-maturity investments are carried at amortised cost using the effective interest method less impairment.

### **General investments**

General investments are carried at cost less impairment.

### **Disposal of investments**

On a disposal of an investment, the difference between the net disposal proceeds and the carrying amount (including cumulative changes in fair value recognised in equity) is recognised to the profit or loss. When the Group disposes an investment partially, the carrying amount of the disposed part is determined by the weighted average method.

## **6.7 Investment Property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

After initial recognition, investment property is carried at fair value. Fair value is calculated using the estimated discount cash flows of the rental fee under the present leases agreements, including future rental fee under the current market condition and net from any expense cash flow anticipated to incur from real estate, or based on

active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as of the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of leasehold land classified as investment property; others, including contingent rent payments, are not recognised in the financial statements.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those that a rational market participant would take into account when determining the value of the property.

Changes in fair values are recognised in profit or loss. Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in profit or loss within net gain from fair value adjustment on investment property.

## 6.8 Property, plant and equipment

Land is stated at cost. Plant and equipment are stated at cost less by accumulated depreciation and loss of value impairment (if any).

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Land Improvements	5 years
Buildings and Construction	2 - 50 years
Furniture and Fixtures	5 years
Office Equipment	3 - 10 years
Other Fixed Assets	3 - 5 years

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

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

## 6.9 Intangible asset

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 5 and 10 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

## 6.10 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised 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 of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

## 6.11 Land awaiting for development

Land awaiting for development are consisted of cost of land and expenses directly related shown at cost net from accumulated allowance for impairment (if any).

## 6.12 Long-term lease

### Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.



Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise office furniture.

### Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

## 6.13 Financial liabilities

For the year ended 31 December 2020

### a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

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 reporting date.

### b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

### c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation.

The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

For the year ended 31 December 2019

### **Borrowings**

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

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 reporting date

### **6.14 Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

### **6.15 Current and deferred income taxes**

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

#### **Current tax**

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. 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**

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## 6.16 Employee benefits

### 6.16.1 Short-term employee benefits

Liabilities for short-term employee benefits such as salaries, wages, bonuses and contributions to Social Security Fund as expense when incurred. That are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

### 6.16.2 Defined contribution plans

The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

### 6.16.3 Retirement benefits

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually depends on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plan is the present value of the define benefit obligation at the end of the reporting period. 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 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 to the terms of the related retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise and are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

## 6.17 Share-base payment

### *Employee options*

The Group receives services from employees as consideration for equity instruments (options) of the Group companies. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity. The fair value of the options is determined by:

- including any market performance conditions (e.g. the entity's share price);
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holdings shares for a specific period of time); and
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

At the end of each reporting period, the Group reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

The option granted by the Company to the employees of subsidiaries is treated as a capital contribution.

## 6.18 Provisions

Provisions are recognised 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; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

## 6.19 Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

## 6.20 Revenue recognition

Revenue excludes value added taxes or other sales taxes and is arrived at after deduction of trade discounts with the details are as follows:

- 6.20.1 Revenues from sales of houses together with land and revenues from sales of condominium units are recognised when control over the property has been transferred to the customer. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer.
- 6.20.2 The Group recognised service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.
- 6.20.3 Revenues from other rental and rendering of services, consulting and management services are recognised by accrual basis at the rate specified in the agreement.

6.20.4 Interest income and other revenues are recognised by accrual basis. Dividend income is recognised to receive payments is established.

## 6.21 Cost of sales and other expenses recognition

6.21.1 In calculating cost of sales for houses together with land and condominium units, the Group appropriates all estimated development costs (based on actual costs) to houses together with land and condominium units sold according to saleable areas and then recognising it as cost of sales in the statement of comprehensive income according to the revenues from sales already recognised.

The Group recognised the loss from the decrease of the real estate project's value (if applicable) under profit or loss for the year.

6.21.2 Costs of rental and rendering of services, consulting and management services and other expenses are recognised by accrual basis.

6.21.3 Incremental costs of obtaining a contract, the Group capitalises incremental costs of obtaining a contract (mainly sales commission to third parties and to employees) and amortised to selling expenses in the same pattern of related revenue recognition.

## 6.22 Dividend distribution

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

## 6.23 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 Board of director that makes strategic decisions.

# 7 Financial risk management

## 7.1 Financial risk

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group's risk management is controlled by a central treasury department under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units.

### 7.1.1 Market risk

#### a) Foreign exchange risk

The Group has an investment in foreign subsidiary, whose net assets are exposed to currency translation risk. However, the Group considers that it is not necessary to hedge such foreign exchange risk, as the management believes that future movements in foreign exchange rate will not materially affect the Group's operating results.

## **b) Cash flow and fair value interest rate risk**

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group has interest rate risk from short-term borrowings, long-term borrowings and debentures at fixed and floating interest rates which are close to the market rate. However, the Group considers that it is not necessary to hedge such interest rate risk, as the management believes that future movements in interest rate will not materially affect the Group's operating results.

### **7.1.2 Credit risk**

Credit risk arises from cash and cash equivalents, including credit exposures to customers and outstanding receivables.

#### **a) Risk management**

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'B' are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on ttps assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

The Group and the Company have no significant concentrations of credit risk.

#### **b) Impairment of financial assets**

The Group has 3 types of financial assets that are subject to the expected credit loss model:

- Trade and other receivables
- Loan to related parties
- Financial asset measured at fair value through profit or loss

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

#### **Trade receivables and contract assets**

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group write-off trade receivables and contract assets when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments.



Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

*Previous accounting policy for impairment of trade receivables for comparative period*

In year 2019, the Group assess impairment of trade receivables based on incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. Other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet been identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment. The Group considered the following indicators evidence of impairment:

- significant financial difficulties of the debtor
- probability that the debtor will enter bankruptcy or financial restructuring, and
- default or late payments.

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

*Loans to related parties*

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

*Financial asset measured at fair value through profit or loss*

The Group is also exposed to credit risk in relation to investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

### 7.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 2,150.68 million (2019: Baht 808.49 million) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows.

### a) Financing arrangements

The Group has access to the following undrawn credit facilities as at 31 December as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Floating rate</b>				
Expiring within one year				
- Bank overdraft	-	-	-	-
Expiring beyond one year				
- Bank loans	6,591,053,062	4,484,962,382	3,724,653,062	2,712,358,382
	6,591,053,062	4,484,962,382	3,724,653,062	2,712,358,382

### b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Unit: Baht)

	Consolidated financial statements				
	Within 1 year	1 - 5 years	Over 5 years	Total	Book value
<b>As at 31 December 2020</b>					
Short-term loans from financial institutions	7,871,901,779	-	-	7,871,901,779	7,871,901,779
Trade and other payables	518,580,931	-	-	518,580,931	518,580,931
Lease liabilities	26,665,678	83,361,583	681,462,520	791,489,781	355,529,612
Long-term loans from financial institutions	1,938,066,505	3,338,950,000	-	5,277,016,505	5,277,016,505
Debentures	2,500,000,000	5,245,000,000	-	7,745,000,000	7,745,000,000
Rental and rendering of service deposits	-	177,979,299	-	177,979,299	177,979,299
Construction retention	-	343,609,843	-	343,609,843	343,609,843
<b>Total financial liabilities</b>	12,855,214,893	9,188,900,725	681,462,520	22,725,578,138	22,289,617,969

(Unit: Baht)

	Consolidated financial statements				
	Within 1 year	1 - 5 years	Over 5 years	Total	Book value
<b>As at 31 December 2019</b>					
Short-term loans from financial institutions	8,697,140,036	-	-	8,697,140,036	8,697,140,036
Trade and other payables	1,225,908,984	-	-	1,225,908,984	1,225,908,984
Lease liabilities	22,780,463	74,519,593	415,537,068	512,837,124	244,588,039
Long-term loans from financial institutions	1,348,304,554	3,651,450,000	-	4,999,754,554	4,999,754,554
Debentures	2,900,000,000	5,595,000,000	-	8,495,000,000	8,495,000,000
Rental and rendering of service deposits	-	169,053,507	-	169,053,507	169,053,507
Construction retention	-	426,067,187	-	426,067,187	426,067,187
<b>Total financial liabilities</b>	<b>14,194,134,037</b>	<b>9,916,090,287</b>	<b>415,537,068</b>	<b>24,525,761,392</b>	<b>24,257,512,307</b>

(Unit: Baht)

	Separate financial statements				
	Within 1 year	1 - 5 years	Over 5 years	Total	Book value
<b>As at 31 December 2020</b>					
Short-term loans from financial institutions	4,943,175,159	-	-	4,943,175,159	4,943,175,159
Trade and other payables	428,196,379	-	-	428,196,379	428,196,379
Lease liabilities	10,435,756	33,093,721	251,354,168	294,883,645	129,602,601
Long-term loans from financial institutions	1,839,664,705	3,243,750,000	-	5,083,414,705	5,083,414,705
Debentures	2,500,000,000	5,245,000,000	-	7,745,000,000	7,745,000,000
Rental and rendering of service deposits	-	154,125,373	-	154,125,373	154,125,373
Construction retention	-	293,664,594	-	293,664,594	293,664,594
<b>Total financial liabilities</b>	<b>9,721,471,999</b>	<b>8,969,633,688</b>	<b>251,354,168</b>	<b>18,942,459,855</b>	<b>18,777,178,811</b>

(Unit: Baht)

	Separate financial statements				
	Within 1 year	1 - 5 years	Over 5 years	Total	Book value
<b>As at 31 December 2019</b>					
Short-term loans from financial institutions	6,265,760,403	-	-	6,265,760,403	6,265,760,403
Trade and other payables	804,259,910	-	-	804,259,910	804,259,910
Lease liabilities	11,171,160	35,543,477	259,340,168	306,054,805	132,447,427
Long-term loans from financial institutions	1,285,753,354	3,566,250,000	-	4,852,003,354	4,852,003,354
Debentures	2,900,000,000	5,595,000,000	-	8,495,000,000	8,495,000,000
Rental and rendering of service deposits	-	145,879,581	-	145,879,581	145,879,581
Construction retention	-	378,441,957	-	378,441,957	378,441,957
<b>Total financial liabilities</b>	<b>11,266,944,827</b>	<b>9,721,115,015</b>	<b>259,340,168</b>	<b>21,247,400,010</b>	<b>21,073,792,632</b>

## 7.2 Capital management

### 7.2.1 Risk management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing total debt with equity.

As at 31 December, total debt to equity ratio of the Group is as follows;

	(Unit: Baht)	
	2020	2019
Total debt	25,676,151,384	27,728,579,246
Equity (including non-controlling interests)	18,661,841,285	17,556,156,820
<b>Total debt to equity ratio</b>	<b>1.38</b>	<b>1.58</b>

### Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the gearing ratio according to the definition and terms of the loan agreement. The Group has complied with this covenant throughout the reporting period.

## 8 Fair value

The following table shows fair values and carrying amounts of financial assets and liabilities by category.

(Unit: Baht)

	Consolidated financial statements			
	Fair value through profit or loss (FVPL)	Amortised cost	Total carrying amount	Fair value
<b>As at 31 December 2020</b>				
<b>Financial assets</b>				
Cash and cash equivalents	-	2,245,279,204	2,245,279,204	2,245,279,204
Short-term investments	2,231,468,471	-	2,231,468,471	2,231,468,471
Trade and other receivables, net	-	181,582,867	181,582,867	181,582,867
	2,231,468,471	2,426,862,071	4,658,330,542	4,658,330,542
<b>Financial liabilities</b>				
Short-term borrowings from financial institutions	-	7,871,901,779	7,871,901,779	7,871,901,779
Trade and other payables	-	518,580,931	518,580,931	518,580,931
Long-term borrowings from financial institutions	-	5,277,016,505	5,277,016,505	5,277,016,505
Debentures	-	7,745,000,000	7,745,000,000	7,745,000,000
Lease liabilities	-	355,529,612	355,529,612	355,529,612
Rental and rendering of service deposits	-	177,979,299	177,979,299	177,979,299
Construction retention	-	343,609,843	343,609,843	343,609,843
	-	22,289,617,969	22,289,617,969	22,289,617,969
<b>As at 31 December 2019</b>				
<b>Financial assets</b>				
Cash and cash equivalents	-	880,137,390	880,137,390	880,137,390
Short-term investments	-	10,000,000	10,000,000	10,000,000
Trade and other receivables, net	-	158,190,702	158,190,702	158,190,702
Short-term loans to related parties	-	52,600,000	52,600,000	52,600,000
Other long-term investments	6,500,000	-	6,500,000	6,500,000
	6,500,000	1,100,928,092	1,107,428,092	1,107,428,092
<b>Financial liabilities</b>				
Short-term borrowings from financial institutions	-	8,697,140,036	8,697,140,036	8,697,140,036
Trade and other payables	-	1,225,908,984	1,225,908,984	1,225,908,984
Long-term borrowings from financial institutions	-	4,999,754,554	4,999,754,554	4,999,754,554
Debentures	-	8,495,000,000	8,495,000,000	8,495,000,000
Lease liabilities	-	244,588,039	244,588,039	244,588,039
Rental and rendering of service deposits	-	169,053,507	169,053,507	169,053,507
Construction retention	-	426,067,187	426,067,187	426,067,187
	-	24,257,512,307	24,257,512,307	24,257,512,307

(Unit: Baht)

	Separate financial statements			
	Fair value through profit or loss (FVPL)	Amortised cost	Total carrying amount	Fair value
<b>As at 31 December 2020</b>				
<b>Financial assets</b>				
Cash and cash equivalents	-	1,557,682,160	1,557,682,160	1,557,682,160
Short-term investments	2,226,279,265	-	2,226,279,265	2,226,279,265
Trade and other receivables, net	-	357,565,645	357,565,645	357,565,645
Short-term loans to related parties	-	1,321,400,376	1,321,400,376	1,321,400,376
Long-term loan to related parties	-	2,277,191,000	2,277,191,000	2,277,191,000
	2,226,279,265	5,513,839,181	7,740,118,446	7,740,118,446
<b>Financial liabilities</b>				
Short-term borrowings from financial institutions	-	4,943,175,159	4,943,175,159	4,943,175,159
Trade and other payables	-	428,196,379	428,196,379	428,196,379
Long-term borrowings from financial institutions	-	5,083,414,705	5,083,414,705	5,083,414,705
Debentures	-	7,745,000,000	7,745,000,000	7,745,000,000
Lease liabilities	-	129,602,601	129,602,601	129,602,601
Rental and rendering of service deposits	-	154,125,373	154,125,373	154,125,373
Construction retention	-	293,664,594	293,664,594	293,664,594
	-	18,777,178,811	18,777,178,811	18,777,178,811
<b>As at 31 December 2019</b>				
<b>Financial assets</b>				
Cash and cash equivalents		580,761,425	580,761,425	580,761,425
Trade and other receivables, net		229,223,069	229,223,069	229,223,069
Short-term loans to related parties		171,530,100	171,530,100	171,530,100
Long-term loan to related parties		2,799,708,512	2,799,708,512	2,799,708,512
		3,781,223,106	3,781,223,106	3,781,223,106
<b>Financial liabilities</b>				
Short-term borrowings from financial institutions		6,265,760,403	6,265,760,403	6,265,760,403
Trade and other payables		804,259,910	804,259,910	804,259,910
Long-term borrowings from financial institutions		4,852,003,354	4,852,003,354	4,852,003,354
Debentures		8,495,000,000	8,495,000,000	8,495,000,000
Lease liabilities		132,447,427	132,447,427	132,447,427
Rental and rendering of service deposits		145,879,581	145,879,581	145,879,581
Construction retention		378,441,957	378,441,957	378,441,957
		21,073,792,632	21,073,792,632	21,073,792,632



The following table presents fair value of financial assets and liabilities recognised or disclosed by their fair value hierarchy.

(Unit: Baht)

Assets	Consolidated financial statements	
	Level 2	
	2020	2019
<b>Financial assets at fair value through profit or loss</b>		
Investment in mutual fund - debt investment (Note 12)	2,231,468,471	-
<b>Total assets</b>	2,231,468,471	-

(Unit: Baht)

Assets	Separate financial statements	
	Level 2	
	2020	2019
<b>Financial assets at fair value through profit or loss</b>		
Investment in mutual fund - debt investment (Note 12)	2,226,279,265	-
<b>Total assets</b>	2,226,279,265	-

There were no transfers between levels during the year.

(Unit: Baht)

Assets	Consolidated financial statements	
	Level 3	
	31 December 2020	31 December 2019
<b>Financial assets at fair value through profit or loss</b>		
Other long-term investments	-	6,500,000
<b>Total assets</b>	-	6,500,000

The following table presents fair value of non-financial assets recognised or disclosed by their fair value hierarchy.

(Unit: Baht)

Assets	Consolidated financial statements	
	Level 3	
	31 December 2020	31 December 2019
Investment property	5,584,356,352	5,543,216,397
<b>Total non-financial assets measured at fair value</b>	5,584,356,352	5,543,216,397

(Unit: Baht)

Assets	Separate financial statements	
	Level 3	
	31 December 2020	31 December 2019
Investment property	4,592,594,221	4,584,114,221
<b>Total non-financial assets measured at fair value</b>	<b>4,592,594,221</b>	<b>4,584,114,221</b>

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price (unadjusted) by reference to the active markets for identical assets or liabilities

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

Fair value measurement at financial assets and financial liabilities is in accordance with accounting policy which is disclosed in Note 6.6 and 6.13.

### *Valuation techniques used to measure fair value level 3*

Level 3 for value of equity investment using the estimated discount cash flow projection of expected cash receive from dividend. The discount rate is estimated based on current market assessment to the time value of money.

Level 3 for value of investment properties using the estimated discount cash flow projection of current lease payments and future lease payments based on current market assessment to the expected cash outflow.

## **9 Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### **a) Fair value of certain financial assets**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in Note 8.

### **b) Defined retirement benefit obligations**

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 31.

#### c) Deferred tax asset for carried forward tax losses

The subsidiary has incurred the losses over the last financial years. The Group has concluded that the deferred tax assets arising from the carried-forward tax losses will be recoverable using the estimated future taxable income based on the approved business plans and budgets. It is expected that the losses carried forward will be utilised within 5 years.

#### d) Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

#### e) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

#### f) Measurement for the value of the investment properties

Fair value of investment properties, which has been assessed by an independent appraiser, is calculated using the estimated discounted cash flows of the rental fee under the present lease agreements, including future rental fee under the current market condition and net from any expense cash flows anticipated to incur from real estate. The discount rate applied is reflect the assessment of the current market condition under the appropriate financial value and risk factors on each type of assets. The discount rate is 5% - 11% per annum.

## 10 Segment information

The Board of Directors identify reportable segments of its business to examine the Group's performance by type of products and services as follows:

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 Board of Directors.

Performance of each operating segment is measured by profit or loss from operation which is using the same basis that the Group measures its profit or loss from operation in the financial information. Revenue and costs are eliminated from transaction within the Group. Other income, finance costs and income tax are not allocated to each reporting segment.

Revenues and profits information by business segment for the year ended 31 December comprise the following:

	Consolidated financial statement (Baht'000)					
	For the year ended 31 December 2020					
	Real estate sales	Rental and rendering of services	Consulting and management service	Total segment	Eliminate	Total
Operating revenues						
Revenue from outside	18,119,588	794,662	62,656	18,976,906	-	18,976,906
Inter-revenues segment	431	130,608	78,908	209,947	(209,947)	-
Total operating revenues	18,120,019	925,270	141,564	19,186,853	(209,947)	18,976,906
Operating cost	(12,825,125)	(404,135)	(89,915)	(13,319,175)	192,500	(13,126,675)
Selling and administrative expenses	(2,787,192)	(69,131)	-	(2,856,323)	5,400	(2,850,923)
Operating result by segment	2,507,702	452,004	51,649	3,011,355	(12,047)	2,999,308
Unallocated expenses				(487,487)	24,144	(463,343)
Operating profit				2,523,868	12,097	2,535,965
Other income				249,245	(184,254)	64,991
Gain from fair value adjustment and write-off of investment property				9,023	-	9,023
Expected credit losses				(40,243)	-	(40,243)
Share of loss of joint venture				(23,574)	-	(23,574)
Finance costs				(286,740)	131,940	(154,800)
Profit before income tax expense				2,431,579	(40,217)	2,391,362
Income tax expense				(503,791)	-	(503,791)
Profit for the period				1,927,788	(40,217)	1,887,571
<b>Timing of revenue recognition</b>						
At a point in time	18,120,019	-	-	18,120,019	(431)	18,119,588
Over time	-	925,270	141,564	1,066,834	(209,516)	857,318
<b>Total revenues</b>	18,120,019	925,270	141,564	19,186,853	(209,947)	18,976,906

	Consolidated financial statement (Baht'000)					
	For the year ended 31 December 2020					
	Real estate sales	Rental and rendering of services	Consulting and management service	Total segment	Eliminate	Total
Operating revenues						
Revenue from outside	16,771,488	801,137	63,934	17,636,559	-	17,636,559
Inter-revenues segment	132	23,842	96,641	120,615	(120,615)	-
Total operating revenues	16,771,620	824,979	160,575	17,757,174	(120,615)	17,636,559
Operating cost	(11,502,007)	(346,559)	(78,794)	(11,927,360)	90,812	(11,836,548)
Selling and administrative expenses	(2,442,318)	(33,688)	-	(2,476,006)	-	(2,476,006)
Operating result by segment	2,827,295	444,732	81,781	3,353,808	(29,803)	3,324,005
Unallocated expenses				(787,850)	11,825	(776,025)
Operating profit				2,565,958	(17,978)	2,547,980
Other income				157,436	(119,579)	37,857
Gain from fair value adjustment and write-off of investment property				112,311	-	112,311
Share of loss of joint venture				(14,641)	-	(14,641)
Finance costs				(252,235)	94,807	(157,428)
Profit before income tax expense				2,568,829	(42,750)	2,526,079
Income tax expense				(511,414)	-	(511,414)
Profit for the period				2,057,415	(42,750)	2,014,665
<b>Timing of revenue recognition</b>						
At a point in time	16,771,620	-	-	16,771,620	(132)	16,771,488
Over time	-	824,979	160,575	985,554	(120,483)	865,071
<b>Total revenues</b>	16,771,620	824,979	160,575	17,757,174	(120,615)	17,636,559

## 11 Cash and cash equivalents

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash on hand	13,494,973	12,325,708	12,978,223	12,065,579
Deposit at bank	2,150,676,661	808,489,959	1,487,102,078	555,286,225
Cheque on hand	59,107,570	17,321,723	57,601,859	13,409,621
Short-term deposit at bank	22,000,000	42,000,000	-	-
Total cash and cash equivalents	2,245,279,204	880,137,390	1,557,682,160	580,761,425

The interest rates on bank deposits were 0.01% - 0.55% per annum (2019: 0.10% - 1.40% per annum) and these deposits have an maturity less than 3 months (2019: less than 3 months).

## 12 Short-term investments

At 31 December, short-term investments comprise the following:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Fixed deposits	-	10,000,000	-	-
Investment in mutual fund measured at fair value through profit or loss	2,227,378,031	-	2,222,424,470	-
Re-measuring trading investments	4,090,440	-	3,854,795	-
Total short-term investments	2,231,468,471	10,000,000	2,226,279,265	-



## 13 Trade and other receivables, net

### 13.1 Trade and other receivables

Trade and other receivables comprise the following:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Trade accounts receivables, net</b>				
- Related parties (Note 41.3)	182,649	20,705,600	279,442	20,705,600
- Others	25,008,926	29,495,445	23,069,756	17,876,831
<u>Less</u> Loss allowance (2019: Allowance for doubtful accounts under TAS 101)	(9,290,924)	(9,290,924)	(9,290,924)	(9,290,924)
Total trade accounts receivable, net	15,900,651	40,910,121	14,058,274	29,291,507
<b>Other receivables</b>				
- Prepaid expenses	57,811,392	59,806,588	27,293,426	35,469,948
- Accrued income	120,457,135	56,170,499	318,381,823	163,521,805
- Advanced payment to employee	906,168	1,303,494	677,601	939,809
<u>Less</u> Loss allowance (2019: Allowance for doubtful accounts under TAS 101)	(13,492,479)	-	(2,845,479)	-
Total other receivables	165,682,216	117,280,581	343,507,371	199,931,562
Total trade and other receivables, net	181,582,867	158,190,702	357,565,645	229,223,069

Outstanding trade accounts receivable as at 31 December can be analysed as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Trade receivables - Related parties</b>				
Not yet due	182,649	20,705,600	279,442	20,705,600
Total	182,649	20,705,600	279,442	20,705,600

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Trade receivables - Others</b>				
Not yet due	7,074,028	1,370,992	5,939,900	1,087,134
Overdue for payment				
Less than 3 months	4,594,163	15,778,509	3,924,121	4,513,753
3 - 6 Months	470,329	1,154,908	335,329	1,084,908
6 - 12 Months	1,482,480	444,512	1,482,480	444,512
Over 12 months	11,387,926	10,746,524	11,387,926	10,746,524
Total	25,008,926	29,495,445	23,069,756	17,876,831
Less Loss allowance (2019: Allowance for doubtful accounts under TAS 101)	(9,290,924)	(9,290,924)	(9,290,924)	(9,290,924)
	15,718,002	20,204,521	13,778,832	8,585,907
Total trade accounts receivable, net	15,900,651	40,910,121	14,058,274	29,291,507

### 13.2 Impairments of trade and other receivables

The loss allowance for trade and other receivables was determined as follows:

(Unit: Baht)

As 31 December 2020	Consolidated financial statements					
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 months	More than 12 months	Total
Gross carrying amount						
- trade receivables	-	-	-	-	9,290,924	9,290,924
- other receivables	-	-	-	747,945	12,744,534	13,492,479
Loss allowance	-	-	-	747,945	22,035,458	22,783,403

(Unit: Baht)

As 1 January 2020	Consolidated financial statements					
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 months	More than 12 months	Total
Gross carrying amount						
- trade receivables	-	-	-	-	9,290,924	9,290,924
- other receivables	-	-	-	-	-	-
Loss allowance	-	-	-	-	9,290,924	9,290,924

(Unit: Baht)

As 31 December 2020	Separate financial statements					
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 months	More than 12 months	Total
Gross carrying amount						
- trade receivables	-	-	-	-	9,290,924	9,290,924
- other receivables	-	-	-	747,945	2,097,534	2,845,479
Loss allowance	-	-	-	747,945	11,388,458	12,136,403

(Unit: Baht)

As 1 January 2020	Separate financial statements					
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 months	More than 12 months	Total
Gross carrying amount						
- trade receivables	-	-	-	-	9,290,924	9,290,924
- other receivables	-	-	-	-	-	-
Loss allowance	-	-	-	-	9,290,924	9,290,924

The reconciliation of loss allowances for trade and other receivables as at 31 December are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>31 December - calculated under TAS 101</b>				
Amounts restated through opening retained earnings	-	-	-	-
Opening loss allowance as at 1 January 2020 - calculated under TFRS 9 (2019: TAS 101)	9,290,924	9,290,924	9,290,924	9,290,924
Increase in loss allowance recognised in profit or loss during the year	13,492,479	-	2,845,479	-
<b>As of 31 December - calculated under TFRS 9 (2019: TAS 101)</b>	<b>22,783,403</b>	<b>9,290,924</b>	<b>12,136,403</b>	<b>9,290,924</b>

## 14 Financial assets and financial liabilities

As at 31 December 2020, classification of the Group's financial assets and financial liabilities are as follows

(Unit: Baht)

Financial assets	Consolidated financial statements		
	Fair value through profit or loss (FVPL)	Amortised cost	Total carrying amount
Cash and cash equivalents	-	2,245,279,204	2,245,279,204
Short-term investments	2,231,468,471	-	2,231,468,471
Trade and other receivables, net	-	181,582,867	181,582,867
	2,231,468,471	2,426,862,071	4,658,330,542

(Unit: Baht)

Financial liabilities	Consolidated financial statements	
	Amortised cost	Total carrying amount
Short-term borrowings from financial institutions	7,871,901,779	7,871,901,779
Trade and other payables	518,580,931	518,580,931
Long-term borrowings from financial institutions	5,277,016,505	5,277,016,505
Debentures	7,745,000,000	7,745,000,000
Lease liabilities	355,529,612	355,529,612
Rental and rendering of service deposits	177,979,299	177,979,299
Construction retention	343,609,843	343,609,843
	22,289,617,969	22,289,617,969

(Unit: Baht)

Financial assets	Separate financial statements		
	Fair value through profit or loss (FVPL)	Amortised cost	Total carrying amount
Cash and cash equivalents	-	1,557,682,160	1,557,682,160
Short-term investments	2,226,279,265	-	2,226,279,265
Trade and other receivables, net	-	357,565,645	357,565,645
Short-term loans to related parties	-	1,321,400,376	1,321,400,376
Long-term loans to related parties	-	2,277,191,000	2,277,191,000
	2,226,279,265	5,513,839,181	7,740,118,446

(Unit: Baht)

Financial liabilities	Separate financial statements	
	Amortised cost	Total carrying amount
Short-term borrowings from financial institutions	4,943,175,159	4,943,175,159
Trade and other payables	428,196,379	428,196,379
Long-term borrowings from financial institutions	5,083,414,705	5,083,414,705
Debentures	7,745,000,000	7,745,000,000
Lease liabilities	129,602,601	129,602,601
Rental and rendering of service deposits	154,125,373	154,125,373
Construction retention	293,664,594	293,664,594
	18,777,178,811	18,777,178,811

## 15 Real estate development cost

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Land	17,800,532,098	19,979,505,172	11,829,493,859	14,764,589,814
Project development cost and work in progress	3,394,315,493	4,520,703,538	2,906,262,389	3,862,656,175
Interest expenses	1,305,107,504	1,348,748,395	992,041,602	1,163,874,628
Unit and condominium being developed	3,263,471,560	4,243,321,046	2,654,315,480	3,981,621,906
Allotted houses ready for sale	4,404,038,045	3,814,106,865	3,755,602,737	3,217,089,600
Total real estate development cost	30,167,464,700	33,906,385,016	22,137,716,067	26,989,832,123

For the year ended 31 December 2020, borrowing cost of Baht 603.45 million and Baht 398.04 million had capitalised to the real estate development cost in the consolidated and separate financial statement, respectively. (2019: Baht 645.58 million and Baht 480.86 million, respectively).

For the year ended 31 December 2020, real estate development cost had recognised as the cost of sales in the consolidated and separate financial statement of Baht 12,805.36 million and Baht 11,544.02 million, respectively (2019: Baht 11,493.37 million and Baht 10,234.65 million, respectively).

For the year ended 31 December 2020, loss on write-down of real estate development cost to net realisable value had been recognised in profit or loss in the consolidated financial statement of Baht 44.06 million (2019: Baht 30.86 million).

As at December 31 December 2020, real estate development cost of Baht 7,023.97 million (2019: Baht 5,518.81 million) is the projects expected to be developed and ready for sale for the period longer than 12 months since the date of statement of financial position.

As at 31 December 2020, land and construction under the Group's real estate project of Baht 16,006.60 million (2019: Baht 11,088.81 million) are pledged as collateral against credit facility and loan from financial institutions (Note 42) together with the maximum amount that the insurance company will accept and forfeit all the benefits from the insurance to the lender or beneficiary.

## 16 Other current assets

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Office supplies	5,676,954	6,531,963	5,676,954	6,531,963
Withholding tax	3,646,164	857,553	-	-
Undue input tax	3,548,660	1,080,332	1,327,192	894,740
Advance payment for land acquisition	20,000,000	20,000,000	20,000,000	20,000,000
Others	30,853,842	20,251,333	20,012,326	13,599,320
Expected credit loss	(26,750,000)	-	(20,000,000)	-
	36,975,620	48,721,181	27,016,472	41,026,023

The reconciliation of loss allowances for trade and other receivables as at 31 December are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>31 December - calculated under TAS 101</b>				
Amounts restated through opening retained earnings	-	-	-	-
Opening loss allowance as at 1 January 2020 - calculated under TFRS 9 (2019: TAS 101)	-	-	-	-
Increase in loss allowance recognised in profit or loss during the year	(26,750,000)	-	(20,000,000)	-
<b>As of 31 December - calculated under TFRS 9 (2019: TAS 101)</b>	(26,750,000)	-	(20,000,000)	-



## 17 Trade receivable due more than one year

Trade receivable due more than one year at 31 December comprises of:

(Unit: Baht)

	Consolidated and Separate financial statements	
	2020	2019
Trade receivables	4,539,580	25,545,180
<u>Less</u> Current portion of trade receivable	(4,539,580)	(21,005,600)
Trade receivable due more than one year	-	4,539,580

As at 31 December 2020, trade receivables of Baht 4,539,580 (2019: Baht 20,705,600) represented sales of residential units to high level management of the Company, who had complied with rules as authorised by the Company's board of directors. The Company would allow right to occupy the purchased residential units before ownership right transfer since the agreement date and to pay by installments part of contractual amount as stipulated in the sales and purchase agreement until it reach the basis set by the Company and the remaining amount is payable at the date of ownership right transfer.

## 18 Investments in subsidiaries

The movement of book value of investments in subsidiaries for the year ended 31 December is as follows:

	Separate financial statements	
	At cost method	
	2020	2019
As at 1 January	885,739,800	874,739,860
Additional investment	458,489,970	10,999,940
As at 31 December	1,344,229,770	885,739,800

As at 31 December 2020, the Group comprises of the subsidiaries listed below. All subsidiaries are included in the consolidated financial statements.

	Type of business	Country of incorporation	Nature of Relationship	Percentage of shareholding and voting right		Separate financial statements	
				2020	2019	Cost method	
						2020	2019
				Percent	Percent	Baht	Baht
SC Able Company Limited	Real estate development	Thailand	Direct shareholding	99.99	99.99	99,999,960	99,999,960
Up Country Land Company Limited	Real estate development	Thailand	Direct shareholding	99.99	99.99	299,999,960	299,999,960
V. Land Property Company Limited	Real estate development	Thailand	Direct shareholding	99.99	99.99	352,999,960	352,999,960
Bridge Group (Thailand) Company Limited	Real estate agent	Thailand	Direct shareholding	99.99	99.99	9,999,970	9,999,970
SC Expedition Company Limited	Hotel	Thailand	Direct shareholding	99.99	99.99	49,999,970	999,970
Scope Company Limited	Real estate development	Thailand	Direct shareholding	90.00	90.00	89,999,980	89,999,980
SC ALPHA Inc.	Investment in real Estate in the United States	United States	Direct shareholding	100.00	100.00	427,980,000	31,740,000
SC Asset Three Company Limited	Real estate development	Thailand	Direct shareholding	99.99	-	13,249,970	-
Scope Tower Company Limited	Real estate development	Thailand	Indirect shareholding via Scope Company Limited	79.99	79.99	-	-
						1,344,229,770	885,739,800

On 17 January 2020, the Group has additionally invested in investment in subsidiaries which is SC Alpha Inc. amounting to US Dollar 13 million by increase additional paid-in capital of the subsidiary. The subsidiary company received fully additional paid-in capital on 17 January 2020.

On 22 May 2020, the Group has additionally invested in investment in subsidiaries which is SC Asset Three Company Limited from Baht 1.00 million to Baht 50.00 million by issuance of 4,900,000 new ordinary shares with a par value of Baht 10 each. The paid-up share capital for the first time in 25% of the par value, which is 2.50 Baht per share, totalling to Baht 12.25 million.

On 31 August 2020, the Group has additionally invested in investment in subsidiaries which is SC Expedition Company Limited from Baht 1.00 million to Baht 50.00 million by issuance of 4,900,000 new ordinary shares with a par value of Baht 10 each. The Company has fully paid for the share subscription.

## 19 Interest in joint ventures, net

The amounts recognised in the statements of financial position are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	Equity method		Cost method	
	2020	2019	2020	2019
Joint venture	579,241,784	613,138,156	659,999,980	659,999,980
At 31 December	579,241,784	613,138,156	659,999,980	659,999,980

The amounts recognised in the statement of comprehensive income are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Joint venture	(23,574,145)	(14,641,113)	-	-
At 31 December	(23,574,145)	(14,641,113)	-	-

The joint ventures listed below at 31 December has share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business.

Nature of investment in joint ventures 31 December 2020 and 2019.

Name of entity	Country of incorporation	Percentage of shareholding (Percent)		Type of business	Measurement method
		2020	2019		
SC NNR1 Company Limited	Thailand	54.99	54.99	Real estate development	Equity

As 31 December 2020, interest in joint venture comprise the following:

(Unit: Baht)

	Consolidated financial statements	Separate financial statements
At 1 January 2020	613,138,156	659,999,980
Elimination from equity method	(10,322,227)	-
Share of loss	(23,574,145)	-
At 31 December 2020	579,241,784	659,999,980

SC NNR1 Company Limited is a private company and there is no quoted market price available for its shares. There are no contingent liabilities relating to the Group's interest in the joint venture.

## Summarised financial information for joint ventures

Set out below is the summarised financial information as at 31 December 2020 of the joint ventures. They have been amended to reflect adjustments made by the Group when using equity method, including modifications for differences in accounting policies.

### Summarised statement of financial position

	(Unit: Baht Million)
	2020
<b>Current assets</b>	
Cash and cash equivalents	4
Other current assets	1,385
<b>Total current assets</b>	1,389
<b>Non-current assets</b>	56
<b>Total assets</b>	1,445
<b>Current liabilities</b>	
Financial liabilities (excluding trade payables)	79
Other current liabilities (including trade payables)	140
<b>Total current liabilities</b>	219
<b>Non-current liabilities</b>	
Financial liabilities	99
<b>Total non-current liabilities</b>	99
<b>Total liabilities</b>	318
<b>Net assets</b>	1,127

### Summarised statement of comprehensive income

	(Unit: Baht Million)
	2020
Expenses	(54)
Post-tax loss from continuing operations	(43)
Other comprehensive income	-
<b>Total comprehensive income</b>	(43)

## Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in joint ventures:

	(Unit: Baht Million)
	2020
<b>Summarised financial information</b>	
Opening net assets 1 January	1,170
Loss for the year	(43)
Closing net assets	1,127
Interest portion as a Group	54.99%
Interest in joint ventures	620
Accumulated elimination from equity method	(41)
Carrying amount	579

## 20 Other long-term investments

The movement of other long-term investments for the period ended 31 December 2020 can be analysed as follows:

	(Unit: Baht)
	Consolidated financial statements
Opening balance	6,500,000
Impairment	(6,500,000)
Closing balance	-

A subsidiary invested in 10% of share capital of a company which providing application for house repairing services. A subsidiary has paid the share subscription amounting to Baht 10.00 million in 2017.

A subsidiary invested in 20% of share capital of a company which providing technology consulting services to organizations and developing platform systems. However, the subsidiary has no significant influence over that company. As a result, the subsidiary classified the investment as general investment and represent as “Other long-term investments” in the consolidated statement of financial position. The subsidiary paid the share subscription amounting to Baht 30.00 million in 2017.

During 2020, the subsidiaries recognised impairment of other long-term investments of Baht 6,500,000 (2019: Baht 33,500,000)

## 21 Investment properties, net

(Unit: Baht)

	Consolidated financial statements		
	Land and building	Building Improvement Under construction	Total
<b>As at 1 January 2019</b>			
Cost	4,898,973,372	19,640,071	4,918,613,443
Accumulated gain from fair value adjustment	452,449,214	-	452,449,214
Net fair value amount	5,351,422,586	19,640,071	5,371,062,657
<b>For the year ended 31 December 2019</b>			
Opening net fair value amount	5,351,422,586	19,640,071	5,371,062,657
Additions	59,258,675	1,447,067	60,705,742
Write-off	(44,667)	-	(44,667)
Transfer	18,342,977	(18,342,977)	-
Transfer in from real estate development cost	-	1,283,522	1,283,522
Transfer out to real estate development cost	(6,620,000)	-	(6,620,000)
Transfer to property, plant, equipment (net)	-	(47,122)	(47,122)
Gain from fair value adjustment	112,351,538	-	112,351,538
Closing net fair value amount	5,534,711,109	3,980,561	5,538,691,670
<b>As at 31 December 2019</b>			
Cost	4,969,910,357	3,980,561	4,973,890,918
Accumulated gain from fair value adjustment	564,800,752	-	564,800,752
Net fair value amount	5,534,711,109	3,980,561	5,538,691,670
Net fair value as previously reported	5,534,711,109	3,980,561	5,538,691,670
Right-of-use assets reclassified as investment properties	4,524,727	-	4,524,727
Net fair value (Restated)	5,539,235,836	3,980,561	5,543,216,397
<b>For the year ended 31 December 2020</b>			
Opening net fair value amount (Restated)	5,539,235,836	3,980,561	5,543,216,397
Additions	32,135,976	-	32,135,976
Write-off	(8,645,822)	-	(8,645,822)
Transfer	1,447,067	(1,447,067)	-
Gain from fair value adjustment	17,649,801	-	17,649,801
Closing net fair value amount	5,581,822,858	2,533,494	5,584,356,352
<b>As at 31 December 2020</b>			
Cost	4,999,372,305	2,533,494	5,001,905,799
Accumulated gain from fair value adjustment	582,450,553	-	582,450,553
Net fair value amount	5,581,822,858	2,533,494	5,584,356,352



(Unit: Baht)

	Separate financial statements		
	Land and building	Building Improvement Under construction	Total
<b>As at 1 January 2019</b>			
Cost	3,776,802,133	19,640,071	3,796,442,204
Accumulated gain from fair value adjustment	630,975,768	-	630,975,768
Net fair value amount	4,407,777,901	19,640,071	4,427,417,972
<b>For the year ended 31 December 2019</b>			
Opening net fair value amount	4,407,777,901	19,640,071	4,427,417,972
Additions	59,239,676	1,447,067	60,686,743
Write-off	(44,667)	-	(44,667)
Transfer	18,342,977	(18,342,977)	-
Transfer in from real estate development cost	-	1,283,522	1,283,522
Transfer out to real estate development cost	(6,620,000)	-	(6,620,000)
Transfer to property, plant, equipment (net)	-	(47,122)	(47,122)
Gain from fair value adjustment	96,913,046	-	96,913,046
Closing net fair value amount	4,575,608,933	3,980,561	4,579,589,494
<b>As at 31 December 2019</b>			
Cost	3,847,720,119	3,980,561	3,851,700,680
Accumulated gain from fair value adjustment	727,888,814	-	727,888,814
Net fair value amount	4,575,608,933	3,980,561	4,579,589,494
Net fair value as previously reported	4,575,608,933	3,980,561	4,579,589,494
Right-of-use assets reclassified as investment properties	4,524,727	-	4,524,727
Net fair value (Restated)	4,580,133,660	3,980,561	4,584,114,221
<b>For the year ended 31 December 2020</b>			
Opening net fair value amount (Restated)	4,580,133,660	3,980,561	4,584,114,221
Additions	32,135,976	-	32,135,976
Write-off	(8,645,822)	-	(8,645,822)
Transfer	1,447,067	(1,447,067)	-
Loss from fair value adjustment	(15,010,154)	-	(15,010,154)
Closing net fair value amount	4,590,060,727	2,533,494	4,592,594,221
<b>As at 31 December 2020</b>			
Cost	3,877,182,067	2,533,494	3,879,715,561
Accumulated gain from fair value adjustment	712,878,660	-	712,878,660
Net fair value amount	4,590,060,727	2,533,494	4,592,594,221

As at 31 December 2020, investment properties in the consolidated and separate company financial statements, at the book value of Baht 2.53 million, respectively (2019: Baht 3.98 million) are work in progress which have been measured the value at cost.

As at 31 December 2020, investment properties at the carrying amount of Baht 4,203.54 million (2019: Baht 4,205.75 million) are pledged as collateral against the credit facilities and loan from financial institutions (Note 42) together with the maximum amount that the insurance company will accept and forfeit all the benefits from the insurance to the lender or beneficiary.

During the year 2019, investment property at its fair value using rental income approach with book value of Baht 6.62 million was transferred to be recorded as real estate development cost due to change in its utilisation objective.

A valuation of the group's investment properties was performed by independent valuer, Chartered Valuation and Consultant Co., Ltd., to determine the fair value of the investment property at 31 December 2020 and 2019.

As at 31 December 2020, investment properties under the cost method in the consolidated and separate company financial statements would have been carried at Baht 2,722.30 million and Baht 2,185.12 million, respectively (2019: at Baht 2,832.85 million and Baht 2,279.11 million, respectively).

As at 31 December 2019, the right-of-use assets of Baht 4.52 million has been reclassified to the investment properties in the consolidated and separate financial statements.

The fair value measurement information in accordance with TFRS 13 'Fair value measurement' at 31 December 2020 is presented as follow:

(Unit: Baht)

	Significant unobservable inputs (Level 3)	
	Consolidated financial statements	Separate financial statements
Recurring fair value measurements		
Land and buildings	5,584,356,352	4,592,594,221

### Financial instruments in level 3

If over or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### Valuation techniques used to derive fair values

Level 3 fair values of investment properties intended for rent have been generally derived using the estimate discount cash flow of the rental fee under the present lease agreements, including future rental fee under the current market condition.

There were no changes in valuation techniques during the period.

## Valuation processes

The Group's investment properties were valued at 2020 by independent professionally qualified valuers ("independent valuers") who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. The Group's accounting department includes a team that review the valuations performed by the independent valuers for financial reporting purposes. This team reports directly to the senior vice president-accounting. Discussions of valuation processes and results are held at least once a year, in line with the Group's annual reporting dates. At each financial year end, the finance department:

- verifies all major inputs to the independent valuation report,
- assesses property valuation movements when compared to the prior year valuation report, and
- holds discussions with the independent valuer.

	Impact on investment properties					
	Consolidated financial statements			Separate financial statements		
	Change in assumption	Increase in assumption	Decrease in assumption	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	Decrease by 5.82 - 6.13%	Increase by 5.81 - 6.13%	1%	Decrease by 5.82 - 6.13%	Increase by 5.81 - 6.13%
Occupancy rate	5%	Increase by 1.22%	Decrease by 1.19%	5%	Increase by 1.22%	Decrease by 1.19%
Vacancy rate	5%	Decrease by 3.05 - 12.00%	Increase by 2.90 - 10.00%	5%	Decrease by 3.05 - 12.00%	Increase by 2.90 - 10.00%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

Amounts recognised in profit and loss that are related to investment property are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Rental income	652,869,992	667,535,126	575,181,549	588,135,857
Direct operating expense arise from investment property that generated rental income	197,688,242	225,387,401	190,130,409	219,692,044
Direct operating expense arise from investment property that did not generated rental income	19,534,636	16,200,883	18,861,062	16,186,176

## 22 Property, plant and equipment, net

(Unit: Baht)

	Consolidated financial statements						
	Land	Land improvement, buildings and construction	Furniture and fixtures	Office equipments	Other fixed assets	Assets under construction	Total
<b>At 1 January 2019</b>							
Cost	357,959,049	725,883,030	77,721,104	122,737,599	168,064,607	22,963,568	1,475,328,957
<u>Less</u> Accumulated depreciation	-	(170,856,497)	(63,186,626)	(70,984,540)	(93,403,083)	-	(398,430,746)
<u>Less</u> Accumulated impairment	(1,873,913)	-	-	-	-	-	(1,873,913)
Net book amount	356,085,136	555,026,533	14,534,478	51,753,059	74,661,524	22,963,568	1,075,024,298
<b>For the year ended 31 December 2019</b>							
Opening net book amount	356,085,136	555,026,533	14,534,478	51,753,059	74,661,524	22,963,568	1,075,024,298
Additions	1,571,949	59,055,839	7,368,240	8,459,521	33,802,114	82,210,833	192,468,496
Disposals, net	(1,385,029)	-	(683)	(12,674)	(2,330,457)	-	(3,728,843)
Transfer in/(out)	-	14,706,345	110,813	-	-	(14,817,158)	-
Transfer in from investment properties, net	-	-	-	47,122	-	-	47,122
Transfer to Real estate development cost	(51,009,435)	-	-	-	-	-	(51,009,435)
Depreciation charge (Note 38)	-	(40,731,048)	(7,719,199)	(11,414,169)	(18,573,483)	-	(78,437,899)
Closing net book amount	305,262,621	588,057,669	14,293,649	48,832,859	87,559,698	90,357,243	1,134,363,739
<b>At 31 December 2019</b>							
Cost	307,136,534	799,645,214	81,934,998	129,377,420	189,231,984	90,357,243	1,597,683,393
<u>Less</u> Accumulated depreciation	-	(211,587,545)	(67,641,349)	(80,544,561)	(101,672,286)	-	(461,445,741)
<u>Less</u> Provision for impairment	(1,873,913)	-	-	-	-	-	(1,873,913)
Net book amount	305,262,621	588,057,669	14,293,649	48,832,859	87,559,698	90,357,243	1,134,363,739
<b>For the year ended 31 December 2020</b>							
Opening net book amount	305,262,621	588,057,669	14,293,649	48,832,859	87,559,698	90,357,243	1,134,363,739
Additions	1,614,695	3,865,273	4,332,465	4,163,542	12,734,298	78,306,016	105,016,289
Disposals, net	-	-	(80)	(5,740)	(4,443,662)	-	(4,449,482)
Transfer in/(out)	-	70,237,452	653,500	9,872,678	2,766,249	(83,529,879)	-
Depreciation charge (Note 38)	-	(57,001,568)	(6,330,058)	(13,460,053)	(20,985,225)	-	(97,776,904)
Impairment loss	(1,614,695)	-	-	-	-	-	(1,614,695)
Write-off	-	(1,807,641)	-	-	-	-	(1,807,641)
Closing net book amount	305,262,621	603,351,185	12,949,476	49,403,286	77,631,358	85,133,380	1,133,731,306

(Unit: Baht)

	Consolidated financial statements						
	Land	Land improvement, buildings and construction	Furniture and fixtures	Office equipments	Other fixed assets	Assets under construction	Total
<b>At 31 December 2020</b>							
Cost	308,751,229	871,940,298	86,616,084	141,366,708	186,964,169	85,133,380	1,680,771,868
<u>Less</u> Accumulated depreciation	-	(268,589,113)	(73,666,608)	(91,963,422)	(109,332,811)	-	(543,551,954)
<u>Less</u> Accumulated impairment	(3,488,608)	-	-	-	-	-	(3,488,608)
Net book amount	305,262,621	603,351,185	12,949,476	49,403,286	77,631,358	85,133,380	1,133,731,306

(Unit: Baht)

	Separate financial statements						
	Land	Land improvement, buildings and construction	Furniture and fixtures	Office equipments	Other fixed assets	Assets under construction	Total
<b>At 1 January 2019</b>							
Cost	305,262,621	721,327,880	75,118,158	121,160,696	156,649,955	12,485,351	1,392,004,661
<u>Less</u> Accumulated depreciation	-	(170,618,187)	(62,691,098)	(70,690,232)	(91,747,346)	-	(395,746,863)
Net book amount	305,262,621	550,709,693	12,427,060	50,470,464	64,902,609	12,485,351	996,257,798
<b>For the year ended 31 December 2019</b>							
Opening net book amount	305,262,621	550,709,693	12,427,060	50,470,464	64,902,609	12,485,351	996,257,798
Additions	-	27,545,154	6,776,992	7,656,828	31,046,699	71,303,444	144,329,117
Disposals, net	-	-	(683)	(12,674)	(2,330,457)	-	(2,343,814)
Transfer in/(out)	-	4,228,128	110,813	-	-	(4,338,941)	-
Transfer in from investment properties, net	-	-	-	47,122	-	-	47,122
Depreciation charge (Note 38)	-	(30,168,365)	(7,093,358)	(10,990,203)	(16,773,359)	-	(65,025,285)
Closing net book amount	305,262,621	552,314,610	12,220,824	47,171,537	76,845,492	79,449,854	1,073,264,938
<b>At 31 December 2019</b>							
Cost	305,262,621	753,101,162	78,740,804	126,997,824	175,061,917	79,449,854	1,518,614,182
<u>Less</u> Accumulated depreciation	-	(200,786,552)	(66,519,980)	(79,826,287)	(98,216,425)	-	(445,349,244)
Net book amount	305,262,621	552,314,610	12,220,824	47,171,537	76,845,492	79,449,854	1,073,264,938

(Unit: Baht)

	Separate financial statements						
	Land	Land improvement, buildings and construction	Furniture and fixtures	Office equipments	Other fixed assets	Assets under construction	Total
<b>For the year ended 31 December 2020</b>							
Opening net book amount	305,262,621	552,314,610	12,220,824	47,171,537	76,845,492	79,449,854	1,073,264,938
Additions	-	1,475,199	3,513,692	2,995,024	7,652,855	4,080,025	19,716,795
Disposals, net	-	-	(80)	(270)	(2,662,425)	-	(2,662,775)
Transfer in/(out)	-	70,290,952	600,000	9,872,678	2,766,249	(83,529,879)	-
Depreciation charge (Note 38)	-	(35,529,705)	(5,626,770)	(12,806,319)	(18,803,375)	-	(72,766,169)
Closing net book amount	305,262,621	588,551,056	10,707,666	47,232,650	65,798,796	-	1,017,552,789
<b>At 31 December 2020</b>							
Cost	305,262,621	824,867,313	82,549,617	137,786,487	170,690,303	-	1,521,156,341
<u>Less</u> Accumulated depreciation	-	(236,316,257)	(71,841,951)	(90,553,837)	(104,891,507)	-	(503,603,552)
Net book amount	305,262,621	588,551,056	10,707,666	47,232,650	65,798,796	-	1,017,552,789

For the year 2020, depreciation expense of Baht 7.71 million (2019: Baht 3.34 million) has been charged in 'cost of goods sold', Baht 25.56 million (2019: Baht 11.31 million) in 'selling expense' and Baht 64.51 million (2019: Baht 63.79 million) in 'administrative expense' in the consolidated financial statement.

For the year 2020, depreciation expense of Baht 7.69 million (2019: Baht 3.32 million) has been charged in 'cost of goods sold', Baht 5.06 million (2019: Baht 1.66 million) in 'selling expense' and Baht 60.02 million (2019: Baht 60.04 million) in 'administrative expense' in the separate financial statement.

As at 31 December 2020, in the consolidated and separate company financial statements, vehicles at the book value of Baht 15.25 and Baht 2.02 million, respectively, (2019: Baht 14.16 million and 14.16 million, respectively) are under lease.

As at 31 December 2020, property, plant and equipment at the carrying amount of Baht 783.58 million (2019: Baht 812.35 million) in the consolidated and separate financial statements are pledged as collateral against the credit facilities and loan from financial institutions (Note 42) together with the maximum amount that the insurance company will accept and forfeit all the benefits from the insurance to the lender or beneficiary.

## 23 Intangible assets, net

(Unit: Baht)

	Consolidated financial statements		
	Software	Software Under installment	Total
<b>At 31 December 2018</b>			
Cost	66,772,055	3,697,368	70,469,423
<u>Less</u> Accumulated amortisation	(29,684,662)	-	(29,684,662)
Net book amount	37,087,393	3,697,368	40,784,761
<b>For the year ended 31 December 2019</b>			
Opening net book amount	37,087,393	3,697,368	40,784,761
Additions	28,375,045	8,013,494	36,388,539
Transfer in / (out)	3,697,369	(3,697,369)	-
Disposals, net	(3)	-	(3)
Amortisation charge (Note 38)	(10,171,820)	-	(10,171,820)
Closing net book amount	58,987,984	8,013,493	67,001,477
<b>At 31 December 2019</b>			
Cost	98,775,376	8,013,493	106,788,869
<u>Less</u> Accumulated amortisation	(39,787,392)	-	(39,787,392)
Net book amount	58,987,984	8,013,493	67,001,477
<b>For the year ended 31 December 2020</b>			
Opening net book amount	58,987,984	8,013,493	67,001,477
Additions	20,093,969	2,614,309	22,708,278
Transfer in / (out)	5,634,910	(5,634,910)	-
Disposals, net	(6)	-	(6)
Amortisation charge (Note 38)	(13,640,243)	-	(13,640,243)
Closing net book amount	71,076,614	4,992,892	76,069,506
<b>At 31 December 2020</b>			
Cost	124,413,378	4,992,892	129,406,270
<u>Less</u> Accumulated amortisation	(53,336,764)	-	(53,336,764)
Net book amount	71,076,614	4,992,892	76,069,506



(Unit: Baht)

	Separate financial statements		
	Software	Software Under installment	Total
<b>At 31 December 2018</b>			
Cost	66,250,717	3,697,368	69,948,085
<u>Less</u> Accumulated amortisation	(29,431,645)	-	(29,431,645)
Net book amount	36,819,072	3,697,368	40,516,440
<b>For the year ended 31 December 2019</b>			
Opening net book amount	36,819,072	3,697,368	40,516,440
Additions	25,844,405	8,013,494	33,857,899
Transfer in / (out)	3,697,369	(3,697,369)	-
Disposals, net	(3)	-	(3)
Amortisation charge (Note 38)	(9,874,249)	-	(9,874,249)
Closing net book amount	56,486,594	8,013,493	64,500,087
<b>At 31 December 2019</b>			
Cost	95,723,398	8,013,493	103,736,891
<u>Less</u> Accumulated amortisation	(39,236,804)	-	(39,236,804)
Net book amount	56,486,594	8,013,493	64,500,087
<b>For the year ended 31 December 2020</b>			
Opening net book amount	56,486,594	8,013,493	64,500,087
Additions	19,357,056	2,614,309	21,971,365
Transfer in / (out)	5,634,910	(5,634,910)	-
Disposals, net	(6)	-	(6)
Amortisation charge (Note 38)	(13,236,549)	-	(13,236,549)
Closing net book amount	68,242,005	4,992,892	73,234,897
<b>At 31 December 2020</b>			
Cost	120,624,487	4,992,892	125,617,379
<u>Less</u> Accumulated amortisation	(52,382,482)	-	(52,382,482)
Net book amount	68,242,005	4,992,892	73,234,897

## 24 Right-of-use assets, net

The movement of right-of-use assets for the year period ended 31 December 2020 is as follows:

(Unit: Baht)

	Consolidated financial statements	Separate financial statements
Opening net book amount (Note 5)	1,077,828,541	916,146,256
Additions	164,272,393	-
<u>Less</u> Amortisation (Note 38)	(51,948,761)	(34,512,456)
Closing net book amount	1,190,152,173	881,633,800

## 25 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities as at 31 December is as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Deferred tax assets:</b>				
Deferred tax assets to be recovered within 12 months	2,674,264	-	2,502,078	-
Deferred tax assets to be recovered after more than 12 months	159,642,974	124,445,681	64,667,296	57,980,475
	162,317,238	124,445,681	67,169,374	57,980,475
<b>Deferred tax liabilities:</b>				
Deferred tax liabilities to be settled within 12 months	(3,080,309)	-	(3,058,839)	-
Deferred tax liabilities to be settled after more than 12 months	(718,650,500)	(694,175,858)	(625,033,131)	(611,183,545)
	(721,730,809)	(694,175,858)	(628,091,970)	(611,183,545)
<b>Deferred tax, net</b>	(559,413,571)	(569,730,177)	(560,922,596)	(553,203,070)

The movement of deferred tax assets and deferred tax liabilities account is as follows:

(Unit: Baht)

	Consolidated financial statements					
	As at 1 January 2019	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	As at 31 December 2019	Charged/ (credited) to profit or loss	As at 31 December 2020
Deferred tax assets						
Investment properties	4,318,270	(2,012,688)	-	2,305,582	(577,029)	1,728,553
Employee benefit obligations	32,503,791	13,129,390	8,652,819	54,286,000	5,814,659	60,100,659
Tax losses	-	47,838,018	-	47,838,018	20,656,968	68,494,986
Lease liabilities	1,951,464	1,254,232	-	3,205,696	264,042	3,469,738
Others	1,858,185	14,952,200	-	16,810,385	11,712,917	28,523,302
	40,631,710	75,161,152	8,652,819	124,445,681	37,871,557	162,317,238
Deferred tax liabilities						
Investment properties	(628,857,848)	(44,432,522)	-	(673,290,370)	(25,323,374)	(698,613,744)
Lease liabilities	(7,732,956)	(4,206,451)	-	(11,939,407)	(4,206,451)	(16,145,858)
Others	(10,752,605)	1,806,524	-	(8,946,081)	1,974,874	(6,971,207)
	(647,343,409)	(46,832,449)	-	(694,175,858)	(27,554,951)	(721,730,809)
	(606,711,699)	28,328,703	8,652,819	(569,730,177)	10,316,606	(559,413,571)

(Unit: Baht)

	Separate financial statements					
	As at 1 January 2019	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	As at 31 December 2019	Charged/ (credited) to profit or loss	As at 31 December 2020
Deferred tax assets						
Investment properties	3,472,043	(1,818,629)	-	1,653,414	(535,201)	1,118,213
Employee benefit obligations	31,728,757	12,087,739	6,862,973	50,679,469	3,053,395	53,732,864
Lease liabilities	864,925	1,023,105	-	1,888,030	(18,672)	1,869,358
Others	1,858,185	1,901,377	-	3,759,562	6,689,377	10,448,939
	37,923,910	13,193,592	6,862,973	57,980,475	9,188,899	67,169,374
Deferred tax liabilities						
Investment properties	(553,408,806)	(38,155,227)	-	(591,564,033)	(15,523,435)	(607,087,468)
Lease liabilities	(7,732,956)	(4,206,451)	-	(11,939,407)	(4,206,451)	(16,145,858)
Others	(9,837,175)	2,157,070	-	(7,680,105)	2,821,461	(4,858,644)
	(570,978,937)	(40,204,608)	-	(611,183,545)	(16,908,425)	(628,091,970)
	(533,055,027)	(27,011,016)	6,862,973	(553,203,070)	(7,719,526)	(560,922,596)

## 26 Short-term borrowings from financial institutions

Short-term borrowing from financial institutions as at 31 December can be analysed as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Bills of exchange	3,200,000,000	3,780,000,000	3,200,000,000	3,780,000,000
<u>Less</u> discount of bills of exchange	(23,070,651)	(20,339,597)	(23,070,651)	(20,339,597)
Bills of exchange, net	3,176,929,349	3,759,660,403	3,176,929,349	3,759,660,403
Promissory notes	4,694,972,430	4,937,479,633	1,766,245,810	2,506,100,000
<b>Total short-term borrowings from financial institutions</b>	<b>7,871,901,779</b>	<b>8,697,140,036</b>	<b>4,943,175,159</b>	<b>6,265,760,403</b>

Bills of exchange have term for repayment of ranging from 6 months to 9 months and bearing interest at fixed rate.

Promissory notes have terms for repayment of ranging from 1 month to 12 months and bearing interest at MLR minus fixed rate. Interest is payable monthly at the last working day or last day of the month or interest due together with the principal will be paid on the promissory note's maturity date.

As at 31 December 2020, bill of exchange of Baht 437.04 million (2019: Baht 238.05 million) in the consolidated and separate financial statements have been sold to related parties.

As at 31 December 2020, promissory notes of Baht 4,694.97 million and 1,766.25 million (2019: Baht 3,207.48 million and 776.10 million, respectively) in the consolidated and separate financial statements, respectively, have been secured by pledging the real estate development cost, investment properties and land and construction as mentioned in the notes to financial statements Note 42.

## 27 Long-term borrowings

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Current</b>				
Current portion of long-term borrowings				
- Borrowings from financial institutions	1,938,066,505	1,348,304,554	1,839,664,705	1,285,753,354
- Debentures	2,500,000,000	2,900,000,000	2,500,000,000	2,900,000,000
Total current borrowings	4,438,066,505	4,248,304,554	4,339,664,705	4,185,753,354
<b>Non-current</b>				
Borrowings from financial institutions	3,338,950,000	3,651,450,000	3,243,750,000	3,566,250,000
Debentures	5,245,000,000	5,595,000,000	5,245,000,000	5,595,000,000
Total non-current borrowings	8,583,950,000	9,246,450,000	8,488,750,000	9,161,250,000
<b>Total long-term borrowings</b>	<b>13,022,016,505</b>	<b>13,494,754,554</b>	<b>12,828,414,705</b>	<b>13,347,003,354</b>

The movements of long-term borrowings for the year ended 31 December can be analysed as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
As at 1 January	13,494,754,554	14,975,428,394	13,347,003,354	14,723,097,394
Issuance of debentures	2,150,000,000	2,395,000,000	2,150,000,000	2,395,000,000
Payment on debentures	(2,900,000,000)	(2,800,000,000)	(2,900,000,000)	(2,800,000,000)
Additional borrowings	3,701,957,968	4,569,850,000	3,434,557,968	4,046,500,000
Repayment	(3,424,696,017)	(5,645,523,840)	(3,203,146,617)	(5,017,594,040)
As at 31 December	13,022,016,505	13,494,754,554	12,828,414,705	13,347,003,354

## 27.1 Long-term borrowings from financial institutions

Consolidated and Separate financial statements							
Contract No.	31 December 2020	31 December 2019	Company	Borrowing Purpose	Borrowing Limit	Interest rate and repayment terms	Guarantees and collaterals
	Million Baht	Million Baht					
1	1,210.77	906.00	SC Asset Corporation Public Company Limited, Up Country Land, SC Asset Three Company Limited and Scope Company Limited	Developing real estate projects for the periods ranging from 2 - 4 years	Baht 12,462 million 13 agreements (2019 : Baht 12,653 million 12 agreements)	<ul style="list-style-type: none"> <li>- The interest is rate at MLR deduct fixed rate per annum and is payable on a monthly basis</li> <li>- The principal repayment at 70 % of selling price (depending on condition of each agreement) but not less than the amount specified by the commercial bank when the mortgage is released for the ownership right transfer to the purchaser.</li> </ul>	<p>a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio, and fire insurances for the construction must be made and benefits from such policies must be given to lenders as collaterals.</p> <p>b) Land together with constructions included in real estate development cost are pledged as collaterals as mentioned in Note 15.</p>
2	3,500.00	3,500.00	SC Asset Corporation Public Company Limited	working capital period not exceeding 3 - 5 years	Baht 3,500 million (2019 : Baht 3,500 million)	<ul style="list-style-type: none"> <li>- The interest is fixed throughout the contract period and is payable at the end of each month. (Baht 2,500 million)</li> <li>- Fixed rate for the 1st year and for the 2nd - 5th at BIBOR 3 months plus fixed rate per annum. (Baht 1,000 million)</li> <li>- The principal is repayment at the end of the contract</li> </ul>	<p>a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio.</p>
3	566.25	593.75	SC Asset Corporation Public Company Limited	Developing facilities and real estate construction SC Tower	Baht 600 million (2019 : Baht 600 million)	<ul style="list-style-type: none"> <li>- Fixed rate for the 1st - 3rd years (4% per annum) and for the 4rd year onward at MLR deduct fixed rate per annum. The interest is payable on a monthly basis.</li> <li>- The repayment of principal must be made quarterly. The first installment shall be paid on the last day of the 39th month after the first withdrawal month. The Company must repay the principal within 150 months from the first withdrawal date.</li> </ul>	<p>a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio, and fire insurances for the construction must be made and benefits from such policies must be given to lenders as collaterals.</p> <p>b) The Company mortgaged Shinawatra Tower 1 and 2 as collaterals as mentioned in Note 21.</p>
<b>Total</b>	<b>5,277.02</b>	<b>4,999.75</b>					

## 27.2 Debentures

### Consolidated and Separate financial statements

Type of debentures	Name of debentures	Issues date	Credit limit Million Baht	Amount Units	Par value Baht	Total amount Million Baht		Redeem maturity period	Interest rate
						31 December 2020	31 December 2019		
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 4/2020	29 Oct 2020	1,200	1,200,000	1,000	1,200	-	29 Jul 2023	3.75% per annum. The interest is payable every three months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 3/2020	06 Mar 2020	250	250,000	1,000	250	-	17 Feb 2023	3.20% per annum. The interest is payable every three months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 2/2020	17 Jan 2020	200	200,000	1,000	200	-	17 Apr 2023	3.40% per annum. The interest is payable every three months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 1/2020	17 Jan 2020	500	500,000	1,000	500	-	17 Apr 2023	3.40% per annum. The interest is payable every three months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 5/2019	13 Jun 2019	500	500,000	1,000	500	500	13 Jun 2023	3.90% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 4/2019	29 Mar 2019	550	550,000	1,000	550	550	29 Mar 2022	3.65% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 3/2019	28 Feb 2019	145	145,000	1,000	145	145	31 Jan 2022	3.50% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 2/2019	11 Feb 2019	400	400,000	1,000	400	400	22 Mar 2021	3.28% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 1/2019	30 Jan 2019	800	800,000	1,000	800	800	30 Jan 2021	3.25% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 5/2018	06 Dec 2019	1,000	1,000,000	1,000	-	1,000	25 May 2020	3.14% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 4/2018	26 Sep 2018	200	200,000	1,000	-	200	25 Sep 2020	3.10% per annum. The interest is payable every six months



Consolidated and Separate financial statements

Type of debentures	Name of debentures	Issues date	Credit limit Million Baht	Amount Units	Par value Baht	Total amount Million Baht		Redeem maturity period	Interest rate
						31 December 2020	31 December 2019		
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 3/2018	22 Aug 2018	200	200,000	1,000	-	200	22 Aug 2020	3.10% per annum. The interest is payable every six months
			200	200,000	1,000	200	200	22 Aug 2021	3.30% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 2/2018	16 May 2018	600	600,000	1,000	600	600	20 May 2021	3.10% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 1/2018	02 Feb 2018	500	500,000	1,000	500	500	02 Feb 2021	3.10% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 2/2017	11 Aug 2017	500	500,000	1,000	-	500	08 Aug 2020	3.09% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured without a debenture holders' representative type	SC Debenture No. 1/2017	24 Feb 2017	2,900	1,000,000	1,000	-	1,000	24 Feb 2020	3.30% per annum. The interest is payable every three months
				1,900,000	1,000	1,900	1,900	24 Feb 2022	4.00% per annum. The interest is payable every three months
Total						7,745	8,495		

SC Debenture No. 1/2017 of Baht 12.00 million were issued to related persons (Note 41.5).

SC Debenture No. 4/2020 of Baht 47.00 million were issued to related persons (Note 41.5).

On 23 April 2018, the Annual General Meeting of the Company's shareholders approved the issuance and offering for sale of corporate debentures, in the amount of Baht 4,000 million and the total amount of debenture not exceeding Baht 14,000 million. The Board of Directors or directors were authorised to determine the details, terms and conditions in relation to the issuance and sale of such debentures.

The Company shall maintain debt to equity ratio according to the conditions of issuing debentures over time of debentures.

The interest rate exposure on the borrowings of the Group and the Company comprises the following:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
At fixed rates	10,245,000,000	10,995,000,000	10,245,000,000	10,995,000,000
At floating rates	2,777,016,505	2,499,754,554	2,583,414,705	2,352,003,354
Total borrowings	13,022,016,505	13,494,754,554	12,828,414,705	13,347,003,354

The effective interest rates at the statement of financial position date were as follows:

(Unit: Percentage)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
- Borrowings from financial institutions	3-month BIBOR + fixed rates and MLR - fixed rates	3-month BIBOR + fixed rates and MLR - fixed rates	3-month BIBOR + fixed rates and MLR - fixed rates	3-month BIBOR + fixed rates and MLR - fixed rates
- Debentures	3.10 - 4.00	3.09 - 4.00	3.10 - 4.00	3.09 - 4.00

As at 31 December 2020, in consolidated and separate company financial statements, unused credit facilities from financial institutions is Baht 6,591.05 million and Baht 3,724.65 million, respectively (2019: Baht 4,484.96 million and Baht 2,712.36 million, respectively).

The facilities expiring within one year are annual facilities subject to review at various dates during year. The other facilities have been arranged to help finance the proposed expansion of the Group and the Company activities.

The carrying values and fair value of long-term borrowings are as follow:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current portion of long-term borrowings from financial institutions	1,938	1,348	1,839	1,286
Long-term borrowings from financial institutions	3,339	3,652	3,244	3,566
Total long-term borrowings from financial institutions	5,277	5,000	5,083	4,852

The fair value of current borrowings equal their carrying amount, as the impact of discounting is not significant. The fair values of long-term borrowings are based on discounted cash flows using a discount rate from the borrowing market rates which are available to the Group and the Company at the statement of financial position date. The carrying amounts of short-term borrowings are shown at an approximate fair value.

maturity of long-term borrowings (excluding lease liabilities):

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Between 1 and 2 years	8,400,766,505	7,788,304,554	8,207,164,705	7,725,753,354
Between 2 years and 5 years	4,328,750,000	5,347,700,000	4,328,750,000	5,262,500,000
Over 5 years	292,500,000	358,750,000	292,500,000	358,750,000
	13,022,016,505	13,494,754,554	12,828,414,705	13,347,003,354

## 28 Lease liabilities

The movements of lease liabilities for the year ended 31 December 2020 can be analysed as follows:

(Unit: Baht)

	Consolidated financial statements	Separate financial statements
Opening book amount	244,588,039	132,447,427
Additional lease liabilities	166,917,244	-
Repayment of lease liabilities	(55,975,671)	(2,844,826)
Closing book amount	355,529,612	129,602,601

For the year ended 31 December 2020, the Group made lease agreements with related person and parties which had been recognised to the right-of-use assets of Baht 164.27 million and nil in the consolidated and separate financial statements (31 December 2019: Baht 17.62 million and Baht 4.52 million, respectively).

Maturity of lease liabilities are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Minimum lease liabilities payments</b>				
Not later than one year	26,665,678	22,780,463	10,435,756	11,171,160
Later than 1 year but not later than 5 years	83,361,583	74,519,593	33,093,721	35,543,477
Later than 5 years	681,462,520	415,537,068	251,354,168	259,340,168
<u>Less</u> Future finance charges on leases	(435,960,169)	(268,249,085)	(165,281,044)	(173,607,378)
Present value of lease liabilities	355,529,612	244,588,039	129,602,601	132,447,427

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current portion of lease liabilities	11,535,298	8,737,868	2,203,052	2,844,826
Lease liabilities	343,994,314	235,850,171	127,399,549	129,602,601
	355,529,612	244,588,039	129,602,601	132,447,427
<b>Present value of lease liabilities:</b>				
Not later than one year	11,535,298	8,737,868	2,203,052	2,844,826
Later than 1 year but not later than 5 years	2,846,328	21,560,260	359,091	2,777,585
Later than 5 years	341,147,986	214,289,911	127,040,458	126,825,016
	355,529,612	244,588,039	129,602,601	132,447,427

## 29 Trade and other payables

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade payables				
- Related parties (Note 41.3)	2,541,461	3,017,165	2,541,461	2,894,821
- Others	377,731,286	404,362,681	309,361,286	342,318,512
Total trade payables	380,272,747	407,379,846	311,902,747	345,213,333
Other payables				
- Related parties (Note 41.3)	123,858	832,220	26,128,927	8,760,608
- Others	138,184,326	817,696,918	90,164,705	450,285,969
Total other payables	138,308,184	818,529,138	116,293,632	459,046,577
<b>Total trade and other payables</b>	<b>518,580,931</b>	<b>1,225,908,984</b>	<b>428,196,379</b>	<b>804,259,910</b>

### 30 Deferred leasehold revenue

Deferred leasehold revenue consisted of:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
At 1 January	2,205,524	4,533,736	1,941,825	2,475,105
<u>Less</u> Revenue from amortised leasehold right	(796,979)	(2,328,212)	(533,280)	(533,280)
At 31 December	1,408,545	2,205,524	1,408,545	1,941,825
<u>Less</u> Current portion of deferred leasehold revenue	(533,280)	(796,979)	(533,280)	(533,280)
	875,265	1,408,545	875,265	1,408,545

### 31 Employee Benefit Obligations

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Statement of financial position Retirement benefits	293,007,184	271,430,002	264,474,950	250,388,135
Profit or loss charge included in operating profit or Retirement benefits	37,487,182	65,646,952	31,176,977	60,438,697
Remeasurement for Retirement benefits	-	43,264,096	-	34,314,863

The movement in the defined employee benefit obligation over the year is as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
At 1 January	271,430,002	162,518,954	250,388,135	155,634,575
Current service cost	33,056,540	22,170,180	27,090,711	18,738,745
Past service cost	-	38,095,603	-	36,545,850
Interest expense	4,430,642	5,381,169	4,086,266	5,154,102
	308,917,184	228,165,906	281,565,112	216,073,272

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Remeasurements:				
Loss from change in financial assumptions	-	33,384,992	-	30,780,589
Experience loss	-	9,879,104	-	3,534,274
	-	43,264,096	-	34,314,863
Transfer out to subsidiaries	-	-	(1,180,162)	-
Payment from plans:				
Benefit payment	(15,910,000)	-	(15,910,000)	-
At 31 December	293,007,184	271,430,002	264,474,950	250,388,135

On 5 April 2019, an amendment bill to the Labor Protection Law was published in the Government Gazette. The amended law will become effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The effects of the amendment were recognised as past service cost during the year.

The significant actuarial assumptions used were as follows:

	Consolidated and Separate financial statements	
	2020	2019
Discount rate	1.83%	1.83%
Salary increment rate	7% - 9%	7% - 9%
Employee turnover rate	0% - 17%	0% - 17%
Retirement age	60 years	60 years

Sensitivity analysis for each significant assumption used is as follows:

	Consolidated financial statement					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2020	2019	2020	2019	2020	2019
Discount rate	1%	1%	Decrease by 11.34%	Decrease by 11.25%	Increase by 13.57%	Increase by 13.48%
Salary growth rate	1%	1%	Increase by 13.49%	Increase by 12.38%	Decrease by 11.52%	Decrease by 10.63%

	Separate financial statements					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2020	2019	2020	2019	2020	2019
Discount rate	1%	1%	Decrease by 11.44%	Decrease by 11.25%	Increase by 13.68%	Increase by 13.47%
Salary growth rate	1%	1%	Increase by 13.60%	Increase by 12.38%	Decrease by 11.62%	Decrease by 10.62%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The Methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation is 18.4 years (2019: 18.4 years).

Expected maturity analysis of undiscounted retirement and post-employment medical benefits are as follows:

(Unit: Baht)

	Consolidated financial statements				
	Less than 1 year	1-2 years	3-5 years	Over 5 years	Total
<b>At 31 December 2020</b>					
Retirement benefits	-	22,349,219	73,067,214	1,024,772,866	1,120,189,299
Total	-	22,349,219	73,067,214	1,024,772,866	1,120,189,299
<b>At 31 December 2019</b>					
Retirement benefits	-	17,716,915	52,234,882	1,066,581,200	1,136,532,997
Total	-	17,716,915	52,234,882	1,066,581,200	1,136,532,997

	Separate financial statements				
	Less than 1 year	1-2 years	3-5 years	Over 5 years	Total
<b>At 31 December 2020</b>					
Retirement benefits	-	22,349,219	58,854,954	883,965,245	965,169,418
Total	-	22,349,219	58,854,954	883,965,245	965,169,418
<b>At 31 December 2019</b>					
Retirement benefits	-	17,716,915	49,337,190	914,459,011	981,513,116
Total	-	17,716,915	49,337,190	914,459,011	981,513,116



## 32 Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and their employees contributed to the fund monthly at the rates depending on the working life of the employees. A local financial institution is managing the provident fund and will be paid to the employees upon termination in accordance with the fund rules. For the years ended 31 December 2020, in the consolidated and Company's financial statements, the Group contributions Baht 32.01 million and Baht 28.28 million, respectively (2019: Baht 28.27 million and Baht 25.40 million, respectively).

## 33 Share-base payment

### Share option schemes

The Company has introduced one share option which is an equity-settled scheme. The exercise ratio and price are detailed below:

	Issued date	Issued units	Exercise ratio	Exercise price	Exercise period	
		Million	Unit/share	Baht/unit	Start	End
ESOP scheme (Grant 1)	21 April 2017	11.00	1 : 1.00	3.71	21 April 2017	21 April 2022
		29.00	1 : 1.00	3.71	31 January 2018	31 January 2023
ESOP scheme (Grant 2)	23 April 2018	6.00	1 : 1.00	3.72	23 April 2018	23 April 2023
		32.45	1 : 1.00	3.72	31 January 2019	31 January 2024
ESOP scheme (Grant 3)	25 April 2019	6.00	1 : 1.00	3.05	25 April 2019	25 April 2024
		28.08	1 : 1.00	3.05	31 January 2020	31 January 2025
ESOP scheme (Grant 4)	29 July 2020	37.29	1 : 1.00	2.26	28 December 2020	28 December 2025

The Annual General Shareholders Meeting for the year 2017 held on 21 April 2017 has the resolutions to approve the warrants to directors and employee allocation of 40,000,000 units, under the ESOP scheme (Grant 1). Initially, the meeting approved the right to directors of the Company totalling 11,000,000 units.

The Executive Committee's Meeting of the Company No. 2/2018 held on 31 January 2018 had the resolutions to approve the warrants to employee allocation of 29,000,000 units, under the ESOP scheme (Grant 1) on 31 January 2018.

The Annual General Shareholders Meeting for the year 2018 held on 23 April 2018 had the resolutions to approve the warrants to board of director and employee allocation of 40,000,000 units, under the ESOP scheme (Grant 2), the meeting approved the right to directors of the Company totalling 6,000,000 units.

The Executive Committee's Meeting of the Company No. 14/2018 held on 19 December 2018 had the resolutions to approve the warrants to employee allocation of 32,450,000 units, under the ESOP scheme (Grant 2) on 31 January 2019.

The Annual General Shareholders Meeting for the year 2019 held on 25 April 2019 had the resolutions to approve the warrants to board of director and employee allocation of 40,000,000 units, under the ESOP scheme (Grant 3), the meeting approved the right to directors of the Company totalling 6,000,000 units.

The Annual General Shareholders Meeting for the year 2020 held on 29 July 2020 had the resolutions to approve the warrants to board of director and employee allocation of 42,000,000 units on 28 December 2020, under the ESOP scheme (Grant 4), the meeting approved the right to directors of the Company totalling 37,290,000 units.

Warrants issued and offered to directors and employees are in registered form and non-transferable and the terms do not exceed 5 years from the issuance date. The exercise price of ESOP scheme Grant 1, Grant 2, Grant 3 and Grant 4 are at Baht 3.71, 3.72, 3.05 and 2.26 per share, respectively. The exercise ratio is one warrant to one ordinary share. The warrants can be exercised from the date of issuance with a maximum amount no greater than one-third of the total warrants, another one-third of the total warrants can be exercised after 1 year of issuance date and the remaining warrants can be exercised after 2 years of issuance date. The Group has no legal obligation to repurchase or settle the options in cash.

As at 31 December 2019, out of the 144,277,500 outstanding options were exercisable. There was no option exercised during the year 2020. The 144,277,500 outstanding options of ESOP scheme Grant 1 for director and employee, Grant 2 for director and employee, Grant 3 for director and employee and Grant 4 for director and employee have the expiry date at 21 April 2022 and 31 January 2023, 23 April 2023 and 31 January 2024, 25 April 2024 and 31 January 2025 and 28 December 2025.

The weighted average fair value of options granted during the period determined using the binomial-lattice valuation model.

	Weighted average share price at grant date (Baht per share)	Expected dividend rate (%)	Expected weighted average option life (Year)	Annual risk-free interest rate (%)
ESOP scheme (Grant 1)	3.70	3.50	2.08	1.42 - 2.13
ESOP scheme (Grant 2)	3.78	3.50	3.03	1.11 - 1.92
	2.90	4.00	3.49	1.59 - 2.12
ESOP scheme (Grant 3)	3.04	4.50	3.23	1.62 - 2.17
	2.22	5.00	3.78	1.09 - 1.14
ESOP scheme (Grant 4)	2.82	5.00	2.74	0.29 - 0.62

The movement of share-based payment reserve for the year ended 31 December 2020 can be analysed as follows:

(Unit: Baht)

	Consolidated and separate financial statements
Opening balance	23,751,316
Expense during the year	8,031,959
Closing balance	31,783,275

## 34 Share capital and premium on share capital

(Unit: Baht)

	Consolidated and Separate financial statements		
	Issued and paid-up share capital	Premiums on share capital	Total
As at 1 January 2019	4,179,624,512	319,356,787	4,498,981,299
Issued of shares	-	-	-
At 31 December 2019	4,179,624,512	319,356,787	4,498,981,299
Issued of shares	-	-	-
At 31 December 2020	4,179,624,512	319,356,787	4,498,981,299

The Company's registered share capital as at 31 December 2020 comprises 4,379,332,012 ordinary shares (2019: 4,379,332,012 ordinary shares) with a par value of Baht 1.00 each (2019: Baht 1.00 each). And 4,179,624,512 shares are issued and fully paid-up (2019: 4,179,624,512 shares).

According to Section 51 of the Public Limited Company Act B.E. 2535, requires company to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("premiums on ordinary share"). Premiums on ordinary share are not available for dividend distribution.

## 35 Legal reserve

(Unit: Baht)

	Consolidated and Separate financial statements	
	2020	2019
At 1 January	437,933,202	437,933,202
Appropriation during the year	-	-
At 31 December	437,933,202	437,933,202

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least five percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than ten percent of the registered capital. The legal reserve is non-distributable.

### 36 Dividend paid

At the Board of Director's Meeting of the company No.3/2020 held on 15 April 2020, the meeting had passed a resolution to approve the interim dividend from its operating results for 2019 at Baht 0.19 per share, totaling Baht 794.13 million. The dividend was paid on 15 May 2020 and reported to the Annual General shareholders Meeting on 29 July 2020.

At the Annual General Shareholders Meeting for the year 2019 held on 25 April 2019, the meeting had passed a resolution to approve the distribution of dividend from the net operating profit for the year 2018 at amount of Baht 0.16 per share, totaling Baht 668.74 million. The dividend was paid on 23 May 2019.

### 37 Other income

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Interest income	3,011,920	5,038,624	131,010,316	110,844,915
Other income	61,978,719	32,818,744	87,379,454	30,199,666
	64,990,639	37,857,368	218,389,770	141,044,581

### 38 Expense by nature

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Changes in real estate development cost	3,739,135,113	1,717,752,288	4,852,116,056	436,800,400
Employee related expenses	1,243,552,681	1,235,531,709	1,051,186,975	1,080,968,870
Advertising expenses	403,660,598	528,905,928	351,100,662	436,339,659
Depreciation and amortisation (Note 22-24)	163,365,908	135,000,020	120,515,174	109,411,990

### 39 Income tax expense

Income taxes for the year ended 31 December comprise the following:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current income tax	514,107,401	539,742,907	426,957,395	445,439,708
Deferred income tax:				
Deferred income tax assets (Note 25)	(37,871,557)	(75,161,152)	(9,188,899)	(13,193,592)
Deferred income tax liabilities (Note 25)	27,554,951	46,832,449	16,908,425	40,204,608
	503,790,795	511,414,204	434,676,921	472,450,724

A reconciliation between current income tax expense and the product of accounting profit multiplied by the applicable tax rate is as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit before income tax expenses	2,391,362,154	2,526,079,202	2,284,314,275	2,468,955,768
Income tax was calculated tax rates at 20%	478,272,431	505,215,840	456,862,855	493,791,154
Effective:				
Income must not be excluded in tax calculation	-	-	(30,002,996)	(30,002,996)
Expenses not allowed as expenses as tax	21,030,349	24,741,404	10,221,762	11,446,447
Tax losses for which no deferred income tax asset was recognised	6,949,617	3,768,026	-	-
Expenses allowed to be double deduction	(2,461,602)	(2,811,786)	(2,404,700)	(2,783,881)
Defined tax relating to the origination and reversal of temporary differences	-	(19,499,280)	-	-
Income tax expenses	503,790,795	511,414,204	434,676,921	472,450,724

The tax (charge)/credit relating to component of other comprehensive income is as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Remeasurement on employee benefit obligations	-	8,652,819	-	6,862,973

## 40 Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares in issue and paid up during the year.

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	Restated 2019	2020	Restated 2019
<b>Basic earnings per share</b>				
Net profit attributable to ordinary shareholders of the Company (Baht)	1,897,935,214	2,025,026,833	1,849,637,354	1,996,505,044
Weighted average number of ordinary shares outstanding (Shares)	4,179,624,512	4,179,624,512	4,179,624,512	4,179,624,512
Basic earnings per share (Baht per share)	0.4541	0.4845	0.4425	0.4777

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	Restated 2019	2020	Restated 2019
<b>Diluted earnings per share</b>				
Net profit attributable to ordinary shareholders of the Company (Baht)	1,897,935,214	2,025,026,833	1,849,637,354	1,996,505,044
Net profit used to determine diluted Earnings per share (Baht)	1,897,935,214	2,025,026,833	1,849,637,354	1,996,505,044
Weighted average number of ordinary shares outstanding (share)	4,179,624,512	4,179,624,512	4,179,624,512	4,179,624,512
Adjustments for:				
Share options	2,685,539	-	2,685,539	-
Weighted average number of ordinary shares for diluted earnings per share	4,182,310,051	4,179,624,512	4,182,310,051	4,179,624,512
Diluted earnings per share (Baht per share)	0.4538	0.4845	0.4423	0.4777

## 41 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.

Major shareholders of the Company are Shinawatra group family. The remaining shares are widely held.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. Relationship between the Company and related parties, which has transactions are as follows:

Company	Nature of relationship
SC Able Company Limited	Subsidiary
Up Country Land Company Limited	Subsidiary
V. Land Property Company Limited	Subsidiary
Scope Company Limited	Subsidiary
Bridge Group (Thailand) Company Limited	Subsidiary
SC ALPHA Inc.	Subsidiary
SC Expedition Company Limited	Subsidiary
SC Asset Three Company Limited	Subsidiary
SC NNRI Company Limited	Joint venture
Scope Tower Company Limited	Scope Company Limited is a major shareholder
SC Office Park Company Limited	Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra are major shareholders
P.T. Corporation Company Limited	Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra are major shareholders
Works Creative Company Limited	P.T. Corporation Company Limited is a major shareholder
SC Office Plaza Company Limited	Mr.Panthongtae Shinawatra, Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra are major shareholders
OAI Consultant and Management Company Limited	Mr.Panthongtae Shinawatra, Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra are major shareholders
Alpine Golf & Sports Club Company Limited	Shinawatra family is a major shareholder / controlling persons



Company	Nature of relationship
OAI Leasing Company Limited	Miss Pintongta Shinawatra Kunakornwong is a major shareholder
B.B.D. Development Company Limited	Mr. Bhanapot Damapong is a major shareholder
Voice TV Company Limited	Mr. Bhanapot Damapong and Miss Pintongta Shinawatra Kunakornwong are major shareholders
Thai-Com Foundation	Major shareholder family is a founder
Healthlink Company Limited	B.B.D. Development Co., Ltd. is a major shareholder
Chaingmai Golf and Country Club Company Limited	OAI Management Co., Ltd. is a major shareholder
Alpine Garden Design Company Limited	Miss Paetongtarn Shinawatra is a major shareholder
Rende Development Company Limited	Shinawatra family is a major shareholder / controlling persons
Praram 9 Hospital Public Company Limited	Khunying Potjaman Damapong is a major shareholder
Fortay (Thailand) Company Limited	OAI Consultant and Management Co., Ltd. is a major shareholder
Rende Ploenchit Hotel Company Limited	Rende Development Co., Ltd. is a major shareholder
Thames Valley KhaoYai Hotel Company Limited	Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra are major shareholders
B.P. Property Company Limited	Khunying Potjaman Damapong, Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra is a major shareholder
Shinawatra University	Major shareholder family is a founder
SC K Estate Company Limited	Shinawatra family is a major shareholder

The Group's policy regarding business transactions with related entities and persons comprises the following:

- Revenues from sales to related persons: parts of the revenues are included 4% discount from normal price accordance with authorised criteria by the Company's board of directors. Another part of sales of residential unit to high level management of the Company whom had complied with criteria and conditions as authorised by the Company's Board of Directors.
- Revenue from the consulting and management services are according to the mutually-agree basis with the consideration of the actual cost incurred plus appropriate profit.
- Cost of rental and rendering of services was in accordance to the mutually-agreed which is calculate from actual cost incurred plus appropriate profit.
- Interest on loan to subsidiaries bearing at the fixed rate per annum.

The following significant transactions were carried out with related parties:

## 41.1 Sales of goods and services

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Revenues from sales				
Related persons	33,394,274	231,178,410	33,394,274	231,178,410
Revenues from sales of land				
A subsidiary	-	-	-	132,233
Revenues from rental and rendering of services				
A subsidiary	-	-	3,063,417	3,485,315
Related parties	8,231,787	7,986,404	8,174,787	7,986,404
A Related person	55,000	89,845	-	24,845
	8,286,787	8,076,249	11,238,204	11,496,564
Revenues from consulting and management services				
Subsidiaries	-	-	15,000,000	15,225,000
Joint ventures	59,069,732	91,770,013	59,069,732	91,770,013
	59,069,732	91,770,013	74,069,732	106,995,013
Interest income				
Subsidiaries	-	-	137,113,197	107,313,555
Joint venture	133,297	569,063	133,297	569,063
	133,297	569,063	137,246,494	107,882,618
Other income				
Subsidiaries	-	-	18,476,376	535,240
Joint ventures	236,981	-	236,981	-
Related parties	4,800	-	4,800	-
	241,781	-	18,718,157	535,240
Dividend income				
Subsidiaries	-	-	150,014,982	150,014,982

## 41.2 Purchases of goods and services

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cost of rental and rendering of services				
Related parties	49,637,937	51,550,800	42,761,604	44,059,200
A Related person	59,479	72,000	-	-
	49,697,416	51,622,800	42,761,604	44,059,200
Selling and administrative expenses				
Subsidiaries	-	-	173,147,983	62,044,132
Related parties	21,107,692	19,931,660	19,527,238	19,287,165
	21,107,692	19,931,660	192,675,221	81,331,297
Interest expense				
Subsidiaries	-	-	-	5,230,650
Related parties	8,789,628	-	8,136,553	-
A Related person	368,973	412,570	357,860	412,570
	9,158,601	412,570	8,494,413	5,643,220

## 41.3 Outstanding balances arising from sales/purchases of goods and services

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables				
Subsidiaries	-	-	157,783	-
A related party	182,649	-	121,659	-
Related persons - Current portion	-	20,705,600	-	20,705,600
	182,649	20,705,600	279,442	20,705,600
Accrued income				
A Subsidiary	-	-	197,728	377,704
Joint Venture	75,040,362	36,039,266	75,040,362	36,039,266
Related parties	73,976	103,453	73,976	103,453
	75,114,338	36,142,719	75,312,066	36,520,423

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accrued interest income				
Subsidiaries	-	-	213,473,664	100,192,926
Joint Venture	-	569,063	-	569,063
	-	569,063	213,473,664	100,761,989
Trade payable and other payables				
Subsidiaries	-	-	26,084,606	7,933,177
Related parties	2,593,319	3,849,385	2,585,782	3,722,252
A Related person	72,000	-	-	-
	2,665,319	3,849,385	28,670,388	11,655,429
Advance received from customers				
Subsidiaries	-	-	2,577,600	-
Related parties	9,000	-	9,000	-
Related persons	-	5,469,300	-	5,469,300
	9,000	5,469,300	2,586,600	5,469,300
Rental and rendering of service deposits				
A Subsidiary	-	-	877,500	877,500
Related parties	1,656,450	1,652,050	1,656,450	1,652,050
	1,656,450	1,652,050	2,533,950	2,529,550
Construction Retention				
A Related party	457,133	357,029	456,781	357,029

#### 41.4 Loans to related parties

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term loans to related parties	-	52,600,000	1,321,400,376	171,530,100
Long-term loans to related parties	-	-	2,277,191,000	2,799,708,512
	-	52,600,000	3,598,591,376	2,971,238,612

The movement of short-term loans to related parties for the year ended 31 December 2020 is as follows:

(Unit: Baht)

	Consolidated Financial statements	Separate financial statements
	2020	2020
Opening book amount	52,600,000	171,530,100
Additions loans during the year	6,050,000	1,308,848,176
Repayment received during the year	(58,650,000)	(141,650,000)
Expected credit losses	-	(17,000,000)
Exchange differences	-	(327,900)
Closing book amount	-	1,321,400,376

Short-term loans to related parties in Thai Baht and US Dollar has the interest at the fixed rate per annum (31 December 2019: fixed rate per annum). These loans are due for repayment within 1 year.

The movement of long-term loans to related parties for the year ended 31 December 2020 is as follows:

(Unit: Baht)

	Separate financial statements
Opening book amount	2,799,708,512
Additions loans during the year	437,400,000
Repayment received during the year	(959,917,512)
Closing book amount	2,277,191,000

Long-term loans to related parties has the interest at the fixed rate per annum (31 December 2019: fixed rate per annum). These loans are due for repayment within 4 years.

The reconciliations of loss allowances for loans to related parties measured at amortised cost for the year ended 31 December 2020 are as follows:

(Unit: Baht)

	Separate financial statements
<b>As at 31 December 2019, as per TAS 101</b>	
Amount restated through opening retained earnings	-
Opening loss allowance as at 1 January 2020	
- calculated under TFRS 9	-
Increase in loss allowance recognised in profit or loss during the year	(17,000,000)
<b>As at 31 December 2020</b>	<b>(17,000,000)</b>

## 41.5 Loans from related persons

The movement of loans from related persons for the year ended 31 December 2020 is as follows:

(Unit: Baht)

	Consolidated and separate financial statements
Opening book amount	12,000,000
Issuance of debenture	47,000,000
Transfer-out	(12,000,000)
Closing book amount	47,000,000

Loans from related person are from issuance of name-registered debenture which have maturity period and interest rates as mentioned in Note 27.2.

## 41.6 Directors and key management compensation

Key management includes directors (executive and non-executive), members of the Executive Committee, the Company Secretary. The compensation paid or payable to key management for employee services is shown below:

(Unit: Baht)

	Consolidated and separate financial statements	
	2020	2019
Short-term employee benefits	124,196,633	111,315,821
Retirement benefits	7,117,450	6,387,254
Director compensation	9,250,000	8,890,000
	140,564,083	126,593,075

## 41.7 Key contract

- 41.7.1 The Company has entered into a land lease agreement with a related company under “Reciprocal land lease contract” dated 26 June 2014. The contract has period of 32 years 6 months, all rental fees in contract period total amount is Baht 318.70 million. Furthermore, the company must investment to build the office building with a total investment estimated amount of Baht 851.52 million and agree to transfer ownership of this office buildings to the lessor on the expiry of the leasing period without any compensation payment.
- 41.7.2 A Subsidiary has entered into land together with construction lease agreements with a related company and a related person dated 11 December 2019. The contract has period of 30 years. Total rental fees in contract period is Baht 124.61 million. The objective is to operate a hotel business with an estimated investment value Baht 154.50 million.
- 41.7.3 A Subsidiary has entered into a land lease agreement with a related company dated 14 August 2020. The contract has period of 33 years. Total rental fees in contract period is Baht 224.81 million. The objective is to operate a hotel business with an estimated investment value Baht 1,237.62 million.

## 42 Commitments and contingencies

### Commitments

#### Obligations from credit facilities obtained from the financial institutions

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Letter of guarantee (Utilized)	2,710,950,972	2,555,274,887	2,242,708,795	2,106,668,619

The above credit facilities are secured by land together with construction of real estate projects as mentioned in the Notes 15 to financial statements and land together with the construction of Shinawatra Tower 1, 2 and 3 as mentioned in the Notes 21 and 22 to the financial statements.

#### Operating lease commitments

##### As a lessor

The Group has entered into the long-term land rental agreement with a company to build a retail trade center. The rental agreement is for the period of 15 years, commencing from 23 August 2008 with the following rental fees:

- 1<sup>st</sup> - 3<sup>rd</sup> year (from 23 August 2008-22 August 2011) rental fee of Baht 75,000.00 per month
- 4<sup>th</sup> - 6<sup>th</sup> year (from 23 August 2011-22 August 2014) rental fee of Baht 78,750.00 per month
- 7<sup>th</sup> - 9<sup>th</sup> year (from 23 August 2014-22 August 2017) rental fee of Baht 82,687.50 per month
- 10<sup>th</sup> - 12<sup>th</sup> year (from 23 August 2017-22 August 2020) rental fee of Baht 86,821.88 per month
- 13<sup>th</sup> - 15<sup>th</sup> year (from 23 August 2020-22 August 2023) rental fee of Baht 91,162.98 per month

#### Capital commitments

As at 31 December, the Group has capital commitments as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Capital expenditure in land for project development	1,679,041,155	2,505,164,867	1,679,041,155	2,505,164,867
Capital expenditure in property, plant and equipment and investment properties	667,842,614	692,876,636	24,135,036	6,132,037



### 43 Subsequent event after reporting date

- 43.1 At the Board of Directors' Meeting of the Company No. 2/2021 held on 17 February 2021, has the resolutions to:
- 43.1.1 Approve the proposed dividend from its operating results for 2020 at Baht 0.18 per share, totaling approximately Baht 752.87 million. The dividend payment will later be proposed for approval in the Annual General Meeting of the Company's shareholders.
  - 43.1.2 Approve the warrants to directors and employees allocation of 55,000,000 units, under the ESOP scheme (Grant V).
  - 43.1.3 Approve an increase of registered share capital of the Company by issuance of 55,000,000 new ordinary shares with a par value of Baht 1 each. Share allotment will be processed as reserved for the ESOP scheme (Grant V).
- 43.2 The Company has additionally registered issued and paid-up share capital reserved for the ESOP scheme (Grant IV) totalling Baht 2,999,200 on 2 February 2021. The issued and paid-up share capital was increased from Baht 4,179,624,512 to Baht 4,182,623,712.

# Attachment 1-6



## **Attachment 1**

### **Details of Directors, Executive, Controlling Persons, The Person Taking the Highest Responsibility in Finance and Accounting, The Person Supervising Accounting and Company Secretary**

Detailed Information is published at [www.scasset.com](http://www.scasset.com) under section “Investor Relations” / “Financial Information” / “Annual Report” (<https://www.scasset.com/th/investor/annual-report/>)

**Attachment 1: Details of Directors, Executive, Controlling Persons, The Person Taking the Highest Responsibility in Finance and Accounting, The Person Supervising Accounting and Company Secretary (Date as of December 31, 2020)**

**Mr. Rath Kitivejsoth (Age 69)**

**Independent Director / Non-Executive Director**

**Position** • Chairman of the Board of Directors (started on March 1, 2007 – present)

**Appointed Date** • August 29, 2003

**Highest Education**

- Degree of National Defence College
- Bachelor's Degree in Law, Chulalongkorn University

**Training**

**Thai Institute of Directors Association (IOD)**

- Director Accreditation Program (DAP) Class 30/2004
- Director Certification Program (DCP) Class 53/2005
- Audit Committee Program (ACP) Class 14/2006
- Improving the Quality of Financial Reporting Program Class 4/2006

**Work Experiences**

- 2005 - 2008      Executive Vice President      Small and Medium Enterprise Development Bank of Thailand
- 2004 - 2005      Member of the Audit Committee      Thai Real Estate Credit Foncier Company Limited
- 2003 - 2007      Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee      SC Asset Corporation Public Company Limited

**Position in Listed Company - The Stock Exchange of Thailand**

- None

**Position in Other Non-Listed Company**

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

**Criminal records on violation of securities and futures contract laws / other laws in the last 10 years**

- None



## Mr. Nuttaphong Kunakornwong (Age 41)

### Executive Director / Authorized Director

- Position**
- Vice-Chairman of Director (started on January 19, 2018 - present)
  - Member of the Executive Committee (started on March 1, 2012 - present)
  - Member of Corporate Governance and Sustainable Development Committee (started on November 13, 2012 - present)
  - Member of the Risk Management Committee (started on December 16, 2014 - present)
  - Chief Executive Officer (started on January 1, 2015 - present)

- Appointed Date**
- March 1, 2012

### Highest Education

- Master's Degree in Business Administration, Depaul University, Chicago, IL, USA

### Training

#### Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP) Class 157/2021

### Work Experiences in Other Companies

- |               |                   |  |
|---------------|-------------------|--|
| • 2017 - 2019 | Director          | Fire One One Company Limited               |
| • 2010 - 2012 | Managing Director | Koon Development Company Limited           |
| • 2010 - 2012 | Managing Director | Pitchman Company Limited                   |
| • 2007 - 2010 | Executive Manager | Nexus Property Consultants Company Limited |

### Work Experiences in Subsidiaries

- |                  |                                    |   |
|------------------|------------------------------------|---|
| • 2020 - present | Chairman of the Board of Directors | SC Asset Three Company Limited          |
| • 2019 - present | Chairman of the Board of Directors | SC Expediton Company Limited            |
| • 2019 - present | Chairman of the Board of Directors | Bridge Group (Thailand) Company Limited |
| • 2018 - present | Chairman of the Board of Directors | Scope Tower Company Limited             |
| • 2018 - present | Chairman of the Board of Directors | SC Alpha Inc.                           |
| • 2017 - present | Chairman of the Board of Directors | Scope Company Limited                   |
| • 2012 - present | Chairman of the Board of Directors | SC Able Company Limited <sup>5</sup>    |
| • 2012 - present | Chairman of the Board of Directors | Upcountry Land Company Limited          |
| • 2012 - present | Chairman of the Board of Directors | V. Land Property Company Limited        |

### Position in Listed Company - The Stock Exchange of Thailand

- None

### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
1,750,000 shaes (0.042%)	1,176,915,495 shaes (28.160%)	He is Ms. Pintongta Shinawatra Kunakornwong (a major shareholder)'s husband

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Mr. Nathpath Ouajai (Age 63)

### Non – Executive Director / Authorized Director

- Position**
- Director (started on March 20, 2006 - present)
  - Member of the Executive Committee (started on March 20, 2006 - present)

- Appointed Date**
- March 20, 2006

### Highest Education

- Master's Degree in Business Administration, Thai Chamber of Commerce University

### Training

#### Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 53/2006
- Corporate Governance Report of Thai Listed Companies Program
- Director Certification Program (DCP) Class 91/2007

#### Other Institutions / Organizations

- Mini MBA Class 21, Thammasat University
- Modern Marketing Management Class 19, Chulalongkorn University
- Graduate Diploma Program in Property Valuation, Thammasat University

### Work Experiences in Other Companies

- 2003 - 2018      Member of the Nomination and Remuneration Committee      SC Asset Corporation Public Company Limited
- 2003 - 2005      Project Manager      Prothiphom Company Limited
- 2003 - 2005      Project Manager      Sinthoranee Property Company Limited
- 2003 - 2005      Project Manager      Property One Fund
- 2003 - 2005      Project Manager      Thairung Union Car Public Company Limited

### Work Experiences in Subsidiaries

- 2015 - present      Director      SC Able Company Limited <sup>5</sup>
- 2015 - present      Director      Upcountry Land Company Limited
- 2015 - present      Director      V. land Property Company Limited

### Position in Listed Company - The Stock Exchange of Thailand

- None

### Position in Other Non-Listed Company

- 2005 - present      Managing Director      Back All Billboard Company Limited

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Mr. Kunodom Tharmmaphornphilas (Age 76)

### Independent Director / Non - Executive Director

- Position**
- Director (started on March 20, 2006 - present)
  - Chairman of the Audit Committee (started on March 1, 2015 - present)
  - Member of the Nomination and Remuneration Committee (started on 20, 2006 - present)

- Appointed Date**
- March 20, 2006

### Highest Education

- Master's Degree in Structural Engineering, Asian Institute of Technology (AIT)

### Training

#### Thai Institute of Directors Association (IOD)

- Improving the Quality of Financial Reporting Program Class 4/2006
- Audit Committee Program (ACP) Class 13/2006
- Director Accreditation Program (DAP) Class 53/2006
- Director Certification Program (DCP) Class 87/2007
- Accounting Standard for Director Program
- Corporate Governance Report of Thai Listed Companies Program

### Work Experiences

- 2001 - 2005 Deputy Director - General (Executive 9) Department of Public Works and Town and Country Planning

### Position in Listed Company - The Stock Exchange of Thailand

- None

### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None



## Mr. Precha Sekhararidhi (Age 74)

### Independent Director / Non - Executive Director

- Position**
- Director (started on March 26, 2007 - present)
  - Chairman of the Corporate Governance and Sustainable Development Committee (started on January 12, 2011 - present)
  - Chairman of the Risk Management Committee (started on December 16, 2014 - present)
  - Member of the Audit Committee (started on November 14, 2007 - present)

**Appointed Date** • March 26, 2007

### Highest Education

- Master's Degree in Engineering, Asian Institute of Technology (AIT)
- Master's Degree in Business Administration, Chulalongkorn University

### Training

#### Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 13/2004
- Director Certification Program (DCP) Class 97/2007
- Risk Management Program for Corporate Leaders (RCL) Class 2/2015
- Board Matters and Trends Program (BMT) Class 9/2020

### Position in Listed Company - The Stock Exchange of Thailand

- 1989 - present Managing Director M.D.X. Public Company Limited

### Position in Other Non-Listed Company

- 2007 - present Chairman of the Board of Director Creatis International Company Limited
- 1995 - present Director GMS Power Public Company Limited
- 1974 - present Chairmand of the Board of Director Southeast Asai Technology Company Limited

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
37,968 shares (0.0009%)	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Mr. Prasert Samanawong (Age 69)

### Independent Director / Non - Executive Director

- Position**
- Director (started on January 31, 2007 - present)
  - Chairman of the Nomination and Remuneration Committee (started on May 13, 2015 - present)
  - Member of the Risk Management Committee (started on December 16, 2014 - present)
  - Member of the Audit Committee (started on January 31, 2007 - present)

- Appointed Date**
- January 31, 2007

### Highest Education

- Master's Degree in Commerce and Accounting, Thammasat University

### Training

#### Thai Institute of Directors Association (IOD)

- Audit Committee Program (ACP) Class 21/2008
- Director Accreditation Program (DAP) Class 61/2007
- Director Certification Program (DCP) Class 85/2007
- Accounting Standard for Director Program
- Risk Management Program for Corporate Leaders (RCL) Class 2/2015

### Work Experiences

- 1991 - 2000      Executive Vice President      Premier Product Company Limited

### Position in Listed Company - The Stock Exchange of Thailand

- None

### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Mr. Songsak Premasuk (Age 63)

### Independent Director / Non - Executive Director

- Position**
- Director (started on April 23, 2015 - present)
  - Member of the Executive Committee (started on May 13, 2015 - present)
  - Member of the Corporate Governance and Sustainable Development Committee (started on May 13, 2015 - present)
  - Member of the Nomination and Remuneration Committee (started on December 11, 2019 - present)

- Appointed Date**
- April 23, 2015

### Highest Education

- Diploma Strategic Marketing Management Program, Harvard Business School, USA
- Bachelor's Degree in Architecture, King Mongkut's Institute of Technology Ladkrabang

### Training

#### Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 9/2004
- Ethical Leadership Program (ELP) Class 16/2019

### Work Experiences

- 2014 - 2019 Director, Voice TV Company Limited<sup>3</sup>
- 2013 - 2019 Director, Voice Creation Company Limited
- 2013 - 2015 Qualified Director, NSTDA, Ministry of Science and Technology
- 2012 - 2015 Qualified Director, Institute for the Promotion of Teaching Science and Technology, Ministry of Education
- 2010 - 2014 Chairman of the Board of Director / Director, Office of Knowledge Management and Development (OKMD)
- 2009 - 2014 President, Voice TV Company Limited<sup>3</sup>
- 2002 - 2007 Managing Director, ITV Public Company Limited

### Position in Listed Company - The Stock Exchange of Thailand

- 2018 - present Member of the Executive Committee Praram 9 Hospital Public Company Limited

### Position in Other Non-Listed Company

- 2007 - present Director Thaicom Foundation

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Ms. Vilasinee Puddhikarant (Age 65)

### Independent Director / Non - Executive Director

- Position**
- Director (started on January 15, 2016- present)
  - Member of the Executive Committee (started on January 15, 2016 - present)
- Appointed Date**
- January 15, 2016

### Highest Education

- Bachelor's Degree in Economics, East Texas State University, Texas, USA

### Training

#### Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP) Class 134/2010
- Board that Make a Difference (BMD) Class 8/2018
- Advance Audit Committee Program (AACP) Class 29/2018

#### Other Institutions / Organizations

- Leadership Program, Capital Market Academy Class 14
- MINI MBA, Chulalongkorn University
- Certificate of Good Governance for Medical Executives, class 3, King Prajadhipok's Institute

### Work Experiences

- |               |  |   |
|---------------|--|---|
| • 2013 - 2015 | Chief Customer Officer                           | Advance info Service Public Company Limited |
| • 2007 - 2012 | Executive Vice President – Customer Management   | Advance info Service Public Company Limited |
| • 2004 - 2007 | Vice President – Customer and Service Management | Advance info Service Public Company Limited |
| • 2002 - 2004 | Managing Director                                | Advance Contact Center Company Limited      |
| • 1999 - 2002 | Assistant Vice President – Call Center           | Advance info Service Public Company Limited |
| • 1995 - 1999 | Assistant Vice President -Information Technology | Shin Corporation Public Company Limited     |

### Position in Listed Company - The Stock Exchange of Thailand

- |                  |  |   |
|------------------|--|---|
| • 2018 - present | Director,  | Praram 9 Hospital Public Company Limited    |
| • 2018 - present | Dierector / Member of the Nomination and Remuneration Committee /Member of the Audit Committee | Forth Corporation Public Company Limited    |
| • 2017 - present | Advisor  | Siam Commercial Bank Public Company Limited |

### Position in Other Non-Listed Company

- |                  |         |   |
|------------------|---------|---|
| • 2019 - present | Advisor | Advanced Wireless Network Company Limited |
| • 2018 - present | Advisor | SCB Abacus Company Limited                |

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Mr. Attapol Sariddipuntawat (Age 56)

### Executive Director / Authorized Director

- Position**
- Director (started on April 21, 2017- present)
  - Member of the Executive Committee (started on May 13, 2017 - present)
  - Member of the Risk Management Committee (started on March 9, 2004 – present)
  - Chief Corporate Officer (started on April 1, 2017 – present)

- Appointed Date**
- April 21, 2017

### Highest Education

- Degree of National Defence Collage Class 24
- Master's Degree in Business Administration, Kasetsart University

### Training

#### Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 142/2017

### Work Experiences in Other Companies

- |               |  |   |
|---------------|--|---|
| • 2009 - 2017 | Chief Financial Officer                          | SC Asset Corporation Public Company Limited       |
| • 2003 - 2009 | Executive Vice President – Corporate Support     | SC Asset Corporation Public Company Limited       |
| • 2002 - 2003 | Vice President – Corporate Support               | SC Asset Company Limited <sup>1</sup>             |
| • 2000 - 2002 | Assistant Managing Director of Corporate Support | N.C.C. Management and Development Company Limited |

### Work Experiences in Subsidiaries

- |                  |          |   |
|------------------|----------|---|
| • 2020 - present | Director | SC Asset Three Company Limited          |
| • 2019 - present | Director | SC Expediton Company Limited            |
| • 2019 - present | Director | Bridge Group (Thailand) Company Limited |
| • 2018 - present | Director | Scope Tower Company Limited             |
| • 2018 - present | Director | SCNNR 1 Company Limited                 |
| • 2017 - present | Director | Scope Company Limited                   |
| • 2012 - present | Director | SC Able Company Limited <sup>5</sup>    |
| • 2012 - present | Director | Upcountry Land Company Limited          |
| • 2012 - present | Director | V. Land Property Company Limited        |

### Position in Listed Company - The Stock Exchange of Thailand

- |                  |          |  |
|------------------|----------|--|
| • 2012 - present | Director | Praram 9 Hospital Public Company Limited |
|------------------|----------|--|

### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
8,589,843 shares (0.205%)	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Ms. Pradthana Patsaman (Age 59)

### The Person Taking the Highest Responsibility in Finance and Accounting

#### Position

- Chief Financial Officer (started on April 1, 2017 - present)

#### Highest Education

- Master's Degree in Business Administration, the National Institute of Development Administration

#### Continuing Development Course in Accounting Knowledge

Year	Courses	Training Hours	Institutions / Organizations
2020	Risk Management (standard level) - COSO ERM Program 2017 Class 1/2020	12	Federation of Accounting Professions under the Royal Patronage of His Majesty the King
2019	Strategic Financial Leadership Program (SFLP)	6	Thai Listed Companies Association

#### Training

##### Other Institutions / Organizations

- Strategic CFO in Capital Markets Program, the Stock Exchange of Thailand Class 5
- Leadership Program, Capital Market Academy (CMA) class 16
- Executive Development Program (EDP), Thai Listed Companies Association Class 10

#### Work Experiences

- 2003 - 2017 Senior Vice President - Finance SC Asset Corporation Public Company Limited
- 2002 - 2003 Vice President of Finance SC Asset Company Limited <sup>1</sup>
- 1997 - 2002 Vice President - Financial and Accounting N.C.C. Management and Development Company Limited

#### Position in Listed Company - The Stock Exchange of Thailand

- None

#### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
4,796,718 shares (0.115%)	None	None

#### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

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## Mr. Somboon Kuptimanus (Age 61)

### Company Secretary

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#### Position

- Chief Legal Officer (started on April, 2017 - present)
- Company Secretary (started on September 1, 2008 - present)

#### Highest Education

- Degree of National Defence College Class 24
- MINI MBA, Chulalongkorn University
- Thai Barrister at Law, Member of the Thai Bar Association

#### Training

##### Thai Institute of Directors Association (IOD)

- Company Secretary Program (CSP) Class 2006
- Director Accreditation Program (DAP) Class 142/2017

##### Other Institutions / Organizations

- Leadership Program, Capital Market Academy (CMA) Class 21
- The Programme of senior Executives on Justice dministration batch 18, National Justice Academy

#### Work Experiences

- |               |   |   |
|---------------|---|---|
| • 2013 - 2014 | Member of the Risk Management Committee | SC Asset Corporation Public Company Limited |
| • 2003 - 2017 | Senior Vice President - Legal           | SC Asset Corporation Public Company Limited |
| • 2003 - 2018 | Director                                | Praram 9 Hospital Public Company Limited    |
| • 2002 - 2003 | Vice President of Legal                 | SC Asset Company Limited <sup>1</sup>       |
| • 2000 - 2002 | Vice President of Legal                 | SC Asset Company Limited <sup>1</sup>       |

#### Position in Listed Company - The Stock Exchange of Thailand

None

#### Position in Other Non-Listed Company

- |                  |          |   |
|------------------|----------|---|
| • 2006 - present | Director | B.B.D. Property Company Limited             |
| • 1998 - present | Director | Bangkok Telecom Engineering Company Limited |

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
7,361,612 shares (0.176%)	None	None

#### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None



## Ms. Namtip Promchua (Age 51)

### The Person Supervising Accounting

#### Position

- Deputy Chief Accounting Officer (started on July 1, 2019 - present)

#### Highest Education

- Master's Degree in Commerce and Accountancy, Thammasat University

#### Continuing Development Course in Accounting Knowledge

Year	Courses	Training Hours	Institutions / Organizations
2020	Managerial Accounting for Planning and Decision Making	6.30	Dharmniti Training Information Centre
2019	Accounting System, Document System and Financial Report Program	7	Dharmniti Training Information Centre

#### Training

##### Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP) Class 185/2014

#### Work Experiences

- |               |                               |   |
|---------------|-------------------------------|---|
| • 2017 - 2019 | Chief Strategy Officer        | BEC World Public Company Limited        |
| • 1999 - 2017 | SVP-Portfolio Management      | Intouch Holdings Public Company Limited |
| • 1995 - 1999 | Manager - Accounting Division | The M Group Public Company Limited      |
| • 1994 - 1995 | Assistant Manager-Accounting  | TPA Import Export Company Limited       |
| • 1991 - 1994 | Senior Auditor                | SGV Arthur Andersen Thailand            |

#### Position in Listed Company - The Stock Exchange of Thailand

- None

#### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

#### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

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## Ms. Sirikul Kriangkrai (Age 53)

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### Position

- Deputy Chief People Officer (started on April 1 2019 - present)

### Highest Education

- Master's Degree in Business Administration, Kasetsart University

### Training

#### Thai Listed Companies Association

- Executive Development Program (EDP) of year 2019

### Work Experiences

- 2016 - 2018      Head of Human Resource      SC Asset Corporation Public Company Limited
- 2011 - 2016      Vice President - Strategy & Planning      Advance Info Service Public Company Limited
- 1999 - 2011      Human Resource Manager      Advance Info Service Public Company Limited
- 1994 - 1998      Human Resource Senior Officer      Shinawatra Computer and Communication Company Limited
- 1991 - 1993      Human Resource Officer      Charoen Pokphand Public Company Limited

### Position in Listed Company - The Stock Exchange of Thailand

- None

### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
124,500 shares (0.0006%)	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Mr. Somchai Laohaburanakit (Age 59)

### Position

- Deputy Chief Operating Officer - Property Management (started on April 1, 2019 - present)

### Highest Education

- Master's Degree in Business Administration, Kasetsart University

### Training

#### Thai Listed Companies Association

- Executive Development Program (EDP) of year 2019

### Work Experiences

• 2013 - 2019	Head of Property Management	SC Asset Corporation Public Company Limited
• 2008 - 2013	Vice President - Property Management	SC Asset Corporation Public Company Limited
• 2005 - 2007	Assistant Vice President – Shinawatra Tower III Building Management	SC Asset Corporation Public Company Limited
• 2004 - 2004	SM-Building Engineer	SC Asset Corporation Public Company Limited
• 2000 - 2004	Building Engineer Manager	SC Asset Company Limited <sup>1</sup>
• 1995 - 1999	Building Engineer	SC Asset Company Limited <sup>1</sup>
• 1991 - 1995	Project Manager	C.P. Land Company Limited
• 1985 - 1995	Project Manager	Univest Company Limited

### Position in Listed Company - The Stock Exchange of Thailand

- None

### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Mr. Mani Banchongthanakit (Age 53)

### Position

- Deputy Chief Business Development Officer (started on July 16, 2010 - present)

### Highest Education

- Master's Degree in Genral Management, Shinawatra University

### Training

#### Thai Listed Companies Association

- Executive Development Program (EDP) of year 2018

### Work Experiences in Other Companies

• 2009 - 2010	Vice President - Property Development	SC Asset Corporation Public Company Limited
• 2009 - 2009	Head of Property Development Low - Rise 1-4	SC Asset Corporation Public Company Limited
• 2008 - 2008	Vice President - Cost & Procurement	SC Asset Corporation Public Company Limited
• 2006 - 2007	Assistant Vice President - Project Administration	SC Asset Corporation Public Company Limited
• 2003 - 2006	Project Development Manager	SC Asset Corporation Public Company Limited
• 1994 - 2002	Project Administration Manager	SC Asset Company Limited <sup>1</sup>
• 1991 - 1994	Project Surveyor	LECE Co., Ltd.
• 1990 - 1991	Design Engineer	Thai Obayashi Company Limited

### Work Experiences in Subsidiaries

• 2020 - present	Director	SC Asset Three Company Limited
• 2019 - present	Director	SC Expedition Company Limited
• 2018 - present	Director	SCNNR 1 Company Limited

### Position in Listed Company - The Stock Exchange of Thailand

- None

### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
503 shares (0.0001%)	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Mr. Paphandech Pacharachanant (Age 57)

### Position

- Deputy Chief Business Support Officer (started on January 1, 2012 - present)

### Highest Education

- Bachelor's Degree in Engineering, Chiang Mai University

### Work Experiences

- 2008 - 2011 Vice President – Property Development Support SC Asset Corporation Public Company Limited
- 2007 - 2007 Assistant Vice President – Property Development Support SC Asset Corporation Public Company Limited
- 2002 - 2007 Assistant Vice President Quality House Public Company Limited
- 1997 - 2001 Project Manager V.S. Engineering and Construction Company Limited
- 1995 - 1996 Project Manager Falcon State Company Limited
- 1992 - 1994 Project Manager Kensington Company Limited
- 1990 - 1991 Project Engineer Siam Syntec Construction Company Limited
- 1987 - 1989 Site Engineer Italian Thai Public Company Limited

### Position in Listed Company - The Stock Exchange of Thailand

- None

### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Mr. Mongkut Techolarn (Age 49)

### Position

- Deputy Chief Operating Officer - Property Development - Low Rise (started on January 1, 2018 - present)

### Highest Education

- Master's Degree in Business Administration, Kasetsart University

### Training

#### Thai Listed Companies Association

- Executive Development Program (EDP) of year 2018

### Work Experiences

- 2017 - 2018 Deputy Chief Operating Officer - Property Development - Low Rise 2 SC Asset Corporation Public Company Limited
- 2014 - 2017 First Vice President - Property Development Group C SC Asset Corporation Public Company Limited
- 2010 - 2014 Vice President - Property Development SC Asset Corporation Public Company Limited
- 2008 - 2009 Assistant Vice President - Property Development SC Asset Corporation Public Company Limited
- 2006 - 2008 Deputy Chief Officer Asian Property Public Company Limited
- 2001 - 2005 Manager Quality House Public Company Limited
- 2000 - 2001 Project Engineer J. Brother Company Limited
- 1994 - 2000 Project Engineer Adisorn Construction Company Limited

### Position in Listed Company - The Stock Exchange of Thailand

- None

### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Mr. Prayongyut Itthiratchai (Age 57)

### Position

- Deputy Chief Operating Officer - Property Development - High Rise (started on April 1, 2017 - present)

### Highest Education

- Master's Degree in Business Administration, Kasetsart University

### Work Experiences

2013	- 2017	Vice President - Property Development - High Rise	SC Asset Corporation Public Company Limited
1999	- 2010	Vice President – High Rise Construction	Quality House Public Company Limited
1995	- 1998	Vice President – High Rise Construction	Siam Retail Development Company Limited
1988	- 1994	Project Architect	Kaza Company Limited

### Position in Listed Company - The Stock Exchange of Thailand

- None

### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None



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## Khunying Potjaman Damapong (Age 65)

### Shareholder

---

#### Shareholding

- 117,109,887 shares (2.802%)

#### Highest Education

- Associate of Arts Degree, Eastern Kentucky University

#### Work Experiences and Position in ther companies

- |                  |                |                                       |
|------------------|----------------|---------------------------------------|
| • 2008 - present | Vice Chairman, | Thaicom Foundation                    |
| • 1998 - 2003    | Director,      | OAI Education Company Limited         |
| • 1997 - 2003    | Director,      | V. Land Property Company Limited      |
| • 1995 - 2003    | Director,      | SC Asset Company Limited <sup>2</sup> |
| • 1994 - 2003    | Director,      | SC Office Plaza Company Limited       |
| • 1994 - 2003    | Director,      | S C K Estate Company Limited          |
| • 1994 - 2003    | Director,      | P.T. Corporation Company Limited      |
| • 1994 - 2003    | Director,      | SC Office Park Company Limited        |
| • 1994 - 2003    | Director,      | OAI Asset Company Limited             |
| • 1991 - 2003    | Director,      | OAI Leasing Company Limited           |

#### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

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## Mr. Panthongtae Shinawatra (Age 43 )

### Shareholder

---

#### Shareholding

- 14,000,000 shares (0.335%)

#### Highest Education

- Bachelor Degree of Arts, Ramkhamhaeng University

#### Work Experiences and Position in ther companies

- |                  |           |  |
|------------------|-----------|--|
| • 2011 - present | Director, | Rende Ploenchit Hotel Company Limited <sup>4</sup> |
| • 2006 - present | Director, | Thaicom Foundation                                 |
| • 2004 - present | Director, | Okanit Company Limited                             |
| • 2013 - 2018    | Director, | Voice Creation Company Limited                     |
| • 2004 - 2019    | Director, | How Come Studio Company Limited                    |
| • 2003 - 2018    | Director, | Voice TV Company Limited <sup>3</sup>              |

#### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Ms. Pintongta Shinawatra Kunakornwong (Age 39)

### Shareholder

#### Shareholding

- 1,176,915,495 shares (28.160%)

#### Highest Education

- Master's Degree in MSc Management, Cass Business School, City University, the UK
- Master's Degree in MA Enterprise Management for the Creative Arts, London College of Communication, University of the Arts, London, the UK

#### Work Experiences and Position in ther companies

• 2019 - present	Director	B.P. Property Company Limited
• 2019 - present	Director	Innovation Capital Company Limited
• 2019 - present	Director	OAI Leasing Company Limited
• 2019 - present	Director	OAI Management Company Limited
• 2019 - present	Director	P.T. Corporation Company Limited
• 2019 - present	Director	S C K Estate Company Limited
• 2019 - present	Director	SC Office Park Company Limited
• 2019 - present	Director	SC Office Plaza Company Limited
• 2017 - present	Director	PD Khaoyai Company Limited
• 2017 - present	Director	PD Korat Company Limited
• 2017 - present	Director	Peppermint (Thailand) Company Limited
• 2016 - present	Director	Alpine Golf and Sport Club Company Limited
• 2016 - present	Director	Garden Design Company Limited
• 2016 - present	Director	OAI Consultant and Management Company Limited
• 2013 - present	Director	Thame Valley Khao Yai Hotel Company Limited
• 2013 - present	Director	Rende Ploenchit Hotel Company Limited
• 2012 - present	Director	Rende Development Company Limited
• 2008 - present	Director	The Sister nail Company Limited <sup>2</sup>
• 2006 - present	Director / Secretary	Thaicom Foundation
• 2004 - present	Director	Okanit Company Limited
• 2012 - 2017	Managing Director	Voice Creation Company Limited
• 2011 - 2017	Director	Shinawatra University
• 2011 - 2012	Director / Member of the Executive Committee	SC Asset Corporation Pubic Company Limited
• 2004 - 2019	Director	How Come Studio Company Limited
• 2004 - 2017	Director	Voice TV Company Limited <sup>3</sup>

#### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Ms. Paetongtarn Shinawatra (Age 35)

### Shareholder

#### Shareholding

- 1,216,149,870 shares (29.099%)

#### Highest Education

- Master's Degree in MSc International Hotel Management, University of Surrey

#### Work Experiences and Position in ther companies

- 2019 - present Director, B.P. Property Company Limited
- 2019 - present Director, Innovation Capital Company Limited
- 2019 - present Director, OAI Leasing Company Limited
- 2019 - present Director, OAI Management Company Limited
- 2019 - present Director, P.T. Corporation Company Limited
- 2019 - present Director, S C K Estate Company Limited
- 2019 - present Director, SC Office Park Company Limited
- 2019 - present Director, SC Office Plaza Company Limited
- 2017 - present Director, PD Khaoyai Company Limited
- 2017 - present Director, PD Korat Company Limited
- 2017 - present Director, Shinawatra University
- 2016 - present Director, Alpine Golf and Sport Club Company Limited
- 2016 - present Director, Garden Design Company Limited
- 2016 - present Director, OAI Consultant and Management Company Limited
- 2013 - present Director, Thame Valley Khao Yai Hotel Company Limited
- 2012 - present Director, Rende Development Company Limited
- 2008 - present Director, The Sister nail Company Limited<sup>2</sup>
- 2011 - present Director, Rende Ploenchit Hotel Company Limited
- 2006 - present Director, Thaicom Foundation
- 2004 - present Director, Okanit Company Limited
- 2004 - 2017 Director, Voice TV Company Limited<sup>3</sup>

#### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

#### Note :

- <sup>1</sup> SC Asset Company Limited was changed to OAI Management Company Limited in August 2003
- <sup>2</sup> The name of "ManCity Marketing Company Limited" was changed to O A I Marketing Company Limited in December 2009 and changed to the name of The Sister nail Company Limited in June 2012
- <sup>3</sup> The name of How Come Entertainment Company Limited was changed to Voice Station Company Limited in December 2008 and changed to Voice TV Company Limited in June 2009.
- <sup>4</sup> The name of "Ploenjit Arcade Company Limited" was changed to Rende Ploenchit Hotel Company Limited in May 21, 2013
- <sup>5</sup> The name of "OAI Asset Company Limited" was changed to SC Able Company Limited In May 23, 2017

Shareholding Information, dated December 31, 2020

**Positoning Summary of Directors, Executives Controlling Persons and Company Secretary  
(Date as at December 31, 2020)**

Name	SC	Subsidiaries										Related Companies																				
		SCA	UL	VL	SCOPE	SC Alpha	SC NNR 1	SCOPE TOWER	BGT	SCX	SC Three	BP	INC	OAI - L	OM	PT	SCK	SOP	SOPZ	BBP	OCM	AG	RENDE	AGD	BTE	RPH	Thames	OKN	PD Korat	PD Khaoyai	SIS	PR9
Mr. Rath Kitivejosoth	A,K																															
Mr. Nuttaphong Kunakornwong	B,D,E,F,I,J	A,D	A,D	A,D	A,D	A,D		A,D	A,D	A,D	A,D																					
Mr. Nathpath Ouajai	C,D,F	C,D	C,D	C,D																												
Mr. Kunodom Tharmmaphornphilas	C,G,H,K																															
Mr. Precha Sekhararidhi	C,G,I,J,K																															
Mr. Prasert Samanawong	C,G,H,J,K																															
Mr. Songsak Premsuk	C,F,H,I,K																															F
Ms. Vilasinee Puddhikarant	C,FK																															C
Mr. Attapol Sariddipuntawat	C,D,F,J,L	C,D	C,D	C,D	C,D		C,D	C,D	C,D	C,D	C,D																					C,F
Ms. Pradthana Patsaman	L																															
Mr. Somboon Kuptimanus	L																		C,D					C,D								
Ms. Namtip Promchua	L																															
Ms. Sirikul Kriangkrai	L																															
Mr. Manit Banchongthanakit	L						C,D			C,D	C,D																					
Mr. Somchai Laohaburanakit	L																															
Mr. Paphandech Pacharachanant	L																															
Mr. Mongkut Techolarn	L																															
Mr. Prayongyut Itthiratchai	L																															
Khunying Potjaman Damapong	M																															
Mr. Panthongtae Shinawatra	M																									C,D		C,D, L				
Ms. Pintongta Shinawatra Kunakornwong	M											C,D	C,D	C,D	C,D	C,D	C,D	C,D		C,D	C,D	C,D	C,D	C,D	C,D, L	C,D, L	C, L	C	C,D	C,D	C,D, L	
Ms. Paetongtarn Shinawatra	M											C,D	C,D	C,D	C,D	C,D	C,D	C,D		C,D	C,D	C,D	C,D	C,D, L	C,D, L	C,D, L	C, L	C	C,D	C,D	C,D, L	

Note			The Company and its Subsidiaries			Related Companies		
A	=	Chairman of the Board of Directors	SC	=	SC Asset Corporation Public Company Limited	BP	=	B.P. Property Company Limited
B	=	Vice-Chairman of the Board of Directors	UL	=	Upcountry Land Company Limited	INC	=	Innovation Capital Company Limited
C	=	Director	VL	=	V. land Property Company Limited	OAI – L	=	OAI Leasing Company Limited
D	=	Authorized Director				OM	=	OAI Management Company Limited
E	=	Chief Executive Director	SCA	=	SC Able Company Limited	PT	=	P.T. Corporation Company Limited
F	=	Member of the Executive Committee	SCOPE	=	Scope Company Limited	SCK	=	S C K Estate Company Limited
			SC Alpha	=	SC Alpha Inc	SOP	=	SC Office Park Company Limited
G	=	Member of the Audit Committee	SC NNR 1	=	SC NNR 1 Company Limited	SOPZ	=	SC Office Plaza Company Limited
						BBP	=	B.B.D Property Company Limited
H	=	Member of the Nomination and Remuneration Committee	SCOPE TOWER	=	Scope Tower CompanyLimited	OCM	=	OAI Consultant and Management Company Limited
			BGT	=	Bridgt Group (Thailand) Company Limited	AG	=	Alpine Golf and Sport Club Company Limited
I	=	Member of the Corporate Governance and Sustainable Development Committee				RENDE	=	Rende Development Company Limited
			SCX	=	SC Expedition Company Limited	AGD	=	Alpine Garden Design Company Limited
J	=	Member of the Risk Management Committee	SC Three	=	SC Asset Three Company Limited	BTE	=	Bangkok Telecom Engineering Company Limited
						RPH	=	Rende Ploenchit Hotel Company Limited
K	=	Independent Director				Thames	=	Thames Valley Khao Yai Hotel Company Limited
L	=	Executive						
M	=	Controlling Person				OKN	=	Okanit Company Limited
						PD Korat	=	PD Korat Company Limited
						PD Khaoyai	=	PD Khaoyai Copany
						SIS	=	The Sister nail Company Limited
						PR 9	=	Praram 9 Hostipal Company Limited

### Details of shareholding of ordinary shares and debentures of the Company's Directors and Executives for the year 2020

The Company / Subsidiaries	SC		SCA		UL		VL		SCOPE		SC NNR 1		SCOPE TOWER		SC Alpha		BGT		SCX		SC Three	
Directors / Executives	Share (s)	Debtenture	Share (s)	Debtenture	Share (s)	Debtenture	Share (s)	Debtenture	Share (s)	Debtenture	Share (s)	Debtenture	Share (s)	Debtenture	Share (s)	Debtenture	Share (s)	Debtenture	Share (s)	Debtenture	Share (s)	Debtenture
Mr. Rath Kitivejsoth	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Nuttaphong Kunakornwong	1,750,000	30,000,000	-	-	-	-	-	-	1	-	1	-	1	-	-	-	1	-	1	-	1	-
Mr. Nathpath Ouajai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Kunodom Tharmmaphornphilas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Prasert Samanawong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Precha Sekhararidhi	37,968	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Songsak Premasuk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Vilasinee Puddhikarant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Attapol Sariddipuntawat	8,589,843	3,000,000	-	-	-	-	-	-	1	-	1	-	-	-	-	-	1	-	1	-	1	-
Mr. Attapol Sariddipuntawat	4,796,718	4,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Attapol Sariddipuntawat	7,361,612	-	2	-	2	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Namtip Promchua	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Sirikul Kriangkrai	124,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Somchai Laohaburanakit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Manit Banchongthanakit	503	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1	-
Mr. Paphandech Pacharachanant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Mongkut Techolarn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Prayongyut Itthiratchai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Note:** 1) Including shareholding by spouse and minor children

2) Shareholding, date as at December 31, 2020

## **Attachment 2**

### **Information of Subsidiaries' Directors**

Detailed Information is published at [www.scasset.com](http://www.scasset.com) under section "Investor Relations" / "Financial Information" / "Annual Report" (<https://www.scasset.com/th/investor/annual-report/>)



## Attachment 2: Information of Subsidiaries' Directors

Directors	Subsidiaries									
	SCA	UL	VL	SCOPE	SC Alpha	SC NNR1	SCOPE TOWER	BGT	SCX	SC Three
Mr. Nuttaphong Kunakornwong	●●	●●	●●	●●	●●		●●	●●	●●	●●
Mr. Nathpath Ouajai	●●	●●	●●							
Mr. Attapol Sariddipuntawat	●●	●●	●●	●●		●●	●●	●●	●●	●●
Mr. Yongyutt Chaipromprasit				●●			●●			
Mr. Apisit Limlomwongse					●●					
Mr. Parawut Kobboon					●●					
Mr. Manit Banchongthanakit						●●			●●	●●
Mr. Tomoaki Kinoshita						●●				
Mr. Nattagit Sirirat								●●		

### Note

- Chairman of the Board of Directors
- Director
- Authorized Director

Date as of December 31, 2020

## **Attachment 3**

### **Details of Head of Internal Audit and Head of Compliance**

Detailed Information is published at [www. scasset.com](http://www.scasset.com) under section “Investor Relations” / “Financial Information” / “Annual Report” (<https://www.scasset.com/th/investor/annual-report/>)

### Attachment 3: Details of Head of Internal Audit and Head of Compliance (Date as of 31 December 2020)

#### Mr. Kanapon Charoonroch Na Ayudhya (Age 36)

##### Head of Internal Audit

##### Position

- Head of Internal Audit (started on October 1, 2020 - present)

##### Highest Education

- Master's Degree in Economics, Thammasat University

##### Training

- Chartered Global Management Accountant Program (CGMA)

##### Work Experiences

- 2019 - 2020      Operations Manager      GMO Z.Com Cryptonomics (Thailand) Company Limited
- 2007 - 2019      Senior Manager      Deloitte Touche Tohmatsu Jaiyos Audit Company Limited

##### Position in Listed Company - The Stock Exchange of Thailand

- None

##### Position in Other Non-Listed Company

- None

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
None	None	None

##### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

## Mr. Somboon Kuptimanus (Age 61)

### Company Secretary

#### Position

- Chief Legal Officer (started on April, 2017 - present)
- Company Secretary (started on September 1, 2008 - present)

#### Highest Education

- Degree of National Defence College Class 24
- MINI MBA, Chulalongkorn University
- Thai Barrister at Law, Member of the Thai Bar Association

#### Training

##### Thai Institute of Directors Association (IOD)

- Company Secretary Program (CSP) Class 2006
- Director Accreditation Program (DAP) Class 142/2017

##### Other Institutions / Organizations

- Leadership Program, Capital Market Academy (CMA) Class 21
- The Programme of senior Executives on Justice dministration batch 18, National Justice Academy

#### Work Experiences

- |               |   |   |
|---------------|---|---|
| • 2013 - 2014 | Member of the Risk Management Committee | SC Asset Corporation Public Company Limited |
| • 2003 - 2017 | Senior Vice President - Legal           | SC Asset Corporation Public Company Limited |
| • 2003 - 2018 | Director                                | Praram 9 Hospital Public Company Limited    |
| • 2002 - 2003 | Vice President of Legal                 | SC Asset Company Limited                    |
| • 2000 - 2002 | Vice President of Legal                 | SC Asset Company Limited                    |

#### Position in Listed Company - The Stock Exchange of Thailand

None

#### Position in Other Non-Listed Company

- |                  |          |   |
|------------------|----------|---|
| • 2006 - present | Director | B.B.D. Property Company Limited             |
| • 1998 - present | Director | Bangkok Telecom Engineering Company Limited |

Direct shareholding	Spouse and minor child shareholding	Familial relationship between directors and executives
7,361,612 shares (0.176%)	None	None

#### Criminal records on violation of securities and futures contract laws / other laws in the last 10 years

- None

#### Duties and Responsibilities of Head of Compliance

- Supervising and reviewing to ensure that the Company is in compliance with laws and regulations of the Stock Exchange of Thailand/ the Securities and Exchange Commission or regulations of the regulatory authorities
- Providing recommendation and supporting the work of directors and executives to ensure that their actions are in accordance with applicable laws and regulations, and in line with the good corporate governance principles
- Collecting and disseminating information for provision of knowledge and advice to other business units in the Company on the procedures and actions required by applicable laws, rules, and practice guidelines, as well as actions in compliance with the Company's prescribed policies, particularly the policy and measures on anti-corruption policy and measures
- Performing other tasks by law or other assignments assigned by the Board of Directors.

## **Attachment 4**

### **Operating Assets**

# OPERATING ASSETS

Project/Location	Type of Product	Area (Rai)	Book Value (Baht Million) December 31, 2020	Appraisal Value (Baht Million) *	Obligation	Remark
<b>Assets under SC's ownership</b>						
Shinawatra Tower 1 Phaholyothin Rd. Phyathai	Office Building	1-2-82	967.40	967.40 <sup>1</sup>	Mortgage with financial institution	Loan value at Baht 566.25 million as of December 31,2020
Shinawatra Tower 2 Phaholyothin Rd. Phyathai	Office Building	1-3-98	807.50	807.50 <sup>2</sup>		
Shinawatra Tower 3 Phaholyothin Rd. Phyathai	Office Building	9-1-52	2,436.70	2,436.70 <sup>3</sup>	Mortgage with financial institution	Loan value at Baht 1,174 million as of December 31,2020
Computer Center Building (อาคาร CC)	Office Building	2-2-85.5	180.38	180.38 <sup>4</sup>	None	
Land for rent at Phetchkasem Rd. 81	Land for rent	3-0-9.9	40.40	40.40 <sup>5</sup>	None	
The Junction Ratchada - Ramintra	Rental Building	5-1-27.5	36.79	32.27 <sup>6</sup>	None	
Land at Pak Kret Bypass Road	Land for rent	0-0-25.1	1.53	1.53 <sup>7</sup>	None	
Club House Ratchada- Ramintra 350	Clubhouse	2-2-30.6	14.52	14.52 <sup>8</sup>	None	
Unit No. 95/1067 at Centric Tiwanon Station	Commercial Unit	0-0-2.82	5.43	5.43 <sup>9</sup>	None	
Unit No. 95/1068 at Centric Tiwanon Station	Commercial Unit	0-0-2.82	5.43	5.43 <sup>9</sup>	None	
Unit No. 95/1069 at Centric Tiwanon Station	Commercial Unit	0-0-2.82	5.44	5.44 <sup>9</sup>	None	
GRANADA PINKLAO- PHETKASEM	Housing Estate	11-2-95.3	759.91	-	None	
GRAND BANGKOK BOULEVARD SUKHUMVIT	Housing Estate	2-3-70.7	167.45	-	None	
GRAND BANGKOK BOULEVARD RATCHAPHRUEK - CHARAN	Housing Estate	9-2-72.9	415.24	-	None	
GRAND BANGKOK BOULEVARD RATCHAPHRUEK - RAMA 5	Housing Estate	3-3-6.5	270.96	-	None	
GRAND BANGKOK BOULEVARD RAMINTRA-SERITHAI	Housing Estate	3-2-34.9	174.13	-	None	

Project/Location	Type of Product	Area (Rai)	Book Value (Baht Million) December 31, 2020	Appraisal Value (Baht Million) *	Obligation	Remark
<b>Assets under SC's ownership</b>						
GRAND BANGKOK BOULEVARD EAST RAMA 9	Housing Estate	14-2-78.9	558.17	-	Mortgage with financial institution	Loan value at Baht 0.01 million as of December 31,2020
GRAND BANGKOK BOULEVARD BANGNA-ONNUT	Housing Estate	14-1-23.1	533.86	-	None	
THE GENTRY SUKHUMVIT	Housing Estate	2-2-36.3	284.47	-	None	
THE GENTRY VIBHAVADI	Housing Estate	1-2-55.9	205.59	-	None	
THE GENTRY EKAMAI – LADPRAO	Housing Estate	0-3-78.9	147.41	-	None	
THE GENTRY PHATTHANAKAN	Housing Estate	6-1.-75.6	598.73	-	Mortgage with financial institution	Loan value at Baht 215.12 million as of December 31,2020
BANGKOK BOULEVARD PINKLAO - PHETKASEM	Housing Estate	2-3-21.4	133.23	-	None	
BANGKOK BOULEVARD CHAENGWATTANA 2	Housing Estate	11-3-18.6	272.53	-	None	
BANGKOK BOULEVARD SATHORN - PINKLAO 2	Housing Estate	16-0-15.5	529.79	-	None	
BANGKOK BOULEVARD SRINAKARIN-BANGNA	Housing Estate	12-3-25.3	365.32	-	None	
BANGKOK BOULEVARD RAMINTRA-SERITHAI	Housing Estate	1-1-78.8	87.61	-	None	
BANGKOK BOULEVARD RAMINTRA-SERITHAI 2	Housing Estate	10-2-96.3	417.38	-	Mortgage with financial institution	Loan value at Baht 94.09 million as of December 31,2020
BANGKOK BOULEVARD RAMA 5	Housing Estate	25-0-2.1	637.02	-	Mortgage with financial institution	Loan value at Baht 55.75 million as of December 31,2020
BANGKOK BOULEVARD VIBHAVADI	Housing Estate	3-3-49.7	205.98	-	None	
BANGKOK BOULEVARD DONMUANG-CHAENGWATTANA	Housing Estate	29-3-51.6	367.52	-	None	
BANGKOK BOULEVARD WESTGATE	Housing Estate	27-2-93.8	560.42	-	Mortgage with financial institution	Loan value at Baht 13.17 million as of December 31,2020
BANGKOK BOULEVARD RAMKHAMHEANG-WONGWAN	Housing Estate	12-2-5	197.64	-	Mortgage with financial institution	Loan value at Baht 137.95 million as of December 31,2020



Project/Location	Type of Product	Area (Rai)	Book Value (Baht Million) December 31, 2020	Appraisal Value (Baht Million) *	Obligation	Remark
<b>Assets under SC's ownership</b>						
BANGKOK BOULEVARD SIGNATURE SATHORN- RATCHAPHRUEK	Housing Estate	18-0-31	578.06	-	None	
BANGKOK BOULEVARD SIGNATURE LADPRAO-SERITHAI	Housing Estate	13-3-88.3	533.80	-	None	
BANGKOK BOULEVARD SIGNATURE PHETKASEM - PINKLAO	Housing Estate	30-3-37.9	446.35	-	None	
BOULEVARD TUSCANY CHA AM- HUA HIN	Housing Estate	14-2-78	940.48	-	None	
LIFE BANGKOK BOULEVARD RATCHAPHRUEK - RATTANATHIBET	Housing Estate	1-3-86.9	84.51	-	None	
VENUE WESTGATE	Housing Estate	2-1-51.9	69.87	-	None	
VENUE RAMA 9	Housing Estate	7-2-31.8	241.43	-	None	
VENUE TIWANON-RANGSIT	Housing Estate	0-1-17.7	29.40	-	None	
VENUE ID SRINAKARIN-BANGNA	Housing Estate	53-1-90.4	644.55	-	Mortgage with financial institution	Loan value at Baht 432.00 million as of December 31,2020
VENUE ID WESTGATE	Housing Estate	42-0-99.3	315.27	-	None	
VENUE ID RAMA 5	Housing Estate	11-6-90.7	154.70	-	None	
VENUE FLOW RAMA 5	Housing Estate	5-1-53.1	228.01	-	None	
VENUE FLOW RANGSIT	Housing Estate	7-1-95.6	121.36	-	None	
VENUE FLOW PHETCHKASEM	Housing Estate	28-2-63.8	350.44	-	None	
VENUE FLOW CHAENGWATTANA	Housing Estate	35-0-76	548.94	-	None	
VENUE FLOW WESTGATE	Housing Estate	18-1-65.2	173.52	-	Mortgage with financial institution	Loan value at Baht 4.96 million as of December 31,2020
V COMPOUND RATCHAPHRUEK - PINKLAO	Housing Estate	7-1-48.2	290.23	-	None	

Project/Location	Type of Product	Area (Rai)	Book Value (Baht Million) December 31, 2020	Appraisal Value (Baht Million) *	Obligation	Remark
<b>Assets under SC's ownership</b>						
PAVE BANPHO - CHACHOENGSAO	Housing Estate	5-3-9.2	108.50	-	None	
PAVE MOTORWAY - CHACHOENGSAO	Housing Estate	20-0-80.4	278.64	-	None	
PAVE PINKLAO - SALAYA	Housing Estate	17-2-14	260.19	-	None	
PAVE BANGNA	Housing Estate	29-0-99.6	402.50	-	None	
HEADQUARTERS EKAMAI - LADPRAO	Housing Estate	0-0-45	24.92	-	None	
HEADQUARTERS VIBHAVADI	Housing Estate	0-1-15.5	30.57	-	None	
WORKPLACE RAMA 9	Housing Estate	5-1-93.8	115.36	-	None	
WORKPLACE SAIMAI-PHAHOLYOTHIN	Housing Estate	0-2-61.8	10.14	-	None	
WORKPLACE RAMKHAMHEANG-WONGWAN	Housing Estate	1-0-8.2	31.27	-	Mortgage with financial institution	Loan value at Baht 11.25 million as of December 31,2020
VERVE PHETCHKASEM 81	Housing Estate	2-0-5.7	89.67	-	None	
VERVE PHETCHKASEM	Housing Estate	8-0-96.9	240.17	-	None	
VERVE TIWANON - RANGSIT	Housing Estate	0-0-42.2	9.35	-	None	
VERVE RAMA 5	Housing Estate	3-1-22.3	156.76	-	None	
VERVE SAIMAI-PHAHOLYOTHIN	Housing Estate	5-3-21.3	193.31	-	None	
VERVE RAMKHAMHEANG-WONGWAN	Housing Estate	24-3-19	399.02	-	Mortgage with financial institution	Loan value at Baht 270 million as of December 31,2020
SALADAENG ONE	Condominium	0-0-6.28	61.51	-	None	
BEATNIQ SUKHUMVIT 32	Condominium	0-2-91.86	1,042.90	-	Mortgage with financial institution	Loan value at Baht 0.01 million as of December 31,2020
28 CHIDLOM	Condominium	1-1-93.76	2,988.66	-	Mortgage with financial institution	Loan value at Baht 16.11 million as of December 31,2020
THE CREST SANTORA HUA-HIN	Condominium	0-1-97.6	81.00	-	None	

Project/Location	Type of Product	Area (Rai)	Book Value (Baht Million) December 31, 2020	Appraisal Value (Baht Million) *	Obligation	Remark
<b>Assets under SC's ownership</b>						
THE CREST ASOKE RESIDENCE	Condominium	1-2-0	957.32	-	Mortgage with financial institution	Loan value at Baht 540 million as of December 31,2020
CENTRIC TIWANON STATION	Condominium	0-0-38.28	60.22	-	None	
CENTRIC RATCHAYOTHIN	Condominium	0-3-30.37	404.47	-	None	
CHAMBERS CHAAN	Condominium	0-0-7.28	3.23	-	None	
CHAMBERS CHER	Condominium	0-0-62.08	19.49	-	None	
CHAMBERS ONNUT-STATION	Condominium	1-0-94.71	488.44	-	None	
Sales Office CHA-AM	Office Building	1-1-54.5	9.88	-	None	
SC SPORT COMPLEX	Sport Complex	5-2-87.1	78.37	-	None	
SC COMMUNITY	Community	6-0-59.5	91.08	-	None	
Plot of Land at Kaset Nawamin Rd.	Land with structure	1-0-36	6.92	-	None	
Plot of Land at Chachoengsao	Land for development	0-3-25.4	2.93	-	None	
Plot of Land at Vibhavadi Rangsit Rd. Bang Khen Distric	Land for development	13-0-34.7	231.41	-	None	
Plot of Land at Ratchavipha Rd.	Land for development	4-0-19.7	138.37	-	None	
Plot of Land at Phuttasakorn-Petchkasem 91	Housing Estate	0-1-93.20	17.34	-	None	
<b>SC's right-of-use assets</b>						
Right-of-use of land and SC's tower	Office Building	1-3-1	879.87	-	None	Summary of Long-term lease Contract 1.
Right-of-use of land with structure in Soi Phaholyothin 21	Car Park	0-3-81	1.76	-	None	

Project/Location	Type of Product	Area (Rai)	Book Value (Baht Million) December 31, 2020	Appraisal Value (Baht Million) *	Obligation	Remark
<b>Assets under VL's ownership</b>						
PAVE RANGSIT	Housing Estate	0-1-91.9	10.15	-	None	
PAVE PRACHA UTHIT 90	Housing Estate	2-0-67.7	52.81	-	None	
BANGKOK BOULEVARD RAMA 9	Housing Estate	6-0-61.6	280.15	-	None	
WORKPLACE PHETCHKASEM 81-2	Housing Estate	3-2-13.4	171.73	-	None	
V COMPOUND BANGNA	Housing Estate	13-2-26.9	238.20	-	None	
V COMPOUND TIWANON-RANGSIT	Housing Estate	20-3-75.4	335.82	-	None	
VERVE RAMA 9	Housing Estate	0-0-44.2	4.04	-	None	
Bang Kadi Pathumthani	Housing Estate	37-1-34.6	172.81	-	None	
Property for sales	Housing Estate / Condominium	2-0-25.12	187.65	-	None	
Land at Banpho - Chachoengsao	Housing Estate	1-2-73.2	25.86	-	None	
<b>SCA's right-of-use assets</b>						
Right-of-use of land and Technical Training Center Building	Office Building	0-3-85.65	48.39	-	None	Summary of Long-term lease Contract 2.
<b>Assets under UL's ownership</b>						
Land and 109 Technical buildings with special features	Office Building Chum Sai Building	138-2-83.5	991.76	991.76 <sup>10-22</sup>	None	
VENUE FLOW TIWANON-RANGSIT	Housing Estate	31-0-31.5	415.29	-	Mortgage with financial institution	Loan value at Baht 98.40 million as of December 31,2020
BANGKOK BOULEVARD TIWANON-RANGSIT	Housing Estate	24-1-83.4	139.93	-	None	

Project/Location	Type of Product	Area (Rai)	Book Value (Baht Million) December 31, 2020	Appraisal Value (Baht Million) *	Obligation	Remark
<b>UL's right-of-use assets</b>						
Right-of-use of land at Nong Chok	Office Building	0-1-88	0.12	-	None	
Right-of-use of land at Khan Na Yao	Office Building	4-2-30	4.37	-	None	
Right-of-use of land at Samutprakarn	Office Building	6-3-87	5.02	-	None	
Right-of-use of land at Chanthaburi	Office Building	1-0-67.2	1.19	-	None	
<b>Assets under SC3's ownership</b>						
CENTRIC SATHORN WONGWIAN YAI	Condominium	3-2-78.4	1,169.96	-	Mortgage with financial institution	Loan value at Baht 10 million as of December 31,2020
<b>SCX's right-of-use assets</b>						
Right-of-use of land at Ratchadapisek Rd.	Hotel	0-3-81	88.10			Summary of Long-term lease Contract 3.
Right-of-use of land at Nakhon Chai Si Rd. (Ratchawat)	Hotel	1-0-43.4	42.84			Summary of Long-term lease Contract 4.
Right-of-use of stucture at Nakhon Chai Si Rd. (Ratchawat)	Hotel	5,280.05 sq.metres	10.71			Summary of Long-term lease Contract 5.
Right-of-use of land at Pattaya Sai 2 Rd.	Hotel	3-3-0	107.78			Summary of Long-term lease Contract 6.
<b>Assets under SCOPE's ownership</b>						
SCOPE LANGSUAN	Condominium	2-0-80	3,490.62	-	Mortgage with financial institution	Loan value at Baht 1,992.33 million as of December 31,2020
SCOPE GREEN	Condominium	1-0-89	426.25	-	Mortgage with financial institution	Loan value at Baht 275 million as of December 31,2020
<b>Assets under SCOPE TOWER's ownership</b>						
SCOPE THONGLOR	Condominium	1-0-4	913.21	-	Mortgage with financial institution	Loan value at Baht 565.6 million as of December 31,2020
<b>Assets under SC NNRI's ownership</b>						
THE CREST PARK RESIDENCE	Condominium	1-3-97.7	1,336.19	-	Mortgage with financial institution	Loan value at Baht 96.00 million as of December 31,2020

**Remark: The Company reported appraisal values of assets as follow:**

List of Valuers	List of Supervisors or Main Valuers	Objective	Report Date
1/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	9 December 2020
2/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	29 October 2020
3/Charter Valuation and Consultant Co., Ltd.	Mr.Nathachai Sookasem VT.302	For public	6 November 2020
4/Charter Valuation and Consultant Co., Ltd.	Mr.Nathachai Sookasem VT.302	For public	18 August 2020
5/Charter Valuation and Consultant Co., Ltd.	Mr.Nathachai Sookasem VT.302	For public	31 August 2020
6/Charter Valuation and Consultant Co., Ltd.	Mr.Nathachai Sookasem VT.302	For public	2 September 2020
7/Charter Valuation and Consultant Co., Ltd.	Mr.Nathachai Sookasem VT.302	For public	18 August 2020
8/Charter Valuation and Consultant Co., Ltd.	Mr.Nathachai Sookasem VT.302	For public	2 September 2020
9/Charter Valuation and Consultant Co., Ltd.	Mr.Nathachai Sookasem VT.302	For public	20 August 2020
10/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	6 November 2020
11/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	2 September 2020
12/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	6 November 2020
13/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	2 September 2020
14/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	6 November 2020
15/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	6 November 2020
16/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	2 September 2020
17/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	6 November 2020
18/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	31 August 2020
19/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	31 August 2020
20/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	6 November 2020
21/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	2 September 2020
22/Charter Valuation and Consultant Co., Ltd.	Mr.Jeerawat Naruemit VT.228	For public	2 September 2020

## Summary of Long-term lease contract - 1. Land and SC Tower

<b>Contract Date</b>	26 June 2014
<b>Parties</b>	Between SC Office Plaza Co., Ltd (lessor) and SC (lessee)
<b>Type of Contract</b>	Land lease contract with the area of 1 Rai 3 Ngai 1 Sq.wah.(701 Sq.wah) at Phaholyothin Rd. Samsen Nai Phayathai District Bangkok for office building
<b>Term of Contract</b>	<p>Lease term is separated into 2 periods</p> <ol style="list-style-type: none"> <li>1. The period of office building construction was 2 years 6 months, starting from 1 July 2014 to 31 December 2016</li> <li>2. The period of office building usage is 30 years, starting from 1 January 2017 to 31 December 2046.</li> </ol> <p>In the case of building construction extended beyond 1 January 2017, the lease period during the office building usage that both parties will register the lease will be extended equal to the length of the construction that must be extended. Term period will be a 30-year contract, starting from the registration date of land lease contract and the building construction is completed.</p>
<b>Duties or Obligations</b>	<ul style="list-style-type: none"> <li>• Lessee shall invest in the construction of the office building and agree to transfer the ownership of such building to the lessor upon the expiration of the lease contract term without benefit.</li> <li>• Upon the expiration of the lease contract, the lessee shall receive the right of first refusal for the renewal of the rental of the land and the office building under a new mutually acceptable agreement.</li> <li>• Rental rate is set for 2 periods as follow: Monthly rental rate by Baht 100,000 during the period of office building construction. Monthly rental rate by Baht 550,000 during the period of office building usage and the rate will be increased at 10% from the rate at that time at maturity in every 3 years</li> </ul>



## Summary of Long-term lease contract - 2. Land and Technical Training Center Building (TTC)

<b>Contract Date</b>	26 August 2005
<b>Parties</b>	Between the Crown Property Bureau(lessor) and SCA (lessee)
<b>Type of Contract</b>	Land lease contract with the area of 385.65 Sq.wah at Phaholyothin Rd. between Soi Ari and Soi Seefah Samsen Nai Phayathai District Bangkok with the structure of an 8-storey and 1-underground storey office building.
<b>Term of Contract</b>	During the period of building construction starting from August 2005 to January 2007 and 25 years for lease term starting from 1 February 2007 onwards
<b>Duties or Obligations</b>	<ul style="list-style-type: none"> <li>• Lessee shall invest in the construction of an 8-storey and 1-underground storey office building under the name of lessor by the construction cost regarding to the contract and agree to transfer the ownership of such building and equipment to the lessor after completion without any request of benefit from lessor.</li> <li>• Leasehold fee and rental rate <ol style="list-style-type: none"> <li>1. SCA had to pay leasehold fee by Baht 11,100,000 as of the contract date.</li> <li>2. Monthly payment at Baht 14,070 during the period of building construction, starting from August 2005 to January 2007</li> <li>3. Details of monthly rental rate of land and building starting from 1 February 2007 onwards as follow: <ul style="list-style-type: none"> <li>- 1<sup>st</sup> - 5<sup>th</sup> Year ( 1 February 2007 - 31 January 2012 ) monthly rental rate at Baht 140,700</li> <li>- 6<sup>th</sup> - 10<sup>th</sup> Year ( 1 February 2012 - 31 January 2017 ) monthly rental rate at Baht 161,900</li> <li>- 11<sup>th</sup> - 15<sup>th</sup> Year ( 1 February 2017 - 31 January 2022 ) monthly rental rate at Baht 186,100</li> <li>- 16<sup>th</sup> - 20<sup>th</sup> Year ( 1 February 2022 - 31 January 2027 ) monthly rental rate at Baht 214,100</li> <li>- 21<sup>st</sup> - 25<sup>th</sup> Year ( 1 February 2027 - 31 January 2032 ) monthly rental rate at Baht 246,200</li> </ul> </li> </ol> </li> </ul>

### Summary of Long-term lease contract - 3. Land at Ratchadapisek Rd.

<b>Contract Date</b>	17 September 2019
<b>Parties</b>	Between Tongpao Co., Ltd (lessor) and SC (lessee) and transferred leasehold to SCX as of November 28,2019
<b>Type of Contract</b>	1 plot of land lease contract with the area of 3 Ngai 62.4 Sq.wah (362.4 Sq.wah) located on public interest road Soi Ratchadapisk 14 Huai Khwang Huay Khwang District Bangkok in order for the lessee to build a building in the hotel business or any other business or business that the lessee deems appropriate on such leased land.
<b>Term of Contract</b>	30-year land lease contract, starting from 1 December 2021 to 30 November 2051
<b>Duties or Obligations</b>	<ul style="list-style-type: none"> <li>• Upon the expiration of this lease contract, if there is no renewal thereof, or if the contract is terminated prior to the expiration of its term, both parties thereof agree that the lessor shall have the option to choose whether or not the building shall be under the ownership of the lessor and the lessor shall notify the lessee in writing at least 90 days in advance of such termination. In the event that the lessor does not make such advance notification within the prescribed period or notify that the lessor does not want to take the ownership of the building or the structure, the lessee must remove the building and structure from the rental land and restore the rental land to its former condition (vacant land without any building and structure) within 90 days from the termination of such rental contract.</li> <li>• Leasehold fee and rental rate <ul style="list-style-type: none"> <li>1. Leasehold fee by Baht 22,000,000 <ul style="list-style-type: none"> <li>1. Payment by Baht 2,000,000 as of the contract date</li> <li>2. Payment by Baht 20,000,000 as of November 29,2019 (registration date of land lease contract)</li> </ul> </li> <li>2. Details of total annual rental rate for the life of the 30-year contract by Baht 152,280,000, starting from 1 December 2021 onwards as follow: <ul style="list-style-type: none"> <li>- 1<sup>st</sup> - 3<sup>rd</sup> Year ( 1 December 2021 – 30 November 2024 ) annual rental rate by Baht 4,000,000</li> <li>- 4<sup>th</sup> - 6<sup>th</sup> Year ( 1 December 2024 - 30 November 2527 ) annual rental rate by Baht 4,207,600</li> <li>- 7<sup>th</sup> - 9<sup>th</sup> Year ( 1 December 2027 - 30 November 2030 ) annual rental rate by Baht 4,426,000</li> <li>- 10<sup>th</sup> - 12<sup>th</sup> Year ( 1 December 2030 - 30 November 2033 ) annual rental rate by Baht 4,655,700</li> <li>- 13<sup>th</sup> - 15<sup>th</sup> Year ( 1 December 2033 - 30 November 2036 ) annual rental rate by Baht 4,897,300</li> <li>- 16<sup>th</sup> - 18<sup>th</sup> Year ( 1 December 2036 - 30 November 2039 ) annual rental rate by Baht 5,151,500</li> <li>- 19<sup>th</sup> - 21<sup>st</sup> Year ( 1 December 2039 - 30 November 2042 ) annual rental rate by Baht 5,418,800</li> <li>- 22<sup>nd</sup> - 24<sup>th</sup> Year ( 1 December 2042 - 30 November 2045 ) annual rental rate by Baht 5,700,000</li> <li>- 25<sup>th</sup> - 27<sup>th</sup> Year ( 1 December 2045 - 30 November 2048 ) annual rental rate by Baht 5,996,000</li> <li>- 28<sup>th</sup> - 30<sup>th</sup> Year ( 1 December 2048 – 30 November 2051 ) annual rental rate by Baht 6,307,100</li> </ul> </li> </ul> </li> </ul>

## Summary of Long-term lease contract - 4. Land at Nakhon Chai Si Rd. (Ratchawat)

<b>Contract Date</b>	11 December 2019
<b>Parties</b>	Between Khunying Potjaman Damapong (lessor) and SCX (lessee)
<b>Type of Contract</b>	14 plots of land lease contract with the area of 1 Rai 43.4 Sq.wah (443.4 Sq.wah) and 2 buildings at Nakhon Chai Si Rd. Dusit Bangkok in order for the lessee to develop for buildings in hotel business
<b>Term of Contract</b>	30-year land and structure lease contract, starting from 1 January 2020 to 31 December 2049
<b>Duties or Obligations</b>	<ul style="list-style-type: none"> <li>Upon the expiration of this lease contract, the lessor and lessee shall mutually consider the extension or renewal of the lease contract that is acceptable by both parties. In the event that the details of the rental cannot be concluded within 60 days before the expiration of this lease contract, and the lessor intends to rent the land and building out to any other outside parties, the lessor agrees to grant to the lessee the right of first refusal and an option to lease the land on the same terms as those intended for the other said outside parties both for the lease period and the rental charges. The lessee must reply on such option to lease no later than 60 days from the date of the notification of such right of first refusal and such option to lease. If the lessee does not take the option to lease such land at the notified rental charges within the said timeframe, the lessor can lease such land and building to any other outside parties, given that the rental charges to any such outside parties are not lower than the rental charges proposed to the lessee</li> <li>During the lease period of this contract, if the lessor intends to sell his ownership on the rental land and building, the lessor must give the lessee written notice of first refusal with details, sales prices and terms and allow the lessee to reply within 60 days from the date of the written notice thereof. If the lessee does not accept to buy the said land within the prescribed timeframe, the lessor can sell such rental land to any other outsider parties. However, the sales price proposed to any such outsider parties must not be lower than the sales price proposed to the lessee, and the purchaser of the said land from the lessor must assume all the rights and obligations as a lessor as per the said lease contract and lease the land at the prescribed charges therein.</li> <li>Leasehold fee and rental rate <ol style="list-style-type: none"> <li>Total leasehold fee by Baht 4,000,000 and paid as of the contract date</li> <li>Details of total annual rental rate for the life of the 30-year contract by Baht 95,680,000, starting from 1 December 2020 onwards as follow <ul style="list-style-type: none"> <li>1<sup>st</sup> - 3<sup>rd</sup> Year ( 1 January 2020 - 31 December 2022) annual rental rate by Baht 800,000</li> <li>4<sup>th</sup> - 6<sup>th</sup> Year ( 1 January 2023 - 31 December 2025) annual rental rate by Baht 1,200,000</li> <li>7<sup>th</sup> - 9<sup>th</sup> Year ( 1 January 2026 - 31 December 2028) annual rental rate by Baht 1,880,000</li> <li>10<sup>th</sup> - 12<sup>th</sup> Year ( 1 January 2029 - 31 December 2031) annual rental rate by Baht 2,237,000</li> <li>13<sup>th</sup> - 15<sup>th</sup> Year ( 1 January 2032 - 31 December 2034) annual rental rate by Baht 2,662,000</li> <li>16<sup>th</sup> - 18<sup>th</sup> Year ( 1 January 2035 - 31 December 2037) annual rental rate by Baht 3,168,000</li> <li>19<sup>th</sup> - 21<sup>st</sup> Year ( 1 January 2038 - 31 December 2040) annual rental rate by Baht 3,769,000</li> <li>22<sup>nd</sup> - 24<sup>th</sup> Year ( 1 January 2041 - 31 December 2043) annual rental rate by Baht 4,486,000</li> <li>25<sup>th</sup> - 27<sup>th</sup> Year ( 1 January 2044 - 31 December 2046) annual rental rate by Baht 5,338,000</li> <li>28<sup>th</sup> - 30<sup>th</sup> Year ( 1 January 2047 - 31 December 2049) annual rental rate by Baht 6,353,000</li> </ul> </li> </ol> </li> </ul>

## Summary of Long-term lease contract - 5. Building and Structure at Nakhon Chai Si Rd. (Ratchawat)

<b>Contract Date</b>	11 December 2019
<b>Parties</b>	Between P.T. Corporation Co., Ltd. (lessor) and SCX (lessee)
<b>Type of Contract</b>	Building and structure lease contract, a 7-storey building with the total area of 5,280.05 Sq. metres at Nakhon Chai Si Rd. Dusit Bangkok in order for the lessee to develop buildings in hotel business
<b>Term of Contract</b>	30-year building and structure lease contract, starting from 1 January 2020 to 31 December 2049
<b>Duties or Obligations</b>	<ul style="list-style-type: none"> <li>Upon the expiration of this lease contract, the lessor and lessee shall mutually consider the extension or renewal of the lease contract that is acceptable by both parties. In the event that the details of the rental cannot be concluded within 60 days before the expiration of this lease contract, and the lessor intends to rent the land and building out to any other outside parties, the lessor agrees to grant to the lessee the right of first refusal and an option to lease the land on the same terms as those intended for the other said outside parties both for the lease period and the rental charges. The lessee must reply on such option to lease no later than 60 days from the date of the notification of such right of first refusal and such option to lease. If the lessee does not take the option to lease such land at the notified rental charges within the said timeframe, the lessor can lease such land and building to any other outside parties, given that the rental charges to any such outside parties are not lower than the rental charges proposed to the lessee</li> <li>During the lease period of this contract, if the lessor intends to sell his ownership on the rental land and building, the lessor must give the lessee written notice of first refusal with details, sales prices and terms and allow the lessee to reply within 60 days from the date of the written notice thereof. If the lessee does not accept to buy the said land within the prescribed timeframe, the lessor can sell such rental land to any other outsider parties. However, the sales price proposed to any such outsider parties must not be lower than the sales price proposed to the lessee, and the purchaser of the said land from the lessor must assume all the rights and obligations as a lessor as per the said lease contract and lease the land at the prescribed charges therein.</li> <li>Leasehold fee and rental rate <ol style="list-style-type: none"> <li>Leasehold payment by Baht 1,000,000 as of the contract date</li> <li>Details of total annual rental rate for the life of the 30-year contract by Baht 23,930,000, starting from 1 January 2020 onwards as follow <ul style="list-style-type: none"> <li>1<sup>st</sup> - 3<sup>rd</sup> Year ( 1 January 2020 - 31 December 2022) annual rental rate by Baht 200,000</li> <li>4<sup>th</sup> - 6<sup>th</sup> Year ( 1 January 2023 - 31 December 2025) annual rental rate by Baht 300,000</li> <li>7<sup>th</sup> - 9<sup>th</sup> Year ( 1 January 2026 - 31 December 2028) annual rental rate by Baht 470,000</li> <li>10<sup>th</sup> - 12<sup>th</sup> Year ( 1 January 2029 - 31 December 2031) annual rental rate by Baht 559,000</li> <li>13<sup>th</sup> - 15<sup>th</sup> Year ( 1 January 2032 - 31 December 2034) annual rental rate by Baht 666,000</li> <li>16<sup>th</sup> - 18<sup>th</sup> Year ( 1 January 2035 - 31 December 2037) annual rental rate by Baht 792,000</li> <li>19<sup>th</sup> - 21<sup>st</sup> Year ( 1 January 2038 - 31 December 2040) annual rental rate by Baht 944,000</li> <li>22<sup>nd</sup> - 24<sup>th</sup> Year ( 1 January 2041 - 31 December 2043) annual rental rate by Baht 1,122,000</li> <li>25<sup>th</sup> - 27<sup>th</sup> Year ( 1 January 2044 - 31 December 2046) annual rental rate by Baht 1,335,000</li> <li>28<sup>th</sup> - 30<sup>th</sup> Year ( 1 January 2047 - 31 December 2049) annual rental rate by Baht 1,589,000</li> </ul> </li> </ol> </li> </ul>

## Summary of Long-term lease contract - 6. Land at Pattaya Sai 2 Rd.

<b>Contract Date</b>	14 August 2020
<b>Parties</b>	Between Rende Development Co.,Ltd.(lessor) and SCX (lessee)
<b>Type of Contract</b>	1 plot of land lease contract with the area of 3 Rai 3 Ngai (1,500 Sq.wah) located on Pattaya Sai 2 Rd. Nong Prue, Bang Lamung, Chonburi
<b>Term of Contract</b>	30-year land lease contract, starting from 1 September 2023 to 31 August 2053 and the lessor agrees to allow lessee to use the leased land from the registration date until 31 August 2023 without charging rental fee in order to construct lessee 's hotel building.
<b>Duties or Obligations</b>	<ul style="list-style-type: none"> <li>Upon the expiration of this lease contract, both parties shall agree that the ownership of the building and structure on leased land to transfer to the lessor.</li> <li>Upon the expiration of this lease contract, the lessor and lessee shall mutually consider the extension or renewal of the lease contract that is acceptable by both parties. In the event that the details of the rental cannot be concluded within 60 days before the expiration of this lease contract, and the lessor intends to rent the land and building out to any other outside parties, the lessor agrees to grant to the lessee the right of first refusal and an option to lease the land on the same terms as those intended for the other said outside parties both for the lease period and the rental charges. The lessee must reply on such option to lease no later than 60 days from the date of the notification of such right of first refusal and such option to lease. If the lessee does not take the option to lease such land at the notified rental charges within the said timeframe, the lessor can lease such land and building to any other outside parties, given that the rental charges to any such outside parties are not lower than the rental charges proposed to the lessee</li> <li>During the lease period of this contract, if the lessor intends to sell his ownership on the rental land and building, the lessor must give the lessee written notice of first refusal with details, sales prices and terms and allow the lessee to reply within 60 days from the date of the written notice thereof. If the lessee does not accept to buy the said land within the prescribed timeframe, the lessor can sell such rental land to any other outsider parties. However, the sales price proposed to any such outsider parties must not be lower than the sales price proposed to the lessee, and the purchaser of the said land from the lessor must assume all the rights and obligations as a lessor as per the said lease contract and lease the land at the prescribed charges therein.</li> <li>Leasehold fee and rental rate <ol style="list-style-type: none"> <li>Total leasehold fee by Baht 45,000,000 and paid as of the contract date</li> <li>The land rental rate over a period of 30 years is an amount of Baht 179,808,000, starting from September 1, 2023 onwards with annual rental rates as follows: <ul style="list-style-type: none"> <li>- 1<sup>st</sup> - 3<sup>rd</sup> Year ( 1 September 2023 - 31 August 2026) annual rental rate by Baht 3,760,000</li> <li>- 4<sup>th</sup> - 6<sup>th</sup> Year ( 1 September 2026 - 31 August 2029) annual rental rate by Baht 4,136,000</li> <li>- 7<sup>th</sup> - 9<sup>th</sup> Year ( 1 September 2029 - 31 August 2032) annual rental rate by Baht 4,550,000</li> <li>- 10<sup>th</sup> - 12<sup>th</sup> Year ( 1 September 2032 - 31 August 2035) annual rental rate by Baht 5,005,000</li> <li>- 13<sup>th</sup> - 15<sup>th</sup> Year ( 1 September 2035 - 31 August 2038) annual rental rate by Baht 5,506,000</li> <li>- 16<sup>th</sup> - 18<sup>th</sup> Year ( 1 September 2038 - 31 August 2041) annual rental rate by Baht 6,057,000</li> <li>- 19<sup>th</sup> - 21<sup>st</sup> Year ( 1 September 2041 - 31 August 2044) annual rental rate by Baht 6,663,000</li> <li>- 22<sup>nd</sup> - 24<sup>th</sup> Year ( 1 September 2044 - 31 August 2047) annual rental rate by Baht 7,329,000</li> <li>- 25<sup>th</sup> - 27<sup>th</sup> Year ( 1 September 2047 - 31 August 2050) annual rental rate by Baht 8,062,000</li> <li>- 28<sup>th</sup> - 30<sup>th</sup> Year ( 1 September 2050 - 31 August 2053) annual rental rate by Baht 8,868,000</li> </ul> </li> </ol> </li> </ul>

## **Investment and Management Policy of the Subsidiaries and Associated Companies**

The Company has its investment policy to mainly invest in businesses related to real estate, with consideration of the appropriate rate of return which is subject to the particular nature of each invested business. In 2020, the Company and its subsidiaries made the following investment:

The Company established SC Asset Three Company Limited as its subsidiary in which the Company holds 99.99% of its shares. This subsidiary operates a real estate development business. At present, the Company has its management policy for its subsidiaries and associated companies by sending its representatives to act as directors therein as per its shareholding ratio. As of 31 December, 2020, the Company had investments in 9 subsidiaries and a joint-venture company, of which it has 100% ownership in 1 company, 99.99% ownership in 6 companies, 89.99% ownership in 1 company, an indirect ownership via a subsidiary that owns 79.99% in 1 company, and an investment in a joint-venture company which it owns 54.99%.

The Company has a policy to make additional investment in 2021, subject to suitability of the prevailing circumstances from moment to moment, and in consideration mainly of the necessity and the benefits of the Company and its shareholders, as well as potential risks.

## **Attachment 5**

# **Corporate Governance Policy and Code of Conduct**

Detailed Information is published at [www. scasset.com](http://www.scasset.com) under section “Investor Relations” / “Financial Information” / “Annual Report” (<https://www.scasset.com/th/investor/annual-report/>)





# Corporate Governance Policy

SC Asset Corporation Public Company Limited



# Section 1

## General

### Vision

In 2050, all homes built by SC ASSET make every morning a good morning for more than one million customers. Here, everyone feels safe and enjoys a better quality of life, for they have more time and energy to spend doing what they love and nurturing their dreams, some of which could make our world a better place.

SC ASSET is the first name on top of people's mind for high-quality and innovative homes. Our employees are proud to play a part in creating good mornings that continue to inspire a better society for all.

### Mission

Make every morning a “good morning” for every customer. Every morning, life starts anew at home.

At SC ASSET, we strive to build thoughtful homes and help solve residents' pain points.

We foster a safe living environment, and provide heartwarming services, so that those who live in our homes have more time and energy to spend doing what they love.

We build homes that cater to all price points, so “good mornings” are possible all. And from these good beginnings, a better society can be built

## Business Sustainability Policy

### 1. Operate short term and long term business strategies

The Company plans its business strategies for both short term and long term periods that takes into account overall internal and external risk factors, and also retains a certain flexibility for any possible adjustment of its strategic plans, if required.

### 2. Operate business with transparency

It is the Company's policy to operate its business with transparency and accountability, foster ethical behavior, promote anti-fraud and anti-corruption in its entire business operation system.

### 3. Operate business with consideration for all stakeholder groups

It is the Company's policy focus to operate its business with minimal direct or indirect adverse impacts, or without any adverse impacts to stakeholders, surrounding community, and the society at large. It also sincerely strives to build and share fundamental values.

### 4. Operate business with environmental responsibility

It is the Company's policy to optimize its natural resource management, and to promote consciousness of environmental impacts on the environment and community, with aims to minimize or eliminate such impacts.

## Sustainable Development Principles

SC ASSET operates its real estate development business with a strong belief that for its organization to achieve its sustainable growth, it shall require vision, missions, strategies and action plans that are more likely to function well in driving sound operating performances; supporting corporate social responsibility and environmental protection; fostering transparent and ethical business conducts as well as giving assistance to community and social services.

## Code of Conduct

The Company sets and disseminates its code of conduct to its related parties, directors, executives, and all employees for acknowledgement and strict compliance. These business ethics include guidelines of best practices to shareholders, customers, employees, creditors, business partner etc.

## Section 2

# Good Corporate Governance Policy

The Company's Board of Directors recognizes the importance of good corporate governance principles, and therefore continually fosters such practices as the key corporate policy as it views that good governance is an essential element for long-term business prosperity and sustainability. Such practices ensure the confidence of its shareholders and all stakeholders in the Company while conveniently, promptly, equitably, and efficiently.

The Company believes that a good management system, responsive directors and executives with vision, well-functioning control mechanisms, suitable check and balance measures, and corporate governance processes are important and essential components for sustainable business operations, which shall enable an organization to achieve its corporate mission, planned visions and eventual success goals. Such belief inspires effectiveness and efficiency in its operational conducts that highlight the following principles:

1. Shareholders' Rights
2. Equitable Treatment of Shareholders
3. Role of Stakeholders
4. Information Disclosure and Transparency
5. Responsibility of the Board of Directors

## Shareholders' Rights

### 1. Fundamental Rights of Shareholders

The Company's Board of Directors recognizes its duty to promote and protect the fundamental rights of all shareholders so as to ensure them of their complete basic rights under the prescribed laws as follows:

- **Shareholders' Rights:** The Company's shares are common stock, which are named shares. It does not have any preferred shares. The Company applied to be a publicly listed company in the Stock Exchange of Thailand in the category of real estate development industry, and its shares were publicly traded on November 13, 2003.

Its shareholders can hold two types of shares which are:

(1) scrip shares, or

(2) scripless shares which are held in a securities account accordingly with the Thailand Securities Depository Co., Ltd. and managed via the actions of the securities companies of which the shareholders are customers.

- **Rights to buy, sell, transfer, and be transferred of shares and the rights to receive share certificates:** Every shareholder has the right to freely buy, sell, transfer, and be transferred of shares as well as maintain his/her rights to receive share certificates as per the conditions prescribed by applicable laws and under the Company's Articles of Association. The Company authorizes the Thailand Securities Depository Co., Ltd. (TSD) to act as the Registrar of the Company's shares and to facilitate its shareholders in the matters relating to the Company's share and security registration.
- **Right to Obtain Accurate Information:** Each shareholder, regardless of how many shares they hold, has their right to receive accurate information on the Company from the Company's Board of Directors without any concealment. In addition, the shareholders are to be provided with dissemination of information on its financial position, business and financial performance, registration information or documents, financial statements, minutes of the shareholders' meetings or minutes of the board of directors' meetings which are compiled accordingly with the Company's regulations.
- **Right to sufficiently and promptly obtain news and information of the Company's business:** The Company oversees the shareholder rights to sufficiently, timely and equitably obtain information. In the event that there are incidents which may impact the Company's share prices, investor's investment decisions, or shareholders' beneficiaries, the Company shall promptly disclose its information related to such incidents via the electronic communication network of the Stock Exchange of Thailand and shall display such information and the updates thereof on the Company's website.
- **Rights to vote on items in the agenda presented in the meetings of shareholders:** Every shareholder has the right to participate in the shareholders' meetings, and to exercise his/her right to vote on an equitable basis according to the number of shares that he/she holds. The Company's Articles of Association prescribe the "one share-one vote" principle, and allow its shareholders to freely cast their vote without any restriction, whether or not such shareholders attend the shareholder meetings in person, or via proxy voting by assigning their voting rights to the proxy holders such as a designated independent director of the Company, or any other person, for proxy voting purposes. Shareholders can also exercise their pre-cast votes as prescribed in the proxy forms (Form B.) in each meeting agenda and decide on each matter in the agenda as to "affirm", "oppose", or "abstain" from voting. In the event that



its shareholder exercises his/her voting rights via proxy voting as prescribed in the proxy forms (Form B.), the Company shall respect his/her voting decisions. The proxy-holders must vote according to the proxy voting instructions made by the appointed shareholder in the proxy, and not otherwise.

The Company also applies a barcode system for the shareholder registration process and vote counting. Additionally, the Company also invites its legal advisors who are independent outsiders with neither direct nor indirect interest in the Company to be its shareholders' representatives to monitor the vote casting process during shareholder's meeting. The Company shall promptly announce the voting results for each meeting agenda immediately after each vote casting.

- **Rights to participate in shareholders' meetings or to appoint another person as his/her proxy to attend a meeting and vote on his/her behalf.**
  - **Equal rights to dividends and other proportionate distributions of profits:** Every shareholder is entitled to his/her proportionately receive of profits in terms of dividends. The Company shall make dividend payments according to the proportionate shareholding position of each shareholder.
  - **Rights to equitable treatment for share repurchase:** The Company's Articles of Association prohibit it from owning its own shares or to take them in pledge, except in the following circumstances:
    - (1) For protection of the rights of shareholders who cast disapproval votes against the resolution of any meeting of shareholders to amend the Company's Articles of Association relating to the rights to vote and the rights to dividend payment which in the view of such shareholders is deem as unfair treatment, or
    - (2) For the purpose of financial management, in the event that the Company has an accumulated profit and surplus liquidity and such share repurchase shall not cause any financial difficulty to the Company.
- Nevertheless, the repurchased shares held by the Company shall not be counted towards forming a quorum for a shareholders' meeting and shall carry neither voting rights nor rights to dividend payment. The Company shall dispose of the shares repurchase within the time prescribed under its authorized share repurchase scheme. In the event that the Company fails to complete the disposition of such shares repurchase within the prescribed timeframe, it shall make a reduction of its paid-up capital and decrease its shareholder equity through cancellations of the unsold portion of such repurchased shares.
- **Right to review directors' remuneration:** Shareholders have the right to consider and determine all type of Directors' remuneration, whether in cash or in kind other than cash, such as meeting allowances, bonus, pensions, and other types of benefits. The Company shall annually make proposals to the shareholders' meeting to consider and determine its Directors' remuneration. The Company has clear policy, process, and rules in reviewing the remuneration for Directors and a clear procedure in submitting such remuneration to the Company's shareholders for their approval. The Company has also submitted its policy on the remuneration for Directors together with the remuneration criteria for each director position and each relevant remuneration amount for consideration of shareholders during the said shareholders' meeting.
  - **Right to appoint and remove directors:** The Company's Articles of Association prescribe that at every annual general meeting of shareholders, one-third (1/3) of the present directors must be retired from office, and an election of a new directors is carried out to replace them. Retiring directors are eligible for re-election by the shareholders at the annual general meeting of the Company.

Shareholders have the right to remove any director from office before the expiration of his/her period of office via the resolution of the shareholder's meeting by having votes of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having the right to vote and holding no less than one-half of the shares held by all the shareholders attending the meeting and having the right to vote.

- **Right to approve the appointment of the Company's auditors and to determine the audit fee:** The Company submits its proposal for appointment of auditors and their proposed audit fee, together with completed attached details thereof, to the annual general meeting of shareholders for consideration and authorization. In selecting the candidates for the auditor appointment proposal, the Company looks into their independency and also ensures that there are no conflicts of interest in performing their roles as the Company's auditors.
- **Rights to set or amend the Company's Articles of Association and/or Memorandum of Association:** Shareholders have the right to set or amend the Company's Articles of Association and/or Memorandum of Association as per the conditions prescribed by the Company's Articles of Association. Such amendment requires the resolution of the shareholders' meeting by having votes of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having their rights to vote.
- **Right to authorize specific transactions:** These include connected transactions, or transactions related to acquisition or disposal of assets in the size as prescribed by laws or related regulations or to make decisions and grant approval to any other matters that may materially impact the Company.

In the event that any shareholders are entering into any Shareholder Agreement, the Company shall take steps to ensure that such Shareholder Agreement will not materially affect the Company or other shareholders.

In addition, the Company provides its shareholders with more rights than legally prescribed and at a higher standard than the basic structure for direction and the control of corporate good governance. These include the facilitation of shareholder participation in the Company's annual general meeting of shareholders full disclosure and proper dissemination of information to its shareholders in a prompt timely, and adequate manner via shareholder notifications, dissemination of information on the Company's Website ([www.scasset.com](http://www.scasset.com)), publishing and distributing of the Company's newsletter, arrangement of company and development site visits, and reporting of the Company's operating performances.

## 2. Right of Business Owners

Each shareholder has his or her right of business owner equitably in proportion to their ownership of the Company's shares. The shareholders exercise their controls and oversight rights via the appointment of the members of the Board of Directors to act on their behalf. The shareholders have their rights and freedom in making decisions on significant changes of the company as follows:

- **Right to Sell or to Transfer Business:** The Board of Directors has a role and duty to manage the Company's business and its growth in accordance with shareholders' policies, without the right to sell or to transfer, a part or all of the Company's business, or an important portion thereof, to other individuals. In the event of a sale or a transfer of business to another individual, the said action needs to be approved by the shareholders' meeting which shall require votes not less than three-fourth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.



- **Right to Buy or to Accept Business Transfers:** In the event that the Company intends to buy or accept any business transfer from another company or other private company to be its own, this action is deemed as a significant change in its investment plan and its risk is far beyond the authority of the Board of Directors, therefore, any buying or any acceptance of business transfer from another company by the Company needs to be approved by the shareholders' meeting which shall require votes not less than three-fourth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.
- **Right to Make, Amend or Terminate Contracts Related to the Renting of a Business:** The Board of Directors has no authority to make, amend, or cancel any contracts related to the renting of any part or all of the business, or an important portion thereof, including assigning another individual to manage the business of the Company or to merge the business with another with the intention of sharing the profit or loss. All of the aforementioned actions represent a decision to make a significant change in the business objectives of the Company, the making, amendment or termination contracts related to the renting of a business needs to be approved by the shareholders' meeting which shall require votes not less than three-fourth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.
- **Right to Increase or Reduce Registered Capital:** The increase or the reduction of the registered capital which impacts the business of the Company, and every shareholder, whether positively or negatively must be decided by the Company's shareholders as per the recommendations proposed by the Board of Directors on the matter. In the event of capital increase or reduction, Increase or Reduce Registered Capital needs to be approved by the shareholders' meeting which shall require votes not less than three-fourth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.
- **Right to a Merger:** The Board of Directors has no authority to merge the Company's business with any other company or with another private company. The merger or amalgamation needs to be approved by the shareholders' meeting which shall require votes not less than three-fourth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.
- **Right to Dissolve:** Upon the decision of the shareholders that the Company's business under the management of the Board of Directors is no longer valid, the dissolution of the Company needs to be approved by the shareholders' meeting which shall require votes not less than three-fourth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.

## Policy on Encouraging and Facilitating the Company's Shareholders to Attend the Shareholders' Meeting

The Company recognizes the importance of the rights and equitability of all shareholders, whether a Thai or a foreigner, a minority shareholder or an institutional investor. Thus, to promote the opportunities for all shareholders to exercise their rights and to fully participate in the decision on governance direction of the Company's business, the Company has prescribed the Policy on Encouraging and Facilitating the Company's Shareholders to Attend the Shareholders' Meeting as follows

1. Arrange the process for meetings's shareholders with transparency and efficiency of shareholders, as well as maintain their legal and regulatory compliance, in accordance with laws and the Company's Articles of Association.
2. Oversee that the shareholders obtain accurate and sufficient information within the appropriate time scope by arranging to have the invitation letter of the shareholders' meetings that completely prescribe date, time, and venue of the meetings, as well as the list of meeting agenda, and relevant attached information for each agenda that are sufficient for decision making. Additionally, the Company also sends documents and evidence required for the proxy assignment process to its shareholders. The Company shall send this invitation letter to its shareholders at least 14 days in advance of the shareholders' meeting dates.
3. Disseminate the invitation letter of the shareholders' meetings together with relevant attached information both in Thai and English on the Company's website, at least 30 days in advance of the shareholders' meeting dates. This information will also be informed via the electronic communication network of the Stock Exchange of Thailand.
4. Publish the invitation letter of the shareholders' meeting on newspaper for a consecutive period of not less than 3 days and 7 days prior to the day of meeting.
5. Prescribe date, time and venue of the meetings that is most convenient to the shareholders, for each of the shareholders' meetings. The Company shall not arrange a shareholder meeting on any holiday or any commercial bank holiday and non-business day for more than 3 consecutive days, and shall convene meetings during normal working hours in the district where the Company's head office is located. In order to facilitate the participation of the shareholders' meetings, the Company shall send a map, transportation details, contact phone number to its shareholders together with the invitation letter of the shareholders' meetings. Furthermore, the Company assigns the Company Secretary and the Department of Administrative Supervision to provide information as well as to coordinate and facilitate the meetings with the shareholders or investors
6. Facilitate shareholders during the registration required for the shareholders' meetings by allowing shareholders to register their meeting attendance at least 2 hours in advance of the shareholders' meeting time.
7. Allow each shareholder who is not able to personally participate in any of the shareholders' meetings to assign their rights via proxy to their representatives or to any of the Company's independent directors whose names are prescribed by the Company to participate in the shareholders' meetings and to vote on their behalf. The Company shall send to its shareholders, together with the invitation letter of the shareholders' meetings, the proxy form as prescribed by the Department of Business Development, Ministry of Commerce. The shareholders can cast their vote in advance by completing the proxy form

(Form B) or assigning their right to vote to their representatives who attend the meeting via their relevant proxy. For vote casting on each agenda of the meeting, the Company would like to encourage its shareholders to use the proxy form (Form B) of which the shareholders can make their own voting decision. In the event that the shareholders have cast their votes via the use of the proxy form (Form B), the Company shall respect the shareholders' decision and the representatives of such shareholders who attend the meeting via proxy will not be entitled to cast their votes in a manner which is contradictory to the proxy form (Form B).

8. Provide without cost the duty stamp required for the voting right proxy for the authorized representative to its shareholders who participate in the shareholders' meetings at the meeting registration desk. These acts not only ease the shareholders from any unnecessary inconvenience from the duty stamp burden but also reflect the Company's attempts to well facilitate its shareholders with an effort of good- in all other aspects. The meetings are convened by reducing any unnecessary meeting procedures or reducing any limitations that precludes a shareholder from reviewing the Company's information, as well as not undertaking any actions that prevent or obstruct communications among shareholders.
9. Apply the barcode system to facilitate its shareholders in the shareholders' meetings in respect of registration, voting, and counting of votes. The system speeds up the processing time and enables the Company to promptly display the number of meeting participants, and the voting results for each agenda item.
10. Allow each shareholder their equitable right to express their opinion or to raise a question on each agenda item, and appropriately allocate sufficient time for this. All questions and important suggestions raised during the shareholders' meetings will be fully recorded in the minutes of the shareholders' meetings.
11. Enable shareholders, stakeholders and interested investors who cannot attend the shareholders' meetings to watch the live broadcasting of the shareholders' meetings. The Company makes live broadcasts of the shareholders' meetings and makes video recording of such meetings for viewers to view on its website ([www.scasset.com](http://www.scasset.com)) under the "Investor Relations" section.

## Equitable Treatment of Shareholders

The Company respects the equal treatment of all shareholders and implements policies that equally and fairly treat the shareholders. The policies are to provide the rights of shareholders in every group including majority shareholders, minority shareholders, institutional shareholders, as well as foreign shareholders. In addition, the shareholders' interest is also looked after justly and is protected from being exploited from any person who has controlling power. The Company undertakes to equitably treat the shareholders as follows:

- **Type of Shares and Voting Rights:** The Company has determined that there shall be one type of share, i.e. common share with the owner's name specified on the certificate, with an equal voting right, i.e. "one share, one vote."
- **Proposal for Nomination for Qualified Person of Being Appointed as Director before the Shareholders' Meeting:** To promote good corporate governance, the Company assigns the Company Secretary to notify shareholders via the electronic communication network of the Stock Exchange of Thailand and the Company's Website at least 3 months in advance prior to the end of the fiscal year to encourage all shareholders, including the minority shareholders, a single shareholder or many shareholders, whose total shares account for not less than 50,000 shares (or 0.001% of the current number of shares) of the Company's total outstanding shares, to exercise their rights to nominate names of qualified candidates, who have no prohibited character under the rules determined by the law and the Company's Articles of Association, for the Company's available director positions in advance of the Annual General Meeting of Shareholders. The Company announces the rules to shareholders regarding the right and nomination method via the electronic communication network of the Stock Exchange of Thailand and the Company's Website. Shareholders can propose to the Company nominate names of qualified candidates for directorship in advance of the Annual General Meeting of Shareholders (AGM) via the Proposal for the Nomination of Qualified Candidate(s) for a Director Position in Advance of the AGM (Form B) which can both be downloaded from the Company's Website ([www.scasset.com](http://www.scasset.com)) in the "Investors Relation" section under the heading of "Shareholders' information" / Shareholders' Meeting", and the consideration result shall be notified to shareholders at AGM.
- **Proposal for Additional Meeting Agenda before the Shareholders' Meeting:** The Company assigns the Company Secretary to notify shareholders via the electronic communication network of the Stock Exchange of Thailand and the Company's Website at least 3 months in advance prior to the end of the fiscal year to encourage all shareholders to exercise their rights to propose any additional meeting agenda prior to the shareholders' meetings according to the rules prescribed by the Company announced via the Company's Website. Shareholders can propose to the Company any additional meeting agenda in advance of the Annual General Meeting of Shareholders (AGM) via the Proposal of the Additional Meeting Agenda for AGM (Form A) and the Proposal for the Nomination of Qualified Candidate(s) for a Director Position in Advance of the AGM (Form B) which can both be downloaded from the Company's Website ([www.scasset.com](http://www.scasset.com)) in the "Investors Relation" section under the heading of "Shareholders' information" / Shareholders' Meeting", and the consideration result shall be notified to shareholders at AGM.
- **Submitting Question before the Shareholders' Meeting:** The Company takes into account the right and equality of shareholder according to the principle of good governance. Therefore, the Company encourages shareholder to submit question in advance to the Company at least 3 months before the end of the fiscal year to ask for information relating to the Annual General Meeting of Shareholders

in each agenda, or other important information of the Company. The Company presents details of the procedures for submitting question in advance on the Company's Website at [www.scasset.com](http://www.scasset.com). The shareholders are required to use the Form to propose question(s) for Annual General Meeting of Shareholders in advance (Form C) to submit their question(s). The Form C is available for download on the Company's Website at [www.scasset.com](http://www.scasset.com) in Investors Relation section under the heading of "Shareholder Information" / "Shareholders Meeting" and they can send their question(s) to the Company Secretary via post, email or fax (0-2949-2221).

- **Shareholders' Meeting Invitation Letter and Meeting's Supporting Document:** The Company treats each shareholder equally regardless whether they are majority shareholders, minority shareholders, or foreign shareholders. All shareholders received information on the agendas in advance. Besides, although most shareholders are Thai, the Company also prepared the meeting's invitation letter and meeting's relevant supporting documents in 2 languages, i.e. Thai and English, to facilitate both Thai and foreign shareholders. The Company shall also publish completed meeting notices in both Thai and English on the Company's Website ([www.scasset.com](http://www.scasset.com)), at least 30 days in advance before the Annual General Meeting of Shareholders. The Company sent the invitation letter as well as sufficient agenda documents to shareholders at least 14 days in advance. The English version of the invitation letter was published at the same time at the Thai version. Information in the invitation letter consisted of rule and method of attending the meeting, and there was sufficient information of each agenda for decision making.
- **Explanation for Procedure and Rule Used in the Meeting:** Every time before the meeting discusses the agenda to be considered, the Company Secretary would introduce directors, executives, as well as certified public accountants of the Company to shareholders for enquiry. The Company, additionally, informs the number and proportion of the shareholders attending the meeting in person and those appointing proxies to attend on their behalf as well as explain procedure of exercising the right of shareholders at every shareholder's meeting to allow questions to be enquired, and comment to be made to directors, explanation from directors in each agenda, as well as procedure for voting, voting count, and presenting voting result before the meeting.
- **Proxy:** The Company publicized to shareholders that in the case when shareholder cannot attend the meeting in person, the Company shall facilitate its shareholders by delivering a proxy Form B which allowed shareholders to direct their vote cast in each meeting agenda, i.e. Approve, Disapprove, or Abstain, sent together with the invitation letter of shareholders' meetings, or shareholders can download a proxy either Form A or Form C (for Custodian) both in Thai and English Version from the Company's Website ([www.scasset.com](http://www.scasset.com)) in Investors Relations section, under the heading of "Shareholder Information / Notice". The shareholders can authorize representative or name any one of the two selected Company's Independent Directors appointed particularly for this assignment to attend the shareholders' meeting on their behalf. Furthermore, for validity and to avoid any difficulty in attending the meeting by the proxy, the Company presents information of meeting, agendas including procedure, document, and evidence required for the proxy in the notice, and on the Company's Website without determining condition or rule that require document certification by government authority or other rules that cause difficulty to shareholder in the proxy, as well as the Company facilitates stamp duty service in the proxy letter for the proxy to attend the meeting, and photocopy service required as attachment without any service fee at the point of registration to reduce the burden of having to procure stamp duty and photocopy of shareholders.

- **Agenda of Shareholders' Meeting:** At each meeting of shareholders, the Company would determine clear agenda item and the meeting will proceed in the order of the agendas notified in the meeting's invitation letter, and there will not be other agendas to be added to the meeting without notifying shareholders in advance. However, the shareholders who attend the meeting and have shares that are totaled to at least one-third of total outstanding shares sold may request the meeting to consider other matters other than the matter determined in the meeting's invitation letter.
- **Inquiries Made to the Directors at the Shareholders' Meeting:** The Company has set the policy that the shareholders' right to ask questions and give comments shall not be limited by the number of shares held, whether they are Thai nationals or foreigners. At the end of each agenda item, the Chairman of the Meeting will give opportunities to all shareholders to raise hands, give their names and number of shares held prior to giving comments or asking questions within an adequate time frame as may be required. For each item of the agenda, the directors shall answer all questions posed in relation to the Company's business and operations and record them in the Minutes of the Shareholders' Meeting for the knowledge of the shareholders who are not present in such shareholders' meeting. In case of foreign shareholders, the Company has provided staff to translate the ask-answer session into Thai for the benefit of the Thai shareholders.
- **Voting, Voting Count and Voting Verification at the Shareholders' Meeting:** Apart from notifying all shareholders of the procedure and the method for voting in each agenda before every meeting, the Company provides ballots for every agenda voting, and voting count. Barcode is applied at the shareholders' meeting to make voting and voting count quicker. The Company would immediately present result of shareholders' votes for every agenda that requires voting. For transparency in the voting and voting count at every shareholders' meeting, the Company always invites an independent legal advisor, who is independent and has no interest in the Company, to represent shareholders to verify the voting at the meeting, as well as overseeing the shareholders' meeting to ensure that it is transparent and legal in accordance with relevant laws and the Company's Articles of Association.
- **Director's Conflict of Interest Relating to Agenda Item:** The Board of Directors has set a practice requiring that all directors report any conflict of interest relating to the agenda item under consideration to the Board in advance of the meetings of the Board and shareholders. Directors with a conflict of interest must provide the relevant information to the Board prior to the session and excuse themselves from participating in the discussion and voting thereafter, in order that such session is carried out in a just and transparent manner. The Company Secretary shall record such related information in the minutes of every board meeting.

In case of the shareholders' meeting, a director with any conflict of interest is required to report the information to the Board and Company Secretary at the time of preparing the agenda for the Annual General Shareholders' Meeting. The Company Secretary shall provide the relevant information in the Notice to the Meeting and request the Director with a conflict of interest to leave before the session starts in order to enable the shareholders to freely ask questions and give comments prior to voting, details of which shall be recorded in the minutes, both in the Thai and English versions.

- **Voting Result Presentation:** The Company shall immediately present the results of voting on each meeting agenda after the voting. After the meeting, the Company shall report all voting results via the Electronic Communication Network of the Stock Exchange of Thailand and the Company's Website ([www.scasset.com](http://www.scasset.com)) on the same day as the shareholders' meeting date, or no later than 9.00 A.M. on the next working day.



- **External Auditor's Participation at the Shareholders' Meeting:** The Company will invite the Company's certified public accountant to attend every shareholder's meeting to answer queries and questions relating to the Company's financial statement, which shareholders may enquire the question directly. Furthermore, during the meeting, all shareholders may comment and ask any question relating to the agenda or important information of the Company and the Company will document important question and matter comment in the minutes of meeting.
- **Broadcasting of the Annual General Meeting of Shareholders:** The Company normally supplies its shareholders with the video clip of such meeting on the Company's website ([www.scasset.com](http://www.scasset.com)) in order that its shareholders who are interested but do not participate in any of such shareholders' meetings can be fully informed about the meetings.
- **Preparing and Publishing the Minutes of Shareholders' Meeting:** For shareholders to be aware and verify detail of the shareholders' meeting within appropriate time, and to ensure that information provision to Thai and foreign shareholders to be equal, the Company has a policy to completely publish the minutes of shareholders' meeting, which consists of important information such as subject matter of the agendas, meeting resolutions, voting result; Approve, Disapprove, and Abstain, enquiries, explanations, and comments at the meeting both in Thai and English on the Company's Website, ([www.scasset.com](http://www.scasset.com)), within 14 days after the date of such meeting held to be the channel for shareholder to verify validity of the information without having to wait for the next meeting, as well as submitting it to Ministry of Commerce within the period determined by the law.
- **Information Accessibility and Communication to the Company:** The Company allows all shareholders to access the Company's information, as well as provides distinct and various channels to communicate to the Company equally through the Company's Website, or through other channels such as telephone, facsimile, post, or email. The "Investors Relations" unit is established as the central unit to communicate with shareholders, investors, regulatory authority, as well as providing general information to persons, who are interested, and stakeholders. Interested parties can directly contact the Company's Investor Relations Unit for required information at SC Asset Corporation Public Company Limited located at 1010 Shinawatra Tower III, 10<sup>th</sup> Floor, Viphavadi Rangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900, Telephone no., 0-2949-2344 or by email address: [ir@scasset.com](mailto:ir@scasset.com) or at the Company's Website: [www.scasset.com](http://www.scasset.com) for further information search.



## Role of Stakeholders

The Company prescribes a policy framework and practical guidelines on role toward stakeholders in order to perform its business conduct with aims to create sustainable added-value to its business. The policies and guidelines are prescribed as follows;

- **Policy and Guidelines towards Shareholders**

The Company intends to be a good representative of its shareholders in conducting its activities with honesty and good professional ethics. It manages its business with the ultimate objective of driving for a long-term sustainable growth in the Company's value and complying with its promised corporate mission. It also aims to maximize shareholders' economic satisfaction and to create a continued flow of good earnings to its shareholders in long-term, and respects its disclosure obligations in reporting accurate and transparent information to its shareholders whilst complying with following conduct:

1. Prescribe that its directors, executives, and employee conduct and manage the Company's business according to its vision, mission, and abide by its prescribed principle of good corporate governance, as well as undertake their duties with honesty, prudence and commitments without any conflict of interests and with equitable treatment towards major and minor shareholders. Their aim shall include the maximization of shareholders' benefits, as well as sustainable yield and added value to all shareholders.
2. Oversee that the Company's assets are in place, not misappropriated, or not improperly impaired in value.
3. Report the Company's position, operating performance and financial status to all shareholders; consistently, equitably, and completely as per factual conditions of the present and its outlook, both on the positive and negative points via various channels which the shareholders can access such information easily.
4. Offer opportunities for its shareholders to propose additional meeting agenda items, and nominate qualified candidates for any available director position, prior to the shareholders' meeting date, while allowing its shareholders to submit their questions to the Company in advance of the shareholders' meeting date via the Company's Website [www.scasset.com](http://www.scasset.com). The Company also regularly makes public release on its website encouraging its shareholders to visit its development projects.
5. Provide sufficient details regarding the shareholders' meetings and all relevant information to shareholders prior such meetings for the shareholders to promptly make their decisions.
6. Manage the Company so that it can achieve its maximized operational capability, while effectively and efficiently fulfilling its corporate objectives, both short-term and long-term, as well as being competitive in its business performance with targets set to provide shareholder annual dividend in accordance with dividend payment policy.
7. Oversee that the Company's executive, directors and staff, or their families, or related persons do not abuse the Company by exploiting any inside information for their own benefit, and/or acting in a manner that may lead to any possible conflicts of interests against the Company.

- **Policy and Guidelines towards Customers**

It is the Company's policy to establish and publicly express a clearly defined and applicable policy on its equitable treatment and accountability towards customers, and particularly on its intention to attain customer satisfaction and trust. The Company therefore consistently searches for efficient and effective methods to satisfy its customer's needs. In order to assure good long-term relationships with its customers,

the Company set up the following business guide lines:

1. Hire standardized and accountable contractors to construct the Company's buildings
2. Deliver quality products and services that are in line with or beyond the customers' expectations, at a fair price and safety for customers' health.
3. Supply its customers with adequate, accurate, and updated information to protect them from any possible misunderstandings on quality, quantity and conditions of such products and services without misrepresentation of the relevant facts.
4. Deliver goods and services that well serve its customers by continuing to invest in creativity, innovation, research, and development. It also develops its "Living Solutions Platform" with the intention to enable its homebuyers and customers to dwell satisfactorily, safely, and happily.
6. Contact customers in a courteous, proficient and trustworthy manner. Establish proper systems and processes to manage customers' complaints. Arrange the department to take responsible of providing quickly advices, solutions and respond to customers' needs, and be committed towards customers' ultimate satisfaction in goods and services.
7. Keep customer's confidential information. Illegally use is also prohibited such information for their benefit or for the benefit of any related parties. In addition, such information shall not be disclosed prior to the receipt of any proper consent from the customers or from the authorized personnel of the Company, except for information which is required for disclosure by law or under the relevant legal process.
8. Provide the after-sales services to build a better customer relationship; for example, providing an information brochure that introduces service team to customer after transferring of property ownership, following-up and monitoring customer's satisfaction, promoting good relationship with homebuyers, Developing a maximum security system for residence and reviewing and properly correct problems and flaws during the warrantee period, including monitoring customer's satisfaction after any maintenances and repairs.
9. Organize customer relationship management by listening to the customer's feedback from various channels, meeting with the staffs of the "Contact Centre 1749" to get information on customer's opinions, remarks, suggestions to the Company and its products for further improvement. The aim is to develop good response that will best satisfy the customer needs.

• **Policy and Guidelines towards Employees**

The Company regards its employee as the most valuable economic resource that greatly contributes to the Company's successful achievement. Therefore, it strongly promotes a good corporate culture and a supportive working environment. Team work, unity, and good working relationships are also encouraged. The Company treats its employees ethically and morally, and abides by its manifest prescribed practice guidelines on workplace safety & hygiene procedures, employees' remuneration, benefits, and provident fund, skill and capacity development, it also adheres to the following guidelines:

1. Treat employees with respect by being polite and respecting their individuality as well as their human rights pursuant to the Company's human right policy.
2. Appoint, transfer, reward and punish with fair justifications and based on employee's capability, knowledge and suitability under the provisions of the Company's established rules and regulations.
3. Pay attention to employee's proficient opinions and recommendations.

4. Prescribe Whistleblower Policy to assure fair treatment among employees and to protect them against any possible unfair treatment.
5. Develop employees' knowledge and skill consistently and continuously by providing internal and external training; for example, proficiency training in fields of work skills, technology, law, and welfare benefits. The Company also provides its employees with the chance to have training with external agencies, both domestically and overseas, to enhance their work efficiency. The Company aims to encourage its employees to apply their acquired knowledge to their daily task or to improve their work performance, and continue developing and enhancing knowledge and competency of employees on other aspects as well. The Company intends to support creativity and innovative development that provides added value.
6. Arrange the employees' performance assessment and manage their remuneration based on individual responsibilities. These include providing an equitable and appropriate welfare benefits which are regularly reviewed to be as equal as other leading companies in the same business.
7. Promote teamwork spirit among employees and create a bonding relationship among employees as well as between supervisors and subordinates by organizing in-house training and interoffice activities.
8. Provide its "safety, health, and environmental management system in accordance with international standard, and encourage all employees to be aware that safety is the duty and responsibility.
9. Procure policy and implementation actions to take care of employee work conditions and security, as well as employee benefits and rewards.
10. Comply strictly with relevant laws and rules in connection with employee.
11. Promote its employees' efficiency and good corporate performance together with encouraging the Company's philosophy of "Work Life Balance" which emphasized the well-balance life style of each employee that requires three basic elements; namely work, family, and health.

• **Policy and Guidelines and Practice towards Creditors**

It is the Company's policy to recognize the importance of its creditors, and its obligated duties; whether to its trade partners or financial institutions. It always preserves its excellent credit worthiness by duly honoring prompt payment schedules to its lenders and trade creditors, and fully complying with all prescribed loan covenants. It also treats all creditors with equitability and fairness by observing the following practices:

1. Provide correct, relevant, and adequate information about the Company to creditors for their accurate credit reviews or makes decision. The Company shall not conceal its information or material facts which can cause damages to creditors.
2. Prepare agreements with all creditors in the manner that is lawful, equitable, and fair, without taking advantages of its counter parties.
3. Utilize the loan and credit facilities obtained from the creditors or financial institutions in accordance with their prescribed lending purposes.
4. Repay its debt obligations according to their prescribed repayment conditions promptly.
5. Maintain its interest bearing debt ratio at the level not to exceed 2 times which is the required level prescribed by its financial institution creditors.
6. In the event of any occurrences of any material adverse situations that might impair the Company's repayment capability, the Company shall promptly inform its lenders and shall jointly work out

potential solutions with them to protect all parties against any possible damages. The Company shall strictly comply with the requirements regarding disclosure of information. In a case where the Company meets with the financial problems or significant issues that may have a material impact on the financial status, or ability to repay debts, the Company will set a plan to resolve such financial problems, taking into consideration the fairness towards debtors and stakeholders. The Company's management team is required to report the remedial actions to the Board of Directors on a continual basis.

7. Comply with obligated term and conditions set by creditors or financial institutions strictly. This includes the terms and conditions relating to guarantee, the appropriate structure of financial management and the maintenance of collateral quality to be in line with the conditions stipulated by the creditor or financial institutions.

- **Policy and Guidelines and Practice towards Business Partners**

The Company set policies and practice guidelines for trade selection processes and commercial transactions that are based on fair and productive treatment towards all its trade partners, with emphasis on good conduct, rightfulness, legitimacy, and duly complying with governing trade conditions. Its policies and practices include:

1. For the selection of its trade partners, who are construction contractors, the Company shall set a committee to oversee the selection based on submission of work proposals. Candidates will be measured against the same criteria in order for them to be treated in a fair and equal manner.
2. Offer the opportunity for new business partners to work with the Company and develop their technical skills and new skills.
3. Provide correct and accurate information and reports
4. Refrain from demanding, receiving or paying deceitful benefits to its trading partners.
5. Encourage business partners to become aware of the need to adopt an anti-corruption stance and cooperate with business partners to prevent and combat fraud and corruption by not giving bribe in all forms to government officials or the Company's employees.
6. Comply strictly with conditions prescribed in its agreements. In the event that the Company cannot abide by any of its obliged conditions, it will promptly notify its business partners about the situation and try to jointly search for remedies on the grounds of a good business relationship.
7. Arrange the meeting with business partners who are the Company's contractors on a monthly basis and annually basis to assure proper understanding of the work process to ensure benefits to all parties
8. Establish proper payment schedules, and make payments in accordance with such prescribed schedules promptly.
9. Oversee and assist business partners in their working for the sustainable growth purpose along with the Company and assure them of the Company's fair treatment.
10. Provide contact channels for business partners to voice any potential unfair treatment that may arise during the working relationship with the Company by directly submit the matter to each of the board members, the Company Secretary or report to the Company's Internal Auditor Department.
11. Support and control business partners to treat their employees fairly regarding work remuneration and respect of human rights including child labor prohibition.

- **Policy and Guidelines towards Co-Investors**

Co-investment ventures can strengthen the Company's business operations both in terms of funding and exchanging of modern technologies. Besides it helps in elevating the Company's business operational expertise. The Company therefore recognizes the importance of all co-investors and prescribes the following guidelines:

1. Respect co-investors' rights and treat all co-investors fairly and equitably
2. Provide operational assistance to co-investment activities and promote co-investment potentiality so that they can achieve their planned targets.
3. Promote and support exchanges of opinions and suggestions, as well as collaborate in setting business plans and strategies with the goal to achieving maximized benefits of the co-investment ventures.
4. Allocate benefits Appropriately, equitably, and transparently
5. Follow-up on the operations of the co-investment ventures to assure that they are conducted in accordance with applicable laws and policies, as well as abide by the guidelines of good corporate governance and sustainable development.

- **Policy and Guidelines towards Trade Competitors**

Fair trading practices are the Company's focal policy and a principal of corporate governance by which the company abides. The Company commits to promoting fair competition, transparency, non-discrimination, and also to abide to legally prescribed trade agreements and conventions, principles of best practice, and internationally accepted trade rules and regulations. The Company practice guidelines are as follows:

1. Abide by generally accepted business framework.
2. Support and promote free and fair trade, refrain from any monopolistic attempts or from any restrictive efforts that might obligate its counterparts to solely trade with the Company.
3. Not violate any confidentiality obligations or unlawfully and unethically obtain competitor's trade secrets.
4. Not damage competitors' reputation by spreading harmful rumors.
5. Avoid entering into any trade agreement or action which may cause unethical competition, or trade monopoly.
6. Avoid competition by using unscrupulous methods such as spreading rumors, distorted information, or false information about competitors.
7. Not carrying out any act that may cause infringement of intellectual property

- **Policy and Guidelines towards Investors**

Investors are one of the sources of funding with lower borrowing costs than the financial institutions to support the company's business growth and ability to compete with other operators. The Company thus places importance on the investors by defining the following practices:

1. Oversee the business undertakings to achieve the annual target.
2. Report the quarterly business and financial results with accurate and transparent information in order that the investors are updated and understand the changing financial status and operational results in each quarter.

3. Facilitate the investors to communicate with the Company's Investor Relations Office via the Company's website at [www.scasset.com](http://www.scasset.com) and by telephone as well as through other information technology communication channels.
4. Maintain the Company's financial balance and reliability for stable business undertakings.

- **Policy and Guidelines towards Social and Community**

The Company considers that a well-built community with ongoing development is an important foundation for a good and pleasant society. Therefore, it is the Company's policy to support social activities and/or participate in community events which are supportive to community strength, and. It also actively engages in improvement activities in the communities which surround its development sites and supports their social development to enforce the concept of amicable cohabitation and cooperation for mutual benefits among society members. The Company pursues the following practice guidelines:

1. develop residential products that bring no potential adverse impacts to the surrounding community, while also avoiding being the cause of any source of possible pollution emission.
2. Survey and inspect any communities close by and far from its development estates in order to assess the possibility of any adverse impacts caused by the Company's current and future operations, and apply such assessment to rectify/improve its operations in order to protect the community and society against any direct or indirect damage and adverse conditions.
3. Support volunteer work that relates to the community and social development.
4. Support activities that provide an opportunity to underprivileged for a better life.
5. Help protect the community and social surroundings and make them cleaner and safer for peaceful cohabitation, and support the community sanitary condition.
6. Support the basic infrastructure requirements of the surrounding community and society such as schools, health care centers, roads etc.
7. Support and participate in charity work.

- **Policy and Guidelines towards Independent Auditors**

Independent auditors are deemed as stakeholders in auditing the Company's financial statements to reflect the true and accurate operational results and financial status to report quarterly to all stakeholders. The Company thus defines the following practices:

1. Certified independent auditor(s) shall not be engaged in the company as executives, employees, or consultants, so to assure all stakeholders in obtaining the accurate information presented in the quarterly financial statements.
2. Facilitate the certified auditors to independently examine and have access to all kinds of relevant data from the units concerned.
3. In the case where certified independent auditors give dissenting points or make remarks in the financial statements requiring correction from the Company, the Audit Committee shall oversee that the corrective actions are taken by the management accordingly.



- **Policy and Guidelines towards Government Agencies**

The Company emphasizes the government agencies as the Company's stakeholders by prescribing practice guideline for operation with government agencies appeared in the policy and measures on anti-corruption to all its employees and stakeholders for acknowledgement. The policy specifies all employees to collaborate with government agencies and comply with rules and regulations. The provided guidelines are as follows:

1. Employees are required to strictly observe the Company's policies and guidelines against corruption.
2. Cooperative with government agencies and abide by all their prescribed rules and regulations.
3. Internal Audit Unit is required to review and inspect the internal controls to assure that there is no violation on the Company's policies.

- **Policy on Fair Practices and Social Responsibility Policy**

By observing the doctrine of fairness in its business practices, and committing not to be lured by any illicit gains from wrongful business conducts, the Company creates business confidence and assures its stakeholders of its social consciousness. This best practice shall enhance its lasting business prosperity. It is the Company's philosophy to pursue a sustainable growth path, and therefore well-realizes that long run business survival requires quality products, professional integrity, public awareness and social contribution. The Company therefore adopts the following practice guidelines;

1. Avoid any actions which may result in any conflict of interest, or upon any occurrence of any conflict of interest shall apply the appropriate mediation process and fair dispute resolution, whereby proper disclosure shall consequently be made thereafter.
2. Promote competitiveness in free trade while avoiding any attempts at nepotism.
3. Not encouraging any misappropriation of intellectual property rights.
4. Set up management systems to assure the protection against bribery and fraud or instigate processes which can promptly detect any bribery and corrupt practices
5. Inspire its employees to recognize the importance of avoiding acts of deception, intimidation, and all types of corruption.
6. Explore and understanding governing laws and relevant regulations, prior to the undertaking of any business act or transaction, to avoid any possible business engagement that might impact on the existing community pattern or social way of life.
7. The Company consistently fosters moral and ethical behavior, social responsibility, and environmental awareness in all levels of its employees. It also gives significant weight to trade partners who are fair-minded and have a good sense of social responsibility.
8. The Company places emphasis on compliance with government stipulated policies as well as actively participating in a social governance network.
9. In the event of any situations or news that is linked and related to the Company, it will promptly communicate to the public by disclosing facts and updating ongoing circumstances without any cover-up or distortion of truth, in order to make the public fully and promptly aware of the Company's position.
10. Select construction design, materials, equipment, and technology which are of an energy saving nature for its development projects. It consistently supports various research works, developed both in-house



and through cooperation with external efforts, to produce environmentally friendly or “Green” concept housings. Furthermore, its project designs are based on key elements of energy saving, global warming reduction, and waste treatment efficiency. In its development projects, water and waste treatment systems are installed in accordance with the required standard to treat waste water prior to its release into any public drainage system.

• **Policy and practice guidelines on Business Operation under Environmental Standard**

The Company realizes that the global population increase and economic growth has not only caused excessive consumption of natural resources, but has also increased water, air, waste, and toxic pollution. In addition, global warming also impacts human beings and the ecology system. The Company also prescribes its policy on the conducting of business operations under environmental standards in line with its policy on management of natural resources, the environment, and ecosystem.

1. Conduct its business according to the general legal compliance and shall abide by the real estate development laws such as the Enhancement and Conservation of National Environmental Quality Act, the Land Allocation Act, the Condominium Act, or any other applicable laws including any relevant regulations and environmental standards.
2. Support and promote efficient and sustainable use of resources, as well as to improving quality of human life by tackling environmental problems because of protection is everyone’s responsibility and should be carried out jointly.
3. Arrange to have an appropriate environmental management system while undertaking construction management for residential projects and regularly monitoring the outcome, provided that operations related to the company’s high-rise building construction are compliant with applicable laws and regulations. The Company also additionally studies and learns on environmental aspects in order to reduce the environmental impacts.
4. Discourage the use of materials affecting environment.
5. Develop products/services without impact on environment and for safety use.
6. Provide its employees and the public information regarding any environmental impact, safety, and health care issues.
7. Encourage customers to be aware of any environmental concerns on the utilization of the Company’s products and services.
8. Provide an emergency plan that can respond to potential environmental problems, with prompt reporting procedures to concerned governing authorities in the event of such emergency.
9. Promote and encourage all stakeholders including customers, trade partners, employees, and communities which surround the Company’s office premises and development sites to be concerned and aware of the importance of the environment and induce them to assist the Company in its environmental conservation efforts and to promote all aspects of sustainable development.
10. Arrange operation measures that encourage eco-friendly conduct by abiding to the practices of minimizing stakeholder impacts such as consistent monitoring and inspection of construction works, installment of water gates and waste treatment controls, assess and monitor quality of water emission from the Company’s development projects to protect water glut and water pollution. These measures are for the benefits of the residents in the Company’s projects as well as their nearby communities and the surrounding environment.

## **Policy and Practice Guidelines on Business Partner Selection Criteria**

The Company prescribed policy and practice guidelines on business partner selection criteria to ensure that the business partner / contractor will be selected through a standardized and fair selection processes with equal treatment. The Company considers having partners that are able to provide quality, quantity, time, services, delivery and after sale services and other conditions. Furthermore, the Company insists to support business partners to conduct their business ethically and responsible to social and environment. In this regard, the Company shall not enter to any transaction with the partners that conduct illegal business.

The criteria for business partner are as follows;

1. Have sufficient work experience, with past performances that are qualified and suited to the Company's requirements, and operate their business with honesty and integrity.
2. Reliable with a good track record and credibility of their financial positions.
3. Competent and have the capability to provide required workforce, labor, machinery, and raw materials needed for relevant constructions and productions.
4. Capable of delivering the work within the prescribed time frame.
5. Be able to provide performance guarantee and after-sale services.
6. Have a well systemized construction process or a production process that abides by social and environmental standards, and compliance with legal and regulatory requirements such as not being harmful to the environment, non-violation of human rights, and non-infringement of intellectual property, etc., as well as having the potential to grow and develop alongside the Company in the long-term.
7. Have innovation, creativity, research & development, and ability to apply technologies in their production and services.
8. Do not employ illegal foreign workers.

## **Policy and Practice Guidelines on the Prohibition of Intellectual Property Rights, Copyright and Computer Program Infringement**

It is the Company's policy to support recommendations from the Corporate Governance and Sustainable Developments Committee, as well as suggestions from management and employees on practice guidelines on corporate social responsibility, by applying the concept of corporate social responsibility and adopting the ethical moral of equality in doing business. These conducts bring confidence to the Company's stakeholders and support its long-term business path. The Company shall not be tempted by benefits from engaging in any unethical activities. The first principle in its Code of Ethics underlines the respect for intellectual property rights which rule out its support for any violation of intellectual property rights of others, whether they are infringements of copyright, trademark, trade secrets, and other aspects of intellectual property entitlements. Regarding the compliance of its respect for intellectual property rights, the Company undertakes the actions as follows:

1. Support and promote innovative creation of new products including architectural work, housing patterns, and condominium designs, with no infringement of copyright rights of others.
2. Review information, data, press release, and printed materials utilized for its business purpose are not in infringement of the copyright work of others. If so it will respectively comply with their terms and conditions of use.
3. The Company shall not wrongfully use information, data, press release, printed materials, and trade secrets, or make use of them without the proper lawful authorization of their owners. If the Company utilizes information, data, press release, and printed material which belong to others, it will refer to their sources or make known of their owner's names, or provide the links to the original thereof.
4. The Company shall not disclose information of its trade partners, customers, and stakeholders, without being authorized by their respective owners, unless according to its due compliance with laws, rules, and regulations of the relevant authority, or directives of a government agency, or court orders.
5. Directors, executives and employees are prohibited and discouraged any illegal use of unlicensed computer software applications
6. The employees' computer must be legally installed duly licensed software applications. If there is any need to install any additional software applications on any employee workstation, the license software will be installed and monitored by Information Technology Department.
7. Stipulate the prohibition of intellectual property's right infringement as a condition in the contract standard made and enter between the Company and other trade partners in order to prohibit the Company's trade partner not to infringe other's intellectual property right.

## Policies and Guidelines on Governance and Management of Information Technology

Presently, with the growing competition among businesses, it is the Company's belief that administrative and management efficiency can render faster responses to social and information needs of the society as well as excelling corporate competitive advantages. Thus, the application of proper information technology for the administrative and management process can induce productivity, business potential, added value, and business sustainability. The Company also takes into account risks related to information technology in business such as information access risk, integrity risk, and availability risk etc. The Company has assigned its Information Technology Department to monitor and suggest review and control measures against possible IT risks, and prescribes such approved measures to be its supervision and management policy on information technology. Such measures and policies are in line with its corporate strategy and in accordance with the Company's visions and objectives. They are also prescribed as required framework for operations for employees at all levels and related outsiders, with the intention of providing clear and precise planning and actions. The Policies on Governance and Management of Information Technology also cover IT risk management, allocation of IT resources for business operations, and IT security that governs confidentiality, integrity, availability, as well as relevant guidelines and measures that include:

1. For security of the Company's IT and data system, all levels of employees are not authorized to have access to data and information which is outside their scope of job responsibility or is information which they are not authorized to use or access. Each employee is required to use only his/her username and password when accessing the Company's IT system.
2. The Company prescribes the use of software on employee's computers which require that only standard software programs are allowed. Any employee who wants to use additional software program for his/her work must have their business unit or division apply for procurement of relevant licensed software programs that are needed. The application must also be submitted in writing to the Information Technology Department for arrangement. If there is any need to install any hard disk formatting, the Information Technology Department must be informed of any hard disk formatting request, and shall be the party in charge of such formatting. None of employee is allowed to install new computer software, format hard disks, or upgrade any software application by themselves, as the action may incur software license problems and computer security threats.
3. An installation of any hacking & tracking tools or any decryption software are not allowed. Provided that, proper monitoring of data protection system is encouraged.
4. Employees at all levels are prohibited to make any configuration to its computer network and to not install or alter any IP address, computer names, and domain names of their computers without approval from the Information Technology Department. It also forbids the sending, transmitting, watching, and possessing of any electronic information which is inappropriate and illegal, as well as undertaking any online actions or uploading of information which are not related to the Company's business to any outside computer network or internet by using the Company's computer network.
5. Ensure the protection of errors or disruption of its business operational process or organizational work resulting from the failure or disruption of the information system and to be able to recover the information system within the appropriate period of time, the Company thus prescribes the information backup system to assure the continuity of work. The Company regularly saves information on backup tapes stored outside its computer centre or its server room. It also has a regular information retrieval practice to assure that information is safely backed up and can be perfectly and completely retrieved.

## Policy on Human Rights

The Company puts emphasis on human dignity and fundamental human rights. These beliefs are the Company's key pillars in its human resource development that results in equitable treatment of its employees and stakeholders. This fair treatment creates a better workplace environment, as well as enhances ethical spirit and cooperative efforts among individuals within and outside the organization, which in turn helps support employees' creativity and a service minded attitude. Therefore, to ensure that the Company's business is free from human rights violation, the Company has prescribed its policy and guidance against violation of human rights as per the UN Guiding Principles on Business and Human Rights (UNGPR) to prevent violation of human rights in every activity of the Company's business. The policy has been prescribed as follows;

1. Support and respect the protection of human rights and provide equitable treatment of mankind without discrimination against any difference in physical appearance, spiritual belief, race, nationality, religion, gender, language, age, gender identity, disability, education, and social status, as well as not using these differences in making judgements for employment decisions or work evaluations.
2. Monitor that the Company does not engage in business conducts which violate any human rights, such as the use of forced labor and any illegal foreign workforce, child labor, and sexual harassment etc.
3. Treat its employee with non-violence which includes the prohibition of sexual harassment, sexual abuse, severe punishment, physical and mental abuse, physical and mental threats or verbal bullying.
4. Encourage its executives and employees of all levels to freely express their opinions and views to directors or top management.
5. Develop skill and proficiency training to employees on equal basis and offer them learning opportunity and appropriate career advancement without discrimination or unfairly deprived.
6. Provide fair and appropriate employment conditions for employees and offer suitable remuneration that match their competency.
7. Provide welfare benefits to the employees, of at least no less than the minimum legal requirement, such as annual leave, a suitable overtime schedule, and a relevant medical care scheme.
8. Encourage employees to maintain a good balance between their career and personal life, to be ethical, to follow the good philosophy of sufficiency economy, while motivating them to participate in social volunteer activities, and promote staff's religious practices, on an unbiased basis.
9. Provide the employee and the employee's representatives with accurate operational results and business status of the Company.
10. Support a two-way dialog and cooperation between employer and employee, and the employee's representatives in order to improve the quality of the workplace.
11. Treat the employee's personal information confidentially, and refrain from disclosing, disseminating, or using this information without the employee's prior permission, except when such disclosure is made due to enforcement of laws, court orders, official directives, or when such disclosure is for the benefit of human resource management.
12. Prescribe as a normal practice guideline that work instructions, administrative orders, and job interviews shall not be made by using improper words, or inappropriate gestures that pose a threat or incite others.

13. Reinforce its employee to respect another person's rights and when communicating with others, refrain from speaking, writing or making gestures by using aggressive, abusive, improper, threatening, accusing or negative words and expressions.
14. Arrange workplace hygiene and occupational safety such as the implementation of pollution controls in the work process, promotion of health standards in the workplace, and the proper application of safety measures against accidents and diseases.
15. Improve the workplace environment and providing better work conditions for its employees, as well as opportunities to express their competency and prospects of quality life, and chances for skill training.
16. Arrange to have its risk assessment on human rights to acknowledge possible incurred risk and to enable it to prepare appropriate protective measures or to reduce potential impacts of such risk on the Company's business conducts in order to ensure that its business conducts are without acts of human rights violations.
17. Arrange an appropriate reporting/complaint process. Any of the Company's employees or outside parties who see or experience any act in violation of human rights, or unfair treatment can report or file a complaint via any channels established as per the Company's "Whistleblowing Policy". The Company shall protect whistleblowers/complainants and their report shall be treated as confidential as per the guidance prescribed by the Company. Upon the outcome of the investigation violation of human rights does exist, the Company shall punish the employee who is the offender strictly according to its regulations, and shall properly compensate the victim on a case by case basis as appropriate, as well as try to find relevant safeguarding measures to prevent the occurrence of any such a violation again.

## **Policy on Promoting Innovation and Corporate Responsibility**

The Board of Directors recognizes the importance of encouraging creativity among executives and employees of all levels by inspiring them to create new innovations, and allowing them to participate in creative thinking that shall bring added value to the Company's business. Additionally, it simultaneously promotes ethical conduct in creation of benefits to society, customers, and related parties, as well as fosters awareness in social and environmental responsibility. These include:

1. Organize annual creative thinking activities for the Company's executives and employees to participate in and encouraging them to present their ideas which can contribute to new innovations and promoting value to the Company's developments. In addition, the Company also forms business alliances with those with expertise in innovation development.
2. Manage the internal affairs of the Company and its activities. At present, the Company encourages its executives and employees to apply information technology for management of the company's business activities, aiming to create quick responses, become modernized, and increase business opportunities while providing improvements in risk management. These actions aim to bring achievement to the Company's prescribed business objectives and primary goals.
3. Oversee that the management manages its business activities and human resources efficiently and allocates sufficient manpower for the administration of the Company's real estate development projects. Additionally, it also includes the management of a sound financial position that enhances the Company's financial and operational credibility, and monitors proper repayments of the Company's obligations, as well as oversees that there is no adverse impact to the Company's value chain while trying to achieve its business sustainability.
4. Oversee and monitor that the Chief Executive Officer and the Management operate the Company's business with responsibility vis-à-vis consumers, society, and environment. Every development project that the Company undertakes must include a plan regarding care and awareness of society and environment to assure that there is no additional impact caused by the Company's operation. Indeed, the Company intends to minimize any possible impacts that existed prior to the starting of its development. Furthermore, it is also concerned with the safety and health of the surrounding communities.



## Information Disclosure and Transparency

The Company recognizes the importance of providing investors and concerned parties convenient, through, and equitable access to the Company's information. It also makes correct, complete, transparent, through, equitable, and timely disclosure of information which includes financial information, operational results, and any other information that investors and concerned parties can use in making their investment decisions. It disseminates the information through the Stock Exchange of Thailand (SET) various distribution channels and information services, press releases, analyst meetings, overseas road shows, annual report, as well as on the Company's website in Thai and English versions. The Information Disclosure and Transparency of the Company can be summarized as follows:

- Disclose an information in connection with the list of the Company's board of Directors, list of each sub – committees, number of meeting, the Meeting Attendance of Individual Director of the Board of Directors and Sub-Committees.
- Prescribe to disclose all information via annual report in accordance with Notification of the Capital Market Supervisory Board's specification in term of regulation, condition and method of disclosing and reporting regarding of the Company's financial status and operating result.
- Disclose the report confirming the Company's full compliance with the code of corporate governance contained in the annual report.
- Prepared the quarterly and year-end financial reports, financial statements, management discussion and financial analysis (MD&A) and disclose via SET's website and the Company's website ([www.scasset.com](http://www.scasset.com)). In addition, the Board of Directors' responsibility for financial reporting is also disclosed together with Independent Auditor's Report in the Annual Report.
- Provide diversified communication channels apart from the disclosure required by law. The Company provide following channels for release of information to assure that it is conveniently and equitable accessible to its shareholders, investors or other stakeholders:
  1. Investor Relations Unit: The unit which has direct contact and communication with investors, and security analysts.
  2. Opportunity Day The quarterly of the Company's operational results are releases to investors and analysts which are organized as "Info Meeting" or "Opportunity Day" events.
  3. Press conference and press releases: The Company distributes its press releases and newsletters on its operational results or financial status.
  4. The Company arranges employees' meetings to clarify its policies, and business directions, as well as explain about its new products. It also disseminates news and information to its employees via electronic channels and media such as intranet, email, and various social medias.
  5. The Company arranges Company Visit Projects for securities analysts.
  6. Annual Report.
  7. The Company's website "[www.scasset.com](http://www.scasset.com)".
- Arrange to disclose the Company's non-financial performance indicators such as market shares or brand awareness.
- Organize site visit program for the shareholders and investors as well as financial institutions to observe the Company's project development process to understand the actual work process based on good governance alongside environmental and social responsibility.

## Policy on Public Disclosure Policy

A policy on public disclosure aims to equitably provide accurate, correct, complete, and transparent information to all stakeholders. The policy includes the following:

1. Upon approval from the Company's Board of Directors, the Company shall report, on a quarterly basis, its operational performance together with its financial statements to the Securities and Exchange Commission and the Stock Exchange of Thailand in order that its shareholders, investors and other stakeholders are informed.
2. The Company shall disclose its operational performance, financial statements, and other relevant information on its business operations via the information channel of the Stock Exchange of Thailand and on the Company's website, [www.scasset.com](http://www.scasset.com), as well as organize press conferences and analyst meeting.
3. All publicly disclosure information must be accurate, complete, and transparent to all stakeholders and related parties. It must not be released with the aim to manipulate share trading prices or mislead the public from the actual facts on its operational performance.
4. The Company established an Investor Relation Division to communicate with outside parties namely its shareholders, institutional investors, other investors, analysts and related government agencies. Information disseminated to these parties shall be made on equitable and fair basis, and is information that is already made public. They are also allowed to meet with the Company's management as appropriate under the condition that the information has already been made public.
- 5 The Company clearly prescribed its practice on disclosure of information by its executives and employees via various media channels as follows:
  - The Chief Executive Officer shall be the person who releases the information regarding policies, business overview, vision, management, branding and corporate public relations.
  - The Chief Corporate Officer / the Chief Financial Officer shall be the person who releases the information to press and media on assets for sales, assets for rent, financial and investment information, new projects, development concepts for each proposed project, market movement, related industry, customer relationship management, and corporate social responsibility.
  - The Chief Executive Officer / the Chief Corporate Officer / the Chief Financial Officer or the Company Secretary shall be the person who disclose any information to the Stock Exchange of Thailand either periodic information disclosure or material events disclosure.
  - The Company Secretary shall be the person who coordinate with relevant agencies such as the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand.
- 6 The Chief Executive Officer or The Chief Corporate Officer or the Chief Financial Officer of the Company reports its operational results to the public on a quarterly basis via press conference and press release. Provision of corporate information to the public is undertaken with due care particularly on information which can be misinterpreted or possibly induce material impact on its share prices.

## Responsibility of the Board of Directors

### Directors' Scope of Authorities and Responsibilities

- The Directors' scope of authorities and responsibilities are as follows;
1. Defining the prime goals and objectives of the business, vision, mission, strategy, policy and direction of the Company's business operations; supervise the management in operating the business towards sustainable growth alongside value creation for the business, customers, stakeholders and society as a whole, so to meet the prescribed objectives efficiently and effectively through the adoption of innovation and technology suitable for the changing era.
  2. Monitoring, evaluating and overseeing the business performance in accordance with the target, strategy and action plans in order to improve and develop the competitiveness over other operators and to achieve good business outcomes while preventing long-term perspective, including being prepared and studying of business environment and social for corporate resilience.
  3. Determining the proper number of the Board members and review that the Board structure is at a reasonable size which must comprise at least 5 directors and not be more than 12 directors, with independent directors constituting more than half of the Board to allow for flexibility in management, appropriate and necessary to steer the Company towards its corporate goals and objectives.
  4. Ensuring that all directors and executives perform their responsibilities in compliance with their fiduciary duty, and that the Company operates in accordance with any relevant laws, the Company's objectives, Article of Association including the resolution of the shareholders' meetings when required by law to be approved by a resolution of the shareholders such as entering into connected transaction, purchase or sale of significant assets as defined by the regulations of the Stock Exchange of Thailand or other government organization, etc.
  5. Defining the criteria and process in relation to the nomination of qualified senior executives who should possess knowledge, skills, experience, and attributes necessary to drive the organization towards the defined goals; consider the compensation structure and evaluate their managerial performance and development of human resources to obtain appropriate knowledge, skill and motivation; as well as to monitor the preparation of the annual succession plan for the Executive Chairman, Chief Executive Officer, and Senior Executives.
  6. Encouraging innovative endeavors, appropriate and effective application of innovation or technology to create business value and sustainable value to the corporate which is attributable to the society; to develop or reduce the negative impact on the environment; as well as to monitor the management to conduct every process of the business with social and environmental responsibility.
  7. Establishing the Company's accounting systems, ensure reliable financial reports are created and properly audited, and monitoring the evaluation procedures for the appropriateness and effectiveness of internal control systems and internal audit functions, including risk management.
  8. Defining the policy in relation to the allocation and management of information technology resources; monitor, review and develop the information technology to be appropriate and consistent with the risk.
  9. Monitoring the policy and guidelines with regards to anti-corruption via communication on [www.scasset.com](http://www.scasset.com) requiring everyone in the organization and external stakeholders to support the actual implementation,

10. Monitoring possible conflict of interest among the stakeholders, i.e. the conflict of interest between the Company and the management, directors or shareholders; protect against the misuse of assets, information, and the Company's business opportunities, including improper transactions with persons connected to the Company.
  11. Ensuring that the financial reporting system and disclosure of material information is accurate, adequate and timely in accordance with the relevant regulations, standards, and guidelines, by means of monitoring the financial administration to efficiently maintain financial liquidity sufficient to conduct the business and to service debt payment, with the plans to secure funding from various sources so as to prevent impact from financial issues.
  12. Supervising and supporting the shareholders to have the opportunity to participate effectively in decision-making involving significant corporate matters through the Annual General Meeting or the Extraordinary Meeting. The quarterly business result communicated to the shareholders via [www.scasset.com](http://www.scasset.com).
  13. Monitoring and supervising that the Letter of Invitation to the Annual General Meeting of Shareholders be distributed to all shareholders for their acknowledgement of the meeting agenda in advance, and such letter be published on the Company's website ([www.scasset.com](http://www.scasset.com)) to enable the shareholders to effectively exercise their rights during the Annual General Meeting of Shareholders, as well as overseeing that the arrangement of the Annual General Meeting of Shareholders be conducted in an orderly, transparent, and efficient manner. Additionally, the Meeting Resolutions shall be promptly disclosed, and the Minutes of the Shareholders' Meeting shall be accordingly reported in a complete and correct manner.
  14. Establishing the Good Corporate Governance policy and Code of Conduct, and supervising the business operations to follow the established policy and Code of Conduct, as well as to consistently carrying out an annual review of the governance policy and Code of Conduct.
  15. Taking responsibility for the business outcome and performance of the management in undertaking the business operations ethically with respect and accountability to shareholders and stakeholders.
  16. Considering on significant issues such as business plans, business risk management, investment in major projects, management authority, and other matters in compliance with laws.
  17. Appointing other persons to operate the Company's businesses under the control of the Board of Directors, or it may authorize other persons, to perform other duties for period of time as deemed appropriate. The Board reserves its right to change or revoke any authorities given to any such person.
- The Company reserves the right for the Board of Directors to approve the following matters, which are
    1. Approval of the Company's business investment budget with no limitation on the investment amount.
    2. Approval the delegation of authority regarding financial transactions and payment such as capital investment, fixed assets, costs and expenses, and advance payment. For the sake of good management, such delegation of authority and the authorization limit grant to each executive level shall be clearly stated according to the corporate hierarchical layers namely the Executive Committee / Chief Executive Officer / Chief Corporate Officer / Chief Officer / Deputy Chief Officer / Head of / Vice President / Assistant Vice President.

3. Approval the Company's vision, business' objectives, strategies, business operation plans, major investment project, implementation of the Company's significant projects including important policies such as risk management policies or dividend payment.
4. Approval or providing the opinion regarding the connected transactions of the Company and its subsidiaries as per criteria set forth in the relevant notifications, rules, and guidelines of the Stock Exchange of Thailand.
5. Approval the individual with required qualifications and without prohibition attributes prescribed under the Public Limited Companies Act, B.E. 2535, the Securities Exchange of Thailand Act, as well as the notifications rules and/or regulations related to an appointment of the Company director in the event of any vacancy thereof due to the reasons other than the expiration of his/ her term, including the approving of sub-committee appointment.
6. Approval of the performance assessment of the Board of Directors, the sub-committees, and the Chief Executive Officer.
7. Approval of the remuneration of the Chief Executive Officer/ High-level executives of the Company.
8. Approval the setting of the date for the Company's Annual General Meeting of Shareholders.
9. Approval other matters prescribed by laws, or set forth under rules and regulations to be the duties of the Board of Directors.

### Sub-committees

The Company's Board of Directors has appointed directors appropriately equipped with knowledge and professional proficiency in the various sub-committees to help oversee corporate governance by a performing detailed study and screening of the issues within the scope of their respective responsibilities, with an aim to increase the effectiveness of Board of Directors' performance. There are 5 sub-committees have been appointed as follows:

1. The Executive Committee
2. The Audit Committee
3. The Nomination and Remuneration Committee
4. The Corporate Governance and Sustainable Development Committee
5. The Risk Management Committee

**1. The Executive Committee:** consisting of the Chief Executive Officer and directors appointed by the Board of Directors to serve as member of the Executive Committee. Provided that, the Executive Committee scope of duties and responsibilities are prescribed in the Executive Committee's Charter.

**2. The Audit Committee:** consisting of at least 3 independent directors appointed by the meeting of shareholders / board of directors. One of members of the Audit Committee must have knowledge and understanding or experiences concerning accounting or finance. All member must possess the qualification in accordance with the Notification of the Securities and Exchange Commission. The term of office of the members of the Audit Committee is 3 year each but a retiring member is eligible for re-appointment. Provided that, the Audit Committee's scope of duties and responsibilities are prescribed in the Audit Committee's Charter.

**3. The Nomination and Remuneration Committee:** consisting of 3 independent directors. The term of office of the members of the Nomination and Remuneration Committee is 3 year each but a retiring member is eligible for re-appointment. Provided that, the The Nomination and Remuneration Committee's scope of duties and responsibilities are prescribed in the The Nomination and Remuneration Committee's Charter.

**4. The Corporate Governance and Sustainable Development Committee:** consisting of 3 directors with at least half being independent directors. The term of office of the members of the Corporate Governance and Sustainable Development Committee is 3 year each but a retiring member is eligible for re-appointment. Provided that, the Corporate Governance and Sustainable Development Committee's scope of duties and responsibilities are prescribed in the Corporate Governance and Sustainable Development Committee's Charter.

**5. The Risk Management Committee:** consisting of directors and hige level executive. The term of office of the members of the Risk Management Committee is 3 year each but a retiring member is eligible for re-appointment. Provided that, the Risk Management Committee's scope of duties and responsibilities are prescribed in the Risk Management Committee's Charter.

### **Company Secretary**

The Board of Directors determines that the Company shall have the Company Secretary, which the appointment shall consider and compliant to the rule determined by the law and good corporate governance principles. The Secretary must complet a degree in law or accounting, and has been trained in course relating to performing secretary's duty to perform the following duties;

1. Provide and keep record of Directors, notice of Board of Directors meeting, minutes of Board of Directors meeting, notices and minutes of all shareholders' meetings and the Company's annual report.
2. Organize shareholders' meetings and Board of Directors' meetings in compliance with laws, the Company's Articles of Association and other relevant regulations.
3. Keep all interest or conflicts of interest report reported by directors or any members of management team and submit such report to the Chairman of the Board of Directors and Chairman of the Audit Committee within 7 days upon the receipt of such report.
4. Perform any other actions as determined by Capital Market Supervisory Board.
5. Act with full responsibility, duty of care and duty of loyalty and comply with relevant laws, the Company's objectives, regulations, resolutions of Board of Directors' meeting and resolutions of annual general meeting of shareholders.

## Policy on The Board of Directors' Structure

For efficient management, flexibility and for the interest of the Company and achieve the Company's objective and goals. The Company has prescribed the Policy on the Board of Directors' structure as follows;

1. The Company's Board of Directors should comprise the members with diversify qualifications possessing knowledge, professional experience, expertise and specific skills in various fields contributable to the business operation and corresponding to both short-term and long-term business strategies per the Board Skills Matrix, without prejudice to their genders, nationalities, religions, proficiency or other specialized skills.
2. The Company has taken into account the suitable number of directors in the Board for the benefit of flexibility in management. Thus, it is the Company's policy to limit the Board composition to have at least 5 and not exceed 12 directors. This number of directors is suitable for the size and nature of the Company's business. Provided that, at least half of the directors must have domicile in the kingdom, and must be qualified according to the law.
3. At least one of the non-executive directors must possess the professional experience relevant to the Company's business.
4. The structure of the Board of Directors shall comprise of members who are independent directors in the number more than 50% of the total board members. With this structure, the shareholders and stakeholders are confident that the Board of Directors could perform the duties on their behalf independently with an appropriate check-balance system. In addition, there must be at least 1 female independent director.
5. The Company determines director's term according to the Public Company Act, B.E. 2535, and the Company's Articles of Association; that is, at every annual general meeting of shareholders, one-third of the Directors, or, if their number is not a multiple of three, the number nearest to one-third shall retire from office. Director's retirement in the first and second year after the registration of the Company shall be drawn by lots. In every subsequent year, the Directors who have served the longest in office shall retire. A retiring director is eligible to be re-elected. The Nomination and Remuneration Committee is mainly responsible for seeking candidate(s) with qualifications appropriate and having efficient performance to propose him or her to the Board of Directors for consideration in order to be proposed to AGM for approval further. Provided that, the maximum term of directorship is not limited and the policy does not define qualification in term of the director's age.



## **Policy on the Board of Directors' Structural Diversity**

The Board of Directors prescribed the policy on the Board of Directors' structural diversity for nomination the qualified person to serve as the Company's director. The policy states that the Board's structure shall comprise of member with diversify qualification possessing skills, knowledge, professional experiences, expertise and specific skills in various fields contributable to the business operation and corresponding to both short-term and long-term without prejudice to their genders, nationalities, religions proficiency or other specialized skills.

## Policy on Segregation of roles and duties between the Board of Directors and Management

To allow each member of the Board of Directors be free to express his/her opinions on the business operation of the Company, The Company therefore prescribes a policy on segregation of roles and duties between the board of directors and management by clearly authorizing in writing the work scope for the management, so the Board of Directors can independently perform their work.

The Company defines shared and separate roles and duties between the Board and Management for clarity in performing their respective functions as follows;

### **1. Matters for which the Board has primary responsibility**

- Defining objectives and business model.
- Developing culture of compliance and ethical conduct, and lead by example.
- Strengthening an effective board structure and practices conducive for achieving the Company's objectives.
- Ensuring suitable Chief Executive Officer selection, remuneration, development, and performance evaluation.
- Ensuring appropriate compensation architecture that supports achievement of the Company's objectives.

### **2. Matters involving shared responsibility of the Board and Management:**

- Formulating and reviewing policies and strategies, plans and targets
- Ensuring robust system for risk management and internal control
- Clearly defining management's responsibilities
- Overseeing appropriate policies and plans for resource allocation, including Human Resource, Information Technology and budgeting
- Monitoring and evaluating the Company's performance
- Ensuring integrity of financial and non-financial information disclosure

### **3. Matter that the Board should delegate or not get involved with:**

- Engaging in activities in accordance with the strategies, policy, and plans approved by the Board
- Not getting involved in or influencing matters in which a director may have vested interests

## Policy on the Limitation on the Number of Directorship Positions and the Holding of Directorship Position of Directors and the Chief Executive Officer (CEO)

Too many directorship positions held by a board member could impair his efficiency in well conducting his position as a good member of the Board of Directors. Therefore, to assure each director can devote to well perform their responsibilities, the Company has prescribed as follows;

1. Director may hold director position in other listed companies but not exceed 3 listed companies which SC Asset Corporation Public Company Limited is include. The Directors may also hold position either other non-listed companies or other organizations together not more than 5 companies as follows;
  - Other non-listed private companies or other non-listed companies which operates business other than real estate development, and not in competitive with the Company, and he/she shall not take the position of the Chief Executive Officer of such company.
  - Charity organization/foundation promoting public benefits and education
2. The Chief Executive Officer shall not maintain any other similar position in any other listed entity except for his/her position in the SC Asset Corporation Public Company Limited; furthermore, he/she shall hold positions no more than 4 other non-listed companies or other organizations:
  - The Company's associated company which operates business other than real estate development, and he/she shall not take the position of the Chief Executive Officer or Managing Directors of such company.
  - Charity organization/foundation promoting public benefits and education.

## Policy of Separating the Position of Chairman of the Board of Directors and the Chief Executive Officer (CEO)

The Chairman of the Board of Directors must not be the same person as the Chief Executive Officer in order to reciprocally balance the power. The Company clearly segregates the duty and responsibility of the Chairman of the Board of Directors and the Chief Executive Officer as follows:

### **Chairman of the Board of Directors' Responsibilities**

1. Oversee the Board of Directors' Meeting and Shareholders' Meeting and perform the duty of chairman of such meetings to ensure that the meetings are efficient, legal and comply with corporate governance principals as well as clear voting in each agenda, especially the agenda that is significant necessary including allocating sufficient time and promote each director to debate important matter thoroughly and exercise independent judgment.
2. Oversee, monitor, and ensure that the Board of Directors efficiently carries out its duties to achieve the Company's objective and goals.
3. Oversee and ensure that all directors contribute to the Company's ethical culture and good corporate governance.
4. Set the Board of Directors' Meeting agenda by discussing with the Chief Executive Officer which important matter should be included.
5. Promote a culture of openness and debate through ensuring constructive relations between Executive Director and Non-Executive Directors, and between the Board of Directors and Management.

### **Chief Executive Officer' Responsibilities**

1. Take responsible for the management and business operation as per the direction and supervision assigned by the Board of Directors and the Executive Committee. He is also committed to manage the Company according to its corporate plan and/or corporate budget approved by the Board of Directors and the Executive Committee, for the best achievable benefits of the Company and its shareholders according to prescribed objective and goal of corporate plan.
2. Set the Company's budget, operational plan, annual investment plan to be submitted to the Executive Committee and/or the Board of Directors for their review and approval.
3. Oversee that the Company's executives and employees are performing their work as per the prescribed policies, with efficiency maximization, and achieve the Company's prescribed goals.
4. Review new technologies to be used in management and operations of the Company aiming to increase its competitive edge, as well as to enhance its risk management.
5. Audit, monitor and evaluate of operational results of the management team. To assure that the operations are conducted as per the prescribed strategies and business plans, and as set in the policy and goals of the Company.

## **Policy on Board of Directors' Meeting**

To determine policy that benefits the Company and ensures the Board of Directors can monitor the Company's performance continuously and efficiently, the Company specifies its policy for the meeting of the Board of Directors as follows;

1. The number of meetings is prescribed to appropriately suit the duties and responsibilities of the Board of Directors as well as the nature of the Company's business. The Company has prescribed at least 7 board meetings annually (at least once every quarter). The management shall submit a report on the Company's operational results for the month in which there is no board meeting to the board members so that they can timely and continuously oversee, supervise, and monitor the business operations and the management's actions.
2. The Company sets the meeting agenda and determines the meeting dates for the Board of Directors Meetings, meeting dates for the Meetings of the Sub- Committee and for the Annual Genral Meeting of Shareholders for the forthcoming year shall be set in advance and notified to all directors since the last year to allow all directors to manage their time to attend the meeting together. The meeting schedule will be published on the Company's Website. Such schedule and agenda may be changed as appropriate and additional meeting may be held if necessary.
3. The Company requests that all directors to recognize the importance of the attendance of all the Board and the shareholders' meetings, and that they should try to participate in all such meetings, except if any urgent and important matters should arise. Each director should not attend less than 75% of the meetings held in each year.
4. For voting, each director shall have one voting right, and the minimum quorum for the voting of at least two-third of total directors.
5. The Chairman of the Board of Directors and the Chief Executive Officer shall jointly review and select the meeting agenda for the board meetings. To assure that the important matters are among the agenda items, the Company allows each director to freely propose any agenda item which is deemed beneficial to the Company as additional agenda items for the board meetings. This proposal for additional items on the meeting agenda will be reviewed by the Board of Directors and processed via the Company Secretary.
6. The Chairman of the Board of Directors allocates adequate time for management to present documents and supplementary information for review and discussion of important issues. Each director is entitled to express independent opinions, to present any concerned agenda items, and scrutinize each agenda before voting. The Company Secretary performs duty of supporting the information documents and recording minutes of meeting in writing and then submitting the minute to the next Board's meeting for approval.
7. The directors who may have any interest in any agenda must temporarily leave the meeting and refrain from voting in that agenda in order to allow the meeting to freely consider the agenda.
8. The directors can request for relevant information needed for their decision making from the Company Secretary or the management prior to making their decision on the relevant resolution. In the event of necessity, the Board of Directors may arrange to obtain an independent opinion from any advisors or outside professionals, of which the related cost shall be borne by the company.

9. In meeting of the Board of Directors, executive or related person may be invited to attend the meeting to provide information and answer question. The Board of Directors may require the Company Secretary to follow up on the question or inquiry from relevant department and notify the Board of Directors within the determined period or in the next meeting.
10. Independent directors who are non-executives may organize meetings among themselves without the presence of the Company's management at least once a quarter, or not less than 4 times in a year to discuss business and management matters that are of interest, as well as other issues related to any meeting agenda item as appear on the invitation letter for the board meeting. The outcome of these meetings is reported to the Chief Executive Officer.
11. Chairman of the Board of Directors assigns the Company Secretary to take responsibility to determine the meeting date, prepare adequate supplementary documents and send notice of Board of Directors meeting to all directors at least 7 days prior to the date of meeting in the form of normal document or electronic form to ensure that all directors will have sufficient time to understand all matters unless there was an emergency or urgent matter.

The Board of Directors can convene a meeting via electronic devices subjected to the conditions, procedures and methods specified by the law.

12. Prescribe that the Company Secretary shall take notes and prepare the Minutes of the Board of Directors Meeting that covers all material and relevant matters of the meetings. The minutes shall be ready within 14 days of the meeting date, and be submitted to the Board of Directors for its endorsement. The Company Secretary also has a duty to keep the minutes of Board of Directors Meeting, together with their attachments, which have been approved by the Board both in conventional and electronic form for future reference. Each director is always able to ask the Company Secretary for his/her reviewing of the minutes.

## **The Policy on Board of Directors' Performance Assessment**

In order to comply with the principles of good corporate governance and to improve the performance of Directors, the Company launched a performance assessment for the Board of Directors at least once a year. The result of performance assessment can be used to improve and develop the Board's performance for greater efficiency. The assessment was prepared by using two approaches, which are an assessment of collective board and an assessment of individual director. There are three types of performance assessment, namely;

- An assessment of collective board Form (The entire Board)
- An assessment of individual director Form (self- assessment)
- An assessment of individual director Form (Cross Self- assessment by other directors)

### **The Assessment Procedures of the Board of Directors**

1. The Board of Directors approves and reviews the assessment forms to assure that they are correct, complete, and in line with the required regulations from relevant regulators.
2. The Company's Secretary will send four types of a performance assessment form to each director as follows:
  - An assessment of collective board Form (The entire Board)
  - An assessment of individual director Form (Self- assessment)
  - An assessment of individual director Form (Cross Self- assessment by other directors)
  - An assessment of Sub-Committees Form (Each Sub-Committees)
3. After each director completes his/her performance assessment, he/she will return the performance assessment forms to the Company Secretary for collecting and analyzing the assessment data.
4. The concluded results will be reported to the Board of Directors by the Company Secretary at its first meeting of each year. The resulting report will be applied for the purpose of the Director's performance improvement.

### **The Board of Directors' Assessment Criteria**

1. The assessment criteria for the evaluation scores are as follows:

<b>Assessed Scores (%)</b>	<b>Scale</b>
85 – 100	Very Good - Excellent
75 - 85	Good
65 - 75	Fairly Good
50 - 65	Fair
Under 50	Require Improvement

2. Performance assessment for the entire Board comprises of 6 major aspects, which are Board of Directors' structure and qualification / Board of Directors' role, duty and responsibility / Board of Directors' Meeting / Director's performance / Connection with Managerial person and Director's self improvement and management team's improvement.



3. Performance assessment for each individual director (self-assessment) comprises of 6 major aspects, which are Accountability to their decisions and actions / Responsibility in performing their job with ability and efficiency / Accountable and equitable treatment of stakeholders / Transparency of actions and information disclosure / Visionary towards long-term creations of added corporate value and Business ethics and integrity.
4. Performance assessment for each individual Director (Cross Self- assessment by other directors) which the assessments shall be made by other directors and each director shall assess other directors' performance comprises of 9 major aspects, which are Profounding knowledge of the Company's business / Providing opinions and recommendations which are beneficial to the Company and is not contradictory with principles of good corporate governance / Independent and perceptive suggestions / Providing information and facts which are useful for the Board of Directors' decision process / Responsible for stakeholder benefits by providing opinions or suggestions that lead to fair and equitable practices / Refraining from voting or meeting participation, if conflict of interest or self-interest in terms of stakeholder involvement is presented / Study provided details of meeting agenda prior to of relevant meetings / Regularly and promptly attending all required meetings. If absence of meeting attendance is unavoidable, duly make prior request of absence to the Chairman of the Board in advance of such meeting and Honors and respect the rights of other directors.
5. The Company's Board of Directors resolved the approval for performance assessments of all the Company's sub-committees. The assessments help the Company monitor and improve the efficiency of its governance conducts. The performance assessment for the sub-committees applies a similar evaluation process and standards as the performance assessment for the Board of Directors.

The performance assessments for all sub-committees, excluding the performance assessments for the Audit Committee, comprises of the assessments of accountability and responsibility principles which are classified into the following 5 aspects, which are Composition and qualification of the committee / Roles, duties, and responsibility of the committee / Compliance with good corporate governance practices / Communication and collaboration between the committee and the Board of Directors and Meetings of the committee.

The performance assessments for the Audit Committee are classified into the following 3 aspects, which are Composition and qualification of the Audit Committee / Meetings of the Audit Committee and Roles, duties, and responsibility of the Audit Committee.

## **Policy on Performance Assessment for the Chief Executive Officer**

### **The Assessment Procedures of the Chief Executive Officer**

1. For the performance assessment of the Chief Executive Officer, the Company's Board of Directors resolved the appointment of a sub-committee to assess the performance of the Chief Executive Officer. The members of this sub-committee comprise of:
  - (1) The Chairman of the Board of Directors (Independent Director)
  - (2) The Chairman of the Nomination and Remuneration Committee (Independent Director)
  - (3) The Chairman of the Audit Committee (Independent Director)
2. After finished assessing the Chief Executive Officer, the assessment result will be submitted to the Nomination and Remuneration Committee for the consideration of appropriate remuneration scheme; the outcome thereof shall then be proposed to the Board of Directors for their approval.
3. The assessments take place twice a year; the first assessment is made upon a completion of the first half of the Company's operating year between January and June (ended at June 30), and the second assessment is made upon the completion of the second half of the Company's operating year between July and December (ended at December 31).

### **The Chief Executive Office Assessment Criteria**

The assessment criteris of the Chief Executive Officer relies on 6 major aspects, namely;

1. Business management as per corporate targets and business plan
2. Marketing and customer service management
3. Financial management, investment performance and expenses control
4. Human resource development and creation of corporate culture toward sustainable growth
5. Good corporate governance
6. Corporate management and business operation as per policies prescribed by the shareholders and the Board of Directors

## Policy on Director Remuneration

The Company clearly and transparently prescribes the director remuneration policy by considering from the Board of Directors' duties and responsibilities, and has been designed to the Company's Directors at the similar level to the industry compensation of Thai listed companies. It's believed that such remuneration could attract, retain and motivate the directors to perform their roles and carry out their responsibilities to accomplish the Company's goals efficiently and transparently, and be confident to the shareholders.

### **Criteria and Procedures for director's remuneration**

1. The Nomination and Remuneration Committee has its duty to review the appropriateness of these remunerations and assure that they are in line with the Company's long-term financial status and goals. By considering from the Board of Directors' duties and responsibilities, and has been designed to the Company's Directors at the similar level to the industry compensation of Thai listed companies. It's believed that such remuneration could attract, retain and motivate the directors to perform their roles and carry out their responsibilities to accomplish the Company's goals efficiently. The director's remuneration comes in 4 forms: monthly meeting allowance, salary, meeting allowances, and bonus without other kind of remuneration / other benefits.
2. Board members who take the position as member of any sub-committee shall receive additional remuneration in proportion to such responsibilities.
3. The Nomination and Remuneration Committee has its duty to review the appropriateness of these remunerations and propose to the Board of Directors and further approval by annual general meeting of shareholders' resolution not less than two-thirds (2/3) of all votes of the shareholders attending the meeting.
4. The Board of Directors shall arrange the disclosure of report on the remuneration of each individual director in the Company's annual report.

## Policy on Chief Executive Officer and Top Executive Remuneration

### Remuneration Type

The Company has established a remuneration policy for Chief Executive Officer (CEO), and top executives both in terms of monetary remuneration i.e., salary, Bonus (no meeting allowance provided). The remuneration policy is clear and transparent formulated based on relevant considerations such as experiences, duties, roles, and responsibilities of the executives, as well as their performances or anticipated serviceable outcomes. All of these incentives are given in a level suitable for the company to retain their qualified Chief Executive Officer (CEO) and executives, and in the range comparable to its industry peers who are also Thai public listed companies in the same industry sector.

In this regard, the Remuneration Policy for Chief Executive Officer (CEO) and Top Executives is prescribed in detail for both monetary remuneration and other non-monetary benefits and in both forms of short-term and long-term incentives:

**1. Short term Incentive:** The short-term incentives aim to motivate and inspire directors and executives' work performances. High-performance executives are a key element that creates good corporate results. The short-term incentives consist of both monetary incentives and other non-monetary incentives which are

- Short-term monetary incentives include salary and an annual bonus payable according to individual performance and actual company performance, salary increase for Chief Executive Officer (CEO), and top executives based on demonstrated individual achievement evaluated under the Balanced Scorecard (BSC) and applying Objective Key Results (OKRs) measure for setting relevant targets and strategy regarding the director remunerations to be in line with the major targets of the Company
- Other short-term non-monetary incentives include various benefits provided to Chief Executive Officer (CEO) and top executives

**2. Long Term Incentive** The long-term incentives aim to reward the CEO and executives for their dedicated work performance and to create motivation for them to make long-term accomplishments. Retaining qualified employees to work for the Company for the long-term is its key strategy for corporate productivity and value maximization. The long-term incentive will be considered and approved each time they deem appropriate such as Employee Stock Option Program (ESOP) etc.

### Process of Remuneration Determination

The Company also clearly prescribed a remuneration process for Chief Executive Officer (CEO) and top executives according to their roles and positions, as follows:

**1 Chief Executive Officer (CEO):** The process in remunerating for the Chief Executive Officer (CEO) based on the consideration of the performance assessment assessed by the Chief Executive Officer's Performance Assessment Sub-Committee, which consists of

- Chairman of the Board of Directors (Independent Director)
- Chairman of Audit Committee (Independent Director) and
- Chairman of Nomination and Remuneration Committee (Independent Director)

The Chief Executive Officer's performance assessment results will be reported to the Nomination and Remuneration Committee for determining the monetary remuneration as well as and other non-monetary and in both short-term incentives and long-term incentives forms for further proposing to the Board of Directors for approval.

**2 Top Executive:** The Nomination and Remuneration Committee has been assigned to determine the reasonable and appropriate remuneration for top executives. The remuneration is considered from the individual executive's performance as well as the Company's operating performance after that the remuneration will be proposed to the Board for further approval.

## **Policy on Knowledge Development of Directors, Chief Executive Officer and Executive**

The Board of Directors encourages all Directors, the Chief Executive Officer, Executives and the Company Secretary to attend training courses in order to continue improving their performances and seeking the knowledge of relevant laws and risks concerning the Company's business and updated knowledge which is relevant for the modern times as technology quickly changes in the new digital age. They are thus encouraged to increase their skills and experience that are required as relevant attributes in driving the Company to achieve its goals. The process includes;

1. In the event there is a new director, the Company prescribes that each new director must participate in the orientation program to equip them with knowledge and understanding of the Company's businesses and operations, as well as the business directions of the Company. This shall prepare them to be ready to undertake their duty as the Company's directors. This orientation program normally includes corporate businesses, operational plans, corporate objectives, corporate's goal, vision and missions, corporate structure and shareholding, good corporate governance policy and code of conduct etc.
2. Directors, the Chief Executive Officer and Executives participate in knowledge enhancement seminars both internal and external that support their work duties such as training courses offered by the Thai Institute of Directors (IOD), the Stock Exchange of Thailand and the Securities and Exchange Commission of Thailand (SEC) or other organizations, as well as courses arranged by other agencies so that they can bring the obtained knowledge to apply for the sound progress of their organization.
3. Chief Executive Officer and Executives are encouraged to participate in overseas study trips and training aimed at obtaining new skills and technology which can periodically be applied to their business tasks.
4. Chief Executive Officer and senior executives are encouraged to read books written by experts in marketing, strategy, management, technology, and other aspects of business to promote their self-learning and then share this knowledge with other executives and subordinates.

## Policy on Nomination of Director

The Company has set the policy on nomination of its directors, whereby the nomination criteria and conditions including the qualifications and new director appointment process are clearly and transparently defined. The Board of Directors would consider the appropriateness of Board structure and composition in accordance with the policy and corresponding to the Company's business strategies. Furthermore, the necessary professional skills and specialization to fulfill the Board proficiency as defined in the Board Skill Matrix, as well as the qualifications and professional experience which relate to and support both short-term and long-term business strategies, without prejudice to gender, nationality and religion are also taken into account. In certain cases, information from the Director Pool is used to screen the candidates in the selection and nomination process.

### **1. Nomination of Director**

The Nomination and Remuneration Committee has its duty to select and nominate candidates who are skilled and knowledgeable on the Company's business and possess the qualifications required by the Company to serve as directors in replacement of the former directors who have resigned or completed their term of office, or in any event are unable to carry on with their duty. The nomination will be submitted to the Board of Directors and/or the shareholders' meeting for approval, as the case may be. The Company has its selection process for its directors which include:

#### **Qualifications of director**

1. Readiness to dedicate time and fully perform their assigned duties in the interest of the Company.
2. Knowledgeable and skilled in the issues relating to the Company's business, and qualified as per the criteria set by the Company. These qualifications must be in accordance with the Company's business strategies both in the short-term and in the long-term. Additionally, they must possess expertise in the field of knowledge and skill that the Board of Directors presently lacks. The Company shall consider these needed skills according to its Board Skill Matrix.
3. A work history that reflects honesty and transparency.
4. Be an individual without prohibited attributes prescribed under the Public Limited Companies Act, B.E.2535, the Securities Exchange of Thailand Act, B.E.2535, the Company's regulations, and the principle of good corporate governance for publicly listed companies, as well as not having a lack of trust status as prescribed by the notification of the Office of the Securities and Exchange Commission of Thailand.
5. No engagement in a business, or position as a director or an executive in an organization that is a competitor of the Company.
6. Never work as an employee or business partner of the audit company that has worked as the external auditor of the Company during the past 3 years.
7. Regarding independent directors, they must have the qualifications of independent directors as prescribed by the Company.



### **Transparent Nomination and Selection Criteria for Directors**

1. In the event that a director resigns from his/her position or the Company reviews the structure of its Board of Directors and concludes that it requires an additional board member with specific expertise to fill its Board Skills Competency Matrix, the Board of Directors shall resolve in the board meeting to assign the Nomination and Remuneration Committee to select a director with the necessary qualifications and experience in order to match the requirement of such board structure. The Company's Nomination and Remuneration Committee comprises of a chairman who is an independent director and does not have any executive director as a member of the committee. Therefore, it is free to select candidates who are accordingly qualified as per the requirements of the skill competency and propose them to the Company's Board of Directors for their consideration.
2. The Nomination and Remuneration Committee has prescribed the specific qualifications of the candidates for directorship such as maturity, leadership, vision and ability to express individual independent opinion.
3. The Nomination and Remuneration Committee has also set the requirements on specific knowledge and expertise that the Board of Directors requires as well as taken in to account the needs to fulfill the knowledge and expertise that the board lacks. The Board Skill Matrix is applied in considering director candidates. The Company prepares the Board Skill Matrix which indicates necessary knowledge, experiences, and skills that are required of board members. This matrix consists of 9 fields which are management and business administration, real estate development, engineering, architecture, finance, accounting, marketing, legal and information technology.
4. The Nomination and Remuneration Committee apply various channels in its candidate selection and also allow the Company's shareholders to nominate names of qualified candidates for directorship via the Company's website ([www.scasset.com](http://www.scasset.com)). In certain cases, the Company also makes use of the list of the "Director Pool" of the Institute of Director (IOD) as comparison criteria for directorship selection for new director or for reconsideration for renewal of directorship of its former directors for another office term. In addition, it also allows each director to nominate qualified candidates. All of these aims to select qualified persons with knowledge and qualifications suitable for the required posts and for qualification which are still needed according to the board skill matrix.

### **Process for the Appointment of Director**

1. The Nomination and Remuneration Committee shall select candidates whose qualifications are suitable for the directorship positions from various channels prescribed by the Company. Upon completion of the selection, the Nomination and Remuneration Committee shall follow the following process of appointment.

#### In case of resignation

Propose the qualified candidate to the Board of Directors for their consideration and appoint new Directors to fill the vacant position. The Company shall promptly notify the resolution of Board of Directors' meeting regarding the appointment new directors together with the new director's biography to the Stock Exchange of Thailand for acknowledgement.

In case of retirement by rotation or in case of nomination the new director or add a new member into the existing board's structure

Propose the qualified candidate to the Board of Directors for their consideration and further propose to the shareholders' meeting for their approval. The detailed profile of the proposed new director as well as the opinions of the Nomination and Remuneration Committee and the Company's Board of Directors will also be provided, together with the notice of the shareholder's meeting, to the shareholders for their consideration at least 7 days before the date of the shareholders' meeting.

2. At every Annual General Meeting of Shareholders, one-third of the Directors, or, if their number is not a multiple of three, the number nearest to one-third shall retire from office. Director's retirement in the first and second year after the registration of the Company shall be drawn by lots. In every subsequent year, the Directors who have served the longest in office shall retire. A retiring director is eligible to be re-elected.
3. In the event of positions vacated due to causes other than expiry by their terms, the Board of Directors must elect someone to be the Board members to replace such vacant positions, in the subsequent meeting of the Board of Directors. This election must be by resolution with the vote of not less than three-fourths of the remaining Board members, and the person must be qualified and not prohibited by Section 68 of the Public Limited Company Act B.E. 2535. In the case of any director having less than two months remaining on his/her term, the replacing director must be nominated as a director only for the remaining period of time of the previous director.
4. At the Annual General Meeting of shareholders, the following rules and procedures shall apply to the election of a director:
  - (1) Each shareholder has a voting right equal to the number of shares owned.
  - (2) Each shareholder can exercise all votes applicable in voting for one or more persons as one or more directors. In the event of exercising voting rights for more than one director, such voting rights can be allocated by given fewer or more votes to any particular candidate.
  - (3) The candidate who acquires the highest number of votes shall be elected as the Company's director for that particular selection. In the event that there is more than one candidate with equal votes, the Chairman will be granted one casting vote to allow a final decision.
5. According to the Company' Articles of Association, for the voting for election of the Company's directors, the Company requested the shareholders to cast their votes for each individual candidate nominated for directorship position. All the elected directors received the majority votes from the shareholders who attended the meeting and cast their votes.

## **2. Nomination of Independent Directors**

The Company's independent director is nominated pursuant to the policy on nomination of directors through the appointment process prescribed by the Board of Directors. In addition, the person who shall be qualified to be independent director must be in fully compliance with the following qualifications and independent criteria as prescribed by the Company as follows.

### **Qualifications of Independent Directors**

Qualifications for the Company's Independent Director (Which is more stringent than the requirement of the office of Securities and Exchange Commission) are as follows:

1. Hold shares not exceeding 0.5 percent of the total number of shares with voting rights of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director.
2. Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the applicant, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person.
3. Must not be a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child of other directors, executives, major shareholder, controlling person, or person to be nominated as executive or controlling person of the applicant or its subsidiary company.
4. Neither having nor used to have a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person.
5. Neither being nor used to be an auditor of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of an audit firm which employs auditors of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person.
6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services.
7. Must not be a director appointed as representative of directors of the applicant, major shareholder or shareholder who is related to major shareholder.
8. Must not undertake any business in the same nature and in competition to the business of the applicant or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the applicant or its subsidiaries.
9. Must not have any other characteristics which cause the inability to express independent opinions with regard to the applicant's business operation.
10. Be able to attend the board meetings and freely make judgments and decisions.
11. Be equitably oversee the interests of all shareholders and oversee that there is no conflict of interest.

## **Policy on Succession Plan for Chief Executive Officer and Executives**

### **Managing Director /Chief Executive Officer (CEO) level**

In the event that the positions of the Chief Executive Officer (the Company's highest executive position) is vacant or the individual in such positions cannot perform their duties, the Company has an arrangement whereby executives in a closely comparable level or their deputy shall act on their behalf until the selection process for the qualified replacements is completed. The Nomination and Remuneration Committee shall be responsible for the selection process and submit their most suitable qualified and experienced person to the Company's Board of Directors for approval and further appointment. The Company's successor plan for Managing Director /Chief Executive Officer (CEO) level is prescribed as follows

1. The Nomination and Remuneration Committee set criteria for knowledge, proficiency, and experiences that are suitable with the Company's corporate culture and behavioral requirements. Additionally, the candidates for the Company's top executive positions must have appropriate vision required for their posts.
2. The Nomination and Remuneration Committee assess performance and proficiency of the Company's executives to assure that they are equipped with qualifications desired by the Company. These qualifications are essential for the Company's employee proficiency development as well as efficiency enhancement, aimed for these executives to effectively perform their work duty as per the Company's targets.
3. The executives of the Human Resource and Administrative Department is responsible to oversee and monitor the required training and proficiency development of the selected successor of the position of the Chief Executive Officer.
4. The successor plan shall be reviewed for the positions of the Chief Executive Officer and other top executives post in the event of possible changes in the Company's scope of business conducts or in the event that the Nomination and Remuneration Committee views that there are changes in any prescribed criteria.

### **Executives level**

In the event that there is any vacancy in any management positions from the level of Department Managers upward, or any individual in any executive position cannot perform their duty as expected, the Company shall select appropriate candidates for such positions and present them to the Chief Officers or the Chief Executive Officer of the relevant business group for appointment. The Company's successor plan for executives' level is prescribed as follows:

1. The Company shall review knowledge, proficiency, experience, skill, personality, and attitude of the candidates for each position in order to find suitable and appropriate personnel for such required posts. This will also allow the Company to successfully carry on its employee proficiency development.
2. The Company prescribes its executive proficiency plan and conducts training for selected candidates for executive positions before the retirement or resignation of the predecessor.
3. The Company assesses the availability of its manpower to assure that it is in line with its strategy, both in the short-term and long-term plans. Additionally, it also undertakes personnel development and selection plans for any upcoming vacancy in management positions.
4. The Company selects and evaluates employee work as well as assesses employee potentiality, aims to assure the candidacy's suitability for their assigned posts and provides chances for candidates to familiarise themselves with work of the potential assigned posts.
5. In the event that the assessment results of proficiency and potentiality of the candidates are not as expected, the Company shall reselect new candidates from within or outside its organization.

## Section 3

# Policy on Governance of Company's Subsidiaries and Associates

The Company's Board of Directors prescribes policy on governance of company's subsidiaries and associates to be the governing mechanism for overseeing their operations. The Board of Directors has also set forth mechanisms for overseeing and monitoring the management and operations of Company's subsidiaries and associates in order to receive investment return and benefit from the investment, and to ensure the confidence of the shareholders. The guidelines are specified to govern the Company's subsidiaries and associates as follows;

1. Each subsidiary of the Company shall operate its business according to the Policy of its parent company which is SC Asset Corporation Public Company Limited.
2. The appointment of an individual to be a director or controller of the subsidiaries shall be prescribed in writing as per the resolution of the Board of Directors which shall be in accordance with the authorized directors of the parent company, except in the case that such subsidiaries are small companies which act as operating arms for their parent companies, then the Board of Directors shall assign the appointment authority to the Company's Chief Executive Officer.
3. The management of subsidiaries shall be under a similar internal control system as the parent company, aiming to ensure prudence, legality, and compliance of relevant rules for their transactions.
4. The Company's representatives can use their discretion to act in the best interests of the Company, its subsidiaries, or its associated companies in considering and voting in the meetings related to their normal course of business operations and their general management. In doing so, the Company's representative must report of operating results based on quarterly and annually basis to the Board of Directors so that the Board can monitor the performance of the Company in its subsidiaries.
5. The Company' representatives must oversee the following transactions or actions, which require the consent/approval of the Company's Board of Directors or the Company's shareholders (as the case may be) prior to their requesting for the authorization from the Board of Directors and/or the shareholders of the said subsidiaries or the associated companies to transact such transactions or actions:
  - A capital increase / decrease which is not in proportion to the ratio of shareholding of the existing shareholders.
  - A subsidiary agrees to enter into any connected transaction with any related party of the Company
  - A transaction related to an acquisition or a disposal of any assets of the subsidiaries
  - Any other transactions which are not in the ordinary course of business that materially impact the Company's financial status and operating results.
6. The Board of Directors will appoint executive director or other person such as executive to be the Company's proxy to attend the subsidiary's or associated company's Annual General Meeting, which the proxy from the Company has the duty of voting at the Annual General Meeting of Shareholders in various agendas, especially important agenda as the Board of Directors has already approved

such as setting remuneration for director and chairman, or chief executive officer and managing director, increase or decrease of capital, approving budget and balance sheet, approving management structure, etc.

7. The Company's representatives must oversee disclosure of operating results and financial information; connected transactions; acquisition or disposal of assets; or complete and accurate material transactions pursuant to the the rules and procedures stipulated by relevant laws.
8. The Company's representatives must oversee that there are sufficient and efficient internal control systems, risk management system, and anti-corruption prevention to ensure that the companies' operations are conducted according to their policy. These are to maintain the Company's investment benefits in its subsidiaries and associates and to ensure that operation of subsidiaries and associates achieve the determined business plan target efficiently complying with law and produce well worth return in investment. The Internal Audit Unit shall perform duty of auditing, reporting, and evaluating the result of internal control of subsidiaries and associates to the Audit Committee for consideration and giving opinions and then propose to the Board of Director for further acknowledgement.
9. The Company prescribes that its subsidiaries shall have the same external auditor as its parent while disclosing its operational results, financial position of the company and consolidated financial position, related party transaction, acquisition and disposal of assets, and other material transactions as prescribed by law.
10. In case of subsidiary or associated company has insufficient workforce, or requires special personnel that the Company has those personnel as employees, the Company will support by sending its employees to give advice, and work in subsidiary or associated company temporarily as much as it is needed. However, such personnel still have the status of being the Company's employee.
11. Member of the Executive committee, who is a director in subsidiary and associated company, will receive remuneration from meeting allowance as executive director of the Company only. Subsidiary and associated company will not pay director remuneration.

## Section 4

# Preventing Misuse of Internal Information

### Policy on Preventing Misuse of Internal Information

The Company is committed to conducting business with integrity, transparency and fairness, as well as with corporate social responsibility, responsibility to the environment and all stakeholders and in particular exhibiting fair and equitable treatment with regard to the shareholders' rights and their access to company information. The Company recognizes the importance of proper storage, management, fair and transparent dissemination of inside information, in particular transaction data not yet disclosed to the Stock Exchange of Thailand (SET), and the Securities and Exchange Commission (SEC) that may affect the price of securities trading and cause unfairness on the part of the shareholders owing to inefficient and inadequate control. A violation of such policy and practice guidelines shall be regarded as a serious offense and could lead to disciplinary action as per the Company's human resources regulations. The Company guidelines for preventing misuse of internal information as follow;

#### **Guidelines for Safeguarding and Prevention against the Leakage of Confidential or Inside Information**

1. Store all types of information in the information technology central system, whereby the responsible units must check the completeness, accuracy and rapid access to the information.
2. Identify the level of confidentiality and priority to set up an access code for each type of information, forbidding those persons or units not in charge to access inside or confidential information.
3. Limit the number of persons entitled to access inside or confidential information, allowing only persons directly responsible for such information; whereas other executives must obtain permission from the Company on an individual or case-by-case basis, so to control the usage and check the information leakage.
4. Require the executives and employees in charge of keeping the information to have direct responsibility to control and safeguard inside or confidential information against leakage. A further step is undertaken by the Internal Audit Unit who audit the procedures and report to the Audit Committee in case of covert usage of inside or confidential information against the policy.
5. Cultivate honesty as the corporate culture through the website at [www.scasset.com](http://www.scasset.com) and through regular training to ensure that all employees are obligated to safeguard confidential information as well as to monitor the policy breach.
6. Prohibiting all employees are prohibited to communicate with the media and other outside parties in connection with inside information of the Company, except for the corporate communication unit directly in charge. In case of disclosure of the business results, the Stock Exchange of Thailand will be notified prior to releasing to the media.



7. Whenever the Company is aware of the public leakage of any information regardless it is true or false, which may have a material impact on the price or value of the Company's securities, the Company will promptly notify or provide an explanation via the system of the Stock Exchange of Thailand.
8. Prohibit all employees to access electronic mail of other employees by setting passwords for all electronic devices and install the system software to control and supervise the operation of all employees.
9. Directors, executives and employees are required to refrain from trading land or investing in the business adjacent to the land acquired for company's project to avoid a conflict of interest.
10. Establish safety protections for its computer and information systems and prescribe practice guidelines for its directors, executives and employees of all levels to comply with. This procedure is intended to protect any unapproved disclosure of important information and data or unauthorized access to the information source. Severe penalty is set for unauthorized disclosure of internal information and misuse of such information for personal benefits or for the benefits of others or actions which may be the cause of any conflicts of interest. All these actions are regarded as serious offenses and are subject to punishment.
11. The Information Technology Unit must periodically review the control measures to keep pace with the changing information technology system and ensure that the storage and control of information is updated and safe at all times.

#### **Guidelines on Market Sensitive Information**

1. Prescribe confidentiality as a condition in its employment contract which includes a confidentiality agreement, prohibition for disclosure of confidential information or use of market sensitive information for trading of the shares of the Company and its related companies, non-disclosure of corporate confidential information to any outside party even after the termination of employment as directors, executives or employees. The Company also prescribes the employer's right to access employee's information and communication records for efficient monitoring of the use of the Company's confidential information.
2. In the event of the use of outside consultants by the Company, the Company prescribes that these consultants must enter into the confidentiality agreement to assure that its internal and confidential information will not be disclosed or misused or made use of, for any benefits.
3. Arrange the training course and communicate via internal channels to the Company's directors in order to ensure that directors, executive and employees are aware of the importance regarding the safeguard confidential information as well as inappropriate of confidential information disclosure.

## **Blackout period measurement**

Directors, executives, and employees who are in positions or in business lines which are responsible for such internal information, or who have access to such material internal information that may cause any impact to its share price, including their spouse or cohabiting couple or any entities in which they own over 30% of the shares, are prohibited from trading the securities of the Company during a period of 1 month before disclosure of the operating result, financial statement or any other internal information and within 24 hours after such disclosure.

The Company assigned the Company Secretary Unit to notify directors, executives and employees who are in positions or in business lines which are responsible for such internal information, or who have access to such material internal information, to refrain from trading the Company's securities during such period.

## Policy on Reporting of Changing of Holding of Securities and Derivatives

The Board of Directors has issued its policy on reporting of changing of holding of securities and derivatives its directors and executives to assure that its investors can follow the movement in securities holding positions of its directors and executives, as these directors and executives are in a position to have access to the Company's inside information, and hence may use this opportunity to exploit and derive benefits from such information prior to its public release. Therefore, the Company prescribes that

- 1 If the Company's Directors and the Company's the first four top-ranking executives wish to buy or sell the Company's securities or derivatives they must make known the decision to buy or sell at least 1 business day prior to such transaction to the Board of Directors via their designated person, as follows:
  - (1) In the event that the Company's Directors and the Company's first four top-ranking executives wish to buy or sell the Company's securities, he or she must report their decision, in advance, to the Company Secretary.
  - (2) In the event that the Company Secretary wishes to buy or sell the Company's securities, he or she must report their decision, in advance, to the Chairman of the Company's Board of Directors.
- 2 Directors and the first four top-ranking executive positions of the Company must prepare and submit a report on the changes in the Company's securities and derivatives holding, as well as those of their spouses and cohabitants, minor children, as well as the juristic person in which these directors and the first four top-ranking executive positions of the Company, or their spouses or cohabitants or minor children hold more than 30% of its voting shares and are the major shareholders of such juristic person. These individuals and juristic persons must complete the electronic form (Form 59) and submit it via the online system to the Office of the Securities and Exchange Commission within 3 business days after the purchase, sales, transfer or receipt of securities of the Company.  
  
Indeed, "Securities" here means shares, convertible securities, or derivatives as defined by the notification of Securities and Exchange Commission.
- 3 If the Company has filed the relevant information of its directors and the first four top-ranking executive positions of the Company who are newly appointed via the online system to the Office of the Securities and Exchange Commission, but there is no record, and these individuals have undertaken any purchase, sales, transfer or receipt of securities and derivatives, they must report the changes in their holding of securities and derivatives of the Company within 7 business days from the date of such transactions to the Office of the Securities and Exchange Commission.
- 4 Upon the reporting of the changes in the Company's security holding to the Office of the Securities and Exchange Commission (SEC), the Company's Directors and the Company's first four executives who buy or sell the Company's securities must submit a copy of such report to the Company's Board of Directors via the Company Secretary on the same day as the date of such reporting to the Office of the Securities and Exchange Commission (SEC), for further reporting to the Meeting of the Company's Board of Directors, and for record keeping.
- 5 The Company Secretary has a duty to report on selling - buying the Company's securities / the holding of securities and derivatives of the Company by the Company's directors and the first four top-ranking executive positions of the Company to the Company's Board of Directors for acknowledgement during each board meeting.

## Section 5

# Policy on Preventing of Conflict of Interest

### Policy on Preventing of Conflict of Interest

The Company's Board of Directors always commits to and abides by the Company's governance policy that the Company's business conducts shall be made with equity, honesty, trustworthiness, transparency, and accountability, therefore, it set forth its guidelines, prohibitions, and considerations, that adhere to rules and regulations of the Stock Exchange of Thailand, for its directors, executives and employees to understand and comply against any potential conflict of interests, as follows:

1. Directors, executives, and employees shall not use the opportunity of being director, executive, or employee of the Company to exploit personal interest or intimate person, either in terms of finance or other aspects of business.
2. Directors, executives and employees of all levels shall not borrow or raise funds from the Company's customers and counterparties, except that such borrowings represent lending from their banks or financial institutions of which they are customers.
3. Personal business activities of directors, executives and employees shall not impact their commitments to the Company's duties and work schedule.
4. Directors, executives and employees of all levels are forbidden any participation, whether it be for their own behalf, on behalf of their family, and/or in the name of any juristic party in which commercial activities which are competitive to those of the Company's business, regardless of whether they direct or indirectly benefit from such participations.
5. Directors, executives and employees of all levels are required to disclose, in the form as prescribed with the Company, their business participations, whether it be for their own behalf, on behalf of their family, and/or in the name of any juristic party in which they hold any interests.
6. Director, Executive and employees shall avoid or be prohibited on trading of land property close to the planned development sites of the Company which may be perceived as the exploitation of internal information for self-benefit or for the benefits of others.
7. Avoid connected/ related party transactions, except with respect to necessary transactions performed for the benefits of the Company under the rules and regulations of The Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.
8. Prohibit any of its directors or any related companies in which such director is a shareholder or a director thereof to be a business partner of the Company, except if such transaction is disclosed and complied according to the rules and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand, and the applicable laws.
9. Prescribe that its directors and executives must disclose and submit information on their interests and their related person's interests as per the methods prescribed by the Company.

10. In the event that any director or executive has interests on the meeting agenda related to any transaction to be entered by the Company, that director or executive must refrain from participating in such meeting agenda or approving of such matter, and have other directors or executives who have no conflict of interest to consider such matter.
11. For connected transactions/ transaction related to acquisition or disposal of assets which requires the approval from the shareholders' meeting, a shareholder who has a conflict of interest in a resolution is not permitted to vote on such resolution.
12. For a conflict of interest transaction, the Company prescribes the Audit Committee to play an important role, by setting forth that every such transaction must first be reviewed and scrutinized by the Audit Committee so that such transaction is in compliance with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand, and is appropriate, fair according to general business conditions, and is transacted for the maximum benefit of the Company, before subsequently being submitted to the relevant authority for approval.

## **Policy on Reporting of the Conflict of Interests of Directors, Executives, and Related Persons**

To assure transparency and preventing the problem of conflict of interest, the Company prescribed that its directors and executives must report their interest or the interest of their related parties. This interest is defined as interest related to the management of companies and subsidiaries as per the Securities and Exchange Act. This report is intended to provide the Company with relevant information required for the compliance of the regulations on connected transactions that can cause possible conflicts of interest which may lead to the syphoning of benefits from the Company and its subsidiaries. The information therein shall also be used as protection against the involvement of its directors, executives, and persons involved in the decision-making process of any relevant connected transactions. The rules and procedures are:

1. Directors and executives are required to report their interest or the interest of their related parties particularly on the interest related to management of companies or subsidiaries by completing the report on the interests of directors and executives in the form as prescribed by the Company. The report must be processed as follow:
  - The first report: should be submitted within 7 business days from the date of the appointment as the Company's directors or as the first four top executive positions of the Company.
  - Report on the changes of information on involved interest: should be submitted within 3 business days from the date of the changes in such information.
2. Directors and executives are required to submit the report on their interest or the interest of their related parties to the Company Secretary within the prescribed timing as stated in Clause 1.
3. The Company Secretary shall perform the following tasks:
  - Submit the interest reports to the Chairman of the Company's Board of Directors and the Chairman of the Audit Committee within 7 business days from the date of the receipt of such report
  - Keep these interest reports submitted by the Company's directors and executives
  - Disclose information on the interests of directors, executives in the annual report
4. If any directors and executives have any interest in any transactions which the Company shall undertake, such directors and executives will not be allowed to participate in the review and authorization of such transaction.

## Section 6

### Policy on Connected Transaction

For transparency in business operation and to avoid exploitation either directly or indirectly from director, executive, and shareholders who have controlling power and without conflict of interest, as well as protecting the right of minority shareholders for equality for the best interest of the company and all interested parties, the Company has a policy on connected transaction, as well as disclosure of information as follows;

1. For each of any connected transactions, the Company's Board of Directors shall oversee that the Company complies with any relevant laws, rules of the Securities and Exchange Commission, and Notifications of the Capital Market Supervisory Board. It shall also disclose such information to all its shareholders.
2. In case the Company wishes to make transaction with connected person, the transaction must be made with same price and condition as if the transaction is done with third party, and must be fair transaction based on market price and according to fair and at arm's length pursuant to the rule and regulation determined by the Securities and the Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET). This transaction must be entered into for the purpose of the Company's interest and the Company shall avoid the connected transaction regarding the granting of financial assistance.
3. To consider and approve for each connected transaction, such transaction must be reported to the Audit Committee for consideration of its validity of the transaction and suitability of the price in approving such transaction before presenting for approval from the Board of Directors or shareholders as the case may be. The Audit Committee shall review the transactions and offer their appropriate opinions thereof, as well as assess that the terms and conditions of such transactions are in accordance with the market standard. The prices related to such transactions are properly evaluated and are in line with the market prices. In the event that there is no reference of applicable market prices, the Audit Committee shall assure that the transacted prices are reasonable and such transactions create maximized benefits to the involved stakeholders.
4. In case the Audit Committee cannot evaluate such connected transaction or If market price is not available for comparison the Company will provide at least 3 independent appraisers approved by the Securities and Exchange Commission of Thailand (SEC) to evaluate market price to obtain suitable price and condition not exceeding the average of all independent appraisers for the best interest of the Company, shareholders and involved stakeholders.
5. The Company will present to Audit Committee for comment regarding validity of the transaction and suitability of the price in approving transaction between each other before presenting for approval from the Board of Directors or shareholders as the case may be.
6. If there is any need for approval from the Company's Board of Directors or shareholders for such transactions, the Company shall ask for such approval by processing the following:
  - Arrange to have the directors who are involved in such related transactions temporarily leave the meeting to allow other directors to freely review such transactions and the involved directors will not be allowed to vote for the relevant agenda items.



- Disclose the transaction and the resolution details such as names and relationship of the connected parties, pricing policy, value of the transactions, and opinions of the Audit Committee and the Board of Directors on such transactions, as well as other details which are prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand. Such disclosure shall be submitted to the Stock Exchange of Thailand on the date which the Board of Directors resolved the approval of such transactions, or within 9.00 a.m. of its next working day.
  - In the event that the approval from the Shareholders' meeting is required, the Company shall arrange to have an independent financial advisor expressing their opinions to the shareholders on such transactions.
  - The resolution for approval of such transactions requires votes of not less than three-fourth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote. The vote counting shall not include the voting of the shareholders who are interest parties to such transactions.
7. The Company can only enter into the connected transactions on the date that the Board of Directors, or the shareholders (as the case may be), has given approval to such transactions.
8. The Company shall disclose information on related transactions in the Company's annual report for its shareholders perusal, which is certified by the certified public accountant in order to ensure that such connected transaction has no conflict of interest.

## Section 7

# Policy on Management of Natural Resources, Environment, and Ecosystem

The Company recognizes the importance of conducting business with environmental responsibility. It has efficient environmental management, and measures to mitigate any adverse effects on the environment so that it can achieve business growth and contribute to environmental protection. The Company prescribes its policy on management of natural resources, the environment and ecosystem aimed for the best use of the limited natural resources, and be a part of the attempt to reduce environmental problems, as well as to promote the effective management of natural resources, and to protect the ecosystem and biological diversity. The policy includes:

1. Operate of business activities of the Company must comply with the applicable legal requirements, the Real Estate law, the rules and standards on environment or any applicable laws on conservation of biological resources. This compliance must be the minimum standard of practice and relevant action shall be made to assure that such activities are undertaken in accordance with the Company's prescribed guidelines on sustainable development.
2. Apply the "Green Building" concept which is environmentally friendly and make the best use of natural resources in producing residential units. The Company chooses and selects designs, materials and supplies, and technologies that help conserve energy for its condominiums and residential units in its development projects. In designing its projects, the Company is always aware that its structural designs, and material selections encourages energy saving and can help in reducing the effect of global warming. As for waste treatment, the Company installs waste and water treatment systems in its development projects to treat the sewage and wastewater before discharging them to public water systems.
3. Apply technologies and production processes that are up to environmental standards, whilst being aware of reducing the use of natural resources as much as and substituting their use with the material choices that are ecofriendly or do not affect the environment.
4. For the construction of its condominiums and residential units, the Company requests contractors to try to save large sized plants and to keep them in their original form. The construction work must also have protection measures against impacts caused to the ecosystem and biodiversity supply chain. In each of its projects, the Company makes appropriate selection of its project sites, and arranges to have proper environmental management according to the terms as specified by the prescribed standards. Additionally, it also closely and regularly manages and monitors the construction management of those projects.
5. Before commencing construction, the Company always communicates and establishes a relationship with the surrounding communities, holds discussions with interested parties who are directly impacted by its development. This helps the Company in implementing appropriate protective measures that will lessen ecological impact, and encourage further cooperation in environmental conservation and protection, as well as deriving mutual benefits from biodiversity.
6. Promote the knowledge development, awareness, and understanding on the conservation of natural resources continually, the environment, and ecosystem, as well as protection of biodiversity, among its employees of all levels, contractors, and trade partners staff.

## Section 8

# Policy and Practice Guidelines on Efficient Use of Resources

The Company is committed to conducting business with accountability towards all groups of stakeholders, as well as society, community and the environment. The Company also recognizes the importance of optimum and effective use of resources while minimizing any impact on society and the environment. The Company believes that the efficient and effective management and allocation of resources will lead to achieving the objective of creating sustainable value and growth. The Company thus set up a policy on the efficient use of resources, covering all aspects of the resources necessary for business undertakings including financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital, as well as natural resource capital. To achieve these objectives, the Company stipulates the duty of its executives and employees to control and reduce the use of natural resources, while promoting awareness of the value of natural resources and its effective uses, efficient uses of recycled materials, and wastes reduction as measures to protect and reduce impacts on the environment. To achieve its policy success, the Company also implements practice guidelines as follow:

- **Guidelines on Financial Capital Utilization**

Financial capital is a key factor in enhancing sustainable business growth. The Company thus pays attention to the importance of balancing all dimensions of financial resource management, which includes:

1. Diversified methods of fund raising: The Company considers various types of financial instruments for its financing and fund raising. It also utilizes such instruments in an appropriate proportion and mix. The main financing methods applied by the Company to fund its business operations are issuance of common shares to be sold to shareholders and investors, borrowings from financial institutions, and the issuance of debt instruments such as bills of exchange and debentures.
2. Maximizing fund utilization: The Company maximizes its fund utilization in an efficient way with the target set at a level not to exceed that of the industry average as a means to control and minimize financial cost and expenses.
3. Controlling financial risk: The Company controls its financial risk by utilizing an appropriate mix of financial instruments at a suitable timing. It also considers the long-term impacts of each of the financial instruments, their maturity, and obligations and prudently applies them to support its business growth.
4. Maintaining good financial credibility: The Company always maintains its good financial credibility in its obligations to others whether they are financial institutions or trade creditors and duly respect their payment terms as prescribed in the relevant agreements or documents.

- **Guidelines on Promoting Manufactured Capital Utilization**

1. Encourage the primary selection of locally made construction materials and the use of materials which are environmentally friendly ("Green Procurement"), aiming to promote domestic economy and avoid negative impacts on the environment.
2. Prescribe the use of "Total Quality Management" to improve its construction process. In addition, it makes surveys and collects information on its construction problems to improve efficiency in its construction process and produce quality products that satisfy consumer needs. It also encourages the efficient use of production resources.

3. Establish the “SC LAB” to be its research center for material quality and to test construction equipment. This laboratory also works on improving the production process in order to perfect each construction step so as to avoid errors during the actual construction. “SC Lab” promotes and fosters learning which improves the quality of the work process while testing construction materials to assure the superior quality of the Company’s final products and services.

- **Guidelines on Promoting Intellectual Capital Utilization**

1. Encourage the wider recognition of intellectual resources to catch up with growing social changes. It organizes training course such as “Innovative Workshop”, which supports knowledge improvement, for its executives and employees. Startup professionals are invited to be the workshop facilitators and to share their experiences and knowledge with the Company’s employees. The training provides new thinking dimensions and different analytical approach as well as creative methods in finding work solutions. It is the Company’s intention to improve its business operation by applying new innovations and state of the art technologies to its products.
2. Organize activities which promote creative thinking among its executives and employees. Each employee from every business unit and division are encouraged to express their opinions or creative thinking in developing the Company’s products. This attempt helps in promoting and inspiring new thinking, improvement, and adaptation of innovative ideas and technologies for new products, services, and projects.
3. Foster new foreign technologies and knowledge for its executives and employees by arranging overseas business visits for them to learn about new product designs and updated services. The Company’s employees learn new techniques and is exposed to new experiences which can inspire new innovative ideas that can be adapted into products that are beneficial to consumers. These new ideas are applied to develop new styles of housings and condominiums in the Company’s developments and new services that are offered to their clients.

- **Guidelines on Promoting Human Capital**

1. Set to have proficiency and creative thinking training frequently during the year for executives and employees to enable its employees at all levels to have adequate professional knowledge, business acumen, and understanding of relevant rules and regulations that allow them to work efficiently under the guidelines prescribed by the Company. The training which includes required proficiency knowledge, are aimed to guide the employees and give them potential for career advancement, and to encourage team work and leadership among executives, senior officers, and employees. Additionally, specific training on leadership and management is also offered to promote and improve employees leadership and management skills for their future career development.
2. Build organizational culture via activities and campaigns. The Company organizes employees activities that maximize employee engagement to encourage their proficiency, potential, and work commitment. This enables the employees to make best use of their personal potential for the benefits of the organization.
3. Promote exercise consciousness among executives and employees to keep them healthy.
4. Take good care of employees and their family by offering scholarships for employees and their family members to assist and inspire them to develop their skills, knowledge, competency, and experiences, enabling their work potential and responsibility that are required for both their career advancement and corporate business growth.

• **Guidelines on Promoting of Social and Relationship Capital**

1. Develop all its housing and condominium products to satisfy individual needs, and rendering real life benefits to consumers, and offering quality products and services.
2. Establish consumer confidence in the Company's products by offering quality goods and services that consumers can experience. Establishing consumer confidence in the Company's products. This is a focal positive factor that induces good word-of-mouth among consumers which reinforce the "SC Asset" branding, enhance its corporate recognition, and expand its consumer base, all of which shall support the Company's sustainable business growth.
3. Create good relationship with trade partners and all stakeholders, and exercise equitable treatments towards them.
4. Monitor its construction and development to assure that they do not cause negative impacts to the society and environment. The Company is also committed to generate benefits to the society and the environment.

• **Guidelines on Promoting Natural Capital**

1. Promote measures and activities which encourage its employees to use natural resources efficiently and reduce energy consumption through the 3Rs policy; Reduce, Re-use and Recycle.
2. Promote a reduction in paper use for meetings under the "Green Meeting" concepts that substitute paper documents with an electronic version thereof that can conveniently be downloaded and/or open for viewing via wireless devices.
3. Establish the use of "E-Document" as a practice guide in the work process to enhance convenience, speed, as well as reduction of irrelevant work steps, uses of paper and supplies in the organization via the application of green technology. The Company invested in its centralized electronic document and records management system that gather and store digital information for all work units on its online network. These e-records can be retrieved for viewing via the same system.
4. Establish its own e-procurement system named "Supply Chain" to be used between the Company and its business partners / contractors. This integrated procure-to-pay process is a standardized online automated system, implemented to ensure the business partners / contractors of the Company's accountability and credibility in its procurement process. It also reduces steps in the procurement cycle and shortens operation time for the parties involved.
5. Establish the electricity and energy conservation program by applying the Building Automation System (BAS) to manage energy saving for its building. The system controls and plans energy uses via its software, and also takes into account the "Peopleware" planning aspect to set an energy conservation plan and time schedule for equipment with high electricity consumption. The system controls and plans energy uses via its software and also takes into account the "Peopleware" planning aspect to set an energy conservation plan and time schedule for equipment with high electricity consumption.
6. Develop suitable technology for its work services by investing in the "Virtual Machine System (VMS)" project. VMS is a computer operating system that can support the Company's operational process and run various application systems under the same process server. This provides safety and efficiency to the work systems of the Company's goods and service, and promptly processes its responses to all its various stakeholder groups. Other benefits of the VMS also include electricity saving, and increased work efficiency.

## Section 9

# Internal Controls and Risk Management

The Board of Director supports to have the effective internal control with the appropriate cost and risk management in order to mitigate the damage possibly happen. Internal audit has been formed in order to help all member of the Company to perform their duties more effectively. The Board of Directors has authorized the Audit Committee to take responsible regards to internal control and risk management. In addition, the internal audit office, which is a one unit of the Company, takes responsible to give a consult, recommend, provide the information relating to the reviewed activities and the assessment of internal control system, risk management system and promote the good corporate governance.

It is the responsible of the Board of Directors to manage the independence of the internal audit office so that they can audit and able to check and balance and directly report to the Audit Committee and the Executives frequently. Moreover, the compliance unit has set in order to regulate the business to be comply with the rules prescribed by relevant authorities.

### Internal Audit

The Board of Director has set the Internal Audit Unit, which is independent and able to access the necessary information for its auditing and directly report to the Audit Committee. The Unit's scope of work, duties and authority are prescribed in its Internal Audit Charter which was approved by the Chairman of the Executive Committee and the Chairman of the Audit Committee. The internal audit duties include providing auditing and advisory services as well as monitoring, control and assessment of internal corporate systems with the goal of maintaining proper internal check-and-balance and ensure appropriate confidence in the achievement of the company's operational objectives. Systematic assessment and development processes are implemented to assure that the existing risk management, control, and governance systems are effective and meet the Standard for the Professional Practice of Internal Auditing and fully satisfy relevant laws, rules and regulation of compliance audit.

### Internal Control

The Company's Board of Directors has emphasized on the importance of good internal control systems, and the efficiency of such controls on the management level and on the operational level. It encourages the management to prescribe rules, practice methods, and segregation of duties that create an appropriate level of checks and balances. In order to maximize the effective controls over utilization of corporate assets, the Company clearly set in writing the relevant scope of duties, responsibilities, and authorities of all executives and staff. In addition, their roles are also properly segregated.

The Company also applies the COSO (The Committee of Sponsoring Organizations of the Treadway Commission) methods and standards for its internal controls which govern all aspects of corporate activities; namely financial, operations and administration. Executive and staff scopes of authority are clearly defined in writing and the following corporate objectives are established to ensure operational rationality and success:

1. Corporate plans, projects and targets need to be implemented as set.
2. Financial, managerial and operational information must be accurate.
3. Operations and staff duties need to be carried out in accordance with the Company's rules and regulations, and abide with all applicable laws.



4. Corporate assets and resources must receive effective and efficient administration. Safeguarding corporate assets and adequate safety protection are essential.
5. Quality of operational process and control mechanism, at all steps, need to be regularly monitored and continuously improved.

Internal Audit Department is responsible for the reviews of accuracy, sufficiency and efficiency of the Company's internal control system and submits its findings to the Audit Committee for further consideration and compliance review. All these actions are intended for enhancement of integrated coverage of proper controls in the following aspects:

**(1) Management Control:** Internal Audit Department oversees that targeted corporate missions are achieved and business plans are prepared and carried out as per its prescribed objectives. It also monitors and assesses operational performance, and regularly reports the internal audit outcomes to the Audit Committee and the Board of Directors. The Executive Committee sets up the meeting on monthly basis.

**(2) Operation Control:** Review operational controls of various work systems such as cost system, purchase system, sales system, accounting system, and customer service system etc. Controls are also exercised through SC System, SAP (Systems Applications and Products), Housing system, Customer Care system, Call Center system, inventory system, E-Auction system and E-Slip Online is a system that provides the transmission of salary slips via the Company's intranet, etc. Most of these systems are internally developed programs applied for administrations and operations, aiming to enhance customer or user satisfaction.

**(3) Financial Control:** The Company applies the SAP system and SC System for accounting, financial and budget controls, as well as for financial ratio analysis. The system also assists in providing early warning signs for accounting irregularities and adverse financial concerns.

The Company's Board of Directors emphasizes having adequate, effective and efficient internal control systems as follows:

#### **(1) Control Environment**

The Company's Board of Directors encourages a good internal control environment by motivating executives and staff to conduct their duties on the basis of good business ethics and honesty, providing an organizational structure and work environment that enhance the effectiveness of the internal control mechanism as per the Company's targeted plan, clearly defining the scope of staff duties and reasonability, having apparent business objectives and measurable performance targets that are approved by the Board of Directors and offering reasonable remunerations based on internal and external factors. The existing organization structure enhances the management's ability to efficiently operate the Company's activities.

It is the Company's strategy to cautiously prescribe its policy and work procedures in writing, particularly for transactions related to financial operations, procurement, and general administration. It has internally developed a suitable control system to better monitor its operations in all business modules of the SC System which is a control process applicable for budget control, cost control, and expense payment etc. The SC system also performs data verification on a timely and systematic manner on the same data base system. The system emphasizes effective data storing for efficient operational and management controls. The Company also prescribes ethical codes and prohibitions as part of its corporate governance policy, and requires its directors, executives and employees to comply with such conduct codes in order to avoid an occurrence of any conflicts of interest. Such ethical codes and prohibitions are disseminated via a printed handbook, the company's Website ([www.scasset.com](http://www.scasset.com)), and internal e-mail regularly forwarded to its entire employees.



## **(2) Risk Assessment**

The Board of Directors formed the Risk Management Committee. There have been regular adjustments made in the Company's risk assessment process to update the appropriateness of the process under the best practice framework prescribed in the Company's Risk Management Policy which is disseminated to executives and employees for their awareness. Additionally, they can also view this policy on the Company's intranet via its website ([www.intra.scasset.com](http://www.intra.scasset.com)). The Risk Management Committee have requested related business units to participate in the determination of the risk management measures and encourage them to implement such measures in their work unit. These business units are also asked to follow-up on incidents which are the root causes of such risk factors. The Company's risk management procedures are clearly stated and regularly updated. The risk management unit is responsible for monitoring the compliance of the risk management procedures by all business units, and reports the situations to the Risk Management Committee.

## **(3) Control Activities**

The Company's Board of Directors establishes relevant controls for all scope of work processes. Reporting of operational outcomes is regularly required in order to provide the management with relevant information required for decision-making and problem solving. Segregation of duties in each business unit is clearly set to provide check-and-balance features. Authority and authorization limits are prescribed in writing for all decision-making levels, the further details which appeared in the internal website of the Company "[www.intra.scasset.com](http://www.intra.scasset.com). Safeguarding procedures for corporate assets are exercised to protect against possible damage and inappropriate use. Any corporate transactions with major shareholders, directors and executives or related parties of major shareholders, directors and executives are required, without any exception, to be accordingly approved by all authorized levels. The Company assigns the Accounting Department and the Legal Department to be responsible for reviewing and proposing required transaction authorization of which the authorization procedure is in compliance with the rules and regulations of the Securities Exchange of Thailand. All relevant transaction authorizations are to be considered by the Audit Committee. Approvals are made on the ground of maximized corporate benefits. In addition, control measures are also set to prohibit related parties from taking advantage of any situations for personal interests. Oversight frame-work is established to monitor business operations of subsidiaries. Procedures are prescribed to assure that the Company always acts in compliance with applicable laws and regulations.

## **(4) Information and Communication**

The Company's Board of Directors incessantly develops its information and technology system, most of which are internally developed to suit the internal data processing requirements of various work units. ๕ The company maintains a division which oversees data base management and controls. Data is properly sorted and processed for decision making of directors, executives, employees, shareholders and stakeholders with concerns over their accuracy, completeness, easy to access, understandable, and timeliness. Data are also classified and appropriately stored. The Company's directors receive, at least 7 days prior to each meeting, meeting notifications as well as relevant information and documents required for meeting attendance. Minutes of previous meetings and notes recording important questions or remarks, whether supportive or disagreeing, are also attached with the dispatched notifications.

Executives and employees of the Company at all levels are reminded to be cautious in using the Company's data base and IT system and to observe the rules and ethic codes prescribed by the Company. It is the Company's policy to maintain strict security measures on application of its information, data base and IT systems, which all staff are obliged to promptly comply with. The Information Technology Department is assigned to oversee system security and efficiency of the Company's computer and information systems, which

are well monitored and continually updated by the Information Technology Department, in collaboration with the Internal Audit Office and other relevant departments. Contingent and back up plans are established for emergency purposes and against loss of data. The Company's accounting policy and records comply with the generally accepted accounting standards as well as appropriate practices of the industry.

## **(5) Monitoring and Evaluation**

The Company has its good practice for monitoring and assessment of the operationthe, Company holds board meetings, monthly meetings of the Executive Committee, and weekly meetings among executives to review and monitor management performance and operational results to assure whether the results were in line with the targeted plan, or whether there were any changes or adjustment in strategy; or whether there was any adaption of targeted goals to changing circumstances. The Internal Audit Unit also performed their duty in auditing and assessing the overall organizational controls and followed up on any improvement and rectification of previous mistakes and errors and reported the outcomes to the Audit Committee to assure that compliances were made in accordance with the control plans, and subsequently reported to the Board of Directors on a quarterly basis.

## **Risk Management**

The Company's Board of Directors emphasizes the importance of risk management and assigned the Risk Management Committee to oversee the Company's risk management and apply risk management as tools for managing the Company's corporate business. The Risk Management Committee, consisting of independent directors and top exeuctives, is responsible for consideration and determining the Company's risk management policy as well as assessing and managing the Company's risks to be at an acceptable level. The committee also monitors and assesses the risk management performance of the Company and encourages all management levels to participate in risk management.

## **Risk Management Policy**

1. To form a Risk Management Committee of which its members are appointed by the Company's Board of Directors, and also have the Company's high-level executives participating as members of the Risk Management Committee.
2. To have a risk management process that is qualified under internal standards, managing the risks faced across the entire organization. Risk management shall be the responsibility of all levels of employees under a common framework and direction. A risk management system shall be used as a part of the Company's decision process in planning its business strategies, corporate budgets, work plans, and operations, as well as measuring its corporate performance and achievement.
3. To set protective guidelines and risk mitigation measures for the Company's activities and business, to reduce potential damage or loss, and to regularly monitor and assess risk management performance.
4. To have risk reporting systems that operate efficiently and are capable of providing suitable risk management reports to the Company's management, the Risk Management Committee, the Audit Committee, and the Board of Directors.
5. To have a Risk Management Committee that supervises the Company's risk management system and ensures that it is in line with the Company's policy. The Risk Management Committee shall review, offer opinions, make suggestions, and monitor the risk management process to safeguard its efficiency and effectiveness.
6. To review and assess the risk management policy and its risk management scope at least once a year.

# Section 10

## Tax Operating

### **Policy**

The Company places an importance on the tax management to be in compliance with the relevant laws as one mission which is considered as important as the management of other fields.

### **Practice Guildlines;**

1. The executive and employees have to comply with any relevant tax laws.
2. The employees, who work in tax field, will be progressively trained new tax laws to gain and deepen their understanding in order to be able to work in compliance with the laws.
3. In case of new transaction, the meeting will be arranged by the Company for acknowledgment of tax burden incurred from such transaction pursuant to the relevant laws, including issuance of tax practices.
4. The Risk Management Committee was formed in order to manage the tax risks as well as other risks relating to the business operation.

# Section 11

## Dividend Payment Policy

The Company has a policy to pay dividends to its shareholders at the dividend payout rate of no less than 40% of its net profit after corporate income taxes and to allocate a certain amount of the net profit thereof for legal reserve purpose. However, the dividend payment may be changed due to the Company's operational results, business expansion plan, liquidity, necessity, and other appropriateness that may arise in the future. The Company's Board of Directors shall be authorized to consider such matters and shall then submit their decisions for further approval from the shareholder meeting, except for the interim dividend payment which the Board of Directors shall be authorized to approve as per the Company's Regulations. Upon the payment of any such dividend, the Board of Directors shall report the matter to the Company's shareholders in the next shareholders meeting.

## Supervision in Acting

The Company specifies that it is the duties and responsibilities of all directors, executives and employees to acknowledge, understand and strictly comply with the policies and procedures prescribed by this Corporate Governance Policy of the Company.

Executives at all levels in the company shall be responsible and deem as important matter to train their employees under their supervision to acknowledge, understand and strictly comply with the Corporate Governance Policy of the Company.

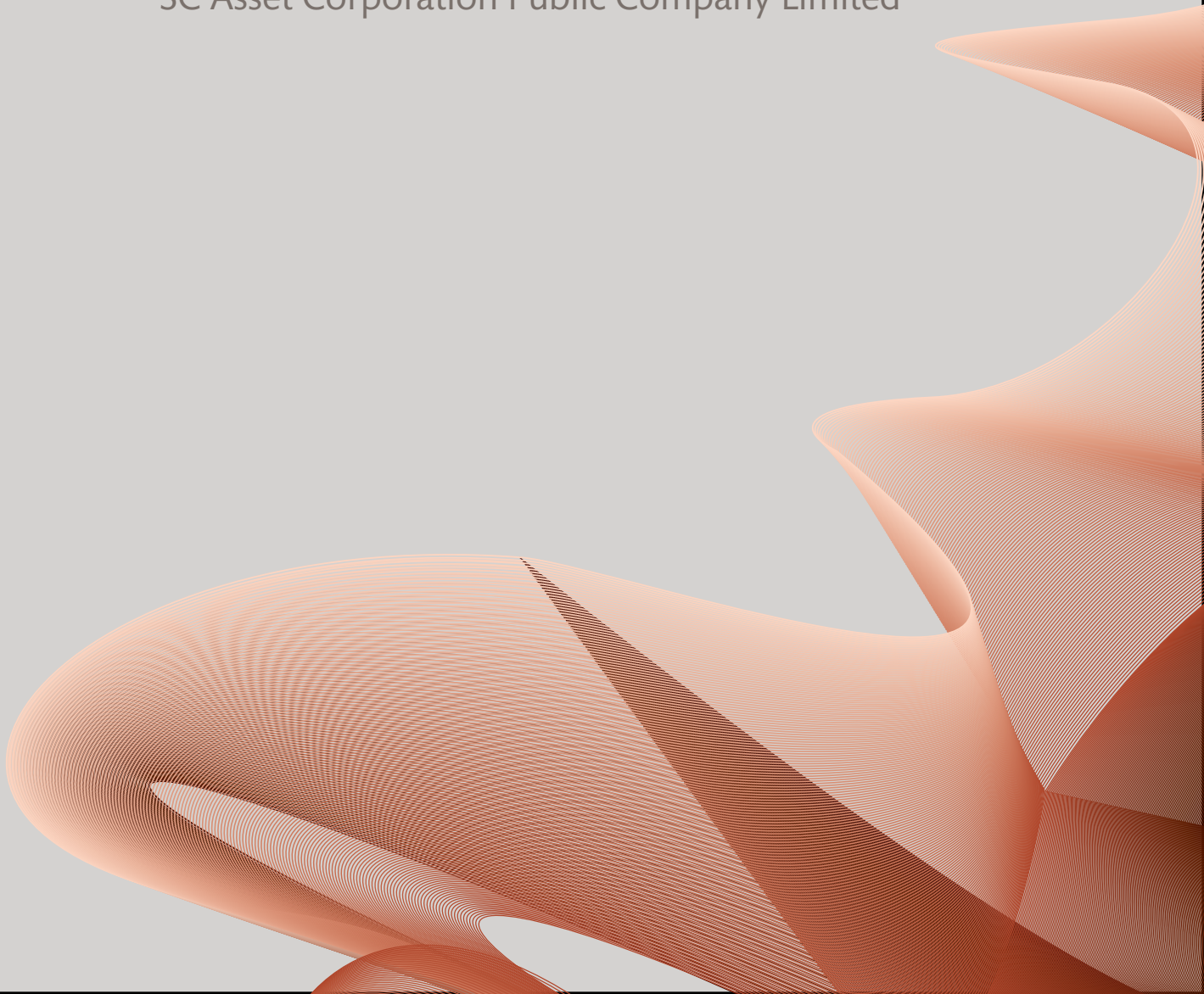
If any directors, executives and employees breach the Corporate Governance Policy prescribed by the Company, the disciplinary punishments will be strictly applied. If there is an action to be believed that it is against the laws, rules, regulations and governmental provisions, the Company, without delay, will subsequently submit such circumstance to the government officers for further execution.

In the event directors, executive, employees seek for the recommendation or what to do to comply with this Code of Conduct or policies of the Company, the Company procures the safety channel to directly contact at the Company's Company Secretary via E-Mail: [somboon@scasset.com](mailto:somboon@scasset.com)



# Code of Conduct

SC Asset Corporation Public Company Limited



# MESSAGE FROM CHAIRMAN OF THE BOARD OF DIRECTORS

To all directors, executives and employees:

We, SC Asset Corporation Public Company Limited, are committed to philosophy of conducting the business with the key principles of integrity, ethical business conduct and accountability in accordance with good corporate governance practices. In doing so, the Company has continued to build sustainable businesses, and has become a well-known leading company in real estate development sector that has earned the trust and respect of its shareholders, customers, business partners, employees and all other stakeholders.

In order to comply with the philosophy and ethics in the business of the Company, the Board of Directors who prescribed the good corporate governance policies, has developed this Code of Conduct for directors, executives and employees for their awareness and understanding and to encourage them to apply for work in order to promote the business to be effective, transparent and accountable.

The Board of Directors expects everyone to adhere to and abide by this Code of Conduct, and applies as a guide to perform their works, which will increase both confidence and recognition from the Company's stakeholders and will achieve sustainable growth in the Company.



(Mr. Rath Kitivejoso)  
Chairman of the Board of Directors  
SC Asset Corporation Public Company Limited



## Business Ethics

As the Company is committed to conduct its business in compliance with the laws, integrity and in accordance with the good corporate governance practice, this Code of Conduct has been prescribed and disseminated to its director, executives, employees and all stakeholders as the guides and practice as follows:

### Ethics to Shareholders

The Company is aware that the Company is obligated and responsible to increase the Company's value in the long - term future, the Company thus acts as a representative to its shareholders in carrying out the business with integrity and ethical business conduct with the best effort to maximize shareholder satisfaction with regards to sustainable growth and comply with its promised corporate mission, by determining the following practices:

1. Undertake its duty with honesty as well as makes any decisions with integrity, prudence and fairness, as well as evenhandedly treating all shareholders the same in order to maximize benefits to all shareholders, regardless of the fact that they are major or minor shareholders,
2. Complies with the relevant laws, the Company's Article of Association, Policies, the resolution of the shareholders' meeting as well as good corporate governance practice,
3. Report the Company's information, news, status to all shareholders; consistently, equitably, and completely as per factual conditions of the present and its outlook, both on the positive and negative points, and offer opportunities for its shareholders to add additional meeting agenda items, or nominate qualified candidates for any available director position prior to the shareholders' meeting date, while allowing its shareholders to submit their questions to the Company in advance of the shareholders' meeting date via the Company's website [www.scasset.com](http://www.scasset.com). The Company also regularly makes public release on its website encouraging its shareholders to visit its development projects,
4. Administrate and manage to increase the capacity for the business conducting in order to efficiently and effectively achieve the short - term and long - term goals and being capable for compete,
5. Oversee that the Company's executive, directors and employees, or their families, or related persons, not to abuse the Company by exploiting any inside information for their own benefit, and/or acting in a manner that may lead to any possible conflicts of interests against the Company,
6. Protect the Company's assets and ensure no damage or loss of these Company's assets.

### Ethics to Customers

The Company has committed to attain customers' satisfaction and trust, both of which are one of the most important success factors for its business. Therefore, the Company consistently searches for efficient and effective methods to satisfy its customer's needs, including the providing of after sale service in order to assure good long-term relationships with its customers, by determining the following practices:

1. Hire standardized and accountable contractors to construct the Company's buildings,
2. Deliver quality products and services that are in line with or beyond the customer's expectations, at a fair price and safety for customers' health,
3. Provide its customers with adequate, accurate, and updated information to protect them from any possible misunderstandings on quality, quantity and conditions of such products and services without distortion of the relevant facts,

4. Contact customers in a courteous, proficient and trustworthy manner. Establish proper systems and processes to manage clients' complaints, promptly respond to customers' needs, and be committed towards customers' ultimate satisfaction,
5. Procure the measure to protect the customers' information confidential disclosure and will not illicitly use such information for their benefit or for the benefit of any related parties without the customers or its authorized persons' written consent, except such disclosure is required by law or under the relevant legal procedure,
6. After being transfer a property ownership, the Customers will be provided an information brochure that introduces its service team,
7. Review and properly correct problems and flaws during the warrantee period.
8. Provide contact channels for customers to make suggestions and report complaints on matters concerning the Company, or make request for help or advice on matters concerning the Company; either directly to its address or to contact its 24-Hour Call Center at 1749, or to the Company's website ([www.scasset.com](http://www.scasset.com)).

### Ethics to Employees

The employees are regarded as the most valuable economic resource that greatly contributes to the Company's successful achievement. Therefore, it strongly promotes a good corporate culture and a supportive working environment, team work, unity, and good working relationships. The Company also treats its employees ethically and morally, by determining the following practices:

1. Treat employees by being polite and respect the individuality as well as privacy of all its employees and will not disclose any personal information such as salaries or medical records to anyone who does not have a right to that information unless it is required to do so by law,
2. Provide fair and equitable opportunities for the employment, appointment, transfer, reward and punishment to made on fair justifications and based on employee's capability, knowledge and suitability under the provisions of the Company's established rules and regulations,
3. Offer the employees' remunerations, which are higher than the legal requirement and in accordance with the Company's operating result together with their work accomplishment, and arrange the wage or salaries to be able to motivate and retain the qualified and capable employees to work with the Company,
4. Establish a complaint process to assure fair treatment among employees and to protect them against any possible unfair treatment, arrange to have a supervisory committee to handle any employee's misconduct or any complaint against a wrongful act of an employee,
5. Assure a work environment that supports the protection of life and property of the employees, and ensures the health and safety of the workplace, by clearly stating the importance of the employee's security and well-being in the employee's manual. The Company prescribes as its policy and implementation actions to take care of employee work conditions and security, as well as employee benefits and rewards; such as provident fund, medical benefits, dental care, special living allowances for low income employees, an annual medical check-up, money wedding gift, monetary contributions for funerals, disaster relief money, life insurance, accident assurance etc. The Company also encourages its employees to continue making use of their entitled benefits to maintain a healthy and good quality style of living,
6. Emphasize the importance of the employee's knowledge development and skill improvement, by consistently providing them with equal opportunities, so that they can well-prepare for the challenges of their future responsibilities and promotions,

7. Lawfully abide to governing rules and regulations on employee and avoid all acts of unfairness which could impair the employee,
8. Generate awareness and develop the employees' good conscious mind regards to the sharing, being givers as well as good citizens of society.

### **Ethics to Creditor**

It is the Company's policy to recognize the importance of its creditors, and its obligated duties on the best interest of the Company and on the ground of morality. The Company avoids the circumstances which cause the conflict of interest, and fully complying with all prescribed loan covenants as well as provide correct and adequate information to all creditors, by determining the following practices:

1. Utilize the loan and credit facilities obtained from the creditors or financial institutions in accordance with their prescribed lending purposes,
2. Promptly repay its debt obligations according to their prescribed repayment conditions and strictly comply with obligated terms and conditions set by creditors or financial institutions. This include terms and conditions regards to guarantee and the maintenance of collateral quality to be in line with the conditions stipulated by creditors,
3. In the event of any occurrences of any material adverse situations that might impair the Company's repayment capability, the Company shall promptly inform its lenders and shall jointly work out potential solutions with them to protect all parties against any possible damages.

### **Ethics to Business Partner**

The Company set policies for dealings with any business partner in conducting the business with fair equal treatment. The dealing shall be conducted in a manner that upholds its reputation, all relevant laws, regulations as well as good conduct, and comply duly with governing trade conditions in order to treat them equitably and create common interests for the Company's business partners, by determining the following practices:

1. For the selection of its business partners, who are construction contractors, the Company shall set a committee to oversee the selection based on submission of work proposals. Candidates will be measured against the same criteria in order for them to be treated in a fair and equal manner,
2. Offer the opportunity for new business partners to work with the Company and develop their technical skills and new skills,
3. Provide correct and accurate information and reports,
4. Refrain from demanding, receiving or paying deceitful benefits to its trading counterparts, and in order to protect unfair act, the Company prohibit employees of all levels to receive gifts from business partner or other related person. If the gift is traditionally given on typical gift such gift is requested to deliver to Human Resource Department for the purpose of using for the common benefit,
5. Encourage trade partners to become aware of the need to adopt an anti-corruption stance and cooperate with business partners to prevent and combat fraud and corruption by not giving bribe in all forms to government officials or the Company's employees,
6. Strictly comply with conditions prescribed in its agreements. In the event that the Company cannot abide by any of its obliged conditions, it will promptly notify its business partners about the situation and try to jointly search for remedies on the grounds of a good business relationship,

7. Clearly establish proper payment schedules for costs of goods and service expenses, and promptly make payments in accordance with such prescribed schedules,
8. Oversee and assist trade partners in their working for the sustainable growth purpose along with the Company and assure them of the Company's fair treatment,
9. Provide contact channels for business partners to voice any potential unfair treatment that may arise during the working relationship with the Company by directly submit the matter to each of the board members, the Company Secretary and Internal Audit.

### **Ethics to Business Competitor**

The Company has committed to deal with business competitor with a fair competition, transparent, also to abide to legally prescribed trade agreements and conventions, principles of best practice, and internationally accepted trade rules and regulations, by determining the following practices:

1. Abide by generally accepted business framework,
2. Support and promote free and fair trade, refrain from any monopolistic attempts or from any restrictive efforts that might obligate its counterparts to solely trade with the Company,
3. Do not breach any confidentiality obligations or unlawfully and unethically obtain competitor's trade secrets,
4. Do not damage competitors' reputation by spreading harmful rumors, avoid competition by using unscrupulous methods such as spreading rumors, distorted information, or false information about competitors,
5. Avoid entering into any trade agreement or action which may cause unethical competition, or trade monopoly.

### **Ethics to Social, Environment and Community**

The Company always realized that the Company is a part of social and has responsible to the society as well as support the community's activities in order to develop the quality of human being and community economic. The Company also believes that it is the Company's philosophy to pursue a sustainable growth path, and therefore well-realizes that long run business survival requires quality products, professional integrity, public awareness and social contribution by determining the following practices:

1. Commit to operate the business by considering the benefits and sustainability of communities and society are important,
2. Consistently foster moral and ethical behavior, social responsibility, and environmental awareness in all levels of its employees,
3. Explore and comprehend governing laws and relevant regulations, prior to the undertaking of any business act or transaction, and avoid any possible business engagement that might impact on the existing community pattern or social way of life,
4. Places emphasis on compliance with government stipulated policies as well as actively participation in a social governance network,
5. Support and encourage to worthy use the resource and develop the quality of human being by managing the environmental issues,
6. Respect the intellectual property of others and not to infringe while strictly comply with the relevant laws regarding the intellectual property.

## Human rights

The Company is aware of respecting human rights, dignity and fundamental human right so it treats everyone fairly without discrimination, and set the practice to every employee to respect each other.

In addition, the Company put emphasis regards to employment which shall be equitable and fair in every process of employment either recruitment, compensation payment, performance assessment and other without discrimination.

Furthermore, the Company supports the human right and not to violate by prohibiting the force labor in any form such harassment or abuse or child labor.

## Anti-Corruption

The Board of Directors has a conviction to conduct the Company's business with transparent, integrity, honest, fairness and responsible to the society and all stakeholders with no all form of corruption. In order to ensure that the performance of every directors, executives and employees comply with such conviction, the best practices determined as follows:

1. Prohibit directors executives and employees accept all formats of corruption, both directly and indirectly and be careful with work process concerning high risk of corruption such as donation, giving financial support, giving and accepting gift, accepting the entertainment procurement, contract execution etc,
2. Do not act that others might construe as acting on behalf of the Company or signifying the Company's involvement in, support or preference for a political program or party, political group, person with political influence,  
Do not offer or provide the Company's property or money to any politicians or political parties including no member of the Company shall claim the status or use the working hours to join or support any political activities,
3. Arrange giving or receiving of donation and financial support in transparent way complying with the Company's regulations and laws. Effort must be made to ensure that the donated or supported money is not used for corruption
4. Do not receive or offer gifts, souvenirs, and any other benefits on behalf of the Company during any festive occasions,
5. Provide entertainment shall be considered that the price is appropriate to the occasion and comply with laws, regulations, announcements or custom in each locality,
6. Do not accept or give valuable item, service or reception that can cause influence or motivation in decision making and unfair treatment,
7. Regarding donation, giving financial support, giving gift or entertainment, keep record of such expenses as evidence of the value of the items service or reception, so that they can be examined later,
8. Do not ignore or overlook any transaction possibly considered as corruption and shall report to supervisor or person in charge for fact finding activities.

# Code of Conduct for Directors, Executives and Employees

In order to comply with the philosophy and ethics in the business of the Company, Code of Conduct has been set for directors, executives and employees to apply for work by adhering to virtue principles, integrity and honesty, as follows:

## Best Practice on the Company

### 1. Property maintenance

All directors, executives and employees have their duty and responsibility for taking care and utilizing of property for the highest benefit of the Company and shall not utilize the property of the Company for personal interests or benefit of other persons.

### 2. Benefit Protection

#### 2.1 Protection of information of the Company's customers and the Company

Directors, executives and employees shall not disclose confidential information of either the Company's customers or the Company to others without the consent of such Company's customers or an authorized representative of the Company, except such confidential information is disclosed to third party as required by relevant laws. Notwithstanding the forgoing, such confidential information shall not be disclosed unless the authority of the Company has given its prior consent.

#### 2.2 Engaging into businesses that compete with the Company

Directors, executives and employees shall not engage to conduct or participate in a business of the same nature as and that is in competition with the Company's business.

#### 2.3 Purchase and Sale of the Company's security

Directors, executives and employees have the right to freely trade the Company's security. However, directors and top four executives must report the intention for the decision to purchase or sell at least 1 business day prior to such transaction to the Board of Directors, and shall prepare and submit a report of holding of security to the Securities and Exchange Commission (SEC) within the specified period

Directors, executives and employees shall be aware of taking advantage of using the Company's information regarding the purchase and sale of the Company's security, and shall avoid or refrain from purchase and sale of the Company's during the period of one month prior to the disclosure of financial statement to public and within 24 hours after disclosing such information.

### 3. Conflict of Interest

The Board of Directors sets a policy to prohibit its directors, executives and employees to exploit their positions for self- benefits or family benefits, or for benefits of those close to them, whether such benefits are of monetary nature or of any other nature whatsoever, including the connected transaction except when necessary which might benefit the Company and subject to the rules and regulations of the Stock Exchange of Thailand. The Company prescribes the following practice guidelines for its directors, executives and employees to abide by:



### **3.1 Receiving of benefits or financial involvement with the business operators who have business relation with the Company**

- 3.1.1 Directors, executives and employees shall not claim benefits, things, or any other benefits or having relation in financial matter, such as joint venture, joint trading with customers, contractors, suppliers of goods or service to the company, or from any other persons who operate business with the Company,
- 3.1.2 Directors, executives and employees of all levels shall not borrow or raise funds from the Company's customers and business partners unless such borrowings represent loans from their banks or financial institutions of which they are customers,
- 3.1.3 Directors, executives and employees of all levels shall avoid doing the connected transaction except such connected transaction benefits the company and it must be subject to the rules and regulations prescribed by the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand, such as disclosure of information relating to name and relationship of related person, price setting and transaction value policy, including the comment of the Audit Committee and the Board of Directors, relating to such transaction.

In addition, directors, executives and employees shall avoid the connected transaction between each other in the manner of providing financial assistance, such as lending or guaranteeing the other companies rather than its subsidiaries.

### **3.2 Conducting any other business activities or Doing other work outside of the Company**

- 3.2.1 Directors, executives and employees shall have intention to perform work in their responsibility fully. In case directors, executives and employees do other work outside of the Company, they shall receive consent from their hierarchical superiors and shall not cause effect on the duties and the Company,
- 3.2.2 Personal business activities of directors, executives and employees shall not impact their commitments to the Company's duties and work schedule. They are also required to disclose, in the formula as prescribed by with the Company, their business participations, whether it is for their own behalf, on behalf of their family, and/or in the name of any juristic party in which they hold any interests. Furthermore, conducting the business which is competitive to the Company's business, directors, executives and employees shall disclose the information as required and according to the Company's disclosure criteria.,
- 3.2.3 Directors, executives and employees of all levels are forbidden from any participation in any commercial activities which are competitive to those of the Company's business, regardless of whether they direct or indirectly benefit from such participations.

### **3.3 The use of the Company's information for seeking benefits and purchasing the Company's security**

- 3.3.1 Directors, executives and employees shall not use such material information, which is classified as internal that has not been officially released to the public, for their own benefit or for the benefit of others even if such use may not cause any disadvantages to the Company. This includes such as trading land property or investing close to the planned development sites of the Company, which may be perceived as the exploitation of internal information for self-benefit or for the benefits of others,



- 3.3.2 Directors, executives and employees, who are in positions or in business lines which are responsible for internal information, or who have access to such internal information shall not engage in any trading of the Company's securities for a period of 1 month before public disclosure thereof and within 24 hours after such disclosure,
- 3.3.3 Directors, first four executives as well as their spouses or cohabiting spouses, minors and their related persons pursuant to the Securities and Security Exchange Act B.E.2535 (Amended in 2016), that involve the Company's shares must be reported both in terms of trading transactions and changes of ownership in the form duly prescribed and submit such report to the Office of the Securities and Exchange Committee within 3 days after the trading and transfer date thereof.
- 3.3.4 If the Company's directors and the Company's first four executives wish to buy or sell the Company's securities and forward contracts, they must make known the decision to buy or sell at least 1 business day prior to such transaction to the Board of Directors via their designated person, as follows:
- (1) In the event that the Company's Directors and the Company's first four executives wish to buy or sell the Company's securities, he or she must report their decision, in advance, to the Company Secretary.
  - (2) In the event that the Company Secretary wishes to buy or sell the Company's securities, he or she must report their decision, in advance, to the Chairman of the Company's Board of Directors.

### **3.4 No Gift Policy**

- 3.4.1 The Company's executives and all level of employees are prohibited to receive or offer gifts and souvenirs.
- 3.4.2 In the event that the Company's executives and employees receive gifts and souvenirs, the recipients must refuse them and inform the provider of the Company's No Gift Policy. If the executives and employees cannot contact the provider for the return of such gifts or souvenirs, they must send these gifts and souvenirs to the Human Resource Department for further charitable donation thereof, or for any other appropriate action.
- 3.4.3 Be careful for the case of offering items, services and reception to your superior or internal people/units, and the case of receiving items, services and reception from your subordinate or internal people/units. Such activity must not create motivation leading to unfair decision making.

### **3.5 Hospitality**

Every directors, executives and employees shall not accept or give the providing of hospitality that can cause influence or motivation in decision making and unfair treatment. Directors, executives and employees can accept normal business entertainment provided by business partners, suppliers, customers, creditors, or any other person they are dealing with on behalf of the Company. However, the acceptance of the entertainment should exercise good judgment and due care regarding the nature of the entertainment.

## **4. Reputation Maintenance**

### **4.1 Providing fairness to business stakeholders**

Directors, executives and employees shall fairly practice regarding businesses of the Company to related persons, which mean customers, business partners, business competitors, shareholders and general public, without exploitation and honestly treat, with straightforward manner and transparency.

## **4.2 Compliance with laws and regulations**

Directors, executives and employees shall conduct themselves in the scope of laws and regulations without doing any action in violation or breach the laws and regulations.

## **4.3 Distribution information to the public**

The distribution of information about the Company shall be conducted in a factual, accurate and careful way.

The Chief Executive Officer shall consider and directly assign any executives or employees to provide information, news or interview to the public as appropriate. Therefore, executives or employees, who are not assigned, will be unable to provide information, news, or interview to the public.

## **5. Participation in Political Activities**

- 5.1 Every directors, executives and employees shall avoid any act that others might construe as acting on behalf of the Company or signifying the Company's involvement in, or support or preference for a political program or party, political group, person with political influence or election candidates,
- 5.2 Every directors, executives and employees shall not support politician or political party by offering or providing incentive, money or other special benefits, including using the position and working hours to join any of political activities,
- 5.3 Every directors, executives and employees are able to participate in political activities under the terms of the Constitution of Thailand or other relevant laws.

## **Best Practice on themselves and on colleagues**

### **1. Best Practice on themselves**

- 1.1 Have a kindness to colleagues and working with full effort.
- 1.2 Express opinion politely and appropriately.
- 1.3 Employees who are supervisors should behave as good models to be respected by employees.
- 1.4 Employees shall not do anything which shows that they do not pay respect to supervisors.

### **2. Discipline**

The most important thing to allow several people, who do multi-disciplines in professions of employees, to be able to work together efficiently and effectively is discipline, as follows: an accurate behaving according to the rules, regulations, criteria, orders, announcements and traditions, irrespectively of whether specified in writing or not, and employees shall have consciousness to consecutively behave.

## Recommendations when there are questions or problems

Code of Conduct which is specified may not cover in every case. If any executive or employee has any questions or problems in practice, he/she can consult his/her superiors in hierarchy. If there is controversy, the final decision of the Chairman of the Company shall be the rule.

## Supervision in Acting

The Company specifies that it is the duties and responsibilities of all directors, executives and employees to acknowledge, understand and strictly comply with the policies and procedures prescribed by this Code of Conduct of the Company.

Executives at all levels in the company shall be responsible and deem as important matter to train their employees under their supervision to acknowledge, understand and strictly comply with the Code of Conduct of the Company.

The company does not wish to cause any illegal action or action which is in conflict with good ethics to occur. If any directors, executives and employees breach the Code of Conduct prescribed by the Company, the disciplinary punishments will be strictly applied. If there is an action to be believed that it is against the laws, rules, regulations and governmental provisions, the Company, without delay, will subsequently submit such circumstance to the government officers for further execution.

In the event directors, executive, employees seek for the recommendation or what to do to comply with this Code of Conduct or policies of the Company, the Company procures the safety channel to directly contact at internal audit office or via E-Mail: [Internal\\_Audit@scasset.com](mailto:Internal_Audit@scasset.com).

## Whistleblowing Policy

The Board of Directors pays attention to the rights of all interested parties of the Company and is also aware of their required roles in the participation of the Company's corporate governance, and has therefore prepared and developed a "Whistleblowing Policy" so that its directors, executives, employees, and stakeholders can be informed of the proper channel and procedure for reporting of information and cases on violation the Company's code of conduct, bribery, fraud, corruption including the violation of rights, illegality, breaching of the Company's regulations or policies, wrongdoing, and any other actions that may cause damage to the Company. An individual can contact the Company to report wrongdoing incidents, make suggestions, complain, and request for relevant advice. All of these are aimed towards improving or correcting the situations, as well as creating transparency and fairness. This "Whistleblowing Policy" prescribes details which all the Company's employees and stakeholders must be aware and can also be applied as essential practice guidelines for them.

### 1. Whistleblowing Channels

Directors	Address	E-mail Address
Mr. Rath Kitivejsoth	33, 110 Yak 3 Alley, Lat Phrao Road, Plub Pla Sub-district, Wang Thonglang District, Bangkok, 10310	rath@scasset.com
Mr. Nuttaphong Kunakornwong	640/83-85 Petchburi Road, Thanon Phetchaburi Sub-District, Ratchathevi District, Bangkok, 10400	nuttaphong@scasset.com
Mr. Nathpath Ouajai	112, Chok Chai 4, 18 Alley, Lat Phrao Sub-district, Lat Phrao District, Bangkok, 10230	nathpath@scasset.com
Mr. Kunodom Tharmmaphornphilas	179/5, Bang Khun Non 31, Bang Khun Non Road, Bangkok Noi Sub-District, Bangkok Noi District, Bangkok, 10700	kunodom@scasset.com kunodom@hotmail.com
Mr. Prasert Samanawong	2/94 Mu Ban Seri On Nut, 1 Alley, On Nut Road, Prawet Sub-district, Prawet District, Bangkok, 10250	praserts@scasset.com sertsam@yahoo.com
Mr. Precha Sekhararidhi	68/174, Mu Ban Pracha Niwet 4, Samakkhi Alley, Pracha Chuen Road, Tha Sai Sub-district, Mueang District, Nonthaburi, 11000	precha@scasset.com prechas2555@hotmail.com
Mr. Songsak Premasuk	9 Phuttha Bucha 20 Alley, Phuttha Bucha Road, Bang Mod Sub-District, ChomThong District, Bangkok, 10150	songsak@scasset.com
Ms. Vilasinee Puddhikarant	519 Sri Ayudhya Road, Phayathai Sub-District, Ratchathewi District, Bangkok, 10400	vilasinee@scasset.com
Mr. Attapol Sariddipuntawat	117/75 Moo 9 Bangrakpattana Sub-District, Bangbuathong District, Nonthaburi, 11110	attapol@scasset.com
Company Secretary	Address	E-mail Address
Mr. Somboon Kuptinamus	635 Rangsit-Nakornnayok 52 Road, Prachathipat Sub-District, Thanyaburi District, Pathumthani Province, 12130	companysecretary@scasset.com
Internal Audit	Address	E-mail Address
Internal Audit	SC ASSET Corporation Public Company Limited (floor P13) 1010 Shinawatra tower 3, Viphavadi Rangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok, 10900	Internal_Audit@scasset.com

## **2. Process and procedures on the management of complaints/ whistleblowing for employees and all interested parties**

The Company has clearly prescribed its process and procedures regarding the management of complaints/ whistleblowing to assure that its employees and all interested parties, who intend to report any wrongdoing/ complaint, or to provide any information/ suggestion to the Company, can be confident that their reports and suggestions will be transparently, honestly, fairly, and confidentially reviewed, and such matters will promptly be processed within a reasonable time as follows;

- 2.1 The stakeholders and employees may report their complaints directly to each director, the Company Secretary or Internal Audit by mailing to address or e-mail address as it appeared above.
- 2.2 After receiving a complaint, the Company will investigate the complaint initially. If a prima facie ground is found, an interrogation team will be set up to investigate the complaints competently, diligently and impartially. The team will deal with the complaints appropriately and promptly.
- 2.3 The Company will respond and report back investigating results to director(s) and appellant(s). If there is any damage to appellant(s), the Company is glad to remedy them fairly. The existing procedures for stakeholders and employee to contact, make suggestion, or report illegal, dishonest or unethical behaviors or any action deemed detrimental to the Company.

## **3. Measures and guidelines for protection of a whistleblower or the complainant**

The Company set up the Whistleblower protection procedures and guidelines especially by not disclosing a name of employee(s) and appellant(s) to any third party and will keep them confidential. A committee will be set up for fact finding and to review the matters with transparency and fairness toward both the whistleblower or the complainant and the one being accused.

# **Attachment 6**

## **Report of The Audit Committee**

Detailed Information is published at [www.scasset.com](http://www.scasset.com) under section “Investor Relations” / “Financial Information” / “Annual Report” (<https://www.scasset.com/th/investor/annual-report/>)

# REPORT OF THE AUDIT COMMITTEE

Dear Shareholders,

The Audit Committee of SC Asset Corporation Public Company Limited was appointed by the Company's board resolution, and composes of three independent directors, who have professional proficiency in the fields of financing, accounting, engineering and management. They are Mr. Kunodom Tharmmaphornphilas, the Committee Chairman, Mr. Prasert Samanawong, and Mr. Precha Sekhararidhi. Mr. Kanapon Charoonroch Na Ayudhya, Head of Internal Audit of the Company, acts as the Audit Committee Secretary.

In 2020, the Audit Committee held 10 meetings consisting of 9 regular meetings and 1 special meeting attended only by the Audit Committee members and the Company's external auditors, without the presence of any executives of the Company. All the Audit Committee members fully attended all of the meetings during the year.

During those meetings the Audit Committee discussed and exchanged views with the company's executives, as well as its internal and external auditors on various matters of which the issues of importance can be summarized as follows:

**1. Review of the Company's 2020 financial statements:** The Audit Committee reviewed the quarterly and annual financial statements of SC Asset Corporation Public Company Limited, as well as its consolidated quarterly and annual financial statements. The statements are reviewed and audited by independent auditors, who are certified public accountants, and are provided with audit opinions stating that the statements are presented in conformity with generally accepted accounting principles, with full and fair disclosure of information. In addition, the Audit Committee also invited the Company's auditors to regularly attend each of its meetings for discussions on matters arising during the audit, auditor independence, the adequacy of useful information disclosed in the financial statements for the benefit of users of such, as well as the auditors' recommendations on the preparations of such financial reports, prior the Audit Committee's review of the audited financial statements and before their submission to the Company's Board for further approval.

**2. Oversight of internal controls and internal audit:**

1. The Audit Committee reviewed the annual internal audit plan which was prepared to assess and review internal controls and risk management processes of each corporate function, and set the targeted audit work scope that covers all material aspects.
2. The Audit Committee reviewed actions of the Internal Audit Office and provided suggestions on the internal controls system, aiming to assure the effectiveness of the internal controls process and the due compliance with all applicable requirements, rules, regulations, policies and relevant laws affecting operations of the Company.

**3. Review of the Company's risk management:** The Audit Committee reviewed the guidelines and risk management systems by regularly obtaining risk reporting from the Risk Management Committee, and offered suggestions and insights on systematic and appropriate risk management.

**4. Selection and proposal for appointment of the Company's external auditors:** The Audit Committee evaluated the previous year's performances of the Company's external auditors and recommended the appointment of the independent auditors from PricewaterhouseCoopers ABAS Limited to be the Company's external auditors for 2021 and also proposed the annual audit fee for 2021 to the Company's Board of Directors to further recommend to the Annual General Meeting of the Shareholders for appointment and approval.



**5. Compliance with Thai laws on securities and exchange, regulations of the Stock Exchange of Thailand and/or any other applicable laws:** The Audit Committee has monitored and reviewed the Company's business practices and is satisfied that it complies with laws, regulations and rules of both the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand, as well as any other relevant government entities.

**6. Review and providing opinions on related party transactions:** The Audit Committee has examined and reviewed the disclosure of intercompany transactions as well as transactions that might have occurred between the Company and its subsidiaries, its associated companies, its directors, its executives, and its shareholders who have controlling interest of the Company which may represent conflicts of interest according to regulatory requirements as prescribed by the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand.

**7. Self - Assessment:** The Audit Committee annually arranges performance evaluation on a self-assessment basis. The evaluation covers their roles & responsibilities on financial reports, risk management, internal controls, related parties transactions, compliance of laws, regulations, and code of ethics, and relations with internal and external auditors. The outcome of the evaluation revealed that the Audit Committee has fully complied with its assigned duties and responsibilities, and has applied its skills, knowledge, and proficiency with prudent and sufficient independence in judgment.

**8. Supervision on the compliance of anti-corruption policy and measures:** As the Company has applied to be a member of the Thailand Private Sector Collective Action Coalition against Corruption (CAC), the Audit Committee oversees and assigns the Internal Control Department to assess the adequacy of its internal controls for its business systems and to review the operations of other business units and divisions within the Company to assure that they properly act in compliance with the Company's policies and measures on anticorruption hence mitigating or reducing the Company's risk level on the risk of corruption.

**9. The Audit Committee performs their duties with prudence and independence** under the scope of its authority and responsibility as prescribed in its charter, and in accordance with the tasks assigned by the Company's Board of Directors as per the principles of good corporate governance. It also regularly reviews the audit committee charter to assure its appropriateness with the business situation of the real estate development industry.

Throughout 2020, The Audit Committee believes that the Company's financial statements are prepared according to financial reporting standard, and the Company has an internal controls system, and appropriate and adequate risk management system. It also duly complies with laws and regulations, and abides by the listed company's best practices. It fully conforms to the rules prescribed by the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand on related party transactions and reports each of such findings to the Board of Directors.



(Mr. Kunodom Tharmmaphornphilas)  
Chairman of the Audit Committee  
SC Asset Corporation Public Company Limited  
January 20, 2021



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