

## Section 2 Management and Corporate Governance

### 7. Security and Shareholder Information

#### 7.1 The Company's Securities

As of 31 December 2020, the Company has registered capital of 26,783,432,556 Baht, comprising of 26,783,432,556 ordinary shares, with the par value of 1 Baht, and paid-up capital of 14,373,415,260 Baht, comprising of 14,373,415,260 shares, with the par value of 1 Baht, the warrants to purchase the newly-issued ordinary shares No. 2 of 2,460,220,171 units and the warrants to purchase the newly-issued ordinary shares No. 3 of 1,167,362,186 units.

#### 7.2 Shareholders

The list of the Company's shareholders and their respective share portions as recorded in the shareholder register book as of 30 December 2020 are shown below:

Shareholder's name	Number of shares	%
<u>Group of Techakraisri's family</u>		
1. Mr. Sorapoj Techakraisri <sup>1)</sup>	3,899,628,449	27.130
2. Mrs. Yupa Techakraisri	400,373,627	2.785
3. Mr. Sumate Techakraisri	106,572,446	0.741
<b>Total shares owned by Group of Techakraisri's family</b>	<b>4,406,574,522</b>	<b>30.6566</b>
4. LGT BANK (SINGAPORE) LIMITED	643,511,000	4.477
5. Mr. Korsak Chairassameesak	626,850,000	4.361
6. Mr. Jirawut Kuwanan	623,408,300	4.337
7. Mr. Varit Bulakul	607,513,715	4.227
8. Mr. Paitoon Ruangsuan	555,675,308	3.866
9. Mrs. Jarunee Chinwongvorakul	547,834,585	3.811
10. UOB KAY HIAN PRIVATE LIMITED	500,000,000	3.479
11. The Brooker Group Public Company Limited	391,000,000	2.720
12. CHINA TONGHAI SECURITIES LIMITED – ACCOUNT CLIENT	376,504,500	2.619
13. The Siam Commercial Bank Public Company Limited	369,962,200	2.574
14. THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, SINGAPORE BRANCH	323,800,000	2.253
15. Mr. Sippakorn Sophitsakol	295,658,004	2.057
16. Mr. Wichai Vachirapong	284,965,300	1.983
17. Thai NVDR Co., Ltd.	252,785,023	1.759
18. Mr. Asgar Shakoor Patel	160,000,000	1.113

19. Others	3,407,372,803	23.706
<b>Total</b>	<b>14,373,415,260</b>	<b>100.00</b>

Note: 1) Including shareholding of spouse.

### 7.3 Dividend Policy

The Company's Board of Directors determines dividend policies for the Company and its subsidiaries, as in the followings:

#### 1) The Company's dividend policy

The Company determines its dividend payout ratio to be not lower than 40% of its net profit after corporate tax and legal reserves, provided that such dividend payout does not significantly affect the Company's normal course of operation. The dividend payment is subjected to adjustment depending on the Company's growth prospect, investment plan, liquidity, work expansion, loan covenants or debenture covenants of the Company's and its subsidiaries, as well as suitability and necessity to create value for the Company's shareholders in the future.

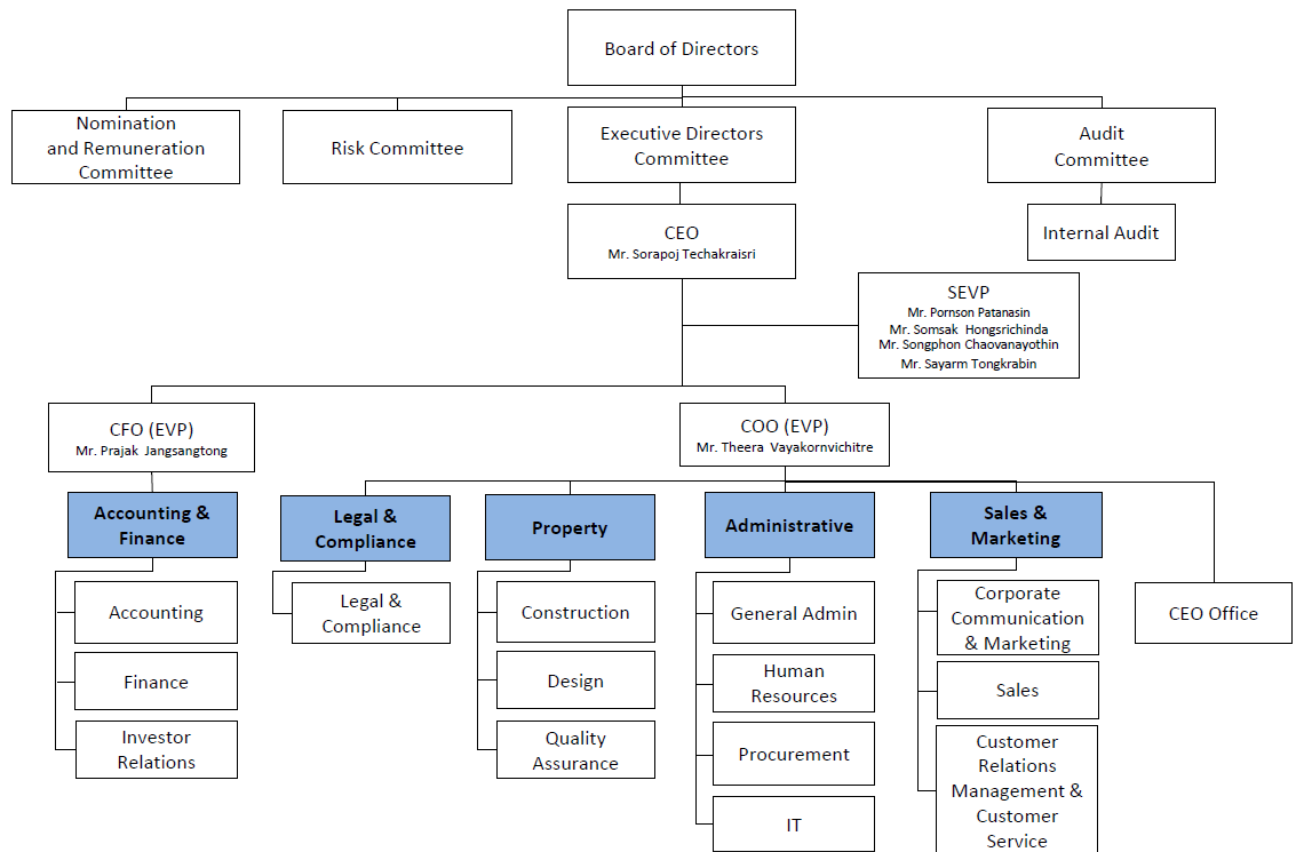
#### 2) Dividend policy of subsidiaries

For a subsidiary in which PACE holds 100% of its shares, such subsidiary maintains a policy to pay dividend of no less than 40% of its net profit after corporate tax and legal reserves, provided that such dividend payout does not significantly affect its normal course of operation. The dividend payment is subjected to adjustment depending on the Company's growth prospect, investment plan, liquidity, work expansion, loan covenants or debenture covenants of the Company's and its subsidiaries, as well as suitability and necessity to create value for its shareholders in the future.

Therefore, Pace Two, PCC, PFR, and PRE cannot pay dividends to their shareholders unless the loans from financial institutions, loans from shareholders, and the interests borne from the aforesaid loans are entirely paid off.

## 8. Management

### Organization Chart



## 8.1 Board of Directors

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

	Name	Position	Number of meeting held	Number of meetings attended
1.	Mr. Kraithip Krairiksh	Chairman of the Board, Chairman of Audit Committee and Independent Director	8	8
2.	Mr. Sorapoj Techakraisri	Director	8	6
3.	Mr. Chumpol Techakraisri	Director	8	8
4.	Mr. Pornson Patanasin	Director	8	8
5.	Mrs. Ladda Siri Wattanakosol	Director, Audit Committee, and Independent Director	8	8
6.	Mr. Prasert Patradhikol	Director, Member of Audit Committee, and Independent Director	8	8
7.	Mr. Wisit Kanjanopas*	Director	8	8
8.	Mr. Sarunthorn Chutima	Director and Independent Director	8	6

**Note:** The Company's directors and executives perform their functions to maintain the maximum benefits of the Company's and its shareholders with a clear, balanced and verifiable structure by:

- The Board of Directors understands its fiduciary roles and responsibilities to shareholders and shows that it can perform such roles and assume such responsibilities
- Directors and management have a balanced structure that facilitates examination and verification by:
  - Having Audit Committee that consists of at least 3 independent directors whose qualifications are consistent with the ones defined by the rule of Stock Exchange of Thailand and who have sufficient knowledge and experiences to be able to verify reliability of financial statements and perform other functions as members of the Audit Committee.
  - Having delegation of authorities from the Board of Directors to Management

Company Secretary is Mr. Pornson Patanasin

\* Has resigned from member of audit committee and independent director effective from 15 May 2020.

## 8.2 Management

As of 31 December 2020, the Company's management team consists of 6 members as the followings:

	Name	Position
1.	Mr. Sorapoj Techakraisri	Chief Executive Officer
2.	Mr. Pornson Patanasin	SEVP / Executive Director
3.	Mr. Songphon Chaovanayothin	SEVP / Customer Relations Director
4.	Mr. Somsak Hongsrichinda	SEVP
5.	Mr. Sayarm Tongkrabin	SEVP
6.	Mr. Prajak Jangsangtong	EVP / Chief Financial Officer

Note: The Company's management according to the definitions in the announcement of Securities and Exchange Commission.

### 8.3 Company Secretary

The Board of Directors' Meeting No. 4/2020, held on 22 April 2020, appointed Mr. Pornson Patanasin to be the Company Secretary as comply with the Securities and Exchange Act B.E. 2535 (and subsequent amendments). Scope of duties and responsibilities of the Company Secretary are shown below:

1. To produce and maintain the following documents:
  - (a) A register of directors;
  - (b) A notice calling a director meeting, minutes of the meeting of the Board of Directors and an annual report of the Company;
  - (c) A notice calling a shareholders meeting and minutes of the shareholders' meeting.
2. To keep all interest or conflicts of interest reported by directors or any member of management team.
3. To submit the interest and conflict of interest report which is conducted by directors to Chairman of the Board of Directors and Chairman of the Audit Committee within 7 days upon receiving by the Company.
4. To perform any other action as determined by Capital Market Supervisory Board.

The details of Company Secretary is attached in Attachment 3.

### 8.4 Compensation for Directors and Executives

The form and the criteria to consider compensation packages paid to the Company's directors and executives are determined based on suitability, fairness, transparency, clarity, and adequacy. In practice, such packages are defined by comparing the rates in the same industry and proposed to the Board of Directors for approval. Compensation for directors and members of Audit Committee is determined and approved in the Shareholders Meeting. To ensure fairness, attractiveness of the positions, and maximum benefits of the Company, compensation for each executive is determined based on both the performance of the Company and the performance of each individual executive.

#### 8.4.1 Directors' Compensation

The Company considers compensation packages paid to the Company's directors by comparing the rates in the same industry and proposed to the Nomination and Remuneration Committee, the Board of Directors, and it's been approved from the Annual General Meeting of Shareholders. The details are such following below:

A. Annual allowance (quarterly payment)	Baht/Year
Chairman	240,000
Member	180,000
B. Meeting allowance (pay per attendance)	Baht/Attendance
Chairman	12,000
Member	10,000

The following table shows the directors' compensation in 2020.

Directors	2020				
	Number of meetings attended				Compensation and attendance fee (Baht)
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	
1. Mr. Kraithip Krairiksh <sup>1)</sup>	8/8	2/3	-	-	352,000
2. Mr. Sorapoj Techakraisri	6/8	-	2/2	1/1	264,000
3. Mr. Chumpol Techakraisri	8/8	-	-	-	260,000
4. Mr. Pornson Patanasin	8/8	-	-	-	260,000
5. Mrs. Ladda Siri Wattanakosol	8/8	3/3	2/2	1/1	308,000
6. Mr. Prasert Patradhilok	8/8	3/3	2/2	1/1	308,000
7. Mr. Wisit Kanjanopas <sup>2)</sup>	8/8	1/3	1/2	1/1	284,000
8. Mr. Sarunthorn Chutima	6/8	-	-	-	240,000

Note: 1) Has been appointed to be Chairman of the Audit Committee effective from 20 July 2020 onwards.  
2) resigned from Chairman of the Audit Committee and independent directors and Chairman of the Remuneration Committee and Member of the Management Committee effective from 15 May 2020.

#### 8.4.2 Executives' Compensation

The Company has set a clear policy on compensation for executives by linked to the operating results of the Company and individual job evaluation. In 2019 and 2020, the Company provided compensation to its executives in the form of salary, bonus, and other compensation for 6 executives in the amount of 34.9 million Baht and 12.17 million Baht, respectively.

Note: The Company's executives according to the definitions in the announcement of Securities and Exchange Commission. The Company's executives are provided with special position-based welfares, which are car allowance, gas allowance and mobile phone allowance.

#### 8.5 Human Resources

The Company believes that human resources are one of the most valuable resources of the Company. It thus places high importance on the management and development of its personnel in order to retain knowledgeable, experienced personnel to fortify the foundation of the Company's competitiveness.

### 8.5.1 Total Number of Employees

As of 31 December 2020, the Company had total employees of 50 people, and paid the compensations with the total amount of 62.12 million Baht of which consists of salary, the cost of living allowance, bonus, social security funds, provident funds, and etc.

2020	Company	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Total
	PACE Development Corporation PLC.	PACE Country Club Co., Ltd.	PACE Interior Services Co., Ltd.	DEAN & DELUCA Asia (Thailand) Co., Ltd.	DEAN & DELUCA INC.	
Operation Employee (person)	39	28	239	206	0	512
Executive Management (person)	11	1	1	6	1	20
Total (person)	50	29	240	212	1	532
Total of compensation (million baht)	62.12	12.46	22.41	79.80	4.30*	176.79

Remark: \*USD 143,000.00 The exchange rate of a commercial bank as of December 30<sup>th</sup>, 2020.

Details of the number of employees in each function as of 31 December 2020 are shown in the following table:

Functional line	Unit: Person	
	31 Dec 2020	
Executives of the Company and its subsidiaries	6	
Accounting - Finance	8	
Public Relations - Marketing	2	
Sales	1	
Legal	2	
Design - Construction	6	
Administration	10	
Procurement	2	
Human Resources	1	
CEO Office	6	
Customer Service	4	
Compliance	1	
Investor Relations	1	
<b>Total</b>	<b>50</b>	

### 8.5.2 Significant Change in the Number of Employees in the Previous 3 Years

-None-

### 8.5.3 Major Labor Dispute in the Previous 3 Years

-None-

#### 8.5.4 Compensation for Company's Employees

The Company provides compensation to its employees in the forms of salary, bonus, overtime, social security fund and provident fund to help employees lighten the expense loads and to hopefully elevate their standards of living. Compensation for employees in 2020 are shown below:

Unit: Million Baht	
Type of compensation	2020
Salary, bonus, and other	61.08
Contribution to provident funds*	1.04
<b>Total</b>	<b>62.12</b>

\* The Company established a provident fund for employee on 1 October 2011 onwards.

#### 8.5.5 Labor Dispute

-None -

#### 8.5.6 Human Resource Development Policy

The Company highly values human resource development as it truly believes that, in order for a corporate to grow sustainably, it needs team players that are knowledgeable, skillful, experienced in subject matters supporting the Company's business conducts, and decisive. These desirable characteristics will be collectively merged together to form a solid corporate culture. Human resource development indeed starts with a proper hiring process that is able to identify preferred candidates with knowledge, skills, and attributes that correspond with the Company's culture.

The Executive Committee Meeting reviewed the Company's human resource development plan and human resource management policy, and approved the said human resource management policy and the rules and guidelines for human resource development. In the policy part, the Company viewed that employees are valuable resources; therefore, it is determined to maintain and improve its employees continually and systematically to enhance their potentials, to lift their working spirits, to encourage employee unity, and to create the sense of pride as a part of the Company. The Company's human resource management policy can be summarized as follows:

- Select and hire candidates that are knowledgeable, skillful, accountable, and ethical to join the Company
- Develop its human resources to have knowledges, abilities, expertise, skills, and management capabilities to ensure proper job security and professional advancement
- The Company supports and encourages its employees to maintain job security and have professional advancement by ways of promotions. The Company will consider and select internal candidates to resume vacant positions
- Improve and provide various employee benefits that are suitable for employees' positions, experiences, and qualifications, and satisfied with the Company's performance, economic and social conditions
- Instill awareness and sense of respect of the rules of the Company and the society in the mind of its employees
- Retain and support good employees to stay and grow with the Company as long as possible



The Company holds that it is a responsibility of heads of each function to deeply understand human resource development system, as well as to join the Company and lead their subordinates in the collaboration to steer the organization in the directions defined by the Company's policies.

## 9. Corporate Governance

The Company profoundly recognized that Corporate Governance (CG) is a key driver to the business efficiency and the sustainable growth, which ultimately lead to the maximum returns for all stakeholders including employees, investors, shareholders and other interested persons. The Board of Directors (BOD) thus agreed to responsibilities establish the policy of Good Corporate Governance, covering major substances including the structure, roles and of the BOD, as well as the executives' managing principles that must be transparent, clear, and measurable. This is to ensure that all of the Company's business maneuvers are done with fairness and on the ground of the maximum benefits of the Company's shareholders and stakeholders. In addition, the BOD has established the Code of Conduct to all directors, executives and employees which serve as guidelines for performing their duties in accordance with ethical standard and fair treatment to all stakeholders.

The BOD and the Company's management team strongly adhere to determination and uprightness. The Company determines its vision, policies, and guidelines to be abided by all of its directors, executives, and employees to create the culture of continual CG mindset and build sustainable grounds for value creation for all stakeholders. This is an important engine to accomplish the goals set by the BOD, who designed the Company's structure to be transparent and facilitative to justifiable business conducts according to the CG framework under the rules set forth by the Stock Exchange of Thailand (SET).

### 9.1 CORPORATE GOVERNANCE POLICY

The Company's BOD places high importance on stringent conforming to the CG principle. Recognizing the importance of the roles and responsibilities of the BOD and the management team in building a good CG environment that will strengthen the Company's competitiveness, fortify effective and transparent management, and increase the level of trust from shareholders, investors, and other stakeholders, PACE established its CG policy, covering 5 main principles as the followings:

#### *Principle 1 Shareholders' Rights*

The Company respects shareholders' rights to make decisions pertaining to the Company's major changes and the rights to receive correct, complete, sufficient, and timely information evenly. Consequently, the Company has performed as the following:

##### 1. Shareholders' Rights Protection

- 1.1 The Company emphasize the protection of shareholders' rights and the promotion of exercising the basic legal rights i.e. the rights to obtain the relevant and adequate information of the Company, to participate and vote in the shareholders' meeting, to elect and remove members of the board, appoint the external auditor, and make

decisions on any transactions that affect the Company such as the allocation of dividend, the amendment to the Company's articles of association and memorandum of association, the capital decrease or increase and other special matters, etc.

- 1.2 The Company recognizes the importance of shareholders' rights by facilitating shareholders more than legal requirement i.e. providing the current important information via the Company's website and providing Management Discussion and Analysis (MD&A) on a quarterly basis.
- 1.3 The shareholding structure of the Company comprises of numerous minority shareholders to balance with the majority shareholders, not contributing to any person or group to control vote or control of the Company, while enhancing the good corporate governance to shareholders. Currently, the Company has free float at 69.34%, no cross shareholding, and no pyramid structure.

## 2. The Shareholders' Meeting

The Company held the Shareholders' Meeting once a year within 4 months after the end of the accounting period. In 2020, the Company has determined to hold the Annual General Meeting in 2020 on 29 April 2021. However, as the Covid-19 pandemic which spread in wide area and the cause and effect has been elevate. Moreover, the Company has entered into the rehabilitation plan which have been appointed by the Central Bankruptcy Court, then all rights of shareholder (except the right to receive dividends) shall be terminated. Therefore, the Company are not entitled to hold the Annual General Meeting in 2020 and will not hold any other shareholders' meeting unless the Company has emerged from the rehabilitation plan.

### *Principle 2 Fair Treatment of Shareholders*

The Company requires that all shareholders be treated fairly and equally. Consequently, the BOD set up the following policies:

- 1) Facilitate minority shareholders to nominate directors and suggest additional agenda before the commencement of the shareholder meeting.
- 2) Determine a clear rule in advance as to whether and how to add additional agenda suggested by minority shareholders into the existing agenda, and as to how minority shareholders can nominate candidates for the Company's directors.

The Company provides channel for shareholders to propose agenda item and nominate person for election as a director for the 2020 Annual General Meeting of Shareholders, which is disclosed via the Company's website. One or several shareholders, holding not less than 1% of total shares can propose meeting agenda and director nominee, for 3 months, from 1 October – 31 December of each year. This proportion facilitates the shareholders more than specified by the law, which specifies that one or several shareholders, holding minimum share in the amount of 5% can propose meeting agenda.

- 3) Include only the agenda determined in advance without changing major information or adding new untold agenda unnecessarily, especially in the meeting with agenda that require extensive time to study and thorough understandings from shareholders.
- 4) Facilitate shareholders who unable to attend the meeting by allowing such shareholders to grant the authority to attend and vote in the meeting to at least one of the independent directors or any individual of choice. The names of the selected independent directors must be informed in the meeting invitation letter.
- 5) Treat every shareholder fairly and equally, regardless of being majority or minority shareholders, Thai or foreign shareholders.
- 6) Encourage the use of voting cards in every agenda to prove transparency and measurability in the voting process, in case of a later dispute. In the director nomination agenda, the Company grants each shareholder the right to nominate directors person by person.
- 7) Establish a written guideline to maintain internal information and prevent misuse of such information and communicate the guideline to all entities in the organization. The Company also requires that all directors and executives report their securities holding and submit the report to the Company's BOD.

### ***Principle 3 Responsibilities to Stakeholders***

The Company truly recognizes and respects the rights of internal stakeholders, such as shareholders and employees, and external stakeholders, such as customers, trading partners, competitors, governmental entities, and other entities including surrounding communities, as they are important contributors to the Company's competitiveness and profitability, the main drivers of PACE's long-term value creation. The Company, therefore, set up the following policies:

#### **1) Proper Conducts and Responsibilities towards Shareholders**

PACE realizes that shareholders are the true owners of the Company and wholeheartedly accepts fiduciary duty to create long-term value to its shareholders. It therefore requires that its employees adhere to the following guidelines:

- Behave in an honest, upright manner and always base one's decision on thorough considerations and fairness to every shareholder in order to maximize overall shareholders' value.
- Monitor and control the operation to ensure that the Company's financial status and performance are well maintained, and regularly report the Company's business status, performance, financial status, accounting information and other information in a true, unbiased manner.
- Report the Company's positive and negative trends, based on probabilities, solid evidence and backup reasoning, to every shareholder in an equal, unprejudiced fashion.
- Refrain from exploiting the Company's undisclosed information to one's or other's personal benefits and abstain from any other actions that may result in conflicts of interest with the organization.
- The Company must treat all shareholders equally in the shareholders' meeting.

## 2) Proper Conducts and Responsibilities towards Governmental Entities

The Company highly values compliance with laws, rules, and regulations set forth by the regulating bodies, especially when transacting with governmental entities. In such exposures, it will avoid maneuver that may lead to misuses of authorities and misconducts. The Company, instead, tries to build relationships with the governmental bodies in a lawful way, such as normal greetings in public venues and paying visits in normal traditions. Guidelines for dealing with governmental bodies are as follows:

- Properly and carefully conduct oneself when contacting with governmental bodies or persons.
- Always realize that the laws, rules, and regulations set by different governmental entities may require different procedures, which the Company must know by heart and follow accordingly.

## 3) Proper Conducts and Responsibilities towards Employees

The Company realizes that all employees are the most valuable assets and the key drivers for the organization's achievement.

It thus determined the policy to ensure fair treatment in employment opportunity, compensation, nomination, job rotation, and skill development as the followings:

- Treat all employees with respects in their honors, dignities, and individual rights.
- Always maintain a working environment that is safe for the lives and properties of employees.
- Nomination, rotation, awards giving, and penalty giving must be done with genuine intention, taking into account such employee's knowledge and appropriateness.
- Support the development of knowledge and skills of employees by constantly engaging them in learning opportunities, such as seminars, trainings, and workshops, which are equally accessible to all employees.
- Set fair remuneration rates consistent with the market condition, business competition, job type, performance, and the Company's ability to pay.
- Avoid any unfair treatment that may negatively affect employees' job security.
- Create opportunities for employees to give comments or file complaints in the subjects related to their professions and to suggest possible recommendations that will benefit all parties involved and create relationships and good working environment.

## 4) Proper Conducts and Responsibilities towards Customers

The Company is determined to stay in real estate development business with the main purposes to create, present, and administer its products and services in the quality-focused, ethical principles as shown below:

- Be determined to procure and develop products and services to best serve the need of the clients.
- Deliver quality products and services with fair terms and conditions.

- Provide precise and sufficient information related to products and services that customers can utilize in their decision making process without exaggerating the qualifications, quality, quantity, or any conditions of the products and services in the Company's advertisement or in other communicating channels.
- Arrange to have communicating mechanism for customer complaints in place should there be any problems related to the Company's products or services so that the Company can immediately resolve such problem and utilize the information to improve the quality of its products and services.
- Maintain customers' confidential information and abstain from revealing or misuse of such information.

## 5) Proper Conducts and Responsibilities towards Trading Partners and Counterparties

Realizing that trading partners and other counterparties are quintessential to the success of the Company, PACE has a strong policy to treat its trading partners and counterparties fairly and equally, placing mutual benefits before its own benefits. Guidelines for treatment of trading partners and counterparties are as follows:

- The Company will arrange to procure products and services efficiently by applying the following principles:
  - Competition on equivalent information
  - Clear rules on trading partners and counterparty selection and assessment
  - Have proper agreements that are fair to both sides
  - Put in place management and tracking system to ensure that the conditions in the agreement are followed through completely and accurately to prevent fraud and corruption in every step of the procurement process
  - Make payment to trading partners and counterparties in a timely manner according to the agreed payment terms
- The Company is strongly resolute to develop and preserve sustainable relationship with its trading partners and counterparties that are reliable and determined to provide quality products and services worth of the Company's cost.
- All executives and employees must abstain from taking personal benefits from trading partners and counterparties directly or indirectly in any circumstance.
- All executives and employees must abstain from abusing information on procurement or purchasing for personal gains of oneself or of others.

## 6) Proper Conducts and Responsibilities towards Lenders

The Company is determined to conduct its business based on solid principles and strict disciplines to create trust for lenders. In so doing it follows these rules:

- Rigorously follows the terms and conditions defined in the contracts or agreements.
- If the Company, in any circumstances, cannot satisfy the said terms and conditions, it will promptly inform relevant lenders in advance to seek for mutually agreed resolutions.

## 7) Proper Conducts and Responsibilities towards Competitors

The Company is determined to be sustainably successful and to stand to be a leading real estate developer that competes fairly and ethically by following these principles:

- Conduct oneself according to a fair competition framework.
- Abstain from acquiring competitors' confidential information wrongfully or inappropriately and abusing such information for the Company's sake.
- Refrain from making false allegations or false statements that may destroy the reputation of the competitors.
- Abstain from engaging in activities that violate intellectual property rights of the Company's competitors or other entities.

## 8) Proper Conducts and Responsibilities towards Society

Recognizing its role in the sustainable development of the society and environment, the Company has been active in arranging several altruistic activities in its surrounding communities applying the following principles on responsibilities towards communities and environment:

- Put in place a policy to responsibly conduct business, taking into account environmental concerns, and strictly adhere to the laws and regulations on environment conservation currently in use.
- Have a clear set of CSR policies and enforce such policies in the organization.
- Encourage the Company's employees to be aware of and responsible for environment and society.
- Pay respects to local traditions, customs, and cultures in which the Company operates.
- Constantly engaging in activities that improve the living conditions of the surrounding communities, society, and environment held both by the Company itself and through collaboration with other governmental, local, or private entities.
- Suitably participate in the activities held by communities surrounding the project sites.
- Respond promptly and efficiently to the incidents that may affect the environment, communities, lives, and properties of others due to the business conducts of the Company, and unduly cooperate with governmental agents or other relevant parties to resolve such incidents.

In addition, the Company's interested persons can make inquiries, give comments, file complaints, or give information on illegal actions, financial statement inaccuracy, flawed internal control, and unethical actions to the Company's independent directors or members of the Audit Committee. The information will be classified and protected. Independent directors and members of Audit Committee will arrange to have the information investigated and find solutions (if any) and report to the Boards of Directors.

**Principle 4 Information Disclosure and Transparency**

- 1) The BOD has a policy to disclose financial information and other information pertaining to the business and the performance of the Company in a precise, complete, sufficient, regular, and timely manner to represent the true financial status, current performance, and the future trend of the Company's business.
- 2) The BOD is determined to ensure that the Company complies with laws, rules, and regulations regarding information disclosure and transparency. It arranges to have such information presented both in Thai and English versions on the Company's websites, public communication channels, and SET's communication channel to provide to its shareholders and other stakeholders a convenient access to the Company's information. It will also adjust its communication means to comply with guidelines set forth and enforced by the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC).
- 3) The Company will arrange to have staff in Investor Relations Department to be responsible for communicating with shareholders, institute investors, and retail investors, and to set up regular analyst meetings, as well as to distribute financial and general information to the Company's shareholders, analysts, rating agencies, and other governmental entities through several channels, such as reports submitted to the SET and the SEC and on PACE's website. In addition, the Company regularly discloses its information in both Thai and English versions through the Company's website to provide its shareholder a convenient access to updated company's information. The information posted on the website, including the Company's visions, missions, financial reports, news, annual reports, organization structures and executives, shareholder structure, and major shareholders will be regularly updated to reflect the most current status of the Company.
- 4) The Company places high emphasis on its financial reports and make sure that they reflect the true financial status and performance of the Company based upon correct, complete, and sufficient data according to the generally accepted accounting standards.
- 5) The Company will disclose the information regarding each director, roles and responsibilities of the Board of Directors and sub-committees, the number of meeting held and the number of meeting attended by each directors in the past year in its annual report (Form 56-2) and annual registration statement (Form 56-1).

**Principle 5 Board of Director's Responsibilities**

The BOD owes its fiduciary duty to the Company's shareholders to ensure that the Company complies with the governing laws, company's objectives, company's articles of association, and resolutions of shareholders' meetings

**1) Structure of the Board of Directors**

- 1.1) The Company's BOD consists of 8 members, each serving a 3-year term in position. 4 of the members are executive directors. The other 4 members are non-executive directors, four of whom are qualified independent directors. This structure is satisfied with the rules set forth by the SEC requiring that all listed



companies must have the ratio of 1 independent director per 3 directors. All directors are knowledgeable in Engineering, Accounting, Finance and Law.

- 1.2) The Company appointed Company Secretary to provide opinions and suggestions on legal points and regulations that the BOD must acknowledge, to support the activities of the BOD, and to coordinate with various entities in the execution of the BOD's resolution.

## 2) Sub-committees

- 2.1) The Company has 4 sub-committees, namely Audit Committee, Executive Committee, Nomination and Remuneration Committee, and Risk Management Committee. These sub-committees are set up to conform to the principle of good corporate governance and to provide assistance to the BOD.
- 2.2) Chairman of Audit Committee, Chairman of Nomination and Remuneration Committee, and Chairman of Risk Management Committee are all independent directors. This is to ensure independence and transparency in their job function.

## 3) Roles, Duties, and Responsibilities of the Board and Committees

The roles, duties, and responsibilities of the BOD and sub-committees will be covered in topic 9.2.

## 4) Meeting of the Board of Directors

- 4.1) The BOD determines at least 1 meeting per 1 quarter in advance, which is scheduled in advance throughout the year and will arrange to have special meetings based on necessity and appropriateness on the case-by-case basis. In case of special meetings, the Company must inform the attendants at least 7 days prior to the meeting date. The meeting's constituted quorum is achieved when at least half of the directors attend the meeting.
- 4.2) The meeting agenda are clearly determined in advance by Chairman of the BOD and Chief Executive Officer (CEO). Company Secretary is responsible for ensuring that all the directors receive supporting document in a sufficient time period prior to the meeting to allow all attendants to study the agenda and make informed voting decision.
- 4.3) The BOD must receive sufficient, complete, and timely information before the commencement of every meeting. Directors can contact Company Secretary directly and freely to request recommendations pertaining to legal and regulation issues.
- 4.4) Chairman of the BOD is responsible for managing the meeting time properly to allow adequate time for management to present the information and sufficient time for the BOD to discuss important agenda and give opinion on each agenda before summarizing the Meeting's resolution.

- 4.5) The BOD has a policy to allow non-executive directors to have a separated session to discuss management related issues of interest without the presence of management. The result of such meeting is to be informed to the CEO.
- 4.6) The BOD supports the decision of the CEO to invite high-level executives to the meeting of the BOD to give additional information to the Meeting as directly operative agents. This also gives the directors an opportunity to know high-level executives to be considered in the Company's succession plan.
- 4.7) During the consideration and the voting of every agenda, the directors who have conflicts of interest in such agenda must leave the meeting and refrain from voting.
- 4.8) Written meeting minutes are required in all of the meeting of the BOD. The minutes must be approved by the BOD and be maintained in a form that is ready to be reviewed by directors and/or other relevant parties.

## 5) Directors' Self-Assessment

Despite the fact that the Board of Directors and each committee have completely performed their responsibility, they arranged for self-assessment of the Board of Directors and Nomination and Remuneration Committee, in order to continually improve operational effectiveness. The self-assessment covers assessment for the entire Board of Directors and individual director. Audit Committee and Risk Management Committee are subject to assessments for the entire committee. The performance assessment of the Board of Directors and each committee has the same rating criteria, and is consistent with the example of self-assessment of the board, provided by the SET. Furthermore, the assessment has been reviewed regularly to ensure its appropriateness.

The Company has in place an assessment procedure. The Company Secretary and the secretary of each committee sent the assessment form to the directors. After filling in the assessment form, the directors would send it back to the Company. To provide an independent evaluation, the name of the director would be concealed. The assessment result was proposed in the meetings of the Board of Directors and each committee for discussion and sought for the performance improvement.

**The Board's entire assessment consists of 6 main items i.e.**

- 1. Director's structure and qualifications
- 2. Roles, duties, and responsibilities of director
- 3. Director's Meeting
- 4. Director's Act
- 5. Relationship with management
- 6. Training and other information.

The Board's individual assessment consists of 3 main items i.e.

1. Director's structure and qualifications
2. Director's Meeting
3. Roles, duties, and responsibilities of director

#### **6) Remuneration**

The Company's BOD delegates the authority to recommend remuneration protocols to the Nomination and Remuneration Committee. Such protocols are to be approved in the shareholders' meeting and will be embodied in a remuneration policy. Such remuneration protocols are based on the following criteria:

- 6.1) The Company's performance and the size of the business, by comparing with remuneration of directors in other listed companies of the same nature and size
- 6.2) Experiences, roles, duties and responsibilities of each director
- 6.3) Expected value contribution from each director
- 6.4) Remuneration rate should be sufficient to attract qualified candidates to join the Company as directors or executives
- 6.5) Responsibilities of each director

#### **7) Directors and Executives Development and Training Programs**

The BOD has a policy to support and facilitate trainings for directors engaging in the Company's corporate governance process, such as directors, members of the Audit Committee, and high-level executives, to continually improve the Company's CG procedures. In the case of changing directors or appointing new directors, the Company's management will prepare document containing useful information for the work of the new directors and also arrange to have a session in which the Company's business nature and its operations are introduced to the new directors.

As of present, all directors have passed director training programs from Thai Institute of Directors (IOD). Some of them have passed Director Accreditation Program (DAP) and Director Certification Program (DCP) offered by the same institution.

#### **8) Conflicts of interest**

The BOD has determined the guidelines to handle conflicts of interest satisfied with the ones provided by the SET and Securities and Exchange Act for the ultimate benefit of the Company. It is the duty of personnel in every level to resolve the situations at risk of conflicts of interest with a careful, upright, and independent mindset based on a well-laid ethical framework, and to transparently disclose necessary information with the Company's interest at heart.

## 9.2 COMMITTEES AND BOARDS

The Company's board structure consists of 5 committees, which are

- 1) Board of Directors
- 2) Audit Committee
- 3) Executive Committee
- 4) Nomination and Remuneration Committee
- 5) Risk Management Committee

### 9.2.1 Board of Directors

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

Name	Position
1. Mr. Kraithip Krairiksh	Chairman of the Board, Chairman of Audit Committee and Independent Director
2. Mr. Sorapoj Techakraisri	Director
3. Mr. Chumpol Techakraisri	Director
4. Mr. Pornson Patanasin	Director
5. Mrs. Ladda Siri Wattanakosol	Director, Member of Audit Committee and Independent Director
6. Mr. Prasert Patradhilok	Director, Member of Audit Committee and Independent Director
7. Mr. Wisit Kanjanopas	Director
8. Mr. Sarunthorn Chutima	Director and Independent Director

**Note:** The Company Secretary is Mr. Pornson Patanasin, appointed on 22 April 2020.

### Authorized directors

The Company's authorized directors as defined in the Company's Affidavit is Mr. Sorapoj Techakraisri, Mr. Chumpol Techakraisri, Mr. Pornson Patanasin, any two of these three directors can jointly sign with the Company's seal affixed.

### Authorities, Roles and Responsibilities of the Board of Directors

The Board of Director's no. 1/2011 held on September 21<sup>st</sup>, 2011, determined the authorities, roles and responsibilities of the Board of Directors as follows:

1. Perform its duties in a manner that conforms to the governing laws, the company's objectives, the company's articles of associations, resolutions of the Board of Directors, and resolutions of shareholder's meeting with accountability, caution, and integrity.

2. Review in details and give approval on visions, business strategies, business direction, policies, objectives, guidelines, plans, and budgets of the Company, its affiliates, and its subsidiaries that the Executive Committee and the Company's management team propose.
3. Supervise and track the performance of the Company's executive committee, CEO, management, and any other persons delegated the management functions to make sure that such persons undertake their functions in a fashion consistent to the policy given by the BOD.
4. Continually monitor the Company's performance to match with the Company's plan and budget.
5. Ensure that the Company, its affiliates, and its subsidiaries have proper and efficient accounting system, effective internal control, and effective internal audit systems in place.
6. Arrange to have the Company's balance sheet and income statement completed for the end of the Company's accounting period and present them in the Annual General Meeting for approval.
7. Review and approve the Audit Committee's selection and nomination of the Company's auditor and compensation to such auditor and present them in the Annual General Meeting for approval.
8. Arrange to have a written corporate governance policy and make sure that such policy is effectively executed in the organization to establish the perception that PACE is responsible for fair treatment to every stakeholder.
9. Give approval on the appointment of qualified persons that have no prohibitive characteristics defined in the Public Company Act B.E. 2535 (and subsequent amendments), the Securities and Exchange Act B.E. 2535 (and subsequent amendments), and other relevant announcements, rules, and/or regulations pertaining to the appointment of directors in the case that the position becomes vacant due to reasons other than expiration of terms, and agree on the appointment of directors to replace the ones whose terms expire and the determination of directors' compensation that the Remuneration Committee proposes to the Annual General Meeting for approval.
10. Appoint sub-committees, including Audit Committee, Executive Committee, Nomination and Remuneration Committee, Risk Management Committee and other sub-committees, and determine roles and responsibilities of such committees to assist and support the work of the Company's directors.
11. Make decision on the determination of or alteration of the Company's authorized directors.
12. Appoint the Company's management, according to the definition provided by the Securities and Exchange Commission (SEC) or Capital Market Supervisory Board, and the Company Secretary, and decide on giving approval on the Nomination and Remuneration Committee proposal of executive compensation.
13. Request professional opinions from external organizations, if needed, to support in the BOD's decision making process.
14. Encourage the Company's directors and management to participate in seminars held by Thai Institute of Directors in the subject matters relevant to the roles and responsibilities of such persons.

The authorization of roles and responsibilities must not be done in such a way that the directors or the person given the power of attorney from the directors can make approval/disapproval on the transactions that such

persons or the persons having conflicts with such persons may have interests upon or the transactions that may entail conflicts of interest with the Company, its affiliates, and its subsidiaries (according to the definition provided by notifications of the SEC or notifications of the Capital Market Supervisory Board), except the approval on such transactions are done on the policy or the rules that the Shareholders' Meeting or the Board of Directors have previously approved.

### Separate the Board of Directors and management's role

The Chairman is non-executive director and is not the same person as CEO. The role of Chairman and CEO are clearly separate for check and balance purposes by means of separation of supervision and management roles.

Chairman play a major role in care and support of the Board of Directors for fully capable of acting in accordance with direction and strategy such as sharing determine, give a consultation and recommendation to management, supervision and control the Board of Directors' Meeting and Shareholders' Meeting effectively, as well as driving and enhance corporate governance standard to the Board of Directors.

CEO is the head of management and reports to the Board of Directors to ensure that policy and strategic plan have been properly implemented.

In addition, the Company separate roles and responsibilities of the Board of Directors and management, including the authority of the Board of Directors and management power to approve the assignment of the Company's Board of Directors and management in various significant i.e. procurement authority and payment authority.

### Non-executive directors' Meeting

The Board of Directors has a policy to encourage non-executive directors to meet as necessary to discuss interested management issues without presence of the management. In 2020, there is no issue regarding performance and management which must convene non-executive directors' meeting.

### 9.2.2 Audit Committee

As of 31 December 2020, the Audit committee consists of 3 members as follows:

Name	Position
1. Mr. Kraithip Krairiksh	Chairman of Audit Committee
2. Mrs. Ladda Siriwattanakosol *	Member of Audit Committee
3. Mr. Prasert Patradhilok*	Member of Audit Committee

Note: Mrs. Ladda Siriwattanakosol and Mr. Prasert Patradhilok are the member of the Audit Committee who have knowledge and experience in Accounting or Finance.

The Secretary of the Audit Committee is Mr. Prajak Jangsangtong, appointed on 24 December 2020

## Authorities, roles, and responsibilities of Audit Committee

The Board of Directors' Meeting no. 1/2016, held on 7 January 2016, approved the authorities, roles and responsibilities of the Audit Committee as follows:

### 1 Authority

- 1.1 The Audit Committee is empowered to request director, management or any employee to attend the meeting with the Audit Committee in order to clarify or provide information which the Audit Committee deems necessary. The Chairman and all members are empowered to request documents, explanations or information at all times regardless of Audit Committee's meeting.  
The management and employees who have been contacted, inquired or requested for the information shall fully cooperate.
- 1.2 The Audit Committee shall, under the Board of Directors' approval, hires the external advisor should they are of the opinion that it is necessary to advise and provide guidance for the performance to the internal auditor and Audit Committee.
- 1.3 The Audit Committee has the authority to approve the third party employment from time to time to help the internal auditor in case the workload exceeds the capability of the internal auditor to perform for the best interest of the Company.
- 1.4 The Audit Committee has authority to examine rules, regulations and operational method of the Company, which are potential to affect the business, finance, account, assessment, and risk management. The Audit Committee is also empowered to examine the Company's internal control so that advice on the Company's development, correction or improvement can be rendered.
- 1.5 The Audit Committee has authority to approve and revise the Company's internal Charter before formal announcement to employees.
- 1.6 The Audit Committee has authority to other matters assigned by Board of Director further to this Charter.

### 2 Duties

The Audit Committee has the duties as follows:

- 2.1 To review the financial reports and accounts of the Company by emphasizing on the transparency, accuracy and completeness and to disclose the information sufficiently as required under the generally accepted and reliable accounting principles.
- 2.2 Selecting and nominate a name of a certified public accountant that should be appointed to be the auditor of the Company including to evaluate the performance and propose the remuneration for the auditor. The first step is the audit committee to propose to the Board of Directors level and then the Board of Directors shall propose to the shareholders' annual general meeting for approval. The shareholders' annual general meeting

will consider and approve the appointment of the auditor and the remuneration of the auditor as stipulated by applicable laws.

- 2.3 To review the Company's corporate governance, internal audit and risk management systems in order to ensure that it is in compliance with the guidelines of SET and SEC.
- 2.4 To review and ensure that there is no conflicts of interests among the Company, director, management or employee, including to review if the employee and the management's work compliant to the policy, regulations and articles in relation to laws and ethics.
- 2.5 To review, give advice and support internal auditor to enhance efficiency and effect of the comments after auditing. To ensure that those auditor's comment are brought into action, the Audit Committee shall promote understanding among the Board of Directors, management, employees and the internal auditor.
- 2.6 To recruit and give comments to the Board of Directors for assessment, appointment, rotation, removal and compensation of internal auditor.
- 2.7 To review and approve year plan of internal auditor, i.e. budget plan, audit plan, manpower plan and human resources development plan with the emphasis on financial and operational audit, development of knowledge, skill and characteristic of internal auditor including to follow up the performance of the said plan.
- 2.8 To follow up, review external auditor's performance comply with Thai Standards on Auditing.
- 2.9 To promote the good coordination between management, directors, employee, internal auditor and external auditor.
- 2.10 To review compatibility of the Company's accounting policy, the adequacy of financial statement disclosure, and the consistency of provision of accounting standard in relation to such matters as well as the understanding on the effect from the financial statements.
- 2.11 To examine the management letter by considering the significant weakness or disadvantage, and the advice reported by the auditor in order to ensure that the useful advice shall be implemented. In the case where the disadvantage has not been remedy without reasonable grounds, it should be consulted with the management and be proposed to the Board of Directors for their acknowledgement and further action as necessary.
- 2.12 To review the internal audit control and technology information processing system.
- 2.13 To have a meeting regularly or at least one meeting a year with External Auditors without management's presence to ensure that External Auditors have a freedom opinion on the financial statements and comply with an accounting standards and auditing standard.
- 2.14 To conduct reviews to ensure that the Company complies with Anti-Corruption policy and in case the Company's employees or management are suspected that there is a transaction with a corruption or an irregularity which incurred damages to the Company and to propose those summaries to the Company's Board of Directors to consider immediately.
- 2.15 From the performance of the Audit Committee, if the Committee suspects that there are any transactions or acts which will affect the Company's financial status or business operation, the Committee shall report to the



Company's Board of Directors in order to remedy within the appropriate period especially the transactions as follows:

- (1) a transaction which causes a conflict of interest;
- (2) any fraud, irregularity, or material defect in an internal control system; or
- (3) an infringement of the law on securities and exchange, the Exchange's regulations, or any law relating to the Company's business.

If the Company's Board of Directors or management fails to make a rectification within the period of time prescribed by the Office of the Securities and Exchange Commission or the Exchange, any Audit Committee member may report on the transaction or act under the first paragraph to the Office of the Securities and Exchange Commission or the Exchange.

### Qualifications of Independent Directors

Independent directors must not have businesses or take part in managing businesses that share interest with the Company and, therefore, may sabotage independent decision making of such directors. Independent directors must have the following qualifications:

1. Hold not more than 1% of the shares with voting rights of the Company, its parent company, its affiliates, its subsidiaries, its major shareholders, or its controlling entities, with the inclusion of such shares held by relating parties of such independent directors.
2. Must not be or have been directors who are involved in the management of the employees, salaried advisory agents, or controlling entities of the Company, its parent company, its affiliates, its subsidiaries, the subsidiaries of the same rank, its major shareholders, or its controlling entities except such position has been terminated at least 2 years prior to the appointment date.
3. Must not be relatives or by legal registration in the form of parents, spouses, brothers and sisters, children of, or spouses of the children of the Company's executives, major shareholders, controlling entities, or any other persons nominated to be executives or controlling entities of the Company, its affiliates, or its subsidiaries.
4. Have no prior business relationship with the Company, its holding company, its affiliates, its subsidiaries, its major shareholders, or its controlling entities in a fashion that may prevent such directors from making independent judgment, and must not be or have been significant shareholders or controlling entities of the persons having business relationships with the Company, its parent company, its affiliates, its subsidiaries, its major shareholders, or its controlling entities except such relationship has been terminated at least 2 years prior to the appointment date. Business relationships mentioned in paragraph one includes ordinary business transactions in the real estate lease or rent business, transactions related to properties or services, or provision or receiving of financial supports by means of receiving, lending, guaranteeing, giving assets as collaterals for the loans, or similar transactions that result in one counterparty, or a requester, having a binding obligation to repay to the other counterparty the amount equal to or higher than 3% of net tangible assets of the requester or 20 million Baht, whichever is lower. Such debt

obligation is calculated using the formula of the value of related transactions as defined in the Notification of Capital Market Advisory Board on Related Transactions, with the inclusion of debt obligation incurred within 1 year prior to the date on which such relationships take place.

5. Must not be or have been auditors of the Company, its holding company, its affiliates, its subsidiaries, its major shareholders, or its controlling entities, and must not be significant shareholders, controlling entities, or partners with the audit offices in which the auditor of the Company, its holding company, its affiliates, its subsidiaries, its major shareholders, or its controlling entities operates except such position has been terminated at least 2 years prior to the appointment date.
6. Must not be or have been professional service providers, including legal advisers or financial advisers, who were compensated with more than 2 million Baht worth of compensation per year from the Company, its parent company, its affiliates, its subsidiaries, its major shareholders, or its controlling entities, and must not be significant shareholders, controlling entities, or partners of such professional service providers except such position has been terminated at least 2 years prior to the appointment date.
7. Must not be appointed as a representative of any directors, major shareholders, or shareholders that are related to the Company's major shareholders.
8. Must not have businesses that have the same nature and can be viewed as competitors of the Company, its affiliates, and its subsidiaries, and must not be significant partners in partnerships or directors that participate in the management of, employees of, salaried advisory agents of, or hold more than 1% of the shares with voting rights of other companies that have the same nature and can be viewed as competitors of the Company, its affiliates, and its subsidiaries.
9. Must not have any other qualities that may prevent such directors from providing independent opinion related to the operation of the Company.

The Audit Committee reports directly to the Board of Directors. The term of each member of the Audit Committee is 3 years since the appointment date. Members of the Audit Committee whose term has expired can be reappointed, with the condition satisfied with rules and regulations defined by relevant government entities.

### 9.2.3 Executive Committee

As of 31 December 2020, the Executive Committee consists of 5 members as follows:

Name	Position
1. Mr. Sorapoj Techakraisri	Chairman of Executive Committee
2. Mr. Pornson Patanasin	Member of Executive Committee
3. Mr. Wisit Karnjanopas	Member of Executive Committee
4. Mr. Somsak Hongsrichinda	Member of Executive Committee
5. Mr. Prajak Jangsangtong	Member of Executive Committee/Secretary

Note: Secretary of Executive Committee is Mr. Prajak Jangsangtong, appointed on 5 August 2019.

## Authorities, roles, and responsibilities of Executive Committee

The Board of directors' Meeting no. 1/2011 held on September 21<sup>st</sup>, 2011, approved the authorities, roles and responsibilities of the Executive Committee as follows:

1. Executive Committee is responsible for the management of the Company to satisfy with the Company's objectives, the Company's policy, memorandum of association, or any other orders given by the Board of Directors. In addition, the Executive Committee is responsible for reviewing and selecting agenda to be proposed to the Board of Directors for agreement for approval.
2. Prepare and formulate visions, business strategies, business directions, objectives, guidelines, plans, and budgets of the Company, its affiliates, and its subsidiaries and propose such things to the Board of Directors for approval.
3. Monitor and track the execution of the Company's policies and management guidelines to make sure that such policies and guidelines are effectively executed in the manner satisfied with the intentions of the Board of Directors.
4. Have authority to give approval on or execute transactions deemed to be normal business activities under the limits or budget approved by the Board of Directors. In so doing, the Executive Committee cannot incur indebtedness or contingencies of more than 450 million Baht with maturity of more than 5 years. This applies to all kinds of indebtedness and contingencies, including project financing facilities from financial institutions.
5. Prepare the following reports and submit to the Board of Directors within a specified timeframe
  - 5.1 Quarterly performance report within the time frame set by the Stock Exchange of Thailand (SET)
  - 5.2 Auditor's report on the Company's financial statements, including annual and quarterly financial statements, within the time frame set by the Stock Exchange of Thailand (SET)
  - 5.3 Other reports deemed necessary by the Executive Committee
6. In the meeting of Executive Committee to execute any of its authority, the meeting's constituted quorum is achieved and the execution of authority is plausible when at least half of the directors attend the meeting.
7. Each member of the Executive Committee has 1 vote per person. In the case that the votes are equal, Chairman of the Executive Committee has the power to exercise 1 final decisive vote.
8. To give approval on any agenda, the Meeting must have at least half of the votes from the total votes from attendants in such meeting.
9. The Company must hold Meeting of Executive Committee at least once a month and as necessary. Any members of the Executive Committee can call a special meeting on the condition that he/she must inform the agenda of such special meeting to other members in advance to allow sufficient time for the meeting attendants to prepare for such meeting.
10. The Executive Committee can appoint a taskforce and/or other persons to select the agenda to present to the Executive Committee or to perform other tasks beneficial to the work of the Committee or to perform any other delegated tasks under the authority of the Executive Committee.
11. The Company allows the Executive Committee to give its authority to and/or assign other persons to perform its tasks, if such giving of authority/assignment falls under the scope of the letter of power of attorney (POA) and/or is

done according to the rules, regulations, orders that the Board of Directors has provided. The authorization of the Executive Committee's roles and responsibilities must not be done in such a way that the members of the Executive Committee or the person given the power of attorney form can make approval/disapproval on the transactions that such persons or the persons having conflicts with such persons (according to the definitions given in notifications of Capital Market Advisory Board or notifications of Securities and Exchange Commission) may have interests upon or the transactions that may entail conflicts of interest with the Company, its affiliates, and its subsidiaries.

The Executive Committee reports directly to the Board of Directors. The term of each member of Executive Committee is 3 years since the appointment date. Members of Executive Committee whose term has expired can be reappointed.

#### 9.2.4 Nomination and Remuneration Committee

As of 31 December 2020, the Nomination and Remuneration Committee consists of 3 members as follows:

Name	Position
1. Mrs. Ladda Siri wattanakosol	Chairman of Nomination and Remuneration Committee
2. Mr. Prasert Patradhilok	Member of Nomination and Remuneration Committee
3. Mr. Sorapoj Techakraisri	Member of Nomination and Remuneration Committee

Note: Secretary of the Remuneration Committee is Mr. Piya Petchsod, appointed on 20 March 2012

#### Authorities, roles, and responsibilities of Nomination and Remuneration Committee

The Board of Directors' Meeting no. 3/2017 held on 28 February 2017, approved the authorities, roles and responsibilities of the Nomination and Remuneration Committee as follows:

1. To consider the recruitment and selection of qualified persons to take a position of director and top executive by defining guidelines with clear and transparent process to present to the Board of Director meeting and/or the Annual General Meeting for approval.
2. To consider on remuneration and interest of the Board of Directors, Committees and Chief Executive Officer (CEO) with suitable, clear and transparent manner and present to the Board of Director meeting and/or the Annual General Meeting for approval by
  - a) Board of Directors shall approve compensation and other benefits of CEO.
  - b) Compensation and other benefits of the Board of Directors shall be presented in the Annual General Meeting.
3. To screen the evaluation of the CEO and top executives on annual basis and present to the Board of Directors for consideration.
4. To self-assess the performance of Nomination and Remuneration Committee on regular basis.
5. To act any other tasks related to remuneration as assigned by the Board of Directors.

6. To consider the Board of Directors' structure including appropriate number of board members to fit with the business type and complexity as well as qualifications of individual director in accordance with SET's regulation and good corporate governance.
7. To consider and set up director development and training program ensuring that their key roles and gain updated information on business environment, law and related regulation among other things.
8. To formulate succession plan ensuring business continuity when the current directors and top managements retired or are not able to perform their duties for any reason.

The Nomination and Remuneration Committee reports directly to the Boards of Directors. The term of each member of Nomination and Remuneration Committee is 3 years since the appointment date. Member of Nomination and Remuneration Committee whose term has expired can be reappointed.

#### 9.2.5 Risk Management Committee

As of 31 December 2020, the Risk Management Committee consists of 3 members as follows:

Name	Position
1. Mr. Prasert Patradhilok	Chairman of Risk Management Committee
2. Mrs. Ladda Siri wattanakosol	Member of Risk Management Committee
3. Mr. Sorapoj Techakraisri	Member of Risk Management Committee

Note: Secretary of the Risk Management Committee is Mr. Piya Petchsod, appointed on 24 February 2020

#### Authorities, roles, and responsibilities of Risk Management Committee

The Board of Directors' Meeting no. 3/2017 held on 28 February 2017, approved the authorities, roles and responsibilities of the Risk Management Committee as follows:

1. Review the Company's overall risk management policies and guidelines covering all important risks, such as operational risk, financial risk, marketing risk, investment risk, reputation risk, and corruption risk, and present to the Board of Directors for approval. The Company must hold Risk Management Committee Meeting at least twice a year and as necessary.
2. Formulate risk management strategies and guidelines that are consistent with the Company's risk management policies to help assess monitor and control the Company's risk in an acceptable level.
3. Monitor and track the execution of the risk management policies to ensure that it is consistent with the framework given by the Board of Directors.
4. Provide an opinion to management on setting risk measurement criteria and acceptable risk level before proposing to the Board of Directors.
5. Provide an opinion to management on setting appropriate risk management measures to cope with different situations before proposing to the Board of Directors.

6. Review the adequacy of the risk policies and risk management system, including the effectiveness of the system and the policy execution.
7. Report regularly to the Board of Directors the subjects pertaining to the Company's management, operations, and the status of the Company's risk, as well as any changes in risk factors and measures needed to be done to mitigate the risks a consistent with the risk policies and strategies.
8. Constitute risk management taskforces when necessary.
9. Support the risk management taskforces in such aspects as personnel, budget, and other resources suitable for the scope of task.

Risk Management Committee reports directly to the Board of Directors. The term of each member of Risk Management Committee is 3 years since the appointment date. Members of Risk Management Committee whose term has expired can be reappointed.

### 9.3 SELECTION OF DIRECTORS AND MANAGEMENT

The Nomination and Remuneration Committee is in charge of nominating qualified persons to be considered for the positions of the Company's directors, independent directors, and executives and seeking approval from the Board of Directors and/or Shareholders' Meeting (on a case-by-case basis). In so doing, the Committee will consider the candidate's qualifications, knowledge, abilities, and relevant experiences with consideration of desirable characteristics defined in Public Company Act. In addition, the candidates must not have prohibitive characteristics defined in Notification of the Securities and Exchange Commission No. KorChor. 3/2560 on Determination of Untrustworthy Characteristics of Company Directors and Executives (and subsequent amendments).

#### Components and Appointment of the Board of Directors

The Board of Directors determines the rules to appoint and release the Company's directors as follows:

1. The Board of Directors consists of at least 5 directors, who will collectively select, among themselves, one person to be Chairman of the Board of Directors, and may select other members to be Vice Chairman of the Board of Directors and other positions as deemed suitable. At least half of the members of the Board of Directors must domicile in the Kingdom of Thailand.
2. The Company's directors do not need to also be the Company's shareholders.
3. The Meeting of the shareholders has authority to appoint the Company's directors based on majority rule by the following procedures
  - (1) Each shareholder has his/her voting rights equal to the number of shares held by such shareholder.
  - (2) Each shareholder can use all of his/her voting rights to vote for one person or many persons, but he/she cannot divide the voting rights into pools of different size and give to many persons.

- (3) Candidates will be selected based on their ranks in the voting process. The number of candidates selected will equal the number of vacant positions. If two or more candidates share the same rank, Chairman of the Meeting has authority to ultimately select the candidates.
4. In each annual general of shareholders' meeting, 1 in 3 of the Company's directors must resign. If the number of the directors is not divisible by 3, the number of directors who must resign will be the closest to 1/3 of the directors. The Company uses lot method to define the directors to resign in the first and second year after the Company is listed. In the following years, the directors with the longest term in position must resign, yet with the chance of being reelected.
5. Besides termination by term expiration, the director status may end when the directors:
  - (1) Decease
  - (2) Resign
  - (3) Lack required qualifications or have prohibitive characteristics according to the Public Company Act
  - (4) The Meeting of shareholders resolute early termination of the director status by voting at least 3 in 4 of the shareholders with voting rights who present in the Meeting and have the combined shares at least half of the shares held by shareholders who present in the Meeting
  - (5) The status is terminated by court decree
6. In case that the director position becomes vacant for the reasons other than expiration of term, the Board of Directors may select qualified persons who have no prohibitive characteristics according to the Public Company Act to be a representative of the directors, except such term will be expired within 2 months. The persons who represent in the Board will assume the position only for the remaining term of the previous director. Selecting of such representative requires 3 in 4 approvals from the remaining directors.

#### **Components and Appointment of the Audit Committee**

1. The Audit Committee consists of 3 independent directors, at least 1 of them possesses adequate knowledge or experiences of Accounting and Finance to be able to verify the reliability of the Company's financial statements.
2. Qualifications of independent directors are stated in topic 9.2.2 Qualifications of independent directors, which is consistent with the minimum requirements defined by the SEC and the SET.
3. The Board of Directors or the annual general of shareholders' meeting has the authority to appoint the Audit Committee. Each member of the Audit Committee has a 3-year term, and can be reappointed once after the expiration of term. Reappointment is subjected to the approval of the Board of Directors or the Shareholders' Meeting.

## Components and Appointment of Executive Committee and the Company's Executives

The Nomination and Remuneration Committee has the authority to search for, review, and nominate the qualified candidates to the Board of Directors for approval as already mentioned in topic 9.2.4.

## Components and Appointment of the Nomination and Remuneration Committee

1. The Nomination and Remuneration Committee consists of 3 directors, at least 1 in 3 (1/3) of whom are independent directors. Chairman of Nomination and Remuneration Committee must be an independent director.
2. The Board of Directors owns authority to appoint the members of the Nomination and Remuneration Committee.
3. Each member of the Nomination and Remuneration Committee has a 3-year term, and can be reappointed once after the expiration of term. Reappointment is subjected to the approval of the Board of Directors.

## Components and Appointment of the Risk Management Committee

1. The Risk Management Committee shall consist of at least 1 in 3 (1/3) of independent directors. Chairman of the Risk Management Committee must be an independent director.
2. The Board of Directors owns authority to appoint the members of the Risk Management Committee.
3. Each member of the Risk Management Committee has a 3-year term, and can be reappointed once after the expiration of term. Reappointment is subjected to the approval of the Board of Directors.

## 9.4 MONITORING OF THE OPERATION OF AFFILIATES AND SUBSIDIARIES

In order to monitor the operation of its affiliates and subsidiaries, the Company will send a representative, whose may be Chairman of the Board of Directors, CEO, directors, top management, or any person who has the qualifications and experience of those, to be directors in affiliates and subsidiaries. A representative shall not have a conflict of interest and shall perform by based on rule and regulation of affiliates and subsidiaries as set out in the article of association, related law of affiliates and subsidiaries, including regulation of SET and SEC such as the acquisition and disposal of asset, and connected transaction.

In the past operation of the Company, the nomination and the voting to appoint directors of the Company's affiliates and subsidiaries are performed by the Company's management. Nevertheless, starting from 2014 onwards, the nomination and the appointment of such persons must be approved by the Company's Board of Directors. Directors of the affiliates and subsidiaries are responsible for maximizing the benefits of such companies, not those of the Company. In addition, in the case of subsidiaries, the directors of such subsidiaries are responsible for arranging to have a recording system of related transactions to ensure that such transactions be recorded, maintained in the proper fashion that is easy to verify and used for timely financial statement preparation.



## 9.5 CONTROLLING MEASURES FOR THE USE OF INTERNAL INFORMATION

Realizing the importance of transparency in corporate governance, the Company's Board of Directors put in place the following policies to prevent the misuse of the Company's undisclosed information for personal benefits:

- 1) Educate the Company's directors, executives, and managers in charge of Accounting or Finance Department with the rank of First Vice President and higher about the duty to prepare and submit the report of securities holding of oneself, spouses, and minor children to the SEC and SET according to the rules defined in Chapter 59 and penalty clauses in Chapter 275 of the Securities and Exchange Act B.E. 2535
- 2) The Company requires directors, executives, and managers in charge of Accounting or Finance Department with the rank of First Vice President and higher to always prepare and submit the report of securities holding of oneself, spouses, and minor children through Company Secretary before submitting to the SEC and the SET within 30 days since the date that such persons are appointed to assume the positions of directors or executives, as well as to prepare and submit the report of change of securities holding within 3 working days since the date of the purchase, sale, transfer, or receiving of such securities.
- 3) The Company requires that its directors, executives, managers in charge of Accounting or Finance Department with the rank of First Vice President or higher, and other persons having access to the Company's material undisclosed information that may affect the price of the Company's securities refrain from selling or buying such securities before the disclosure of financial statements, financial status, or business status prior to the disclosure of such information to the public. In so doing, the Company will notify its directors, executives, and managers in charge of Accounting Department or Finance Department with the rank of First Vice President or higher to refrain from aforementioned action in written notices at least 30 days prior to the public disclosure date. In addition, such persons shall wait at least 24 hours after the public disclosure before they can start transacting the securities and must not reveal such information to others by themselves.
- 4) The Company determines a range of disciplinary penalties for the misuse of internal information for personal benefits from written warnings, compensation deduction, suspension without payment, and dismissal. Execution of appropriate penalties depends on the offender's intention and the seriousness of the offensive actions.

## 9.6 COMPENSATION OF AUDITORS

The compensation paid to the auditor for the review of interim financial statements and the auditing of financial statements for the accounting period 2020 of the Company and its subsidiaries in Thailand totals 8.3 million Baht and the subsidiaries. The Company and its subsidiaries have no other expense of non-audit fee for the year 2020.

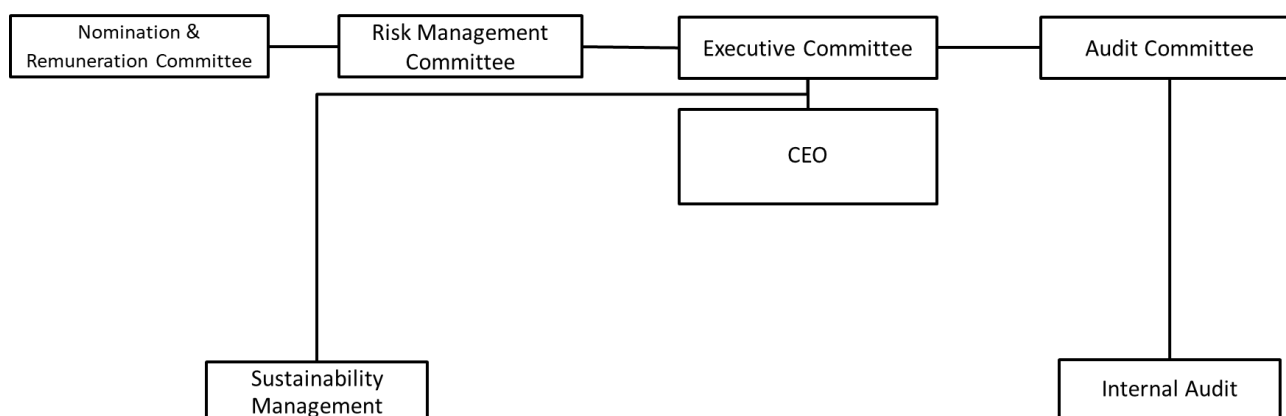
## 10. Corporate Social Responsibility

### Sustainability Objective

The Board of Directors of Pace Development recognize the importance of the role of business in contributing to sustainable development beyond regulatory compliance and philanthropic activities. In July 2017, the Sustainability Management Department was established as an in-house advisor on adopting world-class management practices with a long-term view of both risks and opportunities to create stakeholder value in the economic, social, and environmental dimensions. The long-term objective is to integrate sustainability into the mindset for PACE's daily operations and contributing to a better common future.

### Sustainability Governance

The Sustainability Management Department reports directly to the Executive Committee and is supervised by a Senior Executive Vice President who is a member of the Board of Directors. The Executive Committee oversees PACE's sustainability strategy and implementation.



### Stakeholder Engagement

The establishment of Sustainability Management laid the foundation for integrating stakeholder value in PACE's business strategy and operations. Our first step was to identify our priority stakeholder groups and assess their interests and concerns, as well as how to improve upon our engagement and response going forward.

### Sustainability Management Framework

Based on PACE's vision and mission, the sustainability framework has been created to define our strategic objectives of sustaining stakeholder value for shareholders, employees, customers & business partners, society and the environment.

PACE aims to continuously improve its management approach, especially in the top material issues, and set targets and sustainability indicators to measure progress in the future onward.

Purpose	<b>Vision</b> <i>To be a leader in premium quality lifestyles</i>		<b>Mission</b> <i>To innovate customer-centric experiences in property, hospitality and retail</i>		<b>Values</b> <i>Professionalism</i> <i>Achievement</i> <i>Collaboration</i> <i>Ethics</i>			
Stakeholders	Shareholders		Employees		Customers & Business Partners		Society & Environment	
Objectives	Sustainable Growth		Healthy & Innovative Workplace		Innovative Luxury Lifestyles		Impactful & Measurable Benefit	
Strategy	We are determined to deliver sustainable returns through innovation, risk management, and good governance.		We foster a balanced work culture of creativity and continuous development, well-being, and professionalism.		We ensure responsible sourcing and innovate high-end properties and lifestyle experiences that exceed expectations.		We proactively engage with communities and civil society to ensure responsible and beneficial impact on people and the environment.	

## 11. Internal Control

### 11.1 OPINIONS OF BOARD OF DIRECTORS AND AUDIT COMMITTEE

In Board of Directors' Meeting No. 2/2021 on 27 May 2021. The Board of Directors assesses the internal control system from the report on the assessment of the sufficiency of Internal Control System of the Securities and Exchange Commission. There are 5 components of the SEC standards, namely Control Environment, Risk Assessment, Control Activities, Information & Communication, and Monitoring Activities.

The BOD concluded that the Company has the existing internal control system that is appropriate and sufficient to ensure the compliance of the Company's operations with the required target, objective, legal requirements and relevant regulations effectively, so as to protect Company's assets from being misused. It provides a reasonable assurance that financial statements are reliable and correctly prepared. The summary of the assessment is as follows:

#### 1. Control Environment

The Company arranges environment and organizational structure that facilitates internal control system to be executed according to the Company's expectation. Moreover, the Company's policy, regulation, and code of conducts on business ethics are clearly written to prevent the management and employees from engaging in any activities that may give rise to conflicts of interest.

#### 2. Risk Assessment

The Company places high importance on risk management. It, hence, set up the Risk Management Committee to monitor the overall risk level of the Company, established a process to analyze external and internal risk factors that may affect the business, and arranged to have regular Risk Management Committee Meetings to assess risk factors and identified mitigation measures to reduce or avoid any event that may post a threat to the Company's performance or reputation. The Risk Management Committee is obliged to report directly to the Board of Directors.

#### 3. Control Activities

The Company has internal control management's actions and appropriateness with risk and business types in order to achieve the organization's goals by setting up the organization structure and clearly dividing duties and responsibilities of each position in order to work properly, flexibly, and consistently with changing business situations. Moreover, the Company imposes policies to have transactions with parties involved in the Company. In the case of a transaction with major shareholders, directors, executives, and their relating parties, the Company will strictly follow the approval regulation with the Company's interest as the ultimate consideration and as if the transaction was being done with other unrelated parties.

#### 4. Information & Communication

The Company arranged to have sufficient data reporting to support the decision making of the Board of Directors. In practice, the Board of Directors receives meeting invitations and all supporting documents that contain sufficient information to the meeting. The minutes are kept both as hard copies and electronic copies that are easy to be retrieved yet cannot be altered. In addition, Management and staff at all levels are cautious in using information as stated in the Code of Conduct. The policy of information and information security is strictly enforced. And the company assigns the Information Technology Department to be the administrator of the effective computer security system and prepare emergency plans for information systems to prevent data loss. Under the policy of security of information and communication of the company. The accounting records comply with the accounting policies that are generally accepted and are appropriate to the nature of the business. The auditor did not report any deficiencies in the accounting records.

#### 5. Monitoring Activities

The Company has the meeting of the Board of Directors (BOD) every month to consider and monitor the performance of the management team to achieve the target. The Board of Directors assigns the Audit Committee to audit and monitor the internal control system by nominating internal auditors to monitor and assess work performance. Moreover, the Audit Committee considered and approved the annual internal audit plan and reviewed and identified issues with the Internal Audit Department every quarter. The Audit Committee shall remark comment / suggest to the Company for more effective work process improvement and correction.

### 11.2 HEAD OF INTERNAL AUDIT AND HEAD OF COMPLIANCE

#### Head of Audit

As of 31 December 2020, the Company could not search for any personnel who has proper qualification to be appointed as the Vice-President of Internal Audit Department. However, during Board of Directors' Meeting No. 2/2021 on 27 May 2021, the Board of Directors concluded that the Company had the existing internal control system that was appropriate and sufficient to ensure the compliance of the Company's operations to meet the required target, objective, legal requirements and relevant regulations effectively, enable to protect the Company's assets from being misused. It provided a reasonable assurance that financial statements were reliable and correctly prepared.

#### Head of Compliance

Mr. Pornson Patanasin Chief Operation Officer and Vice President

## 12. Related Party Transactions as of December 31<sup>st</sup>, 2020

Persons that may have conflicts of interest and nature of relationships are shown below:

Legal Persons That May Have Conflicts of Interest (Legal entity)	Abbreviation	Nature of Business	Nature of Relationship
Fourteen Points Co., Ltd.	FP	Restaurant	Mr. Sorapoj Techakraisri holds 100% of its shares.
PACE Development Co., Ltd.	PACED	Project management services	Mr. Sorapoj Techakraisri and Mr. Chotipol Techakraisri hold 50% and 50% of its shares, respectively.
Fierce Publishing Co., Ltd.	FIERCE	Publish advertisements on newspapers, journals, and magazines	Mr. Sorapoj Techakraisri holds 88.6% of its shares.
Fourteen Points Holding Co., Ltd.	FPH	Holding company	Mr. Sorapoj Techakraisri holds 100% of its shares.
WM Imagineer Co., Ltd.	WM-IM	Construction Contractor	Mr. Pongsak Mahattanasakul is the company's director.
WM Advisory Co., Ltd	WM-AD	Consultancy services	Mr. Pongsak Mahattanasakul is the company's director.
MahaNakhon Bespoke Tailoring Co., Ltd.	BeSPK	Tailor shop	Mr. Sorapoj Techakraisri holds 100% of its shares.

Legal Persons That may have Conflicts of Interest (Persons)	Nature of Relationship
Mr. Sorapoj Techakraisri	The Company's authorized director and major shareholders, holding 29.322% of the Company's shares
Mr. Sumate Techakraisri	The Company's shareholder, holding 0.741% of the Company's shares, and father of Mr. Sorapoj Techakraisri, Mr. Chotipol Techakraisri, and Mr. Chumpol Techakraisri
Mrs. Yupa Techakraisri	The Company's shareholder, holding 5.429% of the Company's shares, and mother of Mr. Sorapoj Techakraisri, Mr. Chotipol Techakraisri, and Mr. Chumpol Techakraisri
Mr. Chumpol Techakraisri	The Company's authorized director and shareholder and younger brother of Mr. Sorapoj Techakraisri.
Mr. Theera Vayakornvichitre	The director of Dean&DeLuca Asia (Singapore) Pte Ltd, Dean&DeLuca China (HK) Co., Limited, and Dean&DeLuca Consumer China (HK) Co., Limited with is the subsidiaries of the company.
Mr. Pongsak Mahattanasakul	The director of Pace Interior Services Co., Ltd. which is the subsidiary of the Company

In 2020 and 2019, the Company engaged in transactions with the persons who may have conflicts of interest; however, such transactions did not result in conflicts of interest. Such transactions are as follows:

(1) Purchase of Products and Services

Seller/Service Provider	Buyer	Type of Transaction	Transaction Size		Pricing and Condition	Audit Committee's Opinions
			In the year ending on December 31 <sup>st</sup> , 2020 (Million Baht)	In the year ending on December 31 <sup>st</sup> , 2019 (Million Baht)		
PACE Three	FP	Trade account receivable Beginning balance Increase during the period Decrease during the period Ending balance Allowance for doubtful account Net balance	79.0 - - 79.0 (79.0) -	79.0 - - 79.0 (79.0) -	<ul style="list-style-type: none"> <li>FP entered into a Rental and Services Agreement at Cube Building for 2 contracts, 1<sup>st</sup> contract for Vogue and 2<sup>nd</sup> Contract for L'Atelier de Joe Robuchon since 2013 and 2014, respectively.</li> <li>Subsequently in April 2018, PACE Three entered into Asset Sale and Purchase Agreement to sell assets including Cube Building to King Power Mahanakorn Co.,Ltd. So, PACE Three has no record of rental and services income since April 2018. On the same date, the Company purchase all shares of PACE one and PACE Three from investor (Apollo and Goldman Sachs). So, PACE Three and PACE One have status as subsidiary of the Company.</li> <li>All in all, PACE Three has FP trade receivable in financial statement balance of Baht 79 Million. However PACE Three have already recognised a provision for impairment loss on FP trade receivable.</li> </ul>	<ul style="list-style-type: none"> <li>Such transaction is considered a trading transaction with normal conditions</li> </ul>



Seller/Service Provider	Buyer	Type of Transaction	Transaction Size		Pricing and Condition	Audit Committee's Opinions
			In the year ending on December 31 <sup>st</sup> , 2020 (Million Baht)	In the year ending on December 31 <sup>st</sup> , 2019 (Million Baht)		
PACE Three	BeSPK	Trade account receivable			<ul style="list-style-type: none"> <li>BeSPK entered into a Rental and Service Agreement at Cube Building since 2015.</li> <li>Subsequently in April 2018, PACE Three entered into Asset Sale and Purchase Agreement to sell assets including Cube building to King Power Mahanakhon Co.,Ltd. So, PACE Three has no record of rental and service income since April 2018. On the same date, the Company purchase all shares of PACE one and PACE Three from investors (Apollo and Goldman Sachs). So, PACE Three and PACE One have status as subsidiary of the Company. All in all, PACE Three has BeSPK trade receivable in financial statement balance of Baht 3.4 million. However PACE Three have already recognized a provision for impairment loss on FP trade receivable.</li> <li>All in all, PACE Three has BeSPK trade receivable in financial statement balance of Baht 3.4 Million. However, PACE Three have already recognised a provision for impairment loss on BeSPK trade receivable.</li> </ul>	<ul style="list-style-type: none"> <li>Such transaction is considered a trading transaction with normal conditions.</li> </ul>
		Beginning balance	3.4	3.4		
		Increase during the period	-	-		
		Decrease during the period	-	-		
		Ending balance	3.4	3.4		
		Allowance for doubtful account	(3.4)	(3.4)		
		Net balance	-	-		

Seller/Service Provider	Buyer	Type of Transaction	Transaction Size		Pricing and Condition	Audit Committee's Opinions
			In the year ending on December 31 <sup>st</sup> , 2020 (Million Baht)	In the year ending on December 31 <sup>st</sup> , 2019 (Million Baht)		
Dean & DeLuca Asia (Thailand)	FIERCE	Income from sales of foods and beverages			<ul style="list-style-type: none"> <li>Dean &amp; DeLuca Asia (Thailand) has sold foods and beverages to FIERCE.</li> <li>Dean &amp; DeLuca Asia (Thailand) has set allowance for FIERCE at full amount.</li> </ul>	<ul style="list-style-type: none"> <li>Such transaction is considered a trading transaction with normal conditions.</li> </ul>
		Beginning balance	1.4	1.4		
		Increase during the period	-	-		
		Decrease during the period	-	-		
		Ending balance	1.4	1.4		
		Allowance for doubtful account	(1.4)	(1.4)		
		Net balance	-	-		
Dean & DeLuca Asia (Thailand)	Mr. Sorapoj Techakraisri	Income from sales of foods and beverages			<ul style="list-style-type: none"> <li>Mr. Sorapoj Techakraisri bough foods and beverages from Dean &amp; DeLuca Asia (Thailand).</li> </ul>	<ul style="list-style-type: none"> <li>Such transaction is considered a trading transaction with normal conditions.</li> </ul>
		Beginning balance	0.4	0.4		
		Increase during the period	0.1	-		
		Decrease during the period	-	-		
		Ending balance	0.5	0.4		
FIERCE	PACE Country Club	Selling and administrative expenses			<ul style="list-style-type: none"> <li>Pace Country Club hired FIERCE to take a photo for advertising and marketing</li> </ul>	<ul style="list-style-type: none"> <li>Such transaction is considered a trading transaction with normal conditions.</li> </ul>
		Beginning balance	0.7	0.7		
		Increase during the period	-	-		
		Decrease during the period	-	-		
		Ending balance	0.7	0.7		

Seller/Service Provider	Buyer	Type of Transaction	Transaction Size		Pricing and Condition	Audit Committee's Opinions
			In the year ending on December 31 <sup>st</sup> , 2020 (Million Baht)	In the year ending on December 31 <sup>st</sup> , 2019 (Million Baht)		
FP	Dean & DeLuca Asia (Thailand)	Selling and administrative expenses			<ul style="list-style-type: none"> <li>During the period, Dean &amp; DeLuca Asia (Thailand) bought food and from FP.</li> </ul>	<ul style="list-style-type: none"> <li>Such transaction is considered a trading transaction with normal conditions.</li> </ul>
		Beginning balance	0.8	0.9		
		Increase during the period	-	0.1		
		Decrease during the period	-	(0.2)		
		Ending balance	0.8	0.8		
WM-IM	PACE Interior Services	Rental Expense			<ul style="list-style-type: none"> <li>In 2019 and 2020 PACE Interior Services has rent office space in Teo Hong Silom Building from WM-IM floor 3 (Partially) contract start in December 2019 to May 2020 as temporally office</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
		Beginning balance	0.1	-		
		Increase during the period	0.1	0.1		
		Decrease during the period	(0.2)	-		
		Ending balance	-	0.1		

Seller/Service Provider	Buyer	Type of Transaction	Transaction Size		Pricing and Condition	Audit Committee's Opinions
			In the year ending on December 31 <sup>st</sup> , 2020 (Million Baht)	In the year ending on December 31 <sup>st</sup> , 2019 (Million Baht)		
WM-AD	PACE Interior Services	Selling and administrative expenses			<ul style="list-style-type: none"> <li>● Pace Interior Services ("PIS") entered into Managed and Interior Services Agreement for construction management and interior services of MahaNakhon project since 2015. The service fee is indicated in the agreement</li> <li>● During 2019, Pace Interior Services entered into 4 Managed and Interior Services agreements as below, <ul style="list-style-type: none"> <li>- Agreement dated 1 January 2019 for service period during January – March 2019 with service fee (Include VAT) Baht 5.35 million</li> <li>- Agreement dated 1 April 2019 for service period during April – June 2019 with service fee (Include VAT) Baht 5.35 million</li> <li>- Agreement dated 1 July 2019 for service period during July – September 2019 (Include VAT) Baht 5.35 Million</li> <li>- Agreement dated 1 October 2019 for service period during October – December 2019 (Include VAT) Baht 5.35 million</li> </ul> </li> <li>● In 2020, no additional contract.</li> </ul>	<ul style="list-style-type: none"> <li>● Such transaction is considered a trading transaction with normal conditions.</li> </ul>
		Beginning balance	16.0	5.3		
		Increase during the period	16.0	21.4		
		Decrease during the period	(8.0)	(10.7)		
		Ending balance	24.0	16.0		

## (1) Advance Received / Advance Payment

Payee	Payer	Type of Transaction	Outstanding as of December 31 <sup>st</sup> , 2019 (Million Baht)	Increase during the period (Million Baht)	Decrease during the period (Million Baht)	Outstanding as of December 31 <sup>st</sup> , 2020 (Million Baht)	Pricing and Conditions	Audit Committee's Opinion
The Company	Mr. Sumate Techakraisri	Advance received from customers	0.3	-	-	0.3	On July 9 <sup>th</sup> , 2013, the Company sold a life-time membership of Country Club Hua Hin to Mr. Sumate Techakraisri.	Such transaction is a normal business transaction with a then-current market sales price.
The Company	Mr. Chumpol Techakraisri	Advance received from customers	0.3	-	-	0.3	On June 28 <sup>th</sup> , 2013, the Company sold a life-time membership of Country Club Hua Hin to Mr. Chumpol Techakraisri.	Such transaction is a normal business transaction with a then-current market sales price.
The Company	Mr. Sorapoj Techakraisri	Advance received from customers	42.4	-	-	42.4	On June 27 <sup>th</sup> , 2016, the company has made the agreement to purchase and sales a condominium unit of Nimit Langsuan Project with Khun Sorapoj Techakraisri.	Such transaction is a normal business transaction with a then-current market sales price.
The Company	Mr. Sorapoj Techakraisri	Advance received	1.3	1.1	(2.4)	-	Advance received Baht 1.1 Million is an advance payment by Mr. Sorapoj Techakraisri for operation expense. The Company has paid full amount to Mr. Sorapoj Techakraisri in 2020	Such transaction is a normal business transaction with a then-current market sales price.

Payee	Payer	Type of Transaction	Outstanding as of December 31 <sup>st</sup> , 2019 (Million Baht)	Increase during the period (Million Baht)	Decrease during the period (Million Baht)	Outstanding as of December 31 <sup>st</sup> , 2020 (Million Baht)	Pricing and Conditions	Audit Committee's Opinion
The Company	Mrs.Yupa Techakraisri	Advance received	9.6	-	(9.6)	-	Advance received Baht 9.6 Million is an advance payment by Mrs.Yupa Techakraisri for operation expense. The Company has paid full amount to Mrs. Yupa in 2020	Such transaction is a normal business transaction with a then-current market sales price.
Dean and DeLuca Asia (Thailand)	PACED	Advance payment and accrued royalty	3.5	-	-	3.5	Dean & DeLuca Asia (Thailand) has royalty payable and advance received from PACED in totaling amount of Baht 3.5 million	Such transaction is a normal business transaction with a then-current market sales price.
Dean & DeLuca Asia (Thailand)	Mr. Sorapoj Techakraisri	Advance received	16.3	8.0	(24.3)	-	Advance received Baht 8.0 Million ia an advance payment from Mr.Sorapoj Techakraisri for operation expense. The Company has paid full amount to Mr. Sorapoj Techakraisri in 2020	Such transaction is a normal business transaction with a then-current market sales price.
Dean & DeLuca Asia (Thailand)	Mr. Theera Vayakornvichitr	Advance received	5.0	-	(5.0)	-	Advance received Baht 5.0 Million ia an advance payment from Mr.Theera Vayakornvichitr for operation expense. The Company has paid full amount to Mr.Theera Vayakornvichitr in 2020	Such transaction is a normal business transaction with a then-current market sales price.

Payee	Payer	Type of Transaction	Outstanding as of December 31 <sup>st</sup> , 2019 (Million Baht)	Increase during the period (Million Baht)	Decrease during the period (Million Baht)	Outstanding as of December 31 <sup>st</sup> , 2020 (Million Baht)	Pricing and Conditions	Audit Committee's Opinion
Dean & DeLuca Inc.	Mr. Sorapoj Techakraisri	Advance received	2.4	-	(1.1)	1.3	Advance received Baht 2.4 Million or USD 78,795 is an advance payment from Mr.Sorapoj Techakraisri for operation expense.	Such transaction is a normal business transaction with a then-current market sales price.
PACED	Dean & DeLuca Inc	Accrued royalty	2.4	0.1	-	2.5	PACED has royalty payable to Dean & DeLuca Inc in totaling amount of USD 80,664 In 2020 royalty payable has been increased due to exchange rate	Such transaction is a normal business transaction with a then-current market sales price.
PACE One	Mr. Sorapoj Techakraisri	Advance received	8.5	-	(8.5)	-	Advance received Baht 8.5 Million is an advance payment by Mr. Sorapoj for sculpture. The Company has paid full amount to Mr. Sorapoj Techakraisri in 2020	Such transaction is a normal business transaction.
PACE Food Retail	Mr. Sorapoj Techakraisri	Advance received	0.4	-	-	0.4	Advance received Baht 0.4 Million is an advance payment by K. Sorapoj for reimburse of business trip.	Such transaction is a normal business transaction.
PACE Food Retail	Mr. Theera Vayakornvichitr	Advance received	0.4	-	-	0.4	Advance received Baht 0.4 Million is an advance payment by K.Theera for reimburse of business trip.	Such transaction is a normal business transaction.

Payee	Payer	Type of Transaction	Outstanding as of December 31 <sup>st</sup> , 2019 (Million Baht)	Increase during the period (Million Baht)	Decrease during the period (Million Baht)	Outstanding as of December 31 <sup>st</sup> , 2020 (Million Baht)	Pricing and Conditions	Audit Committee's Opinion
PACE Interior Services	Mr. Pongsak Mahattanasakul	Advance received	6.0	15.0	(20.0)	1.0	Advance received Baht 1.5 Million is an advance payment by Mr. Pongsak for operation expenses.	Such transaction is a normal business transaction.
PACE Interior Services	Mr. Sorapoj Techakraisri	Advance received	-	7.1	(4.1)	3.0	Advance received Baht 4.1 Million is an advance payment by Mr. Sorapoj for operation expense .	Such transaction is a normal business transaction.



## (2) Loans and Interest Expenses

Borrower	Lender	Type of transaction	Outstanding Balance as of Dec 31 <sup>st</sup> , 2019 (Million Baht)	Increase during period (Million Baht)	Decrease during period (Million Baht)	Outstanding Balance as of Dec 31 <sup>st</sup> , 2020 (Million Baht)	Pricing and Condition	Audit Committee's Opinions
PACE Country Club	Mr. Sorapoj Techakraisri	Loan	0.7	0.2	-	0.9	<ul style="list-style-type: none"> <li>As of 31<sup>st</sup> December 2019, PACE Country Club has outstanding loan by Mr. Sorapoj Techakraisri. This loan no carrying interest and will be due at call.</li> <li>As of 21<sup>st</sup> January 2020, PACE Country Club has outstanding loan by Mr.Sorapoj Techakraisri. This loan no carrying interest and will be due at call.</li> </ul>	Such transaction occurred in the past and was necessary for enhancement of the Company's liquidity.
PACE One	Mr. Sorapoj Techakraisri	Loan	-	43.6	(43.6)	-	<ul style="list-style-type: none"> <li>PACE One has outstanding loan by Mr.Sorapoj Techakraisri. This loan no carrying interest and will be due at call.</li> <li>PACE One has paid full outstanding loan</li> </ul>	Such transaction occurred in the past and was necessary for enhancement of the Company's liquidity.

Borrower	Lender	Type of transaction	Outstanding Balance as of Dec 31 <sup>st</sup> , 2019 (Million Baht)	Increase during period (Million Baht)	Decrease during period (Million Baht)	Outstanding Balance as of Dec 31 <sup>st</sup> , 2020 (Million Baht)	Pricing and Condition	Audit Committee's Opinions
FP	The Company	Loans	22.9	-	-	22.9	<ul style="list-style-type: none"> <li>On 25<sup>th</sup> January 2019, FP borrowed Baht 22.9 Million from the Company</li> <li>Interest rate of 5.5% per annum</li> <li>Due with in 24<sup>th</sup> January 2021</li> <li>The full amount of such loan has been set and record.</li> </ul>	<ul style="list-style-type: none"> <li>Such transaction occurred and was necessary for enhancement of the Company's liquidity.</li> </ul>
		Accrued interest payable	1.2	1.2	-	2.4		
		Allowance for doubtful account	-	(25.3)	-	(25.3)		
		Net balance	24.1	(24.1)	-	-		
BeSPK	The Company	Loans	1.8	-	-	1.8	<ul style="list-style-type: none"> <li>On 25<sup>th</sup> January 2019, BeSPK borrowed Baht 1.8 million from the Company</li> <li>Interest rate of 5.5% per annum</li> <li>Due with in 24<sup>th</sup> January 2021</li> <li>The full amount of such loan has been set and record.</li> </ul>	<ul style="list-style-type: none"> <li>Such transaction occurred and was necessary for enhancement of the Company's liquidity.</li> </ul>
		Accrued interest payable	0.1	0.1	-	0.2		
		Allowance for doubtful account	-	(2.0)	-	(2.0)		
		Net balance	1.9	1.9	-	-		

### (3) Guarantees and Collateral Securities provided to Financial Institutions (as of December 31<sup>st</sup>, 2020)

The Company, and its subsidiaries entered into credit facilities agreements with financial institutions whereby the Company's directors and related parties provided guarantee to the loans. Guarantors did not ask for guarantee fees from the Company, and subsidiaries for such transaction. The transactions are as follows:

Guarantors	Receiver of the Loans from FIs	Lenders	Credit Facility (Million Baht)	Loan Utilization (Million Baht)	Details of Guarantee/Collateral Securities	Audit Committee's Opinion
Mr. Sorapoj Techakraisri Mrs. Yupa Techakraisri	Dean and DeLuca Asia (Thailand)	Bangkok Bank Public Company Limited	85.0	-	<ul style="list-style-type: none"> <li>On Sep 22<sup>th</sup>, 2014, Dean &amp; DeLuca Asia (Thailand) entered into the Credit Facility Agreement to have long term loan amount of Baht 80 million and overdraft Baht 5 million are guaranteed by               <ol style="list-style-type: none"> <li>The company's shares held by Mr. Sorapoj Techakraisri of 15 million shares.</li> <li>Shares of related party held by Mrs. Yupa Techakraisri of 10 million shares</li> <li>Guarantee by Mr. Sorapoj Techakraisri and Mrs. Yupa Techakraisri</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>The transaction that occurred was necessary and beneficial to the Company's business operation. There was no guarantee fee for such transaction.</li> </ul>
Mr. Sorapoj Techakraisri	The Company	The Siam Commercial Bank Public Company Limited	4,748.0	3,898.0	<ul style="list-style-type: none"> <li>On Nov 25<sup>th</sup>, 2015, the Company entered into the credit facility agreement to obtain long term loan facility Baht 4,673 million, overdraft Baht 30 million, and Letter of guarantee Baht 45 million.</li> <li>Guarantee by Mr. Sorapoj Techakraisri</li> </ul>	<ul style="list-style-type: none"> <li>The transaction that occurred was necessary and beneficial to the Company's business operation. There was no guarantee fee for such transaction.</li> </ul>