



SJ ANNUAL
REPORT
2019

Financial Overview

CONSOLIDATED	2019	2018	2017
Financial Position and Operating Results (Thousand Baht)			
Total Assets	4,945,873	4,924,587	5,054,327
Total Liabilities	1,020,824	1,039,827	1,230,091
Shareholders' Equity of Parent Company	3,590,664	3,557,236	3,519,928
Sales	4,634,030	4,798,321	4,949,630
Total Revenues	4,770,553	5,032,777	5,116,095
Gross Profit	1,214,400	1,184,146	1,150,912
Profit attributable to equity holders of the parent	258,247	347,399	274,436
Information per Share (Baht)			
Par Value	1.00	1.00	1.00
Book Value	26.18	25.91	23.48
Earnings per share	1.72	2.32	1.83
Market Price at year end date	25.00	23.80	22.00
Dividend payment	1.10*	1.26	1.20
Financial Ratio			
Profitability (%)			
Return on Total Revenues	5.41	6.90	5.37
Return on Equity	7.23	9.82	7.30
Liquidity Ratio (Times)			
Current Ratio	2.60	2.46	1.85
Quick Ratio	1.35	1.31	0.95
Liquidity of Cash Flow from Operation	0.52	0.58	0.38
Efficiency Ratio (%)			
Return on Assets	5.23	6.96	5.24
Return on Fixed Assets	28.97	33.87	30.70
Financial Policy Ratio (Times)			
Debt to Equity Ratio	0.26	0.27	0.32
Interest Coverage	83.58	86.97	40.78
Payout Ratio (%) (The Separate Financial Statements)	62.91*	50.02	55.36

* The Board of Directors resolved to set dividend payment rate at 1.10 per share, for further proposal to the shareholder's general meeting for approval, on April 23, 2020.

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Position assignments for the directors and management member for the subsidiary, associate and related companies



Mr.Boonkiet Chokwatana
Chairman



Mrs.Tipaporn Chokwatana
Vice Chairman



Mr.Thirasak Vikitset
Managing Director



Dr.Atthakorn Glankwamdee
Deputy Managing Director



Mr.Amorn Asvanunt
Chairman of Audit Committee



Pol.Gen.Somchai Prabhasabhakdi
Director of Audit Committee

BOARD OF DIRECTORS



Mrs. Pradittha Chongwattana
Director Of Audit Committee



Assist. Prof. Dr. Pongchai Atikomrattanakun
Director Of Audit Committee



Admiral Apichart Pengsritong
Independent Director



Mrs. Pismai Chandrubeksa
Independent Director



Mrs. Kaewta Ongsaranakom
Director



Prof. Dr. Malyn Ungsurungsie
Director



Mrs. Chitraporn Vikitset
Director



Mrs. Teerada Ambhanwong
Director



Mr. Suthep Dansiriviroj
Director

During 2019 S&J continued to see enormous changes occurring in the dynamic rising beauty industry, which along with numerous disruptive social-economic and political factors presented serious challenges for the Company throughout the year. With a rapid move to a more digital economy, it means a huge number of new start-up companies are entering the market through online selling channels along with multiple new entries to the retail environment, which are both creating ever greater competition. In addition the Thai Baht continued to be strong against other major currencies, thus putting pressure on exports, also such events as increased environmental pollution and global warming have been adding to the negative impact on consumer sentiment.

Notwithstanding, the Company was still determined to maintain continuous business growth by creating new innovation product formulations, as well as supplying sustainable raw materials, and environmental friendly packaging for producing suitable market acceptable value-added products. Moreover, through impressive commercial presentations and high levels of service, the Company continued to maintain existing customers at the same time as seeking new business opportunities both locally and overseas, in order to strengthen the customer base and increase respective sustainable sales and profitability.

Furthermore, a fundamental part of S&J's approach to business is having good corporate governance with transparency. Therefore the business developed comprehensive sustainable development guidelines to take account of all stakeholders by combining future economic growth with sound social and environmental responsibility. Accordingly, for a second consecutive year the Company was assessed and awarded at the category level of "Excellent" by the Corporate Governance Report of Thai Listed Companies 2019. Further awards received during the year, included two awards from the Stock Exchange of Thailand (SET) namely, a "Highly Commended Sustainability Excellence Award 2019", as well as for the sixth consecutive year a "Thailand Sustainability Investment Award 2019", for which the Company's business operations take great pride in receiving, accordingly.

On behalf of the Board of Directors, I would like to thank our shareholders, business partners, and all relevant parties who have continually trusted and supported the Company. Also, my appreciation goes out to all executives and employees who have diligently supported the Company's business operations to enable us to increase our economic value, based on both social and environmental value creation. Moreover, we believe these factors will ever enhance the Company's continuous sustainable growth.



(Mr.Boonkiet Chokwatana)

Chairman

In summary, The Audit Committee performed its duties and responsibilities as specified in the Audit Committee Charter. The Audit Committee consists of knowledgeable and experienced personnel in reviewing financial statements. This year 2019, The Audit Committee consists of:

1. Mr. Amorn	Asvanunt	Chairman of Audit Committee
2. Pol.Gen.Somchai	Prabhasabhakdi	Director of Audit Committee
3. Mrs.Pradittha	Chongwattana	Director of Audit Committee
4. Asst.Prof.Dr.Pongchai	Athikomrattanakul	Director of Audit Committee

The Committee held 5 meetings upon consultations with the management, the internal auditor, the external auditor as necessary. The results of each meeting were reported to the Company Board of Directors in order to take appropriate action. The Committee's main activities in are summarized as follows:

1. Reviewed financial reports to ensure that the financial statements preparation was in conformity with legal requirements and Thai Financial Reporting Standards (TFRS) , reliable and in timely manner, and information was sufficiently disclosed in such statements.
2. Reviewed disclosures of data on related transactions every quarter pursuant to the Notification of the Securities Exchange Commission of Thailand on: Disclosure of Information and Conduct by Listed Companies on Inter-related Transactions to ensure that they are correct and complete.
3. Reviewed in order to ensure that the Company conducted its business according to the Securities and Exchange law, regulations of the Stock Exchange of Thailand, and related laws.
4. Reviewed and assessed the adequacy of the internal control processes and Self-Evaluation regarding Anti-Corruption Measures 71 items and gave recommendations for proper internal control processes and adequate internal auditing including promoting more efficient supervision of operations as well as promoting systematic risk management processes.
5. The external auditors were invited to attend the meeting with the Audit Committee on a quarterly basis to listen to explanation concerning the Auditor's report, results of the audit and review of financial statements, issues ensuing from the audit or review and recommendations on the internal control system and directions of Thai Financial Reporting Standards (TFRS) . The committee also held one meeting with the external auditor without company's management representative attending the meeting.
6. Reviewed annual audit plans, acknowledged the audit report and followed up on corrective actions of issues raised by the report, especially significant to ensure good corporate governance.
7. Considered, selected and proposed the appointment of independent individuals to act as the external auditor and proposed their remuneration prior to the Company's Board of Directors for their further submission to the shareholders for approval.
8. Suggestions and monitoring the improved work flow system that can be counter balance as the circumstance change and followed up on results of audit reports.

The committee has commented that the company has adequate internal control, risk management and internal audit. Also, in place work practices aligning with good governance, Anti – corruption, complies with laws requirements and obligations related to its businesses.



(Mr.Amorn Asvanunt)

Chairman of the Audit Committee

Quality Policy

We pledge to be a strong link in the supply chain. To our customers, we are committed to produce correct quality products, deliver them on time, and with competitive price. To our suppliers, we foster win-win partnerships that also enhance customer value. Our action will always be socially responsible and environmental friendly. Each employee will continue to improve and provide greater customer satisfaction through fast, flexible, and precise response.

Overview of Business

Over the past 30 years, S&J has responded to both the market trends and the needs of the cosmetics and beauty market. We provide a full range of services for brands retailers and our innovation has given rise to new market segments. We have been a leader in the business that offers the highest priority to the image in terms of form, design and packaging, efficient factories with high-quality technology. We are recognized and renowned for our expertise, as well as being recognized in the logistics network that is accessible around the world, and also marketing support that creates new standards in this industry.

Vission, Mission and Core Value

Vission

Being a leader in the comprehensive beauty industry in Thailand and Asian region inspired by innovation in products and services to meet the direct needs of customers and customer's behaviour.

Mission

The Company will expand customer base and market to cover more both domestic and overseas through its expertise and being recognized as the leader in the complete beauty industry while expanding opportunities and growth from new businesses with the potential of research and innovation development. By upgrading production, management and bring in new technologies in order to add value to supply-chain products and services to respond to changing customers needs. The Company strongly recognizes and stands on good cooperate governance that takes into account benefits of partners, customers, society and environment while moving forward to digital development to be the innovative organization coupled with the continuous upgrading of the obilities and capacities of personnel.

Core Value

- Target Focus
- Challenging ideas
- Success
- Unity
- Ethics

Business Development Plan

- **Short-Term Plan**

The Company will develop work processes to respond the needs of customers and be able to adapt in time to market conditions, product costs, currency fluctuations, customer needs, employees, as well as the requirements of partner countries that will have a significant impact to the Company's performance.

- **Long-Term Plan**

The Company will bring advanced technology to develop systems and processes to achieve fast accuracy to meet customer needs, and competitiveness in the market.

Competitive Strategies

Strategies and Goals established to enhance the growth and strength for the Company are as follows:

- **Maintain the existing customers base and acquiring both new domestic and international customers.**

- The Company has planned for and promoted good relationship with all existing customers while improving effectiveness through quality products and speed to market in developing product to serve customers requirement in order to maintain and increase orders for new products. Additionally, the Company will be able to find new customers of medium and large sizes apart from the present ones in America, Asia and Southeast Asia in addition to the existing customers bases in England, Australia and Japan.
- The Company has planned to introduce new products which are popular and modernized while monitoring needed trends of each consumer group closely to introduce new products to catch up to fast changing demand of both existing and new customers in a timely manner.

- **Increase efficiency for supply chain and productivity.**

The Company has planned for and increased capabilities for cost and production to enhance speed to delivery the goods to customers. The Company will continually improve various working processes from products improvement, raw materials procurement, manufacturing and delivery from the sources to customer with quality and speed to increase customer's satisfaction. The company has been improving its operation system together with information technology to increase effectiveness of supply chain to reduce delay process or additional cost process.

- **Increase recognition and promotion for Corporate Brand**

The Company has planned for Corporate image and Branding to enhance recognition among customers, consumers and public awareness about the distinguished capacity, experiences and successes as research and development of leading beauty and health care products for Thailand and the Asian region. The Company has so far operated with international standard of laboratories for research and development and factory as well. Moreover, the Company is of the long operation experiences as the cosmetic and personal products manufacturer for leading brands of both domestic and overseas.

- **Increase capacity with research and development efficiency**

The Company has planned to highly upgrade research and development efficiency with an aim to firstly improve other product groups to serve consumer's demand while the Company is still of unexperiences in certain areas. Accordingly, the Company has so far concentrated to develop certain products to catch up the changing life styles of children, teenagers, working people as well as the senior and elder groups. These consumers are of changing behaviour with more attention to health care, innovative products and environmentally friendly.

- **Increase capacity with upgrading of personnel and organization efficiency**

The Company has established the plan with investment to upgrade the organization management as the "Innovative Organization" for the digital era on the operational process of digital technology including various services dimension and corporate functioning procedure coupling with personnel capabilities upgrading based on the highest acquired benefits from digital technologies.

Events and Development Highlights

S & J International Enterprises PCL., started its business in year 1980 with the major shareholder group by SAHA Group, formerly the name of S & J Food Co., Ltd. with primary objective to produce instant food. Later, the company changed its business to manufacturing cosmetics with technical support from the specialists from the United States. In the year 1983, the company changed its name to S & J International Enterprises Co., Ltd. and in year 1988 the company has listed on the Stock Exchange of Thailand Thailand. In year 1994, the company registered as a public company in the name of S & J International Enterprises PCL.

- 1988 - Listed on the Stock Exchange of Thailand and Increase its registered capital to 30 million baht.
- 1994 - Registered as a public company and increased its registered capital to 120 million baht.
- 1996 - Established of EF Company Limited, registered capital 1 million, held 49.96% by the company, with business operation as a distributor of Personal Care consumer goods.
- 2001 - EF Company Limited (a subsidiary) increased its share capital from 3 million to of 4 million baht, held 99.99% by the company.
 - Constructed its building on an area of 10,000 square metres for production of Liquid Toiletry.
- 2003 - Changed its par value from 10 bath each to 1 baht each, resulted increase in share capital from 12 million shares to 120 million shares and increased in paid-up share capital from 8 million shares to 80 million shares.
 - Established Wild Life (Thailand) Co., Ltd. (a subsidiary), registered capital of 1 million baht, held 99.99% by the Company, with its business operation as consumer goods distributor of sunscreen and mosquito repellent cream.
- 2004 - Called up its share capital 20 million shares of 100 million baht.
 - Registered the change in paid-up capital from its original 80 million shares of 80 million baht to of 100 million shares of 100 million baht with the Ministry of Commerce on May 9, 2004.
- 2005 - Approved by the ordinary general meeting of shareholders No.26 on April 25, 2005 for the ESOP program and got approval from the Securities and Exchange Commission, on February 20, 2005 for offering new shares to employees of the company.
- 2006 - Issued warrants to purchase common stocks offered to directors and employees of the company and its subsidiaries under the ESOP program for 5 million shares, the proposed sale of securities to directors and employees of the company and its subsidiaries (ESOP), the number of 5 million unit rate. The exercise ratio is 1 unit to 1 common stock at the exercise price of 4 Baht per shares to allocate to exercise of the ESOP project of, 5 million shares for exercise period from March 10, 2006 to March 9, 2009.
- 2009 - Established S & J International (UK) Ltd. (a subsidiary), registered capital of 5 million baht, held 100% by the company, with its business operation to provide for the marketing and distribution of raw materials and packaging.
- 2010 - Constructed its building on an area of 8,000 square meters for producing Lipstick, chemical laboratory and biological microscopically, office and warehouse.

- 2011 - Increased its share capital of 45,186,500 shares by offering to the existing shareholders of the Company in proportion to their shareholding (Right Offering) at the price of 12 baht, in case of the remaining unsubscribed shares were offering to the private placement, The offering price must not lower than 90 percent of the average market share price.
- Constructed Pinthong plant on the space of 9,000 square meters, for manufacturing Liquid, Skin Care and Toiletry products.
- 2015 - Established 4WD Vision Co.,Ltd. (a subsidiary), registered capital of 10 million baht, held by the company at 99.99%, with its business operation of trading.
- Established SAAS co.,Ltd. (a subsidiary), registered capital is 20 million baht, held by the company at 99.99%, with its business operation to research and development of the cosmetic formulation.
- 2016 - Investment in Atika Beauty Manufacturing Sdn. Bhd. (an Associate) in Malaysia with registered capital of 5 million ringgit, held 35% by the company, with its business of manufacturing of halal cosmetics.
- 2019 - Increased in proportion of shareholding in Atika Beauty Manufacturing (an Associate) in Malaysia due to the associate increased its registered share capital of 1 million Ringgit, totalling share capital of 6 million Ringgit.

Moreover, the company has developed the Management and Environment during the past 5 years as follows:

- 2015 - Established Corporate Governance Committee, to support the operation of the Board of Directors in corporate governance of the company, which supports various operations to achieving objectives and target which create value added and confidence to shareholders and stakeholders in all sectors.
- Received Thailand Sustainability Investment award of year 2015 award from the Securities Exchange of Thailand.
- Received the ESG100 Certificate of year 2015 which is 1 in 100 listed companies from Thaipat Institute, Outstanding in the business of sustainable environmental, social and corporate governance (Environmental, Social and Governance : ESG100).
- 2016 - Received the ESG100 Certificate 2016 which is 1 in 100 listed companies from Thaipat Institute, Outstanding in the business of sustainable environmental, social and corporate governance (Environmental, Social and Governance : ESG100).
- Received the Award of establishment under the pilot project for preparation of practical guidelines for Best Practice to Green Supply Chain industry's target for exports, from the Department of Primary Industries and Mines.
- Certified as a member of Collective Action Coalition Against Corruption (CAC) on October 14, 2016 that reflects business with integrity, transparency, and good internal controls by aware of all stakeholders.
- Received the SET Awards Innovation of year 2016, Excellent award from the Securities Exchange of Thailand.
- Received the Sustainability Investment Thailand award of year 2016 from the Securities Exchange of Thailand.

- 2017
- Received the SET Awards of year 2017, Best Innovative Company Award from the Securities Exchange of Thailand.
 - Received the Outstanding SET Sustainability Award 2017 from the Securities Exchange of Thailand.
 - Received the Sustainability Investment Thailand award of year 2017 from the Securities Exchange of Thailand.
 - Received the ESG100 Certificate of year 2017 which is 1 in 100 listed companies from Thaipat Institute, Outstanding in the business of sustainable environmental, social and corporate governance (Environmental, Social and Governance : ESG100).
 - Received “FDA quality awards competition 2017” from the Office of the Food and Drug Administration. This award is intended to recognize establishments to do well, morality and ethics, produce products that are standard and safe for consumers.
 - Received national award for workplace excellence; Occupational Safety, Health, and Environment (Gold Level). The award was given by Department of Labor Protection and Welfare.
- 2018
- Received “SET Awards of year 2018”, Outstanding Innovative Company Awards from the Securities Exchange of Thailand.
 - Received “Outstanding SET Sustainability Award 2018” from the Securities Exchange of Thailand.
 - Received “the Thailand Sustainability Investment award of year 2018” from the Securities Exchange of Thailand.
 - Received “ESG100 Certificate of year 2018” which is 1 in 100 listed companies from Thaipat Institute, Outstanding in the business of sustainable environmental, social and corporate governance (Environmental, Social and Governance : ESG100).
 - Received “TOP INNOVATIVE ORGANIZATION 2018” from National Innovation Agency (Public Organization), the Securities Exchange of Thailand and the College of Management Mahidol University. The company has been assessed to be at level 5, which is the highest level with outstanding development in innovative strategies and create an innovation culture in the organization systematically as well as being able to lead the organization to innovation excellence in a sustainable manner.
 - Received “FDA quality awards competition 2018” from the Office of the Food and Drug Administration. This award is intended to recognize establishments to do well, morality and ethics, produce products that are standard and safe for consumers.
 - Received National award for workplace excellence; Occupational Safety. The award was given by Department of Labor Protection and Welfare.
- 2019
- Received “SET Awards of year 2019”, Highly Commended Sustainability Excellence Awards 2019 from the Securities Exchange of Thailand.
 - Received “the Thailand Sustainability Investment award of year 2019” from the Securities Exchange of Thailand.
 - Received “ESG100 Certificate of year 2019” which is 1 in 100 listed companies from Thaipat Institute, Outstanding in the business of sustainable environmental, social and corporate governance (Environmental, Social and Governance : ESG100).

- 2019
- Received “FDA quality awards competition 2019” from the Office of the Food and Drug Administration. This award is intended to recognize establishments to do well, morality and ethics, produce products that are standard and safe for consumers.
 - Received National award for workplace excellence; Occupational Safety. The award was given by Department of Labor Protection and Welfare.

Internationally Quality standards during the past 5 years as follows:

- 2013
- Certified the cosmetic good manufacturing practice (GMP) of the Food and Drug Administration, the Ministry of Public Health at Pinthong Factory.
- 2016
- Certified the International Standard, ISO 22716: 2007 (Cosmetic GMP) from TUV NORD (Thailand) at Pinthong Factory.
- 2017
- Certified the International Standards, ISO 9001: 2015 for Design & Manufacturing of Skin Care, Body Treatment, Toiletries, Colour Cosmetic, Hair Care, Sun Products, Perfume and Baby Products. The TUV NORD (Thailand).
 - Certified the Environmental Management System ISO 14001:2015 for manufacturing of Skin Care, Body Treatment, Toiletries, Cosmetic, Sun Care, Hair Colour Products, Perfume and Baby Products from RWTUV (Thailand)
- 2018
- Recertified the International Standard, ISO 22716: 2007 (Cosmetic GMP) from TUV NORD (Thailand).
 - Recertified Thai Labour Standard Certification (TLS.8001:2010) from Department of Labour Protection and Welfare, Ministry of Labour.
 - Certified Halal certification mark from LPPOM MUI Indonesia
- 2019
- Pinthong Plant Recertified the International Standard, ISO 22716: 2007 (Cosmetic GMP) from TUV NORD (Thailand).
 - Expanded the Scope of Accreditation for Testing standards ISO / IEC 17025: 2017, Preservative Cosmetics Testing from the Bureau of Laboratory Quality Standards, Ministry of Public Health.

Shareholding structure for companies under S & J

Policy of Dividing The Company's Operations in Group

S & J

The company is responsible for the design, research and development and sourcing of raw materials and packaging. Production is planned with cooperating with customers, and factory production to meet the needs of our customers.

Subsidiaries

A group of companies which supports the business of the company and is significant as its business unit meanwhile the company is their major investor. Affiliates are also a group of companies which is supervised by the company closely in order to ensure the pursuit of the company's policy as well as to have an efficient service. The companies in this type are as follows :

- Top Trend Manufacturing Co., Ltd. (TTM)
- Wildlives (Thailand) Co.,Ltd. (WL)
- EF Co.,Ltd. (EF)
- S & J International (UK) Ltd. (S&J - UK)
Guangzhou S & J Cosmetic Co., Ltd. (S&J - China)
4WD Vision (HK) Co.,Ltd. (4WD - HK)
- 4WD Vision Co.,Ltd. (4WD)
- SAAS Co.,Ltd. (SAAS)

Remark : Shareholding in the company, Guangzhou S & J Cosmetic Co.,Ltd. and 4WD vision (HK) Co.,Ltd. an indirect shareholding of the company through S & J International (UK) Ltd.

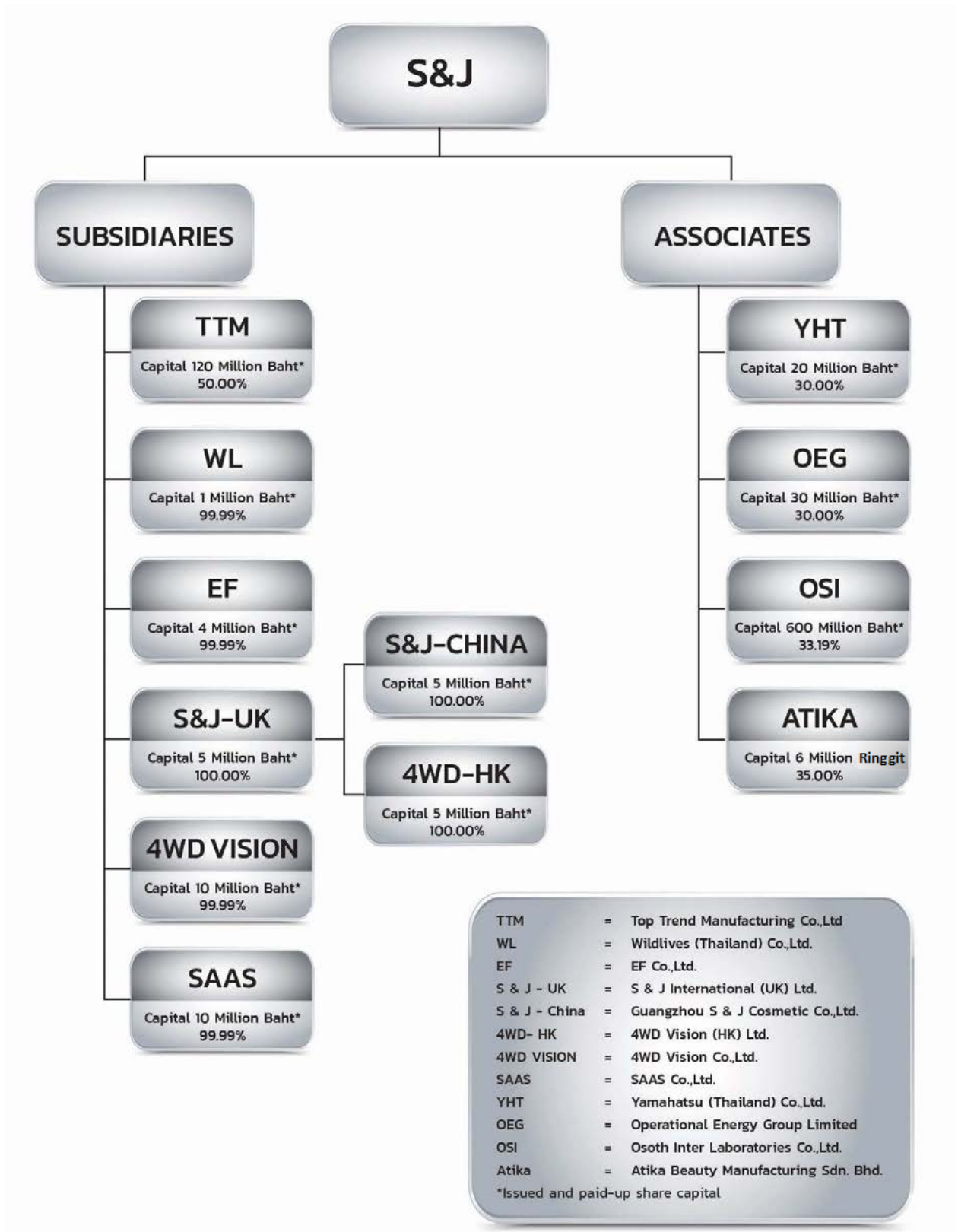
Associates

A group of companies which have investment ratio with its affiliates in order to provide benefits to the company strategically and for business coordination especially in form of various product development besides company's products. The companies in this type are as follows:

- Yamahatsu (Thailand) Co.,Ltd. (YHT)
- Operational Energy Group Limited (OEG)
- Osoth Inter Laboratories Co.,Ltd. (OSI)
- Atika Beauty Manufacturing Sdn. Bhd. (Atika)

The company's operating policy is to establish delegation within the group by each company having their own Board of Director to oversee and be responsible for their own company. Each Board of Directors has freedom to take care and supervise the company's activities under their own authority and designated responsibilities.

Shareholding structure for companies under S & J



Cross-shareholding as of December 31, 2019

While the company allows the structure for cross-shareholding, nevertheless, such cross-shareholding is not of the nature conflicting with nor contradicting to the announcement by The Capital Market Supervisory Board no. Thor Chor 258/2008 regarding “the permission request and the permission to offer newly-issued shares” no. 14. The company has acquired shares because of receiving a good rate of return in dividends payment every year and it is beneficial business to each other.

Company name	Shareholding Percentage	
	Shareholding by the company	Shareholding in the company
1. In the case of over 50% shareholding		
1.1 Other companies holding over 50% shares in the company. Cross-shareholding by the company in other companies is not allowed.	-	-
1.2 The company holding over 50% shares in other companies. Cross-shareholding by other companies in the company is not allowed.	-	-
1. Top Trend Manufacturing Co.,Ltd.	50.00	-
2. Wildlives (Thailand) Co.,Ltd.	99.99	-
3. EF Co.,Ltd.	99.99	-
4. S & J International (UK) Ltd.	100.00	-
5. Guangzhou S & J Cosmetic Co., Ltd. (100% shareheld by S&J UK)	100.00	-
6. 4WD Vision (HK) Co.,Ltd. (100% shareheld by S&J UK)	100.00	-
7. 4WD Vision Co.,Ltd.	99.99	-
8. SAAS Co.,Ltd.	99.99	-
1.3 The company holding over 50% shares in 2 other companies and Cross-shareholding between other such companies is not allowed.	-	-
2. In the case of over 25% shareholding, but not exceeding 50% shareholding		
2.1 Other companies holding over 25% but not exceeding 50% shares in the company. Over 10% cross-shareholding by the company in other companies is not allowed.	-	-
2.2 The company holding over 25% but not exceeding 50% shares in other companies. Over 10% cross-shareholding by other companies in the company is not allowed.	-	-
1. Yamahatsu (Thailand) Co.,Ltd	30.00	-
2. Operational Energy Group Co.,Ltd.	30.00	-
3. Osoth Inter Laboratories Co.,Ltd	33.19	-
4. Atika Beauty Manufacturing Sdn. Bhd.	35.00	-

Company name	Shareholding Percentage	
	Shareholding by the company	Shareholding in the company
3. In the case of not exceeding 25% shareholding		
3.1 Other companies holding not exceeding 25% shares in the company. Over 25% shareholding by the company in other companies is not allowed.	-	-
3.2 The company holding not exceeding 25% shares in other companies. Over 25% shareholding by other companies in the company is not allowed		
1. Saha Pathana Inter-holding Public Company Limited (SPI)	0.32	16.06
2. I.C.C. International Public Company Limited (ICC)	0.35	14.61

Relationship with major shareholder business group

The company was engaged in business transactions with Saha Pathana Inter-Holding Public Company Limited and I.C.C. International Public Company Limited, major shareholder of the company which were normal business transactions.

Revenue Structure

Saperated Revenue of each company		%	2019		2018		2017	
			Shareholding of Company	Million Baht	%	Million Baht	%	Million Baht
Manufacturing and Others Business Income								
Manufacturing of Cosmetic								
S & J International Enterprises PLC.	Domestic	-	1,612.6	29.2	1,837.2	31.8	1,880.8	32.2
	Oversea	-	2,174.4	39.3	1,974.8	34.1	2,159.9	37.0
Total Manufacturing of Cosmetic			3,787.0	68.5	3,812.0	65.9	4,040.7	69.2
Manufacturing of Packaging								
Top Trend Manufacturing Co.,Ltd.	Domestic	50.00	918.6	16.6	1,038.5	18.0	942.8	16.1
	Oversea	50.00	86.3	1.6	96.1	1.7	106.8	1.8
Total Manufacturing of Packaging			1,004.9	18.2	1,134.6	19.7	1,049.6	17.9
Others Business								
Wildlives (Thailand) Co.,Ltd.	Domestic	99.99	7.7	0.1	10.3	0.2	10.9	0.2
	Oversea	99.99	-	-	-	-	-	-
EF Co.,Ltd	Domestic	99.99	21.9	0.4	20.2	0.3	22.6	0.4
	Oversea	99.99	-	-	-	-	-	-
S & J International (UK) Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea	100.00	373.0	6.7	264.4	4.6	272.8	4.7
Guangzhou S & J Cosmetic Co.,Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea	100.00	-	-	-	-	-	-
4WD Vision (HK) Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea	100.00	82.0	1.5	59.0	1.0	58.0	1.0
4WD Vision Co.,Ltd.	Domestic	99.99	86.8	1.6	64.3	1.1	21.5	0.4
	Oversea	99.99	-	-	2.9	0.1	1.0	-
SAAS Co.,Ltd.	Domestic	99.99	1.1	-	0.7	-	0.5	-
	Oversea	99.99	-	-	-	-	-	-
Total Others Business			572.5	10.3	421.8	7.3	387.3	6.6
Total Manufacturing and Others Business Income			5,364.4	97.0	5,368.4	92.9	5,477.6	93.7
Other Income			109.3	2.0	370.3	6.4	302.8	5.2
Share of profit of investment in associates			57.6	1.0	42.4	0.7	66.7	1.1
Total Income			5,531.3	100.00	5,781.1	100.00	5,847.1	100.00

Remark : Additional information are disclosed in the Notes to Financial Statements for the year ended December 31, 2019 No.25 :

Financial Information by Segment.

Significant developments during the past year

S & J International Enterprises Public Company Limited.

- **Product Design or Service**

The Company is a leading manufacturer in the beauty and cosmetic industry for over 30 years providing comprehensive OEM / ODM services. It covers research and development, product research with innovations, product design and packaging, product development according to customer needs, product production with modern and standardized machinery and technology as well as design concepts with business and marketing strategies to customers both at domestic and abroad and also including start-ups business. In addition, the Company has been certified with world-class quality standards from these quality standards certificates, creating confidence in the quality of products for customers, such as:

- GMP certificates from Food and Drug Administration, Ministry of Public Health .
- ISO 9001 : 2015 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ISO 14001 : 2015 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ISO 17025 cosmetic-lotion from Department of Medical Sciences, Ministry of Public Health.
- OHSAS 18001 : 2007 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- CSR – DIW (Corporate Social Responsibility - Department of Industrial Work) Certificate or equivalent to ISO 26000
- ISO 22716 : 2007 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ESG 100 (Environmental Social Governance 100) certificates from Thaipat Institute
- Halal certification mark from the LPPOM MUI, Indonesia
- Thai Labour Standard Certification (TLS.8001:2010)
- Being a member of the Sedex Members Ethical Trade Audit (SMETA) or SEDEX

- **Marketing and Competition**

Current opportunities and challenges in the changing of consumers who want novelty and modernity at all times, therefore making the product life cycle shorter than before. Besides, consumers can easily access news via various social media, including Real Influencer, as well as the consumer participation in the design and development of the desired product, which sticks the operators to the situation and genuinely understand the needs of customers. Therefore, the Company needs to adjust the way of thinking and new work processes to work in the design of products that are ready for sale and remain in the current, as well as adjusting the work processes to be concise and shorter to meet the digital age marketing demands.

Also, consumers are increasingly interested in natural products that are more environmentally friendly and safe, resulting in research and development of new products that use natural herbs as raw materials for the production of cosmetic products which is likely to grow more rapidly.

The Company uses marketing strategies by emphasizing the quality of products at high standards, including designing packaging of products to be beautiful, modern, convenient to use. In addition, there is research and product development to add new products to meet the needs of such customers and expand the base to new customers to strengthen stability and increase the potential of sustainable business growth. Pricing will take into account the image of

the product, the production cost, and the marketing cost as the basis by emphasizing the suitability of the quality with the price that attracts the attention of the customer and taking into account the highest satisfaction of the customer.

- **Materials Sourcing or Service**

Materials and packaging were sourced from both domestic and foreign suppliers who are specialized in their field. They are equipped with modern production technology and machinery, also having good standards of quality control systems. Raw materials and packaging were ordered and directly shipped to S & J, and our customers gained more confidence in these suppliers. Materials were mainly locally sourced.

- **Trend of Industry and Competitive Condition in Future**

Cosmetic competition for both domestic and overseas is still high, in part due to changing consumer behavior in relation to health more. For hit products, the quality and pricing of the products are major factors in determining the competition. The company continued to emphasize on human resource developments, and overall management in order to create satisfaction and relationship with customers in expanding the market for both domestic and overseas.

Top Trend Manufacturing Co., Ltd.

- **Product Design or Service**

Most of the products are cosmetic and medicine which were produced to meet customer's requirements by selecting common or specific mold. In receiving ISO 9001 : 2000 certificate from BVQI in early 2003 and converted to a Quality Management System ISO 9001:2008 from TUV NORD institutions in late 2012 as well as to be certified adding more to system GMP standard in tube products. This will give customers confidence in the quality of our products and services even more.

- **Market and Competition**

Competition in the plastic packaging in terms of design, pricing, condition of orders and delivery time keep increasing. Top Trend emphasized in efficiency and productivity by developing employee know how in production technique, also letting employees participate in fine tuning new product designs in order to better compete.

- **Materials Sourcing or Service**

The supply of good quality of raw materials at reasonable price is the core of company's sourcing. These materials were mainly locally sourced from domestic producers, and new materials were increasingly sourced that did not effect product quality, but decreased cost of production.

- **Trend of Industry and Future Competition**

Expanding use of domestic packaging is still on an up trend with competition both in pricing and fast service are still the market requirement. Top Trend emphasized human resource development and quality management in order to build up customers' satisfaction, and its relationship in expanding markets both domestic and foreign.

Wildlives (Thailand) Co., Ltd.

- **Product Design or Service**

The company developed "Wild Lives" to market personal care products for protecting UV and insecticide, taking care of, and cleaning the body to be used for travelling, sight seeing and open air activities, and able to use in daily life. In the present, there are two main products group, i.e. sun-protection products and mosquitoes-protection products.

- **Marketing and Competition**

The company expanded its market and distribution channels over last year, especially in tourism areas in the southern and eastern parts of Thailand, in addition to the tourist places in northern part of Thailand, namely Chiang Mai, Chiang Rai, Mae Hong Son, etc. along with market expansion to ASEAN, such as Cambodia, Myanmar, Laos by focusing on drugstores and developing new products and marketing strategies in order to be in a competitive market but still mainly focus on key marketing strategies for success of the company.

- **Materials Sourcing or Service**

Wildlive (Thailand) Co.,Ltd. hired an affiliate company and another non affiliate company, both with ISO9001 and GMP certificates, to manufacture and source out new materials, and develop products to meet requirements of customers who were the target group, and to be in line with the market direction. Therefore, there were no effects on sourcing products as well as its quality.

- **Trend of Industry and Future Competition**

Personal care products for tourism still have a tendency to grow together with the growth of tourism, which is highly supported in Thailand including the behaviors of domestic consumers on use of the products has a trend to use this category of products more that will affect the fierce competition particularly during the Thailand summer with 25% from period of April to May in which the growth is at the maximum of 55% compared to the average sales of the year.

EF Co., Ltd.

- **Product Design or Service**

EF is the distributor of consumer products and industrial supplies, the owner of product brand name “EXFAC” and household product brand name “BIO-EX”. Also, personal care products as well as industrial supplies from other traders.

- **Marketing and Competition**

Emphasize to approach customers, in form of meeting, care and good service by dividing into categories as follows:

1. **BIO-EX** – competing at medium level due to other trading firms import products having brand name and none brand name offer to customers. But at present every company accounts for easiness of handling both personnel and sourcing goods. So, the housekeeping company is hired to look after instead.
2. **EXFAC** - Competing at medium level. Most of this group will focus on the shower cream including liquid hand soap which is preferred by customers in the service place group is still possible.
3. **Group of material for manufacturing and transportation** - Competing at a high level as the product is used for consumption and needed of a factory in the industrial area. The requirements will vary with the size of the plant, such as OPP tape, stretch wrapping paper and other.

- **Materials Sourcing or Service**

The Company has appointed/hired qualified manufacturers who have good manufacturing practice and are certified at international standard, both in and outside group to develop and manufacture products to meet the needs of consumers in the target group. The company has capacity in sourcing to supply the needs of their customers and meet the growing market in the future.

- **Trend of Industry and Competitive Condition in Future**

Trend of industry and competitive conditions remain high in terms of pricing. The company emphasized in meeting, approaching and understand the needs of entrepreneurs closely. We account for as consultant rather than goods offering in order to sustain existing markets as well as continuing to expand new markets.

S & J International (UK) Ltd.

- **Product Design or Service**

The main activities of S & J International (UK) Ltd. are providing marketing services coupled with trading of raw materials and packaging relating to cosmetic manufacturing industry and beauty care products.

- **Marketing and Competition**

Main customers are within the cosmetic manufacturing industry, and distributors of beauty care products, for which the company focused on marketing of various raw materials and packaging components. In each case it is important to consider quality, price and quick response to the diverse needs of customers. Additionally, the Company is also providing services to customers, who want to expand their consumer market base in United Kingdom.

- **Materials Sourcing or Service**

There exists a wide variety of manufacturers, and many in United Kingdom and neighboring countries. Hence, the company can select high quality raw materials and packaging for customers, which can be used to produce goods to be sold in markets around the world.

- **Trend of Industry and Competitive Condition in Future**

The competition emphasis on product quality and delivery, therefore United Kingdom is important market for cosmetics and beauty care products. Hence, consumer preferences will set the style, and design for the United Kingdom market, for which the company will closely monitor market trends in order to respond to business needs.

Guangzhou S & J Cosmetic Co., Ltd.

- **Product Design or Service**

The main activities of Guangzhou S & J Cosmetic Co., Ltd. are providing marketing services coupled with trading of raw materials and packaging relating to cosmetic manufacturing industry and beauty care products.

- **Marketing and Competition**

Main customers are within the cosmetic manufacturing industry, and distributors of beauty care products, for which the company focused on marketing of various raw materials and packaging components. In each case it is important to consider quality, price and quick response to the diverse needs of customers. Additionally, the Company is also providing services to customers, who want to expand their consumer market base in China.

- **Materials Sourcing or Service**

There exists a wide variety of manufacturers, and many in China and neighboring countries. Hence, the company can select high quality raw materials and packaging for customers, which can be used to produce goods to be sold in markets around the world.

- **Trend of Industry and Competitive Condition in Future**

The competition emphasis on product quality and delivery, therefore China is important market for cosmetics and beauty care products. Hence, consumer preferences will set the style, and design for the China market, for which the company will closely monitor market trends in order to respond to business needs.

4WD Vision (HK) Ltd.

- **Product Design or Service**

The main activities of 4WD Vision (HK) Ltd. are providing marketing services coupled with trading of raw materials and packaging relating to cosmetic manufacturing industry and beauty care products.

- **Marketing and Competition**

Main customers are within the cosmetic manufacturing industry, and distributors of beauty care products, for which the company focused on marketing of various raw materials and packaging components. In each case it is important to consider quality, price and quick response to the diverse needs of customers. Additionally, the Company is also providing services to customers, who want to expand their consumer market base in Hong Kong.

- **Materials Sourcing or Service**

There exists a wide variety of manufacturers, and many in Hong Kong and neighboring countries. Hence, the company can select high quality raw materials and packaging for customers, which can be used to produce goods to be sold in markets around the world.

- **Trend of Industry and Competitive Condition in Future**

The competition emphasis on product quality and delivery, therefore Hong Kong is important market for cosmetics and beauty care products. Hence, consumer preferences will set the style, and design for the Hong Kong market, for which the company will closely monitor market trends in order to respond to business needs.

4WD Vision Co., Ltd.

Product Design or Service

4WD Vision Co., Ltd. is a fully integrated beauty services trading company, focusing on trading raw materials, packaging, and other beauty related items to be supplied primarily to Thai, and AEC markets.

- **Marketing and Competition**

As a new business, the Company is building a product portfolio to meet the increasing needs of consumers, and manufacturers in the AEC region, with a wide range of beauty products, and services.

- **Material Sourcing or Service**

Initially, 4WD Vision Co., Ltd. is working in close co-operation with other S & J trading entities, to source products and materials from Europe, Asia and America, to build viable supply chain operations for its AEC business.

- **Trend of Industry and Competitive Condition in Future**

Thailand is increasingly a key trading destination in the region, and as respective markets expand, and the inter-country flow of goods, and services become easier to facilitate, it will present significant opportunities for Thai companies to participate in new growth businesses. In 2019, the company plans to expand the business to the Netherlands. Establishment a 4WD Vision Europe SAS is to distribute cosmetic products and gift sets, including marketing services.

SAAS Co.,Ltd.

- **Product Design or Service**

Research and development services, including preparation of the raw material and the product's formula, used with an emphasis on health and beauty products, cosmetics, as well as serving as the primary analysis of this major product with chemical method. Microbiology and wakaiphap cheese. It also serves as the basic formula products Semi-finished product and recipe of cosmetic products in small quantities, list of additional services can be conducted in accordance with the request made.

- **Marketing and Competition**

Research and development is considered as a main strategy in which a competitor in the market related to research and development of products that belong to a private company, then there is very little even in the cosmetics industry. Mostly focuses on impersonation and development. The lack of serious research and development operations are often more than a leader who makes business growth not progressed as expected, while the world's leading industrial companies. Most research and development departments or agencies to bring innovation and knowledge that has been creating and improving our products, including the processes and services that can meet the needs of the market. So a cosmetic business of these companies successful and sustainable progress. For this reason it is a good chance that the company's research and development services provider for responding to the cosmetics industry, both in Thailand and abroad who want to research and develop materials and formulations of cosmetic products that stand out from competitors. Including the quality and price.

- **Material Sourcing or Service**

Because the company's aim to provide research and development as well as preparation of materials and products, recipes, health and beauty care with an emphasis on cosmetic products is primary. In the majority of tasks related to research and development or preparation of raw materials used in products that come from natural sources, to create value for the resources of the country is important. There is also a variety and have a chance to get something of value as desired. This is an action to get what you want from a natural source. Require additional substances to be used in the extraction of the desired message comes out. Which supply these additional substances to look for or produced in the country, Thailand. For the formula of the product. If the customer proposition came from the company itself, the target is focused on containing elements or ingredients, natural ingredients and can supply or production in the countries of Thailand, most. This is to protect the environment and provide benefits to the nation the most. However, if there is a need for components that can not be procured locally. May be imported from foreign parts.

- **Trend of Industry and Competitive Condition in Future**

From the Government's support, said that Project "Thailand 4.0" has forecast to business groups, industries, health and beauty products are subject to research and development, particularly of raw materials that are used as components in products mentioned in this agricultural produce. To maximize the potential of the biological diversity of the country, including academic institutions and research organizations of the State are interested in research and development of products from natural sources, with more biodiversity. Only by adding value as the final output can lead to more business. All of this country's research funding is now several sources highlighting the funding support for research projects that have opportunities or potential leads to economic value added, and some donors emphasize the need to have a partnership with the private sector. So look at dementia research and development in the industry are increasing. Dedicated to cooperation with academic institutions or research organisation of the State in which such dementia will

make the company's competitors are more and more competitive environment of companies in the future will be more. Both these alliances have the opportunity to make such a race was reduced.

Operational Energy Group Limited

- **Product Design or Service**

OEG is a service provider for operation and maintenance to private Power Plants as well as local and overseas industrial factories and Leased engine service including Technical Due Diligence of power plant for Financial Advisor.

- **Marketing and Competition**

Operation and Maintenance business (O&M) is competitive as there are many local service providers and foreign experts coming into the business. Due to capability of power reserve is at stable condition and power consumption demand has tendency to increase per economic growth, we believe that it is a good opportunity to expand its customer base.

- **Material sourcing or Service**

OEG maintains quality and performance of sourcing products and services by efficiently appraising suppliers, or service providers and looks for new and qualified suppliers with strong management.

- **Trend of Industry and Future Competition**

An expanding of economics that keep increasing effected to the confidence of daily need products manufactures and service providers to invest or increase their capacities resulting to consume more electricity proportionately, caused the state and private industrial producers to expand its capacities. It is company's opportunity to speed up producing results to existing customers and public in order to be used as reference to increase customers in future.

Yamahatsu (Thailand) Co., Ltd.

- **Products Design or Services**

In 2019 the company has increased production, added more model products and new products to replace the original products. By changing manufacture formula and packaging in order to meet market needs of consumers. For foreign customers, the company has expanded more products series.

- **Marketing and Competition**

The company sold thru Hub Distribution Centers in Thailand which its customers in domestic and in several countries in Asia. They have expanded its customer several countries in Asia and update new products per requirement of customer markets resulting in sales increased.

- **Materials Sourcing or Service**

The Company have more selected of raw materials. In addition to improve inventory increased in production enabling the company can reduce the cost of raw materials from the volume of orders increased resulting in cost and price of products are competitive in the market.

Some raw materials especially chemicals that are from the oil group, its price have been increased in accordance with market forces caused the company to use strategies in purchasing such as comparing the purchase price, planning an appropriate order to obtain raw materials at cheap price and good quality standards.

- **Trend of Industry and Future Competition**

The company has been planning the formulation of products by changing formula to high-quality and used raw materials that are not specific to each formula, more than necessary. So that the company don't have to purchase a variety of materials but the purchase of raw materials on a few items at lower prices in order for costs of production can compete in the marketplace. Number of sales order increased in Asia region support the company in enabling to better manage purchase.

Osoth Inter Laboratories Co., Ltd.

- **Products Design or Services**

The company is a manufacturer and distributor of pharmaceuticals including food supplements.

- **Marketing and Competition**

The company put the marketing into 3 channels.

Domestic : Company distribution channels to cover the whole country, such as hospitals, both public and private sectors. Hospitals, clinics and drug stores, focusing on strategies to compete with the production quality. Research and development of new recipes and good service with reasonable price, so that patients can have access to the drug, and the company is also a market leader in cardiovascular medication continuously for a long time.

Oversea : The company is selling in foreign countries such as Myanmar, Laos, Cambodia and plans to expand overseas markets increased because the company has been certified with international manufacturing standards, such as European standards (GMP- PIC/S: Good Manufacturing Practice-Pharmaceutical Inspection Co-operation Scheme) และ ISO 9100 : 2015

OEM: Original Equipment Manufacturing : The company has gained the trust of leading pharmaceutical companies, pharmaceutical and food supplement is a lot for a long time.

Competition

Price competition is also a key factor in the domestic market. The company emphasized quality to produce product strategies and managing the cost, there are numerous so as to compete with rivals.

For the overseas market, the companies focus on quality strategy and global service to allow competition in the global market.

- **Materials Sourcing or Service**

The company has sourcing of raw materials and packaging per consumers' need. The companies as distributors are major raw material suppliers who are certified ISO 9001 and GMP.

- **Trend of Industry and Future Competition**

Pharmaceutical industry is likely to use more advanced medicines.

1. The Government has a policy to use medicines in countries with national health insurance project, all 3 systems of Thai people.

2. The integration of ASEAN (AEC = Asian Economics Community) that result in the registration of medicines in ASEAN, can use the same set of documents. Thus, as a result of the positive export in ASEAN member countries together.

Future Competition

Due to the integration of the ASEAN Economic Community (AEC). Cause increased competition from all Member countries, 10 countries that the group will expand the market in Thailand more. The company has prepared a plan to expand into the international market.

Atika Beauty Manufacturing Sdn.Bhd.

- **Product Design or Service**

The company's products under the main objective of the company is the manufacture of cosmetics, makeup categories to be certified under the "HALAL", such as face powder, lipstick, etc. The company focus on developing products according to customer's requirement with machines and technology, modern and standardized which its factories located in Malaysia to provide its products to Muslim consumers in the Southeast Asian and the Middle East.

- **Marketing and Competition**

At present, Muslims cosmetic consumers have increased every year whereas there are only 5 HALAL key manufacturer. Thus, the company's products are able to share the market and meet the needs of consumers to reach the target groups.

The company's marketing strategy emphasized products with a high quality standard, including the packaging of beauty products that are innovative, easy to use, suitable quality and prices to attract the interest of customers by considering customers' satisfaction.

- **Materials Sourcing or Service**

Materials and packaging were sourced from both domestic and foreign suppliers who are specialized in their field. They are equipped with modern production technology and machinery, also having good standards of quality control systems.

- **Trend of Industry and Competitive Condition in Future**

Growing Muslim population and increase in purchasing power drive the demand for Halal colour cosmetic products in the overall Halal cosmetics industry. In addition, the significant improve in interest among Muslim women for makeup products, in particular, cosmetic products has offer potential growth opportunity to the Halal cosmetic manufacturers.

Halal certification and technical know-how are the core strength of Atika for product development. Product development is an important aspect of competitive advantage for Atika to become one of the leading Halal colour cosmetics contract manufacturers in the industry. Atika's marketing strategy will continue to focus on MNC as well as other potential customers locally and globally, to expand and diversify its customer base and improve its profit performance.

Atika has always taken initiative to improve its operational efficiency. One of the steps taken is to implement SAP software system. The implementation of the SAP software system has played an important role in terms of enhancing its production and operational efficiency.

As Halal cosmetics industry is growing. From now on, other manufacturers may enter into the industry and the industry will become more competitive in future. However, with Atika's business growth strategy, Atika believes that it would be able to sustain its business growth and improve its profitability performance in the future, and further strengthen its presence and become a leader in the Halal colour cosmetics industry.

The Company Limited has continually focused on risk management especially to avoid possible negative impacts towards certain goals of business successes in order to be a leader of the complete beauty business without possible risk and with opportunity to enhance corporate added value.

The Company has established the risk management procedure under the joint collaboration control by all relevant parties i.e. the Board of Directors, Executive Board of Directors for which the Risk Management Committee: (RMC) is acting as the Company Board representative to develop policies and strategies and supervise corporate risk management. Accordingly, the Company has regularly organized a meeting every quarter to monitor risks and management effectiveness at both agency and organization levels.

The Executive Board of Directors, on the other hand, has organized monthly meetings to oversee business risk management on strategies, performing process, financial matters, relevant rules and regulations that might affect corporate sale and operating profits of the Company.

Moreover, the Company has planned to provide the "Business Continuity Management: BCM" system for corporate operation and setting up the Business Continuity Management Team as the responsible body to set up and review required policies and strategies for business risks management as a preparation to respond to any possible crisis so that such crisis would not negatively impact or disrupt businesses for the Company, customers or stakeholders.

The Risk Management Committee would be responsible to submit the risk management reports to the Board of Directors to ensure that risk management has been regularly performed with efficiency to enhance expected outcomes under the established guidelines.



(Dr. Atthakorn Glankwamdee)

Chairman of the Risk Management Committee

S & J International Enterprises Public Company Limited is committed to its corporate and business having sustainable development and growth. The risk management policy is as follows.

1. Assign risk management to be a part of the job by having staff at all levels to be involved in the risk management that may incur and affect the operation of agencies and organizations.
2. Risk Management Committee will support and promote risk management by providing knowledge in risk assessment, determination of indicators, organize activities to promote and monitor risk management.
3. Continuing operation and risk management to be a part of corporate culture.

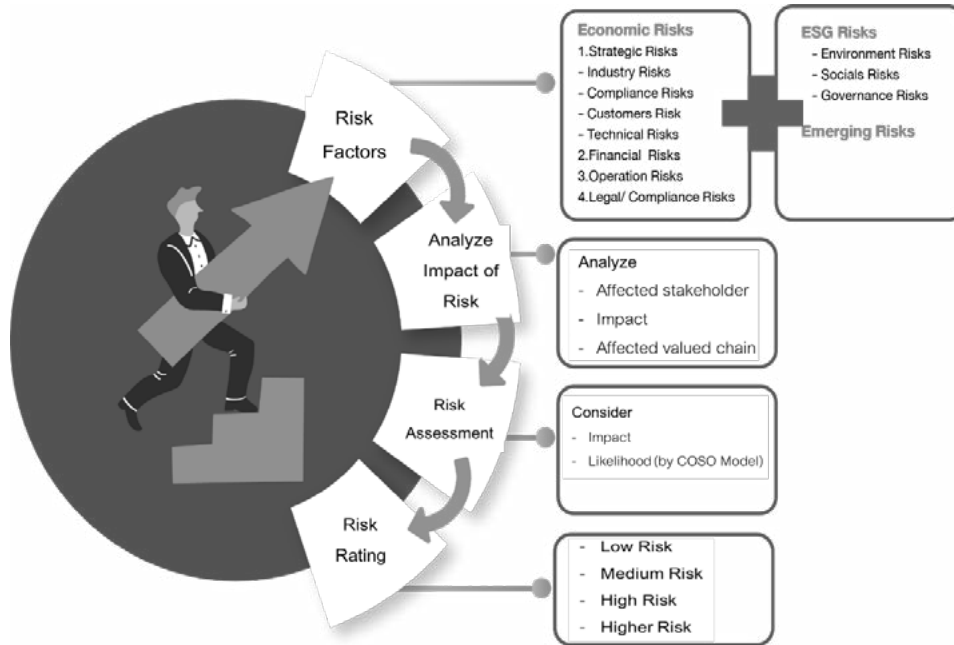
Announced on August 1, 2016



(Dr. Atthakorn Glankwamdee)

Chairman of Risk Management Committee

The Board of Directors and the management of S & J International Enterprises Public Company Limited is aware of the accountability for good corporate governance, In order to maximize benefits for the shareholders. The Company has assigned the Risk Management Committee to supervise the risk management in order to ensure that the risk management of the Company is sufficiently systematic and continued.



The Company has analyzed and assessed certain risks with impacts towards business goals based on various types as followings.

Economic Risks

Strategic Risks

1. Customers concentration
2. Suppliers concentration
3. Increasing of more advanced competitors
4. Lower manufacturing costs and higher technologies Competitors
5. Management of consumers' behaviour data.

Financial Risks

6. Fluctuation of exchange rates

Operation Risks

7. The uncertainty price of the main raw material
8. Demand for innovative or differentiate products.
9. Demand for green products
10. Management of supply chains (timing and flexibility)

Legal/Compliance Risks

11. Changes of rules and regulations for cosmetic products
12. Changes of laws, rules and regulations both local and overseas

Environmental Risks

1. Pollution from productivity process
2. Uses of non-environmental friendly manufacturing resources
3. Climate change (natural disasters)

Social Risks

1. Emerging crisis and epidemic
2. Good relationship with community
3. Advertising, public relation to consumers

Public Sector Risks

1. Inefficiency Corporate Governmant
2. Corporate Corruption

Emerging Risk

1. Demographic changing
2. Digital Technology changing

According to the aforementioned 5 risk factors, the Company has set up priorities for each risk management based on COSO Model as the risk management guidelines for the “Top Risk” in comparison with the acceptable ones and worthwhile for managing other remaining risks, regarding costs and expected benefits.

In 2019 the Company has developed risks responding strategies with the monitoring indicators as follows.

No.	Risk factors	Impacts	Response strategies	KRI
1	Supplier concentration	- Selling opportunity	- Expansion of new business partners base. - Quality Control Development (Q,C,D)	- % Supplier concentration Result : 5% lower than the last year. - % Key business partners for On Time in Full (OTiF) Result : > 90%
2	Customer concentration	- Sale volumes and profits	- Expansion of client bases both local and Overseas - Increasing sale volumes of smaller customers	- Number of new increasing customers both local and Overseas Result : local 94 cases Overseas 36 cases. - Sales volume proportion of smaller clients comparing to the larger ones. Result : local 94 cases.

No.	Risk factors	Impacts	Response strategies	KRI
3	Management of consumer's behaviour data.	- Sale volume and profits.	- Development for consumers data collection and analysis.	- % Success Rate of products to meet consumer solution. Result : > 70%
4	Demand for innovative or differentiate products.	- Sale volume and profits.	- New Product Development.	- % Customer satisfaction for New Products. - Result : 89%
5	Demand for green products	- Sales volume and profits.	- Green product innovation	- Green products development to meet key customer satisfaction - Result : > 8 cases / year
6	Demographic and environmental changes.	- Changing demands for types of goods and services.	- Products and packaging development for the aging society	- Goods development for the aging society - Result : > 7 items / year
7	Rapid Digital Technology change	- Capability for competitive response to meet customer demand	- Development of productivity technologies to replace man power.	- Number of complete development projects for technological machinery and equipment - Result : 6 cases of Project Conceptual success

Remark : More detail in "Sustainable Development Report 2019 : "Good Product"

Dispute

- The cases which may have the negative impact on the company's assets or its subsidiaries a higher number of 5 percent of the shareholders' equity as of December 31, 2019.
- None -
- The cases that affect the business of the Company or its subsidiaries significantly but can not assess the impact number.
- None -
- The cases that do not incur from the normal business operations of the company or its subsidiaries.
- None -

1. General Information

1.1 General Information

Name	S & J International Enterprises Public Company Limited
Stock Code	S & J
Registered No.	0107537001366
Major Activities	Cosmetics Manufacturing
Share in issuer	
Capital value	200,000,000 common stocks of Baht 1.- par value
Paid-up capital	149,930,828 common stocks of Baht 1.- par value
Address	<p>Office</p> <p>2 Naradhiwas Rajanagarindra Road, Thungwatdon, Sathorn, Bangkok, 10120, Thailand.</p> <p>Tel. (662) 676-2727, (662) 676-2737</p> <p>Fax. (662) 676-2726, (662) 373-2747</p> <p>Factory 1 (Saha Group Industrial Park - Sriracha)</p> <p>600/4 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand.</p> <p>Tel. (6638) 480-086-89 Fax. (6638) 480-139</p> <p>Factory 2 (Pinthong Industrial Park)</p> <p>789/159 Moo 1, Sai Nong Kho-Leamchabang Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand.</p> <p>Tel. (6638) 348-512 Fax. (6638) 348-461</p>
Website	www.snjinter.com

Contact Information

Department	Telephone Number	E-mail Address
Company Secretary	(02) 676-2727 Ext. 2812	sumit_k@snjinter.com
Investor Relation	(02) 676-2727 Ext. 2508	sj_sec@snjinter.com
Head of Internal Audit	(02) 676-2727 Ext. 2784	pannee375@gmail.com

1.2 Investment in other Companies in which the Company holds 10% or more of paid-up shares as of December 31, 2019.

Company/Address	Type of Business	Type of Shares	No. of Paid-up Shares	Shareholding by the Company	
				No. of Shares	%
Subsidiaries					
1. S&J International (UK) Limited 1B Montague Road, Wimbledon, London, SW191TB Tel. (0203) 167 0095 Mobile No. 447 5989 31250 Fax No. 0870 421 5752	Distributing cosmetic products and gift set and marketing service	Common Stock	100,000	100,000	100.00
2. EF Co.,Ltd. 600/4 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. (6638) 480-086-89 Fax. (6638) 480-139	Consumer Products	Common Stock	40,000	39,994	99.99
3. Wildlives (Thailand) Co.,Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. (662) 676-2727 Fax. (662) 676-2726,(662) 676-4493	Consumer Products	Common Stock	100,000	99,993	99.99
4. 4WD Vision Co., Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. (662) 676-2727 Fax. (662) 676-2726	Import Export and Trading of chemicals, packaging and cosmetic products	Common Stock	1,000,000	999,997	99.99
5. SAAS Co., Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. (662) 676-2727 Fax. (662) 676-2726	Research and development of cosmetic formulations	Common Stock	200,000	199,997	99.99
6. Top Trend Manufacturing Co.,Ltd. 334, Moo 1, Sriracha Industrial Zone, Sukaphiban 8 Road, Boung, Sriracha, Chonburi 20230 Tel. (6638) 760-763, (6638) 480-851 Fax. (6638) 760-763	Container	Common Stock	1,200,000	600,000	50.00

Company/Address	Type of Business	Type of Shares	No. of Paid-up Shares	Shareholding by the Company	
				No. of Shares	%
Associates					
7. Atika Beauty Manufacturing Sdn. Bhd. Suite 12-A, Level 12 Menara Northam, No. 55 Jalan Sultan Ahmad Shah 10050, Penang, Malaysia.	Manufacturing and distribute cosmetic products	Common Stock	6,000,000	2,100,000	35.00
8. Osoth Interlaboratories Co.,Ltd. 600/9, Moo 11, Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. (6638) 480-766-7 Fax. (6638) 480-828	Manufacturing Phamaceutical	Common Stock	6,000,000	1,991,440	33.19
9. Operational Energy Group Limited. 170/14 Floor 6th Ocean Tower 1 Building New Ratchadapisek Road, Klongtoey, Bangkok Tel. (662) 661-8990 Fax. (662) 661-8991	Servicing to operate the power plant	Common Stock	3,000,000	899,999	30.00
10. Yamahatsu (Thailand) Co.,Ltd. 600/48 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. (6638) 320-100 Fax. (6638) 320-111	Hair products	Common Stock	2,000,000	599,995	30.00
Related companies					
11. B.K.C. International Marketing Co.,Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. (662) 676-2727 Fax. (662) 676-2726, (662) 676-4493	Consumer Products	Common Stock	1,000,000	189,999	19.00
12. E.P.F. Co.,Ltd. 549/2 Soi Saengsuk, Sathupradith Rd., Chongnonthri, Yannawa, Bangkok Tel. (662) 294-0091-4 Fax. (662) 294-4479	Consumer Products	Common Stock	65,000	11,700	18.00
13. Sahacogen (Chonburi) Plc. 636 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. (6638) 481-552-5 Fax. (6638) 481-551	Generating and distributing electricity	Common Stock	955,000,000	142,255,960	14.90

Company/Address	Type of Business	Type of Shares	No. of Paid-up Shares	Shareholding by the Company	
				No. of Shares	%
Related companies					
14. Train Time Test Co.,Ltd. 530 Soi Sathupradith 58, Bangpongpan, Yannawa, Bangkok 10120 Tel. (662) 293-9000	Training, Seminar	Common Stock	200,000	28,000	14.00
15. T-Way Co.,Ltd. 549/2 Soi Saengsuk, Sathupradith Rd., Chongnonthri, Yannawa, Bangkok Tel. (662) 294-0091-4 Fax. (662) 294-4479	Tourism, hotel, buying and selling goods	Common Stock	16,000,000	1,920,000	12.00

1.3 Other Personnel Reference

Security Registra

Thailand Securities Depository Co., Ltd.

The Stock Exchange of Thailand Building
93 Ratchadaphisek Road, Dindaeng, Dindaeng,
Bangkok 10400, Thailand
Tel. (662) 009-9000 Fax. (662) 009-9991

Legal Consultant

Vira Law Office Co.,Ltd.

548/14-15 Soi Sathupradith 58 Yak 18, Bangpongpan
Yannawa, Bangkok 10120
Tel. (662) 683-8023, (662) 683-8843 Fax. (662) 683-8843

Financial Consultant

None

Consultant or Contract Manager

None

Auditor

Mrs.Saifon Inkaew Certified Public Accountant No. 4434

Mr.Termphong Opanaphan Certified Public Accountant No. 4501

Mrs.Poonnard Paocharoen Certified Public Accountant No. 5238

EY Office Limited.

193/136-137 Lake Rajada Office Complex, 33rd Floor,
Rajadapisek Rd., Klongtoey, Bangkok, 10110
Tel./Fax. (662) 264-9090, (662) 264-0789

2. Other Important Information

- None -

Registered capital and paid-up capital

The company was listed in the Stock Exchange of Thailand in 1994 under the name of S&J International Enterprises Public Company Limited with the company's symbol "S & J" in issuing securities. The company has total registered capital of Baht 200,000,000.00 (Two hundred million baht) to be composed of 200,000,000 common stocks of 1 Baht per share, issued and paid-up share capital of Baht 149,930,828.00 with 149,930,828 shares of common stocks.

The company has not issued other types of shares having the rights or terms different from common stocks. Moreover, the company has never issued any securities other than the common stocks.

Shareholders

10 Major shareholders as of December 31, 2019

Name	No. of shares	%
1. Saha Pathana Inter-Holding Public Company Limited*	24,079,271	16.06
2. I.C.C. International Public Company Limited*	21,897,781	14.60
3. I.D.F. Company Limited*	16,269,802	10.85
4. Vittayasith Company Limited*	13,039,447	8.70
5. Mr.Boonkiet Chokwatana	10,298,408	6.87
6. Mr.Virapat Poonsakudomsin	7,430,144	4.96
7. Mr.Samreng Manoonpol	5,253,521	3.50
8. Mr.Boonsithi Chokwatana	3,452,374	2.30
9. Mrs. Tipaporn Chokwatana	2,725,652	1.82
10. Mrs.Pavinee Punsak-Udomsin	1,800,000	1.20
Total 10 Major Shareholders	106,246,400	70.86
Total Shareholders	149,930,828	100.00

Note : * Saha Group Companies

Shareholding structure classified by shareholding party categories (As of December 31, 2019)

Shareholder Category	Number	No. of shares	%
Legal entity			
Thai nationality	35	82,093,934	54.76
Foreign nationality	3	398,488	0.26
Total legal entity	38	82,492,422	55.02
Ordinary person			
Thai nationality	767	67,009,013	44.69
Foreign nationality	14	429,393	0.29
Total Ordinary person	781	67,438,406	44.98
Total	819	149,930,828	100.00

Shareholding structure classified by shareholding ratio (As of December 31, 2019)

Shareholder Category	Number	No. of shares	%
Legal entity			
Holding shares over 0.5%	9	80,647,264	53.79
Holding shares not over 0.5% but not less than 1 board lot	27	1,845,108	1.23
Holding shares less than 1 board lot	2	50	0.00
Total legal entity	38	82,492,422	55.02
Ordinary person			
Holding shares over 0.5%	17	45,674,512	30.46
Holding shares not over 0.5% but not less than 1 board lot	655	21,762,043	14.52
Holding shares less than 1 board lot	109	1,851	0.00
Total Ordinary person	781	67,438,406	44.98
Total	819	149,930,828	100.00

Distribution Information Shareholdings (Free Float)

As of March 11, 2019, the closing date of the company entitled to attend the Annual General Meeting of Shareholders No.40 on April 23, 2019 of which the company's minor shareholders holding is 35.90%.

Agreement between major shareholders.

There is no agreement between the group of major shareholders of the company (Shareholders Agreement) or with the company in matters affecting the issuance and sale of securities or management of the company.

Issuance of other securities

- None-

Policy of the company

The company has a policy to pay dividends to shareholders at the rate of 20-80% of net profit of the company's separate financial statement. However, this rate principally depends on economic conditions and business performance of the company as well as the resolution of the shareholders' meeting. Dividend payment will comply with clause 56-58 of the Articles of Association of the company. The stated clauses have an essential stipulation that dividends must be paid on the basis of profit only but not from other incomes. In case the company has deficit, it is prohibited to pay dividend. Dividend will be calculated on the amount of shares basis, each share has an equal dividend. The dividends must be paid within one month after the date of the Shareholders' or Board of Directors' meeting has a resolution. The board may pay interim dividends to shareholders if the board regards that the company has a sufficient profit and report to shareholders in the next meeting.

Dividend payments for 5 latest fiscal years are as follows:

Year of Announcement	2018	2017	2016	2015	2014
1. Profit for the year (Million Baht)	377.69	324.98	315.84	237.46	202.02
2. Number of Share (Million share)	149.93	149.93	149.93	149.93	149.93
3. Earnings per Share (Baht / Share)	2.52	2.17	2.11	1.58	1.35
4. Rate of Dividend per share (Baht)	1.26	1.20	1.20	1.00	0.85
5. Dividend Paid (Million Baht)	188.91	179.92	179.92	149.93	127.44
6. Payout ratio (%)	50.02	55.36	56.96	63.14	63.08

Note : The Board of Directors meeting No 2/2020 held on February 20, 2020 had the resolution to propose to the shareholders meeting scheduled on April 23, 2020 in order to approve for dividend payment baht 1.10 per share in accordance with the dividend payment policy of the company.

Policies of subsidiaries

Dividends payment of subsidiaries, the company has not determined the ratio of dividend payment of the subsidiaries to the company which based on the results of operations and cash flows of each subsidiary. If the subsidiary has enough cash flow and made provision under the law, the Subsidiary's Board of Directors will consider the dividend payment on case by case basis. However, dividend payment will not exceed the unappropriated retained earnings of subsidiaries.

S & J International Enterprises Public Company Limited has appointed the Nominating Committee, with 5 members as follows:

1. Mr.Boonkiet	Chokwatana	Chairman
2. Mr.Thirasak	Vikitset	Member
3. Dr.Atthakorn	Glankwamdee	Member
4. Mrs.Kaewta	Ongsaranakom	Member
5. Mrs.Chitraporn	Vikitset	Member

The Nominating Committee has carried out the duties as assigned by the Board of Directors which is specified in the Charter of The Nominating Committee. Its duties are to select suitable candidates with proper qualifications, knowledge and expertise in various professions, to serve as company directors and top management.

The Nominating Committee has determined the criteria and methods for nominating which conform to the Charter and the Good Corporate Governance Principles including related regulations by considering basic qualifications and qualities that are in accordance with the strategy of the company's business operation. Moreover, the nominated persons must be the person with leadership, vision, morality, ethics, and transparent work experience as well as no characteristics as forbidden by laws and the Articles of Association of the company. The company has provided opportunity for minor shareholders to participate in nominating candidates to be appointed as company directors prior to the Annual General Meeting of Shareholders. In 2019, none of the shareholders nominated any candidates to be considered as company directors.

In 2019, The Nominating Committee held 2 meetings to carry out duties as assigned. The Nominating Committee, excluding the members having possible conflict of interests, considered the qualifications of 4 persons who had been nominated to serve as company directors replacing the directors who retired by rotation at the 40th General Meeting of Shareholders, which were Mr.Boonkiet Chokwatana, Mrs.Tipaporn Chokwatana, Mrs.Malyn Ungsurungsie and Mrs.Chitraporn Vikietsa to become company directors for another term. At the same time, to consider the election of Mr.Pongchai Athikomrattanukul to replace Mr.Surong Ongkosit, the retiring director who wished not to seek re-nomination. Moreover, the Charter of The Nominating Committee is also reviewed annually to comply with the related practice guidelines, while The Nominating Committee has performed its duties as assigned discreetly and reasonably.



(Mr.Boonkiet Chokwatana)

Chairman of the Nominating Committee

S & J International Enterprises Public Company Limited has appointed the Remuneration Committee with 4 members as follows:

1. Mr.Boonkiet	Chokwatana	Chairman
2. Mr.Thirasak	Vikitset	Member
3. Mrs.Kaewta	Ongsaranakom	Member
4. Mrs.Pismai	Chandrubeksa	Member

The Remuneration Committee has performed its duties as assigned by the Board of Directors, which is specified in the Charter of the Remuneration Committee. Its duties are to determine remuneration to company directors, others various committees and top management at the appropriate level, and to create incentive to obtain work efficiency as well as retain knowledgeable and capable persons to work with the company and propose to the Board of Directors' Meeting.

The Remuneration Committee has determined the remuneration policy and criteria for company directors, based on the authority, assigned responsibility, and operating results, as well as growth and the company's performance, business liquidity and factors which may affect the company or overall economic situation. The methods are in accordance with the Charter and related regulations.

In 2019, The Remuneration Committee held 2 meetings to perform its assigned duties by consideration and review of annual remuneration of the company directors, other various committees and the managements. The remunerations has been disclosed the remunerations in this Annual Report and Form 56-1. The Remuneration Committee has considered its appropriate for their responsibilities in accordance with the company policy.



(Mr.Boonkiet Chokwatana)

Chairman of the Remuneration Committee

The S & J International Enterprises Public Company Limited has appointed the Executive Board with 13 members as follows:

1.	Mr.Thirasak	Vikitset	Chairman
2.	Dr.Atthakorn	Glankwamdee	Member
3.	Mrs.Kaewta	Ongsaranakom	Member
4.	Prof.Dr.Malyn	Unsurungsie	Member
5.	Mrs.Chitraporn	Vikitset	Member
6.	Miss.Sumeth	Surachartchairit	Member
7.	Mrs.Thongsuk	Upathambhakul	Member
8.	Mrs.Patchara	Pongwichan	Member
9.	Mrs.Suthanya	Sumana	Member
10.	Mrs.Daranee	Ajjaneeyakul	Member
11.	Miss.Kitsanarut	Rassameesuriyan	Member
12.	Mr.Sumit	Khopaiboon	Member
13.	Mrs.Yarin	Srisakda	Member

The Executive Board in the capacity as a Management, responsible for the overall management of the Company's business operations as assigned by the Board of Directors and in accordance with the Charter of the Executive Board.

During 2019, the Executive Board held a total of 19 meetings, in order to discharge its duties in undertaking the assigned responsibilities and activities, as summarized below:

1. Proposed, to the Board of Directors, the annual target business strategies and action plan as well as undertook its responsibilities to manage and implement various business activities in accordance with the agreed policies, strategic directions and corporate objectives by monitoring the operations of the company every month.

2. Considered and gave opinions on the annual investments budget of the Company, that are aimed at developing and expanding its business operations in the agreed strategic directions, with regards to production technology, information technology, together with other investments to support ongoing development of the potential capabilities of its human resources so that the Company's Staff, at all levels, are prepared to compete, in better manner and long term, in the various targeted businesses.

3. Ensure that the various financial reports are prepared and ready for the external Auditor to review, audit and to give their opinions before these financial reports are submitted to the Audit Committee and the Board of Directors respectively.

4. Considered and gave opinions on, with all due care, any proposed connected transactions together with proposed acquisitions or dispositions of any assets of the Company, so that these transactions are undertaken in a reasonable manner, at the appropriate prices, and under the most appropriate terms and conditions, through always taking into consideration the best interests of the Company and its Shareholders; whereby any Board Members who having interests are not allowed to participate in deciding on such matters. Thereafter, the Executive Board submitted, for consideration and concurrence, by the Audit Committee and also for final consideration and approval by the Board of Directors depending upon the total value and/or degree of significant importance to the Company of the proposed transactions.

5. Supported and promoted staff members to undertake research and develop any potential products innovation including new product and new work process on continuing basis, in order to effectiveness in job development.

6. Provided training to develop knowledge in business strategic plan for sustainable growth.

7. Reviewed the existing Charter for the Executive Board, in order for operating guidelines in suitable for current situation or business environment. Additionally, reviewed the existing internal operating procedures of the Company to comply with the changes.

The Executive Board is fully committed to managing and conducting the Company's businesses so as to enable the Company to achieve its stated Vision and Mission together with the agreed corporate objectives and business strategies; whereby this will be done within the established framework of good corporate governance as well as in a fully transparent and accountable manner, coupled with taking into account its corporate social responsibility and responsibility to the environment so as to enable the Company to continue to grow both in a stable manner and on a sustainable basis.



(Mr.Thirasak Vikitset)

Chairman of The Executive Board and Managing Director

1. The Board of Directors

1.1 The Board of Directors

At present, The Board of Directors consisted of 15 members, classified into :

- 5 executive directors
- 10 non-executive directors (including 6 independent directors)

Name list of the Board of Directors

Name		The Board of Directors	The Audit Committee	The Nomination Committee	The Remuneration Committee	The Risk Management Committee	The Corporate Social Responsibility Committee	The Corporate Governance Committee	The Executive Board
1 Mr.Boonkiet	Chokwatana	Chairman	-	Chairman	Chairman	-	-	-	-
2 Mrs.Tipaporn	Chokwatana	Vice Chairman	-	-	-	-	-	-	-
3 Mr.Thirasak	Vikitset	Managing Director	-	Director	Director	-	-	-	Chairman
4 Dr.Athakorn	Glinkwamdee	Deputy Managing Director	-	Director	-	Chairman	-	-	Director
5 Mrs.Kaewta	Ongsarakom	Director	-	Director	Director	-	-	Director	Director
6 Prof.Dr.Malyn	Ungsurungsie	Director	-	-	-	-	Chairman	-	Director
7 Mrs.Chitraporn	Vikitset	Director	-	Director	-	-	-	-	Director
8 Mrs.Teerada	Ambhanwong	Director	-	-	-	-	-	-	-
9 Mr.Suthep	Dansiriviroj	Director	-	-	-	-	-	-	-
10 Admiral Apichart	Pengsritong	Independent Director	-	-	-	-	Director	-	-
11 Mrs.Pismai	Chandrubeksa	Independent Director	-	-	Director	-	-	-	-
12 Mr.Anom	Asvanunt	Independent Director	Chairman	-	-	-	-	-	-
13 Mrs.Praditha	Chongwattana	Independent Director	Director	-	-	-	-	-	-
14 Pol.Gen.Somchai	Prabhasabhakdi	Independent Director	Director	-	-	-	-	Chairman	-
15 Assist.Prof.Dr.Pongchai	Athikomrattanukul	Independent Director	Director	-	-	-	-	-	-

Remark : Qualification standards for independent director and the Audit Committee members were in accordance with the provisions set forth in related announcements.

Directors representing the company

To represent the company, 2 out of the following 9 directors are required to sign their names, together with the affixing of company seal, namely :

- | | |
|-------------------|--------------|
| 1. Mr.Boonkiet | Chokwatana |
| 2. Mrs.Tipaporn | Chokwatana |
| 3. Mr.Thirasak | Vikitset |
| 4. Mr.Atthakorn | Glankwamdee |
| 5. Mrs.Kaewta | Ongsaranakom |
| 6. Mrs.Malyn | Ungsurungsie |
| 7. Mrs.Chitraporn | Vikitset |
| 8. Mrs.Teerada | Ambhanwong |
| 9. Mr.Suthep | Dansiriviroj |

1.2 Personal information of company directors

The details of personal information of company directors were display per the section “Personal information of company directors and management members”.

1.3 The number of Directors’ meetings

During 2019, The Board of Directors and other committees regularly held their meetings, with the attendance record by each directors were summarized as follows :

No.	Name	Company	Directors' Meeting							General Shareholders' Meeting	
			The Board of Directors	The Audit Committee	The Nomination Committee	The Remuneration Committee	The Risk Management Committee	The Corporate Social Responsibility	The Corporate Governance Committee		
			6 times / year	5 times / year	2 times / year	2 times / year	4 times / year	4 times / year	5 times / year		19 times / year
1	Mr.Boonkeit	Chokwatana	6/6	-	2/2	2/2	-	-	-	-	1/1
2	Mrs.Tipaporn	Chokwatana	6/6	-	-	-	-	-	-	-	1/1
3	Mr.Thirasak	Vikitset	6/6	-	2/2	2/2	-	-	-	13/19	1/1
4	Dr.Atthakorn	Glankwamdee	5/6	-	2/2	-	4/4	-	-	17/19	1/1
5	Mrs.Kaewta	Ongsaranakom	5/6	-	2/2	2/2	-	-	5/5	14/19	1/1
6	Prof.Dr.Malyn	Ungsurungsie	5/6	-	-	-	-	4/4	-	11/19	1/1
7	Mrs.Chitraporn	Vikitset	6/6	-	2/2	-	-	-	-	10/19	1/1
8	Mrs.Teerada	Ambhanwong	6/6	-	-	-	-	-	-	-	1/1
9	Mr.Suthep	Dansiriviroj	5/6	-	-	-	-	-	-	-	1/1
10	Admiral Apichart	Pengsritong	5/6	-	-	-	-	4/4	-	-	1/1
11	Mrs.Pismai	Chandrubeksa	6/6	-	-	2/2	-	-	-	-	1/1
12	Mr.Amom	Asvanunt	6/6	5/5	-	-	-	-	-	-	1/1
13	Mrs.Pradittha	Chongwattana	6/6	5/5	-	-	-	-	-	-	1/1
14	Pol.Gen.Somchai	Prabhasabhakdi	6/6	5/5	-	-	-	-	5/5	-	1/1
15	Assist.Prof.Dr.Pongchai	Athikomrattanukul	4/6**	4/5**	-	-	-	-	-	-	-
16	Mr.Surong	Ongkosit	1/6***	0/5***	-	-	-	-	-	-	-
17	Miss Sumeth	Surachartchairit	-	-	-	-	-	-	-	15/19	1/1
18	Mrs.Thongsuk	Upathambhakul	-	-	-	-	-	4/4	-	17/19	1/1
19	Mr.Varith	Tritrapun	-	-	-	-	-	-	-	-	1/1

No	Name	Position	Directors' Meeting							General	
			The Board of Directors	The Audit Committee	The Nomination Committee	The Remuneration Committee	The Risk Management Committee	The Corporate Social Responsibility Committee	The Corporate Governance Committee	The Executive Board	Shareholders' Meeting
			6 times / year	5 times / year	2 times / year	2 times / year	4 times / year	4 times / year	5 times / year	19 times / year	1 time / year
20	Mrs.Patchara	Pongwichan	-	-	-	-	-	-	5/5	17/19	1/1
21	Mrs.Suthanya	Sumana	-	-	-	-	4/4	-	-	16/19	1/1
22	Mrs.Daranee	Ajaneeyakul	-	-	-	-	3/4	-	-	19/19	1/1
23	Mr.Pattara	Vikitset	-	-	-	-	1/4	-	-	-	-
24	Mrs.Rujapa	Srisurang	-	-	-	-	3/4**	4/4	-	-	-
25	Mrs.Tanyanan	Tantikovit	-	-	-	-	-	4/4	-	-	1/1
26	Mrs.Worawan	tantrasadete	-	-	-	-	-	-	5/5	-	1/1
27	Mr.Sumit	Khopaiboon	-	-	-	-	-	-	5/5	18/19	1/1
28	Miss Thatsruang	Saengwichian	-	-	-	-	-	4/4	-	-	1/1
29	Miss Yaowaluk	Potinitimit	-	-	-	-	-	4/4	-	-	1/1
30	Miss Kitsanarut	Rassameesuriyan	-	-	-	-	-	-	-	18/19	1/1
31	Mrs.Yarin	Srisakda	-	-	-	-	-	-	-	11/19**	-
32	Mrs.Jariya	Thamvachirapom	-	-	-	-	-	-	-	7/19***	1/1
33	Assoc.Prof.Nares	Kesaprakorn	-	-	-	-	3/4	-	-	-	-
34	Assoc.Prof.Kitisak	Ploypanichcharoer	-	-	-	-	3/4**	-	-	-	-
35	Dr.Kiritkiat	Srisempoke	-	-	-	-	1/4***	-	-	-	-

Remark : ** Appointed on May 13, 2019

*** Retired on May 13, 2019

1.4 Controller

The company does not have any controller who has the influence over the company's management policy, or its operations, in such manner deemed as significant.

2. The Management

2.1 The Management

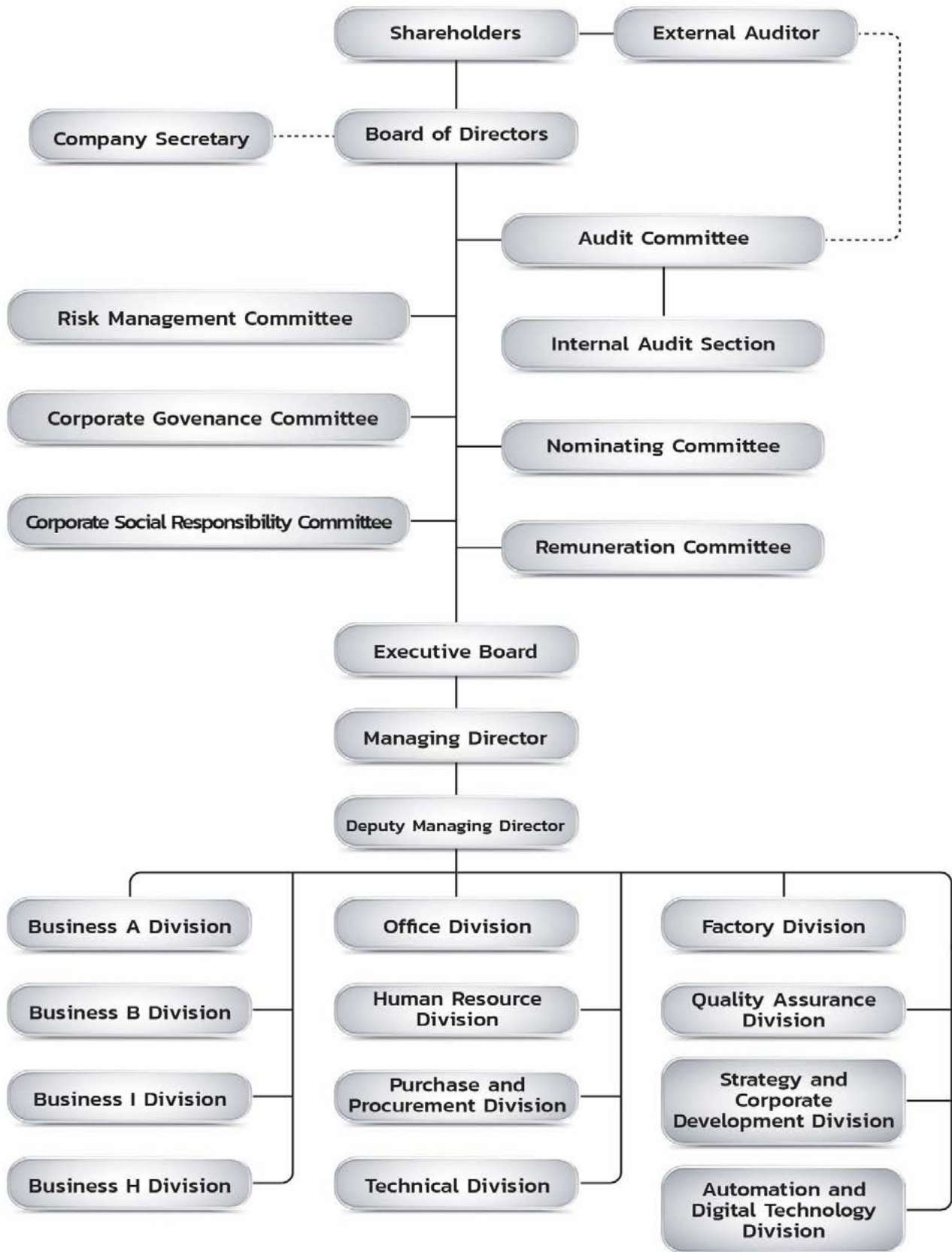
At present, there were 14 company's management members in accordance with the definition of the management set by The Securities and Exchange Commission. The management were authorized by the company to carry out duties in accordance with the company's policies.

Name list of the Management as of December 31, 2019

	Name	Position
1.	Mr.Thirasak Vikitset	Managing Director / Director which are Management
2.	Dr.Atthakorn Glankwamdee	Deputy Managing Director / Director which are Management
3.	Mrs.Kaewta Ongsaranakom	Director / Director which are Management
4.	Prof.Dr.Malyn Ungsurungsie	Director / Director which are Management
5.	Mrs.Chitraporn Vikitset	Director / Director which are Management
6.	Mr.Bo Nystrup Nielsen	Strategy and Corporate Development Division Manager
7.	Mr.Simon Rhoderick Knight	Overseas Business Division Manager
8.	Miss Sumeth Surachartchairit	Factory Division Manager
9.	Mrs.Thongsuk Upathambhakul	Domestic Business Division Manager
10.	Mr.Varith Tritrapun	Office Division Assistant Manager (Accounting & Finance)
11.	Mrs.Patchara Pongwichan	Human Resource Division Assistant Manager
12.	Mrs.Daranee Ajneeyakul	Technical Division Assistant Manager
13.	Mr.Arucha Budsakornbhinanda	Automation and Digital Technology Division Assistant Manager
14.	Miss Patcharee Ariyachansin	Quality Assurance Division Assistant Manager

2.2 Personal information of management members

The details of personal information of management members were display per the section “personal information of company directors and management members”.



3. Company Secretary

The Board of Directors has appointed Mr. Sumit Khopaiboon, who was duly qualified, with knowledge and experiences, as the Company Secretary effective from February 24, 2016 (See the details on his education and career background under the heading “Details relating to management and authorized personnel”, having the duties and responsibilities as specified in The company directors, Securities and Exchange Act (no. 4) B.E. 2551, together with other duties assigned by The Board of Directors.

Company Secretary Profile

Name / Position	Education Level	Training Course
Mr. Sumit Khopaiboon Company Secretary	Bachelor of Administration (Accounting), Ramkhamhaeng University	<ul style="list-style-type: none"> - Company Secretary Program Class 83/2017 : Thai Institute of Directors (IOD) - Modern Risk Management by Mrs. Jiraporn Sumeteeprasit - New Paradigm The Future of Leadership by Mr. Archirawish Pakchotipong - Strategic Business Goal Plan and Action for 3 years. (T-way Co., Ltd) - Good Corporate Governance and Anti-Corruption for Sustainable Organization by Mr. Thanakrit Peompoonkantisuk

The Company Secretary was assigned the following responsibilities:

1. To provide preliminary advice to the company directors on laws, regulations and articles of the company, and to monitor properly and regular compliance, as well as to report substantive changes to the directors.
2. To coordinate between the company directors and the management, to supervise and coordinate matters pertaining to the relevant laws and regulations, including proceedings to ensure compliance with resolutions of the Board of Directors.
3. To organize the shareholders' meeting and the Board of Directors' meeting in accordance with laws, company articles and code of conduct.
4. To record minutes of the shareholders' meeting and The Board of Directors' meeting as well as to monitor compliance with their resolutions of the shareholders' meeting and the Board of Directors' meeting.
5. To oversee the disclosure of information and file the relevant reports under the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.
6. To prepare and keep the following documents:
 - Company directors' register
 - Notice of the Board of Directors' meeting/minutes of the Board of Directors' meeting
 - Notice of the shareholders' meeting/minutes of shareholders' meeting
 - Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2)

7. To keep hold reports of interests of Directors or Executives, as well as sent copies to the President and Chairman of the Audit Committee within 7 days from the day of receiving the report.
8. To organize orientations with guidelines to newly appointed board members.
9. To communicate with general shareholders to ensure that they have complete and continual knowledge of their rights including the Company's news and information.
10. To undertake other responsibilities as regulated by SEC and others as assigned by the Company.

4. Remuneration for the directors and management

4.1 Remuneration criteria for the directors and management

The Board of Directors set up a policy on the determination of the director's remuneration in a fair and reasonable manner and assigned the Remuneration Committee to be responsible for setting the budget and allocation criteria for the directors, on a comparative basis with other companies in the same business category. Consideration were given to such areas as, expansion in the company's business activities, business growth rate, operating results, together with proper reference to the authority, duty, responsibility scope, the financial liquidity position, the possible factors impacts on both the company and overall economic situation, and performances by the directors. The Remuneration Committee set the criteria on meeting allowance and yearly remuneration. The said resolution would be proposed to the Board of Directors' meeting for their consideration prior to propose to the shareholders' meeting for final approval of said remuneration budget.

Whereas the remuneration authorization for top management and other management members would be required to follow the criteria set forth by the company, in term of the duty and responsibility scope, as well as the individuals' performance evaluation by said top management and management members, who would be entitled to such same remuneration criteria.

4.2 Remuneration amount

(A) Remuneration for company directors

The shareholders' meeting approved annual remuneration budget for company directors for total amount not exceeding 15 million baht per year as the piror year, until further changes. The disbursement of said remuneration budget required the consideration by the Remuneration Committee, and the approval of the Board of Directors, with such disbursement not exceeding the budget amount earlier approved by the shareholders' meeting and compared with other group of companies in the same level. This is not inclusive of remuneration or welfare to which the directors are entitled to in the capacity as a staff member or and employee of the company.

- Annual Remuneration is paid to all directors. The Remuneration Committee will allocate the remuneration on basis of principle, operational results and propose to the Board of Directors.
- Meeting fee, is paid to attending directors only. In case of there is a meeting more than 1 times in each month, it accounts to receive the meeting fee not exceeding 1 time.
- Remuneration of other sub-committees which organized by the Board will be in the consideration of the Remuneration Committee by considering in accordance with appropriateness, and to be in line with duties and responsibilities.

Details of meeting allowance payments were as follows:

	2019 (baht / time)		2018 (baht / time)	
	Chairman	Director	Chairman	Director
The Board of Directors	12,000	9,000	12,000	9,000
The Audit Committee				
The Nominating Committee				
The Remuneration Committee				
The Risk Management Committee	10,000	8,000	10,000	8,000
The Corporate Social Responsibility Committee				
The Corporate Governance Committee				

For year 2019, the company paid the meeting allowance of Baht 1,314,000 and director remuneration of Baht 13,150,000, totalling Baht 14,464,000.

Details of remuneration received by each company directors in 2019 are as follows:

Unit : Baht

Name	Directors fee	Meeting fee							Total Directors fee
		The Board of Directors	The Audit Committee	The Nomination Committee	The Remuneration Committee	The Risk Management Committee	The Corporate Social Responsibility Committee	The Corporate Governance Committee	
1 Mr.Boonkiet Chokwatana	1,300,000.00	72,000.00	-	20,000.00	20,000.00	-	-	-	1,412,000.00
2 Mrs.Tipapom Chokwatana	1,200,000.00	54,000.00	-	-	-	-	-	-	1,254,000.00
3 Mr.Thirasak Vikitset	3,000,000.00	54,000.00	-	16,000.00	16,000.00	-	-	-	3,086,000.00
4 Dr..Athakorn Glankwamdee	450,000.00	45,000.00	-	16,000.00	-	40,000.00	-	-	551,000.00
5 Mrs.Kaewta Ongsaranakom	1,050,000.00	45,000.00	-	16,000.00	16,000.00	-	-	40,000.00	1,167,000.00
6 Prof.Dr.Malyn Ungsurungsie	1,050,000.00	45,000.00	-	-	-	-	40,000.00	-	1,135,000.00
7 Mrs.Chitrapom Vikitset	1,050,000.00	54,000.00	-	16,000.00	-	-	-	-	1,120,000.00
8 Mrs.Teerada Ambhanwong	450,000.00	54,000.00	-	-	-	-	-	-	504,000.00
9 Mr.Suthep Dansiriviroj	550,000.00	45,000.00	-	-	-	-	-	-	595,000.00
10 Admiral Apichart Pengsritong	450,000.00	45,000.00	-	-	-	-	32,000.00	-	527,000.00
11 Mrs.Pismai Chandrubeksa	450,000.00	54,000.00	-	-	16,000.00	-	-	-	520,000.00
12 Mr.Amorn Asvanunt	700,000.00	54,000.00	60,000.00	-	-	-	-	-	814,000.00
13 Mrs.Pradittha Chongwattana	450,000.00	54,000.00	45,000.00	-	-	-	-	-	549,000.00
14 Mr.Surong Ongkosit***	450,000.00	9,000.00	-	-	-	-	-	-	459,000.00
15 Pol.Gen.Somchai Prabhasabhakdi	550,000.00	54,000.00	45,000.00	-	-	-	-	50,000.00	699,000.00
16 Assist.Prof.Dr.Pongchai Athikomrattanaku**	-	36,000.00	36,000.00	-	-	-	-	-	72,000.00
Total	13,150,000.00	774,000.00	186,000.00	84,000.00	68,000.00	40,000.00	72,000.00	90,000.00	14,464,000.00

Remark : ** Appointed on May 13, 2019

*** Retired on May 13, 2019

(B) **Remuneration for management** Referred to the remuneration for the 5 executive directors who were non-management members and 9 company's management members in accordance with the definition of the management set by The Securities and Exchange Commission, altogether totaling 14 persons. The remuneration details were classified into salary, bonus, allowance, and meeting allowance accorded their status as company employees.

Remuneration details for management members

Remuneration	2019		2018	
	Number of persons	Amount (baht)	Number of persons	Amount (baht)
Salary and bonus	14	51,610,590	10	39,945,380
Meeting fee	14	531,000	10	487,000
Total		52,141,590		40,432,380

4.3 Other Remuneration

The company does not have the policy to provide any extra benefits to its executives, whether in term of shares, debentures, other than those remuneration normally accorded the directors and company employees.

(A) **Other remuneration for company directors**

- None -

(B) **Other remuneration for management members**

The Company has established a provident fund to management by subscribing to be provident fund membership. The company has contributed at rate of 3 percent of salary.

Other remuneration details for management members

Other Remuneration	2019		2018	
	Number of persons	Amount (baht)	Number of persons	Amount (baht)
Provident fund contribution	14	126,500	10	-
Total		126,500		-

5. Employees

The company has focus on the allocation of manpower suitable for its division and arrange it for the future plans. As at December 31, 2019 and 2018, the Company had total staffs of 1,898 and 1,839 persons respectively, divided into 10 main departments as follows :

Main Division	2019 (Persons)	2018 (Persons)
Customer Service	121	131
Office	92	94
Purchase and Procurement	45	44
Human Resource	132	127
Technical	308	300

Main Division	2019 (Persons)	2018 (Persons)
Factory	1,064	1,021
Quality Assurance	106	98
Automation and Digital Technology	25	20
Strategy and Corporate Development	2	2
Internal Audit	3	2
Total	1,898	1,839

Human Resource Management

The company's human resource management is to focus on the recruitment, selection and development to meet the organizational context to create good people to society. The process of recruiting, selecting good people and developing people in the organization to be a good one. It will help the organization to gain competitive advantage amidst the changing conditions of today's business.

In 2019 the corporate policy that focus on growth with the creation of new businesses and the creation of new innovations in both products and services. Human resources is subject to the company's priority response to such business proposition. The company has set the direction for the management of human resources by the start of the corporate restructuring to clear up. The recruitment, selection, new staffs in management level to participate in various positions. Therefore, the personnel resource development process, so it is important that the processes need to be modified to comply with the policy and business strategy by major development topics that focus on creating attitudes and ideas to create new innovations in the organization. Development supervisor, is a leader in the creation of man. Create professional, as well as the artistic concept of virtue. Ethics in business required organizations through activities in various forms to the base to accommodate the expansion of the business in the future.

Vision and Mission of Human Resource Division

HR Vision

Develop competencies (knowledge, skills, behaviors) of personnel to be ready to keep up with business changes.

HR Mission

- Development of human resource management and development systems to respond changing in organizational environments
- Creating a culture to support business operations of the company.
- Creating happy work place

HR Strategy

1. Develop the capability of personnel to respond the business.
2. Develop management systems and develop efficiency of human resources.
3. Create a corporate culture being involved by employees.
4. Build morale for working happily.

Compensation management and employee retention.

Good and standard compensation management will help to support employees who are capable of sharing the driving organizations effectively. Keeping good staff and good with the company. The Company has set to pay the remuneration to the employees according to qualifications, skills and work experience. The minimum salary of the employee is based on the minimum wage-set by the government. The company considers the salary adjustment and bonus once a year by assessment based on the Competency Model and Key performance Indicator (KPI). The company has a compared and improved the management of the remuneration with the return paid to leading companies annually.

Staff Benefit	2019 (Million baht)	2018 (Million baht)
Employee benefit expenses	734.0	689.5
Provident fund	9.2	9.2
Total	743.2	698.7

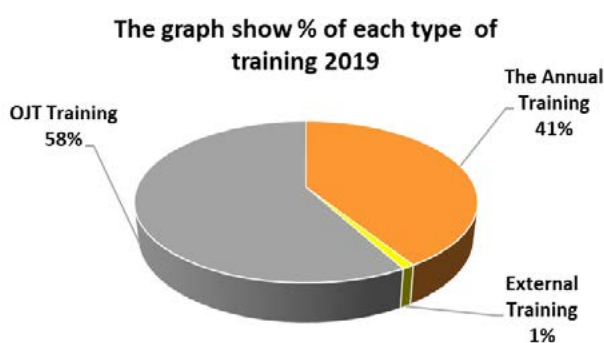
In addition, the company has paid other compensation of employee as Provident Fund for employees at all levels by the company contribution rate at 3 percent of salary, Savings Cooperative, employee retirement plan, employee awards 30-year 20-year 10-year, employee awards, who have no statistics for absent, leave and late, etc.

The company recognizes the importance of human resource in the organization who drive sustainable growth. Hence, knowledge, ability of personnel are essential that organization needs to develop a system of care and to encourage a positive attitude at work place from beginning of being employee through the activities and processes. Learning in different ways both in and outside the classroom, such as training, teaching, job assignment to work tasks, work observation etc. During the past year, there were no changes in number of employees or labour dispute significantly.

The development and employee training.

Each year, the company is planning to develop the skills and abilities of the employees in the various aspects of both the Soft side and Hard side, both the Class room and Non Class Room, which is consistent with the direction and strategy of the organization. To provide employees with career advancement and training employees to realize the core value of the Organization and encourage all employees to operating with integrity, do not seek personal interests that may conflict of interests of the company and its stakeholders. It can be driven organization to the target and sustainable success in the long run.

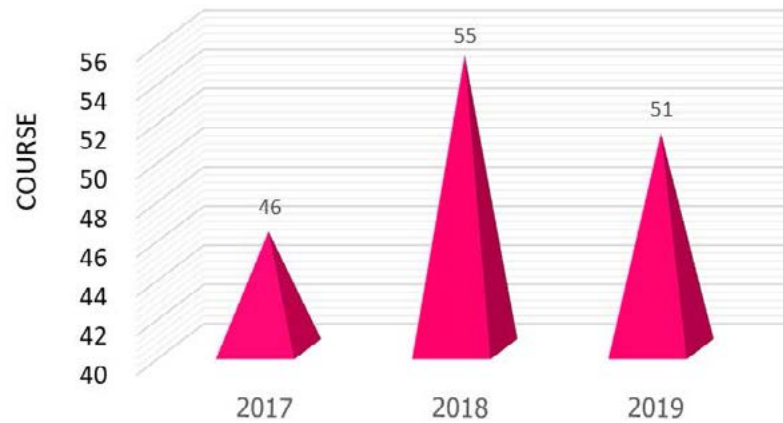
Human Resource Development Process		
1.The Annual Training and Development	2.OJT Training	3.External Training



1. The Annual Training

The company is planning, personnel development and training according to the annual course evaluations from the policy and business strategy as well as to explore and analyze the training needs of the various agencies on each side. From the information collected can be summarized that the categories of primary necessity that affects business processes and relationships with key stakeholders: employees, customers, consumers, will be security courses. Quality courses, Technical courses and Management courses required attention to processes, leadership development, leadership changes and to support the business growth of the company in the future.

Graph show number of Annual training courses



Performance of the year 2019

Amount of training course in the year 2019 = 51 courses

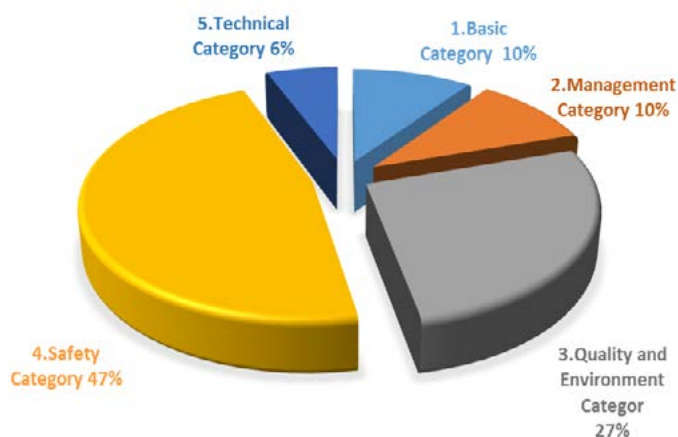
Amount of totally training hour = 49,017 hrs. / year

Amount of average training hour = 26 hrs./ person / year

5 Categories for Development

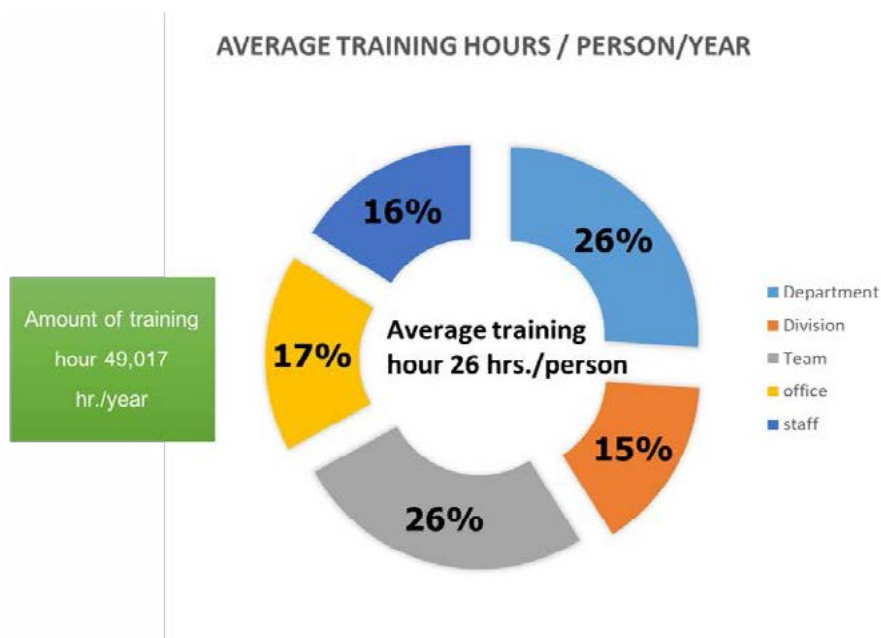
Basic Category	Focus on creating knowledge, understanding of work, and living together in the organization.
Management Category	Focus on knowledge development / management skills to provide good leadership to the organization.
Quality and Environment Category	Focus on managing and solving quality problems.
Safety Category	Focus on preventive safety training.
Technical Category	Focus on creating specialized knowledge that all departments must learn together.

GRAPH SHOW % OF TRAINING COURSES BY CATEGORY



Graph shows the number of HR training hour for year 2019 by a group of employees as follows.

AVERAGE TRAINING HOURS / PERSON/YEAR

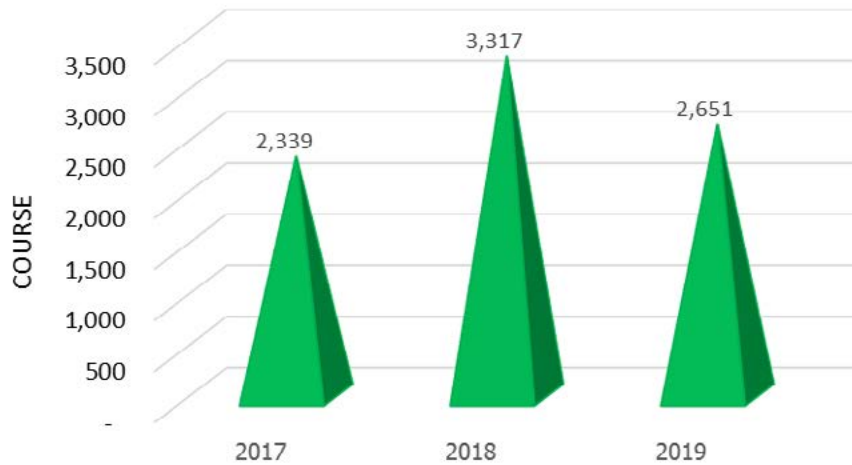


2. OJT Training

It is a training that focuses on the technical skills taught by the supervisor in each department, so that the employees under such department shall have sufficient knowledge and skills to perform their duties effectively. The nature of On the Job Training is divided into 2 types as following:

- On the Job Training for new employees during the probation period, called as OJT Record, takes no more than 2 months.
- On the Job Training for employees that have already been put in a position, called as OJT Plan, which the agency has to plan for continuous training each year.

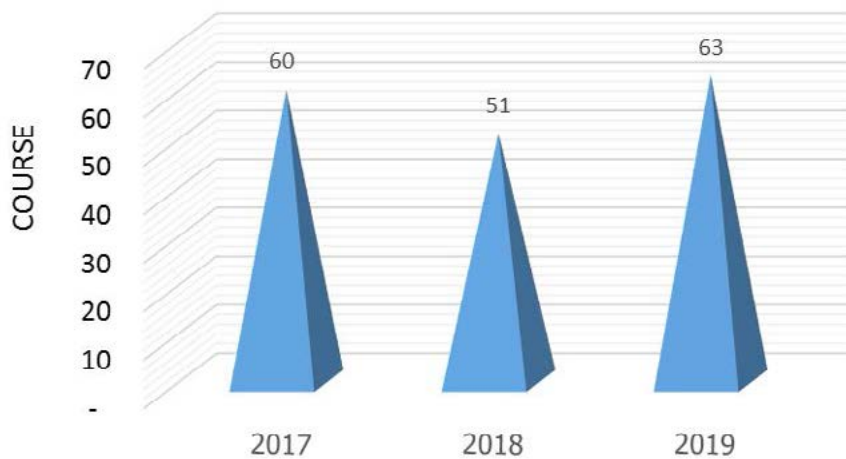
GRAPH SHOW NUMBER OF OJT TRAINING COURSE



3. External training

The Company sends personnel to external training in specific courses that are required by each department so that employees have the opportunity to fulfill their knowledge / skills to perform more tasks. Most of the courses that the Company sends outside for training will focus on legal knowledge, accounting, and new knowledge that needs to be continuously updated to enable personnel to keep up with the changing situations both in terms of economy, society and environment.

Graph show number of external training courses



From sending employees to training and development courses in both inside and outside the company, which is in accordance with policy or the need for the division itself, causing a positive impact on our employees in terms of their skills / knowledge that can be applied. In management and problem solving of divisions as well as developing various techniques that contribute to achieving the division. There is also a positive impact on the business aspects of the experience helpful which can be used to develop or continue business with a stable and more sustainable.

Operating Performance in the year 2019 can apply the knowledge to practical more than 70% of the organized curriculum with Examples of effectiveness from training courses are as follows:

Item	Name of course	The result of the application
1.	Business Strategy	Short-term and long-term corporate business strategies and goals.
2.	New Paradigm The Future of Leadership	Increased employee satisfaction scores with employees and supervisor more than 30 percent from last year.
3.	Strong work Strong life	There are more than 100 topics of self-development and job development of operational staff.
4.	Modern of Risk Management	Review of the preparation of internal risk control plans for 22 topics and corporate risk management plans for 27 topics.
5.	5 S. and recommendations for the head area	Suggestions for work Improving for 802 Issue, Reduce expense of 2,707,172.76 baht.
6.	Safety officer at Management level program	24 persons registered as Safety officer in Management level.

Human rights and labor practices

The Company recognizes the human rights and equality are equal. Workers are treated fairly regardless of differences in age, sex, race, color, religion, language, caste, disability, including failure to use child labor and forced labor.

The company, given the guidelines fairly towards all employees according to the framework of the code of conduct and ethical business conduct, including the implementation of the labor standard system, Thailand. With the election and appointment of the Welfare Committee in the establishment. The Safety Board to represent the employees consulted and offered comments on the Company's Executive Board. Employees were given opportunity to express opinions through various channels such as the box, meeting reviews satisfaction evaluation activities in order to bring about improvement and continuous development.

Disable employment

The company adheres to equality principles and non-discriminating policy in all aspects to promote and develop quality of life for disable employee as clause 33 and 35 in Empowerment of Persons with Disabilities Act. This Act could support all disable persons in Thailand for self-reliant in working opportunity. Also, the company has "S&J (Care you)" Project to support disable persons which has been ongoing since 2017 until now.

Remark : More details can be found at "Sustainable Development Report 2019 : Good People"

S&J International Enterprises Public Company Limited has appointed the Corporate Governance Committee, comprised of the following 5 members:

1.	Pol.Gen.Somchai	Prabhasabhakdi	Chairman
2.	Mrs.Kaewta	Ongsaranakom	Member
3.	Mrs.Patchara	Pongwichan	Member
4.	Mr.Sumit	Khopaiboon	Member
5.	Mrs.Worawan	Tantrasadetee	Member

The Corporate Governance Committee has carried all duties as assigned by the Board of Directors as specified in its charter to oversee the company by enhancing Good Corporate Governance principles with transparency, disclosure and fairness for all stakeholders with sustainable growth.

In 2019, the Corporate Governance Committee organized 5 meetings to complete the assigned responsibilities as follows:

1. Reviewing the charter of the Corporate Governance Committee as the guidelines to meet the Good Corporate Governance principles and appropriateness for the current situations.
2. Reviewing and improving the main contents of Good Corporate Governance Principles in accordance with the Principles of Good Corporate Governance for listed companies of the Securities and Exchange Commission (SEC) to achieve the business goals coupling with required ethical standards leading to benefits for stakeholders, shareholders, the Company and the society.
3. Reviewing and improving rules and practices under the anti-corruption policies to develop corporate culture focusing on business transparency.
4. Promoting knowledge and understanding for good corporate governance and anti-corruption both internally and externally. This year, the Company has organized trainings for the Board members, Executives and employees. In addition, trainings has been as well organized to the subsidiaries, associates and business partners on "Extension of Anti-Corruption for Corporate Sustainable Development".
5. The Company has been assessed as the "Excellent" for 2 consecutive years by the Corporate Governance Report of Thai Listed Companies 2019, The Thai Institute of Directors Association (IOD).
6. The Company has been approved for recertification by the Collection Coalition Against Corruption (CAC) in the 3rd quarter.

Accordingly, The Corporate Governance Committee is of the definite goal to cultivate and promote “consciousness” for business good governance and anti-corruption leading to daily practical practices aiming for sustainability.



(Pol.Gen.Somchai Prabhasabhakdi)

Chairman of the Corporate Governance Committee

The Board of Directors of S & J International Enterprises Public Company Limited has approved the signing of the declaration of intention alignment private practice Thailand in the fight against corruption on February 25, 2014. So in order to comply with the requirements set out in the Corporate Governance of the company as well as to the spirit and responsibility to society as a whole, the company's policy to comply with the law against corruption. It prohibits directors, management and employees accept or support corrupt all forms both direct and indirect in written the following are guidelines.

1. The company will not be a party to pay bribes. In case of contributions to charity, to political parties as well as offering gifts in a business manner, this must be transparent, explainable and audited.
2. Supporting enhancement of awareness and value for anti-corruption among the company directors, executives and employees to perform duties in accordance with relevant laws, notifications and regulations by preparing such manual for guidelines.
3. The company directors, executives and employees must not act as an intermediary in demanding and accepting gifts or benefits from government sectors or private sector, which induces to violate the laws. Moreover, it is illegal to use positions and/or duties to use the company's data to seek benefits for oneself or others.
4. Setting the system to report financial status transparently and accurately, providing an efficient and effective internal control system, and controlling check-and-balance system to be appropriate in order to prevent conducting any fraud or taking part in any fraud and corruption.
5. Monitoring and reviewing the anti-corruption policy, guidelines and regulations consistently for operation in order to adjust with business changes, laws and regulations.
6. Opening channel for reporting any suspected activity and ensuring that such reporters receive protection.

The policy against corruption has been passed a resolution by the Board of Directors No.1 on February 24, 2015 and become effective since February 24, 2015.



(Mr.Boonkiet Chokwatana)

Chairman

Corporate Governance Policies

The Board of Directors is confident that a proper, transparent and accountable governance system is in place along with checks and balances and an internal control system that is sufficient and appropriate. Alongside these mechanisms are due respect for the rights and equality of shareholders and accountability to all stakeholders. These key factors contribute to the enhancement of the organization's immunity and promotion of a balanced and sustainable growth in long-term.

In pursuance thereof, the Board of Directors thereby prescribed the following corporate governance policies as a practice guideline for the company and the subsidiaries' directors, Executives and all employees.

1. Company Directors, Executives and all employees are fully committed to the application of corporate governance principles, business ethics and Codes of Conduct for Company Directors, Executives and employees to Company operations.
2. Company Directors, Executives and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles and Notifications.
3. Actions shall be taken to ensure that the Company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committees and Executives.
4. An internal control system shall be installed and risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
5. Information shall be disclosed in a sufficient, reliable and timely matter to the extent that the legitimate interests of the Company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.
7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment.
8. There shall be a determination to strive towards business excellence with commitment to the creation of customer satisfaction by receiving comments and self-assessments in order to enhance management capabilities and continually promote productive creativity.
9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of personnel.
10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.
11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the Company's interests.

With this regard, the company has revealed corporate governance policies, business ethics, and code of conduct for company directors, the management and employees to employees, shareholders, and general public via the company website, under the heading "Investor relations: Corporate Governance".

Sub committees

The Board of Directors appointed the committees comprising of competent and experienced members, to supervise over each particular aspect of company operations, to ensure careful and effective management and operations for the company. Those committees consisted of The Executive Board, The Audit Committee, The Nominating Committee, The Remuneration Committee, The Risk Management Committee, The Corporate Social Responsibility Committee and The Corporate Governance Committee.

The Board of Directors clearly laid down the authority and responsibility scope for each committee per the charter for said committee. The chairman of every other committee was responsible for supervising the operations in accordance with the policies of The Board of Directors and reported the operating results annually to the Board of Directors' meeting.

1. The Board of Directors

At present, The Board of Directors consisted of 15 members, classified into :

- 10 non-executive directors accounting for 66.67%
- 5 executive directors accounting for 33.33%

There are 10 non-executive directors of whom 6 are independent directors or equal to 40.00% of the total number of the Board. And among 6 independent directors, 4 of them are members of the Audit Committee. The Chairman shall not be the same person who is taking an office of Managing Director.

Name list of the Board of Directors

	Name	Position
1	Mr.Boonkiet Chokwatana	Chairman
2	Mrs.Tipaporn Chokwatana	Vice Chairman
3	Mr.Thirasak Vikitset	Director
4	Dr.Atthakorn Glankwamdee	Director
5	Mrs.Kaewta Ongsaranakom	Director
6	Prof.Dr.Malyn Ungsurungsie	Director
7	Mrs.Chitraporn Vikitset	Director
8	Mrs.Teerada Ambhanwong	Director
9	Mr.Suthep Dansiriviroj	Director
10	Admiral Apichart Pongsritong	Independent Director
11	Mrs.Pismai Chandrubeksa	Independent Director
12	Mr.Amorn Asvanunt	Independent Director
13	Mrs.Pradittha Chongwattana	Independent Director
14	Pol.Gen.Somchai Prabhasabhakdi	Independent Director
15	Assist.Prof.Dr.Pongchai Athikomrattanakul	Independent Director
	Mr.Sumit Khopaiboon	Company Secretary

Term for company directors

The term for company directors is in accordance with company articles of association and Charter for The Board of Directors as follows:

1. At each annual shareholders' general meeting, one-third of the sitting directors are required to retire from directors, whereas if the number of directors cannot be divided into 3 equal portions, the closet to such number shall apply. Retiring directors are eligible for re-election. At present, The Board of Directors had 15 members, therefore each director shall have a 3-year term.
2. Apart from retiring upon term completion, the company director shall also relieved of his/her position upon resignation or death or having disqualifications as prohibited by laws or the resolution adopted by the shareholders' meeting to remove that person from the position, or court ruling remove that person from the position.
3. In the case where the position of Board member is left vacant due to reasons other than term completion, with such remaining term not less than 2 months, The Board of Directors are required to appoint other persons having full qualifications to succeed in that position. In such case, the newly-appointed Board member may only serve out the term remaining for the person he/she succeeds.
4. The company director resigning from the position before term completion is required to submit his/ her resignation letter to the company, with such resignation coming into effect on the date of said submission.
5. The shareholders' meeting may vote for any of director to be out before retiring upon term completion, by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and the total number of shares being not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.

Authority of the Board of Directors

1. To appoint, remove and authorize consultants to the Board of Directors, and/or to other individuals.
2. To approve loans, of the amount greater than the authority of the Executive Board, to companies with a business relation to the company as shareholders or to companies with a trading relation or other companies.
3. To approve guarantee of loan, of the amount greater than the authority of the Executive Board, to companies with a business relation with the company as shareholders or to companies with a trading relation or other companies.
4. To approve engagement in a legal act, this is not a financial transaction, of the amount greater than the authority of the Executive Board.
5. To approve acceptance or cancellation of loans of the amount greater than the authority of the Executive Board.
6. To approve investment, sale of investment capital in ordinary shares and/or any other securities of the amount greater than the authority of the Executive Board.
7. To approve sourcing and investment in fixed assets of the amount greater than the authority of the Executive Board.
8. To approve the payment for, or disposal or transfer of fixed assets that exceeds the authority of the Executive Board.

9. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, deteriorated and out of date, which are of the amount greater than the authority of the Executive Board.
10. To approve modification, change of price and destruction of raw materials and/or remaining inventories which are deteriorated or out of date, which are of the amount greater than the authority of the Executive Board.
11. To approve compromise or settlement of dispute by arbitration, complaint, filling of lawsuits and /or any legal proceeding on behalf of the company on matter which are not/or normal business course with an amount exceeding the authority of the Executive Board.
12. To propose to shareholders an increase or a decrease of capital, a change of share value: modification of memorandum, articles of association and /or objectives of the company.
13. To approve incorporation, merger or dissolution of subsidiaries.
14. To authorize to management, managerial employees of the company, or any other individual to act on their behalf.
15. To invite member of the management, executives, or relevant employees to provide explanations, opinions or documents as necessary.
16. To consult with specialist or company consultants (if any) or hire third-party consultant or outside specialist if necessary at the expense of the company.
17. To appoint and remove a company secretary.

Duty and responsibility scope of the Board of Directors

1. To establish directions, goals and business policies of the company.
2. To approve plans and annual budgets; including to supervise the performance of the management in order to ensure effectiveness and compliance with the laws and established policies and plans.
3. To encourage the development of the policy of corporate governance, ethics and business code of ethics in written in order for company directors, executives and employees to use as guideline in the conduct of the business and follow up its real practice.
4. To arrange for a sufficient internal control system in order to ensure that transactions are approved by authorized individuals, examined and prepared accurate accounting reports; and, to implement various systems preventing inappropriate use of company assets.
5. Transactions with possible conflict of interests must be carefully reviewed, with a definite guideline to ensure the interests of the company and the shareholders. Individuals with interests may not be involved in the decision-making process. They must observe the requirements on the proper procedure and disclosure of transactions with possible conflict of interests.
6. To approve the reviewed and/or audited financial reports, which have been approved by the Audit Committee.
7. To be equally responsible to all shareholders, and, to correctly, basely and transparently disclose information to shareholders and investors.
8. To acknowledge business management reports from the Executive Board.

9. To convene shareholders meeting by specified date, time, place and agenda as well as dividends (if any) and to provide shareholders with opinions of the Board of Directors on the matters proposed to the shareholders. During the twenty-one days prior to each shareholder meeting, the company may stop share transfer registration by informing the shareholders at the headquarters and the branch offices at least fourteen days prior to the day of share transfer registration suspension. Alternatively, a record date (RD) may be determined no longer than two months prior to the day of any shareholders meeting, to determine the right to attend shareholders meeting and to receive dividends.
10. To prepare the Report on the company Board of Directors' Responsibilities for Financial Statements and disclose it in the annual report of the company (56-2 Form) and the annual disclosure report (56-1 Form).
11. To follow up on documents to be submitted to relevant regulatory agencies, in order to ensure that the statements or the items are correct as per the data appearing in the account books, the registration or any other document of the company.
12. To approve the charter of the Board of Directors and/or other committees.
13. To Review, revise and amend the Charter of the Board of Directors at least once a year.
14. To engage in any other action, which is beyond the authority of the Executive Board, or which the Board of Directors deems appropriate.

During 2019, The Board of Directors covered total 6 meetings, whereby the meeting dates had been earlier decided throughout the entire year. Furthermore, additional meeting could also be summoned according to necessary circumstances. Details appear in the category "Management Structure".

2. The Audit Committee

The Board of Directors has approved the appointment of the Audit Committee with the qualifications specified under the conditions of security law and Stock Exchange of Thailand. Such the committee must consist of at least 3 independent directors and at least 1 director must be qualified in accounting and finance, and whose term in 1 year from May 2019 – May 2020. In 2019 the total amount of the Audit Committee was 4 persons.

Name list of the Audit Committee

	Name		Position
1	Mr.Amorn	Asvanunt*	Chairman
2	Mrs.Pradittha	Chongwattana	Director
3	Pol.Gen.Somchai	Prabhasabhakdi	Director
4	Assist.Prof.Dr.Pongchai	Athikomrattanakul	Director
	Mrs.Panee	Chantavaralak	Secretary to The Audit Committee

Remark : * Well knowledgeable and experienced in accounting & finance.

Authority of the Audit Committee

1. Coordinate to facilitate common understanding to be in the same direction among the certified public accountant, The Board of Directors, and the internal control office.
2. To invite the management, or company relevant employees to provide clarification and comment, to take part in meetings, and to submit documents deemed necessary. As well as having the authority to access corporate documents of all levels.
3. Authorized to carry out investigation on concerned persons relating to such matters lying within the authority and duty scope of The Audit Committee.
4. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

The Responsibilities of the Audit Committee

1. To review that the company has accurate and adequate financial reporting.
2. To review that the company has suitable and efficient internal control system and internal audit.
3. To review that the company comply with laws concerning securities and stock exchange, the Stock Exchange's regulations, and other laws related to the company's business.
4. To review the compliance of the anti-corruption policy.
5. To encourage the company to have an efficient risk management system and follow up on it.
6. To ensure the company has a management system with the Good Corporate Governance principles.
7. To approval and monitor the progress made in relation to the internal audit plan.
8. To consider independence of the internal audit including agreement of appointment, transfer and dismissal of the chief of the internal audit office or any other unit in charge of internal audit.
9. To consider, select, nominate for approval for the persons with independence of performing the duties of external auditors for the Company including the proposed termination of auditor and propose the remuneration of such external auditors to the Board of Director and jointly attend the meeting with the external auditors, at least once a year, without the attendance of the Company's management.
10. Review connected transactions or transactions with possible conflict of interests, to ensure that they follow the laws, the regulations of The Stock Exchange of Thailand, and the Notification of The Capital Market Supervisory Board, and that they are justified and are of maximum benefits to the company.
11. To disclose the Audit Committee's Report in the Company's Annual Report, consist of at least the following information.
 - a. An opinion on the accuracy, completeness and reliability of the Company's Financial Report.
 - b. An opinion on the adequacy of the Company's Internal Control System.
 - c. An opinion on compliance with the laws concerning securities and stock exchange, the Stock Exchange of Thailand's regulations, or other laws relating to the company's business.
 - d. An opinion on the suitability of the Auditor.
 - e. An opinion on transactions that may have conflicts of interests.
 - f. The number of the Audit Committee Meetings, and its attendance record of each committee member.
 - g. An opinion or overview comment that the Audit Committee perceived from its performance under the charter.

- h. Other information that the shareholders and general investors should know under its scope of duties and responsibilities assigned by the Company's Board of Directors.
12. In carrying out the Audit Committee's duties, if it found or has any suspects that there are transactions or the following doings which may have a considerable impact on the company's financial status and performance; it should report them to the Board of Directors in order to correct them within a suitable time frame set by the Audit Committee.
- a. Transactions causing conflicts of interests.
 - b. Fraud or irregularity or have key mistakes in the internal control system.
 - c. Breach of laws concerning securities and stock exchange, regulations of the Stock Exchange of Thailand, and other laws related to the company's business.

If the Company's Board of Directors or its executives failed to arrange to have them corrected within due course, any member of the Audit Committee may report such transactions or doings to the Securities and Exchange Commission or the Stock Exchange of Thailand.

13. To review, improve and amend the Charter of the Audit Committee and present it to the Company's Board of Directors for approval.
14. To perform any other matters as assigned by the Company's Board of Directors with the Audit Committee's agreement under the Company Regulations and laws.

In carrying out the mentioned above duties, the Audit Committee is directly responsible to the Board of Directors, who in turn is responsible to the shareholders and general investors.

In 2019, the Audit Committee convened total 5 times. The meeting dates had been earlier decided throughout the entire year. The Audit Committee regularly reported its findings to the Board of Directors, and also attended joint meeting with the Company's auditor and the Chief Financial Officer each quarter, to review the Company's quarterly financial statements.

3. The Nominating Committee

The Board of Directors appointed 5 company directors to serve as members of The Nominating Committee, by the non-executive director, 2 persons are member, which including the Chairman of the Nominating Committee. Its term is 1 year from May 2019 – May 2020.

Name list of the Nominating Committee

	Name		Position
1	Mr.Boonkiet	Chokwatana	Chairman
2	Mr.Thirasak	Vikitset	Director
3	Dr.Atthakorn	Glankwamdee	Director
4	Mrs.Kaewta	Ongsaranakom	Director
5	Mrs. Chitraporn	Vikitset	Director

Authority of The Nominating Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Nominating Committee

1. Set the criteria and method in selecting the persons to be nominated as directors.
2. Review the background and relevant information of the persons to be nominated as directors, by considering their knowledge, experiences, and expertise from various professions, so as to secure qualified persons according to the selection criteria, company regulations, and related laws.
3. Select the persons to be nominated as company directors, for The Board of Directors to consider and approve. However, in the case of the directors retiring upon term completion, such nomination needs to be submitted to the shareholders' meeting for approval.
4. Prepare comment and suggestion to serve as references for The Board of Directors' consideration.
5. Review and revise the charter for The Nominating Committee, to be proposed to The Board of Directors for consideration and approval.
6. Engage in other acts as assigned by The Board of Directors.

During 2019, The Nominating Committee held its meeting 2 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

4. The Remuneration Committee

The Board of Directors appointed 4 company directors to serve as members of The Remuneration Committee, by the non-executive director, 2 persons are member, which including the Chairman of the Remuneration Committee. Its term is 1 year from May 2019 – May 2020.

Name list of the Remuneration Committee

	Name		Position
1	Mr.Boonkiet	Chokwatana	Chairman
2	Mr.Thirasak	Vikitset	Director
3	Mrs.Kaewta	Ongsaranakom	Director
4	Mrs.Pismai	Chandrubeksa	Director

Authority of The Remuneration Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Remuneration Committee

1. Review the remuneration criteria for The Board of Directors, and if deemed necessary, propose the suggestion or revision to existing criteria, in order to make them more suitable.
2. Review the remuneration budget earmarked for The Board of Directors, by taking into account the company's performances, the remuneration budget approved by the shareholders' meeting, and the actual remuneration amount for the previous year, for further presentation to The Board of Directors for consideration, and for final approval by the shareholders' meeting.
3. Review the remuneration budget for The Board of Directors, by taking into account their duty and responsibility scope and related performances, based on the remuneration budget approved by the shareholders' meeting.
4. Review the remuneration budget for the Remuneration Committee members (who do not serve as company directors), by taking into account their duty and responsibility scope, and related performances.
5. Review and revise the charter for The Remuneration Committee, to be proposed to The Board of Directors for consideration and approval.
6. Engage in other acts as assigned by The Board of Directors.

During 2019, The Remuneration Committee held its meeting 2 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

5. The Risk Management Committee

The Board of Directors appointed 7 members to serve as members of The Risk Management Committee, by the non-executive officer 5 persons and executive officer, 2 persons, which including the Chairman of the Risk Management Committee. Its term is 1 year from May 2019 – May 2020.

Name list of the Risk Management Committee

	Name		Position
1	Dr.Atthakorn	Glankwamdee	Chairman
2	Assoc.Prof.Nares	Kesaparakorn	Director
3	Assoc.prof.Kitisak	Ploypanichcharoen	Director
4	Mrs.Daranee	Ajjaneeyakul	Director
5	Mrs.Suthanya	Sumana	Director
6	Mr.Pattara	Vikitset	Director
7	Mrs.Rujapa	Srisurang	Director
	Mrs.Suthanya	Sumana	Secretary to the Risk Management Committee

Authority of the Risk Management Committee

1. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.
2. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
3. To set-up a working committee, to monitor and evaluate risk management activities throughout the overall organization.

Duty and responsibility scope of the Risk Management Committee

1. To determine policies, targets and plans of corporate risk management systems clearly and consistently and keeping close communication with the Audit Committee.
2. To encourage and stimulate at all levels cooperation in company risk management.
3. To supervise corporate risk management appropriately and effectively.
4. To develop corporate risk management systems with efficiency and consistency.
5. Supervise the compilation of The Report by The Risk Management Committee, for disclosure in the annual report compilation by the company, whereby the Chairman of The Risk Management Committee is duly required to affix his signature in verification of said report.
6. To review ,revise and amend the charter for The Risk Management Committee, and submit to The Board of Directors for approval.
7. Other duties as assigned by the Board of Directors.

During 2019, The Risk Management Committee held total 4 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

6. The Corporate Social Responsibility Committee

The Board of Directors appointed 7 members to serve as members of The Corporate Social Responsibility Committee, by company directors and executives with the knowledge and experience. Its term is 1 year from May 2019 – May 2020.

Name list the Corporate Social Responsibility Committee

	Name		Position
1	Prof.Dr.Malyn Ungsurungsie		Chairman
2	Admiral Apichart Pengsritong		Director
3	Mrs.Thongsuk Upathambhakul		Director
4	Mrs.Rujapa Srisurang		Director
5	Mrs.Tanyanan Tantikovit		Director
6	MissThatsruang Saengwichian		Director
7	Miss.Yaowaluk Potinimit		Director
	Mrs.Rujapa Srisurang		Secretary to the Corporate Social Responsibility Committee

Authority of the Corporate Social Responsibility Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Corporate Social Responsibility Committee

1. Set up policy and framework of activities for the Company's Corporate Social Responsibility.
2. Review and screen the activities and policies on social and environment responsibility in order to propose to the Board of Directors.

3. Review and approve strategies and activities of the company in order to achieve the objectives and policies on social and environment responsibility.
4. Review and screen annual plan and budget for activities on social and environment responsibility to propose to the Board of Directors.
5. Review and monitor the progress of activities on social and environment responsibility and assess their achievement in addition to quality of related projects.
6. Suggested corporate governance policies and business ethics including employees ethics of the company.
7. Other duties as assigned by the Board of Directors.

During 2019, The Corporate Social Responsibility Committee held total 4 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

7. The Corporate Governance Committee

The Board of Directors appointed 5 members, with independent directors serving as the Chairman and committee member, further joined by members representing The Executive Board, having a 1 year term, from May 2019 - May 2020.

Name list of the Corporate Governance Committee

	Name		Position
1	Pol.Gen.Somchai	Prabhasabhakdi	Chairman
2	Mrs.Kaewta	Ongsaranakom	Director
3	Mrs.Patchara	Pongwichan	Director
4	Mrs.Worawan	Tantrasadete	Director
5	Mr.Sumit	Khopaiboon	Director
	Mr.Sumit	Khopaiboon	Secretary to the Corporate Governance Committee

Authority of The Corporate Governance Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.
3. To set up the working group to process the corporate governance activities at all levels.

Duty and responsibility scope of The Corporate Governance Committee

1. Set up, review and revise the policy of corporate governance, the principles of Corporate Governance, Business Ethics, Code of Conduct for Company Directors, Executives and Employees and Policy against Corruption, regulations, work practices and announcements, rules and relevant laws consistency.
2. Set up work practices according to the principles of Corporate Governance, Policy against Corruption ,also monitor and evaluate them consistency.
3. Promote and encourage company directors, executives and employees to practice according to the principles of Corporate Governance and Policy against Corruption.

4. Supervision and support of anti-corruption measures by risk management risk assessment of anti-corruption measures, including a review of corruption risk management measures to adequately report the Board of Directors at least 1 time per year.
5. To disclose the Corporate Governance Committee's Report in the Company's Annual Report.
6. To review, revise and amend the charter for The Corporate Governance Committee, to be proposed to The Board of Directors for consideration and approval.
7. Other duties as assigned by the Board of Directors.

During 2019, The Corporate Governance Committee held total 5 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

8. Executive Board

The Board of Directors sets up the Executive Board to support its administration as assigned by the Board. The Executive Board comprises 13 persons with 1 year term, from May 2019 - May 2020, and shall be nominated by the resolution of the meeting of the Board held after the Annual General Meeting of Shareholders.

Name list of the Executive Board

	Name		Position
1	Mr.Thirasak	Vikitset	Chairman and Management Director
2	Dr.Atthakorn	Glankwamdee	Director
3	Mrs.Kaewta	Ongsaranakom	Director
4	Prof.Dr.Malyn	Ungsurungsie	Director
5	Mrs.Chitraporn	Vikitset	Director
6	Miss.Sumeth	Surachartchairit	Director
7	Mrs.Thongsuk	Upathambhakul	Director
8	Mrs.Patchara	Pongwichan	Director
9	Mrs.Suthanya	Sumana	Director
10	Mrs.Daranee	Ajjaneeyakul	Director
11	Miss.Kitsanarut	Rassameesuriyan	Director
12	Mr.Sumit	Khopaiboon	Director
13	Mrs.Yarin	Srisakda	Director

Mrs.Patchara	Pongwichan	Secretary to The Executive Board
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Authority of the Executive Board

1. To appoint, remove, transfer, evaluate and determine compensation and welfare of employees of different levels.
2. To appoint and remove any other working committee to carry out actions necessary for the management of the company.

3. To issue regulations and announcement on performance of duties: to assign authority to members of the Executive Board and/or employees serving managerial posts: and, to execute authorization on company assets.
4. To approve loans to related companies as shareholders or the company as trading parties or other companies, provided that the amount does not exceed the limited amount 20 million baht per company.
5. To approve guarantee of loan to related companies as shareholders or the company as trading parties or other companies, provided that the amount does not exceed the limited amount 20 million baht per company.
6. To approve engagement in non-financial juristic actions provided that the amount does not exceed the limited amount 20 million baht per case.
7. To approve acceptance or cancellation of loans provided that the amount does not exceed the limited amount 20 million baht per case.
8. To approve investment, sale of investment capital in ordinary shares and/or any other securities, provided that the amount does not exceed the limited amount 20 million baht per case.
9. To approve sourcing and investment in fixed assets, provided that the amount does not exceed the limited amount 20 million baht per case.
10. To approve a payment for, disposal or transfer of fixed assets, provided that each transaction amount does not exceed 20 million baht.
11. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost destroyed, deterioration and out of date, provided that the book value does not exceed the limited amount 20 million baht per case.
12. To approve modification, change of price and destruction of raw materials and/or remaining inventory which are deteriorated or out of date, provided that the book value does not exceed the limited amount 20 million baht per case.
13. To approve compromise or settlement of disputes by arbitration, complaint, filing of lawsuits and/or any legal proceeding on behalf of the company on matters which are not normal business course of the value not exceeding the specified amount. In such case of a normal business course, the amount must not exceed the limited amount 20 million baht.
14. To authorize executive of the company or other individuals to act on their behalf.
15. To invite members of the management or relevant employee to provide explanations, opinions or documents as necessary.
16. To consult with specialists or company consultant (if any) or hire third-party consultant or outside specialists if necessary at the expense of the company.
17. To stipulate any other regulations as deemed appropriate.

Duty and responsibility scope of The Board of Directors

1. Present the company's objectives, policy, plan, and annual budget to The Board of Directors.
2. Managing company's operations in order to comply with the direction, target, and business policy of the company.

3. Promote the competitiveness of the company, while encouraging consistent innovation development activities.
4. Supervise company operations to comply with the laws, objectives, company regulations, resolutions by the shareholders' meeting, resolutions by The Board of Directors, as well as other standard practices concerned.
5. The Executive Board members may allocate work responsibilities among themselves, whereby they are required to report the progress of own responsible work to The Executive Board.
6. Supervise the compilation of financial statements, for review and/or verification by the certified public accountant, prior to submitting to The Audit Committee, and The Board of Directors, for endorsement respectively.
7. Review the matters to be submitted to The Board of Directors for further acknowledgment or approval.
8. To disclose the Executive Board 's Report in the Company's Annual Report.
9. To review, revise and amend the charter for The Executive Board, to be submitted to The Board of Directors for further approval.
10. Engage in other acts as assigned by The Board of Directors.

During the previous year, the Executive Board consists of 5 Executive Directors leading by the Managing Director for the execution of management planning to comply with the policies of the Board of Directors. The Executive Directors also participated in stipulating business goal together with the Board of Directors.

In 2019, the Executive Board convened total 19 times, and subsequently reported the result to the Board of Directors. The meeting dates had been earlier decided throughout the entire year.

9. The Chairman

The authorities and responsibilities of the Chairman as a guideline to serves as the Chairman are described as below:

The Authorities and Responsibilities of the Chairman

1. Take responsibilities as the leader of the Board of Directors in monitoring and supervising the operations of the Board of Directors and various committee.
2. Preside at the Board of Directors' meeting. In case of tie, the Chairman adds an additional vote as a casting vote.
3. Summon the Board of Directors' meeting or may assign another person to act on own behalf
4. Preside at the shareholders' meeting and control the meeting to be In accordance with the company's regulations regarding the meeting. Conduct the meeting according to the agenda specified in the invitation to the meeting. Unless the meeting resolves to change the order of the agenda by votes of not less than two-thirds of the shareholders present at the meeting.
5. Engage in other acts as assigned by the Board of Directors.

10. Managing Director

The Board of Directors has clearly assigned the authority, duty and responsibility of the Managing Director as a guideline to serve as the Managing Director. The details are as follows:

The Authorities and Responsibilities of the Managing Director

1. Manage company operations so as to well comply with the laws, objectives, company regulations, resolutions by the shareholders' meeting, resolutions by The Board of Directors, resolutions by The Executive Board, and other standard practices concerned.
2. Instruct or engage in necessary and appropriate acts, so as to achieve those purposes laid down in above item 1. Should the matter be deemed significant, the Managing Director is required to report said matter to The Board of Directors and/or The Executive Board.
3. Review and approve the recruitment, appointment, transfer, and dismissal of employees, granting approval to the promotion or disciplinary action against employees, as well as deciding on the remuneration and welfare benefits for employees. However, such action must not contradict with the authority and the decision by The Executive Board.
4. Set company regulations regarding work practice, which must not contradict with the policies, regulations, provisions, instructions, or resolutions, set forth by the shareholders' meeting, The Board of Directors' meeting, and/or The Executive Board's meeting.
5. Authorize and/or assign other persons to carry out specific assignment on own behalf.
6. Promote and encourage company operations to be carried out with morality, to well comply with the laws, ethics, and cultures, based on good governance principles.
7. The exercise of authority by the Managing Director shall not be permitted, if he/she is deemed to have interests at stake, or have conflict of interests with the company.
8. In the exercise of authority by the Managing Director, should there arise any doubt or unclear aspect regarding such action, the matter shall be forwarded to The Board of Directors for consideration and conclusion.
9. Engage in other acts as assigned by The Board of Directors, and/or The Executive Board.

The selection and appointment of the directors and chief executive officer

1. The selection method of persons to be appointed directors and independent directors

Criteria for the selection of directors

For nominating process of the persons to be appointed directors, the company has set the criteria as follows :

1. Qualifications of nominated directors to be diverse or what is called Board Diversity in terms of educational level, professional skills, specialization that is beneficial to the company's business, and ability to meet the requirements of the strategy of the company's business operation without discrimination such as sex, age, and race, etc.
2. Having leadership, vision, integrity and ethics, as well as transparent work experiences.
3. Being qualified and not be prohibited under the laws and regulations of the company.
4. In case of the nomination of the retiring directors to serve for another term, they will be considered additionally in term of the performance as directors and various committees in the past.

5. In case of the selection of persons to be appointed independent directors, they must have the qualifications required for independent directors, in accordance with The Notification by The Capital Market Supervisory Board.

Process for the selection of director

1. The Nominating Committee has been assigned to select qualified persons having appropriate qualifications to be nominated as company directors for consideration by The Board of Directors, prior to submitting to the shareholders' meeting for approval by the majority votes of the shareholders present at the said meeting. In the case where the retirement took place prior to term completion with the remaining term being not less than 2 months, the Board of Directors' meeting shall then be authorized to select the persons from the candidates proposed by The Nominating Committee, for further appointment as company directors, by the majority votes of not less than 3/4 of the remaining directors. In such case, the newly-appointed directors shall serve out the remaining term of their predecessors.
2. The Nominating Committee considered about the knowledge, ability and experience that are beneficial to the duties of Directors and in accordance with the strategy in business.
3. The company provides an opportunity for stakeholders to participate in the nomination of qualified directors. Including the Nominating Committee also considered the person to be nominated to serve as directors apart from List of professional directors of the Thai Institute of Directors Association (IOD).

With regard to the selection of persons to be appointed independent director, the Nominating Committee shall select from those persons having Qualifications required for independent directors, in accordance with the Notification by the Capital Market Supervisory Board, in addition to basic qualification requirements above.

Independent director's qualifications

The Board of Directors resolved to adopt the definition for "independent director" having qualifications in accordance with the notification of the Capital Market Supervisory Board as follows:

1. Holding shares not exceeding 1 percent of the total number of voting rights of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, including the shares being held by related persons of independent directors.
2. Neither being nor having been an executive director, employee, staff, or advisor who received regular salaries, or being a controlling person of the company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholders or persons having supervision authority over the company, unless the foregoing status ended not less than two years prior to the date of their appointments as independent directors. Nevertheless, such prohibited nature would not apply in the case of these independent directors having earlier served as government officials, or advisors to government agency acting as major shareholder in the company or having supervision authority over the company.
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executive, major shareholder, controlling person, or person to be nominated as executive or as controlling person of the company or its subsidiary.

4. Not having business relationship with the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, in such manner likely to interfere with own independent judgement, and neither being nor having been a significant shareholder or person having supervision authority over the person who has business relationship with the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, unless the foregoing relationship ended not less than two years prior to the date of appointment as independent director.

The term 'business relationship' aforementioned under paragraph one included any normal business transaction, rental or lease of immovable property, transaction relating to the assets or services or the granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action, resulting in the company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the company or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for the value of connected transactions under The Notification of The Capital Market Supervisory Board regarding The Compromise Criteria for Connected Transactions. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences.

5. Neither being nor having been an auditor of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.
6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority or partner of the professional advisor, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.
7. Not being a director who has been appointed as the representative of the company's director, major shareholder, or being a shareholder who is related to the major shareholder.
8. Not engaging in business operations of the same business nature or in competition against the business operations of the company or its subsidiaries, nor serving as a significant partner in a limited partnership or otherwise serving as a director participating in the management, or serving as employee or consultant receiving regular salary or holding over 1% shares out off total shares in other companies engaging in the same business nature or in competition against the company and its subsidiaries.
9. Not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

In the event of any announcement by The Capital Market Supervisory Board imposing the revision to the qualifications for independent director, the company's independent director would thereby be required to possess such qualifications well complying with such revision.

After being appointed independent director having qualifications complying with the criteria under item 1 to 9, the independent director may then be assigned by The Board of Directors to participate in the decision-making procedures for the company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholders or controlling person of the company on the condition that such decision must be a collective one.

Additionally, in the past accounting period, the independent directors of the company had neither business relationship nor professional services. Also, the appointed independent directors never have or had business relationship or professional services exceeded than the rules stipulated in the notification of The Capital Market Supervisory Board regarding the Application for and Approval of Offer for Sale of Newly Issued Shares.

2. The rights accorded minor shareholders regarding director(s) appointment

Nomination of Directors

The company provided minor shareholders with the opportunity to nominate candidates to be appointed as company directors at the annual shareholders' general meeting in advance according to the criteria specified by the company, whose further details were displayed on the company website under the heading "Investor Relations : Data of shareholders' Meeting".

Vote-casting method for director appointment

According to company articles of association no.20, the shareholders' meeting was authorized to appoint company directors according to the criteria and method as follows:

- One shareholder shall have one vote per one share.
- Each shareholder must exercise all of the votes he or she has under the first paragraph to elect one or several persons to be a director or directors and must not allot his or her votes to any person in any number.
- The persons receiving the highest number of votes, followed by those with descending highest number of votes shall be elected as the directors fulfilling the number of directorship required to be elected by the shareholder's meeting. In case the number of votes for the candidates in descending order are equal and exceed the number of directors to be elected at said meeting, the Chairman shall cast the deciding vote.

3. The selection method for the persons to be appointed Chief Executive Officer

The selection of the management

The selection process for the persons to further serve in management positions for the company begins with the selection of the persons having good qualifications and sound morality and ethics to join the company. The company then trains and develops these people to be well-prepared to meet the challenges as future management members, through its consistent evaluation process of employees' potentials and capabilities.

Those employees so selected and trained by the company would be assigned to work in the positions having higher authority and responsibility scope. As general practice, the company regularly carries out training programs seeking to upgrade employees' potentials to a higher level, so as to be well-prepared to take up further significant positions when they become vacant.

The selection of the Chief Executive Officer

With the regard of selection methods for the company's Chief Executive Officer, The Nominating Committee shall consider and select from the current management or others, with qualified knowledge and abilities, who understand the company's business very well, as well as be able to manage to achieve the objectives and targets set by The Board of

Directors, and also not be prohibited by laws. Accordingly, such person is then proposed to The Board of Directors for consideration of appointment.

Supervising the operations of subsidiaries and associates

The company's directors were assigned to hold a joint meeting to consider selecting the person to be the company's representative. The number of individual that the company nominated and voted to appoint as director in subsidiaries and associates is in accordance with the company's proportion of shareholding. The person who was appointed as a director in subsidiary or associated companies was entitled to perform the operations for the best interests of their subsidiaries or associate, unless it is important policies affecting the company's business operations. The company required the appointed person to be approved by The Executive Board prior to cast a vote.

The company has laid down the policy for subsidiaries and associate that are the company's main business to have proper and adequate internal control systems. The internal control systems of subsidiaries were monitored by the Internal Audit Office of the company annually.

Furthermore, the company has assigned the person who was appointed by the company to oversee its subsidiaries to operate and disclose significant information according to the rules in the same way as the company performed, such as making connected transaction, the acquisition or disposition of assets, or making other important transactions, including to supervise the information storage and bookkeeping of the subsidiaries for the company, so that it can be reviewed and collected for financial statements in due time.

The company had no agreements between the company and other shareholders in the management of Subsidiaries due to the company is a major shareholder and no other persons holding shares more than 10% of the shares with voting rights of subsidiaries. In addition, the company had no agreements between the company and other shareholders in sharing returns beyond normal returns according to proportion of their shareholding in subsidiaries.

Inside information supervision

The company placed much emphasis on the protection and supervision over inside information, by clearly specifying in the business ethics and code of conduct for company directors, management members and employees that directors, management members and employees perform their duties with responsibility, carefulness and honesty, as well as consider the interests of the company as the most important. The significant policies can be summarized as follows.

1. The company prohibited company directors, management members, and company employees having access to inside information, from engaging in any act in exploitation of such information, particularly those information not yet disclosed to the general public. Any violation would be deemed as a disciplinary offence of company regulations. Furthermore, for the period of 1 month prior to the disclosure of financial statements to the public and 24-hour after disclosure of financial statements, the company sent out related circular to the directors, the management, and the employee having access to inside information, instructing them to refrain from any purchase or sales transaction of company shares during said period.

During 2019, the company directors, management members, and company employees were not found to have committee any authority abuses related to inside information.

2. The company informed company directors, management members to acknowledge of duty to report their shareholding status, as well as those by spouses and children not yet reaching legal maturity, within 30 days from the day of their appointments to become directors or management members. Furthermore, in the case of any change occurring

to their shareholding status, they were required to report such change details within 3 days from the day of change to The Securities and Exchange Commission according to article 59 of The Securities and Exchange Act B.E. 2535. Furthermore, The Board of Directors was regularly informed each quarter. of the securities holding status by the directors and management member.

3. The company has set a policy for directors and top management to inform of the company's securities trading to the company secretary at least 1 working day prior to trading.

In 2019, the company directors and the management who had the company's securities trading strictly followed the above policy by informing their trading to the company secretary at least 4 – 6 days prior to trading.

4. The company has in place a measure for monitoring of the company director and the management's interest by requiring the interest report of company director, the management, and related persons which their interest are connected to the company's business operation.

5. The company developed internal control system regarding inside information, by applying information technology system to classify inside information access level for each employee level, through the setting of ID code for accessing such information.

In 2019, the company did not receive a caution offences by the Securities and Exchange Commission (SEC).

Auditor's remuneration

In 2019, the shareholders approved the appointment of EY Office Limited. as the external auditor of the company was first year with independent and reliable and did not have any relations and/or interests with the company, its subsidiaries, directors, executives, major shareholders or related parties

1. Audit fee

The company and its subsidiaries paid audit fees, according to the details as follows:

	Unit : baht	
Audit remuneration	2019	2018
S & J International Enterprises Plc.	1,810,000	1,375,000
5 Subsidiary companies	1,285,000	1,010,000
Total	3,095,000	2,385,000

2. Non-audit fee

The company and subsidiary companies paid for other services as following:

	Unit : baht	
Non-audit fee	2019	2018
Observation on destruction of goods	80,000	61,545
Other service for reviewing the work of other auditors	90,000	130,000
Total	170,000	191,545

Compliance with the Corporate Governance Principles

The Board of Directors has established the corporate governance policies, corporate governance principles, business ethics, code of conduct for company directors, the management, and employees by written. The Company has established the good corporate governance principle according to the corporate governance principles for listed companies. In addition, the Company has arranged the practices in compliance with the laws, rules, regulations and guidance required by the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC). The good corporate governance principle (Revised edition 1) had been approved by the Board of Directors meeting no. 1/2014. The revised edition was approved on February 25, 2014. In 2018, the Board of Directors assigned the Corporate Governance Committee to arrange the new good corporate governance code by applying the 2017 corporate governance code for listed companies according to the announcement of the Securities and Exchange Commission (S.E.C). The revised corporate governance code of the company have been was approved by the Board of Directors meeting no.1/2019 on January 24, 2019 to replace the previous version, consisting of followings:

- **The Good Corporate Governance Policies.**
- **The 8 Good Corporate Governance Principles.**
 - Principle 1 : Establish clear leadership role and responsibilities of the board.
 - Principle 2 : Define objectives that promote sustainable value creation.
 - Principle 3 : Strengthen board effectiveness.
 - Principle 4 : Ensure effective CEO and people management.
 - Principle 5 : Nurture innovation and responsible business.
 - Principle 6 : Strengthen effective risk management and internal control.
 - Principle 7 : Ensure disclosure and financial integrity.
 - Principle 8 : Ensure engagement and communication with shareholders.
- **The Business Ethics.**
- **The Code of Conduct for Directors, Executive Officers and Employees.**

See more details with new Good Corporate Governance Code in company's website under " Investor Relations : Corporate Governance"

In 2019, the Board of Directors has stipulated the use of the 8 Good Corporate Governance Principles of to be suitable for the business which covers 5 categories of the Corporate Governance Practice as follows:

Section 1 : The Rights of Shareholders

The Board of Directors appreciates and respects the ownership rights of shareholders. No actions are taken to violate or infringe the rights of shareholders. Neither the interests of shareholders are fairly safeguarded and the exercise of rights by all shareholder groups are supported and promoted, whether domestic or foreign, major shareholders, minority shareholders or institutional shareholders, incorporating both the basic rights of shareholders, and the other rights to determine directions for operations and decisions on matters having a significant impact on the company, as follows:

1.1 Basic rights

Referred to the right for shares transaction, the right to receive equitable profits allocation in term of dividend payment, the right to access company information in sufficient, timely, and equitable manner, the right to attend and cast votes at the shareholders' meeting, the right to elect individual company director and approve directors' remuneration, the right to appoint company auditor and approve audit remuneration, and the right to appoint proxy to attend and cast vote on his/her behalf.

1.2 The right to significant information access

Shareholders were entitled to access information on an equitable basis. In that regard, the company facilitated information distribution in both Thai and English languages, via the channels of The Stock Exchange of Thailand and company website (www.snjinter.com), to provide shareholders with additional access channel. Such information included performance results, connected transactions, changes in the funding structure, changes in supervisory control, transactions of significant company assets, and other information essential for decision-making by shareholders.

1.3 The right to attend the shareholders' meeting

The company has a policy to support and facilitate the shareholders, including institutional investors to attend the shareholders' meetings by holding its annual shareholders' meeting regularly each year, within 4 months after completing its accounting year. In order to allow shareholders to participate in monitoring the company's performance, the company set appropriate date, time, place, and method. In case of emergency which the company needs to propose special agenda regarding shareholders' benefit, regulations or related laws which need to be approved by shareholders, the company shall call for an extraordinary shareholders' meeting. In 2019, the company convened the shareholders' general meeting once, without convening any shareholders' extraordinary meeting, according to the following details:

- **Prior to the shareholders' meeting**

In 2019, the Company conducted the 40th General Shareholder's Meeting on Tuesday 23 April 2019.

(1) The company provided the shareholders with the opportunity to propose meeting agenda prior to the meeting date for 2019, during the period of November 15 – December 31, 2018, by providing related conditions on company website on November 13, 2018 together with news channel of The Stock Exchange of Thailand. Nevertheless, there were no shareholders proposing any meeting agenda during the said specified period.

(2) Shareholders were notified of the Board of Directors' resolution determining the date of 40th shareholders' meeting 36 days prior to the meeting date, namely on March 18, 2019, through the Stock Exchange of Thailand's website and the company's website so as to enable the shareholders to set aside time for attending the meeting.

(3) The meeting notice together with all relevant documents in both Thai and English were published on the Company website on March 18, 2019, which was 36 days prior to the meeting date.

(4) The same information was sent to the Thailand Securities Depository Company Limited, the Company's Share Registrar, for forwarding to shareholders in document format on April 1, 2019 or 22 days prior to the meeting date in order to give the shareholders sufficient time to study the meeting documents.

(5) The notice of the meeting were also advertised in daily newspapers for a period of 3 consecutive days, and 12 days prior to the meeting date, namely on April 10 – 11, 17, 2019.

(6) Prior to the meeting date, the Company had provided an opportunity for shareholders who may have queries regarding agenda to send them in advance during period March 18 – April 17, 2019, via company's website. The procedure of sending questions was also mailed together with the notice of shareholder's meeting. In 2019, there were no questions received in advance.

(7) The documents sent out to the shareholders were, the meeting invitation letter providing details on the rationale for each meeting agenda, together with related opinions by The Board of Directors and the documents in support of the voting decision by the shareholders for each meeting agenda. Furthermore, the documents also included the annual report publication, profile of the persons nominated as directors replacing those due to retire upon term completion, definition of independent director, profile of independent directors proposed as proxies by the shareholders, company regulations regarding the shareholders' meeting, the documents and evidences required for the shareholders to present for meeting attendance, meeting regulations, procedures for shareholders to post advance questions prior to the shareholders meeting, meeting procedures, the map of the meeting venue, and the registration form. Other documents were the proxy appointment letter form B for voting in line with the shareholders' decision, or the proxy appointment letter either Form A and C which shareholders could download from company website.

With this regard, the company published the annual report within 120 days from the end of accounting period (December 31) via company website (March 18, 2019) and sent the annual report to the shareholders by mail (April 1, 2019).

- **On the day of the shareholders' meeting**

(1) The company decided to set the meeting date, time, and venue in such manner being most convenient and not posing problems to the shareholders to attend. For 2019, the company held the shareholders' meeting on Tuesday, April 23, 2019, at 13.00 p.m., at The Montien Riverside Hotel, started registration at 11.00 a.m..

(2) The shareholders were allowed to register by barcode system not less than 2 hours prior to the meeting, and continued until the meeting completion. At the registration desk, the company prepared sufficient personnel to take care of the registration, as well as providing stamp service for proxy appointment forms authorized by the shareholders. Furthermore, the company handed out vote placard and vote-casting ballot to each shareholder.

In case that shareholders appointed proxies to attend the meeting instead, the company gave the right to the proxies and treated as shareholders.

(3) The Board of Directors placed much emphasis on the shareholders' meeting, by considering as their obligations to always attend the meeting in person unless facing inevitable circumstances or becoming seriously ill.

For the shareholders' meeting for the year 2019, 14 directors from 15 directors accounting for 93.33% attended the said meeting, including Chairman of the Board and Chairman of sub committees. Furthermore, the meeting was also attended by the Managing Director, the Chief Financial Officer, Executive Directors, as well as the company auditor, so as to provide shareholders with the opportunity to ask questions related to the meeting agenda in progress. In addition, the company also invited representatives from the company's audit office of Dr. Virach & Associates Office Co.,Ltd., and Vira Law Office Co.,Ltd., to act as meeting observers during vote tallying for each meeting agenda, to ensure that the meeting was conducted in a transparent manner, complying with legal and company articles requirements.

(4) Prior to meeting commencement, the Company Secretary informed the meeting of the meeting quorum, the vote-casting and vote-counting methods for each meeting agenda according to laws and company regulations. In the case where some shareholders joined the meeting after the meeting commencement, the company still allowed said

shareholders to cast votes for the remaining agenda not yet considered and voted upon by including them as the meeting quorum.

(5) During the meeting, The Chairman proceeded with the meeting agenda in such order earlier set forth in the meeting invitation letter without adding any further agenda or altering any significant information without prior notice to the shareholders, while allowing equal opportunity for all shareholders to present question, comment or suggestion for each meeting agenda.

In that regard, for the shareholders' meeting in 2019, there was no any question or comment from shareholders.

(6) The Company has adopted Barcode system used to sum up votes on each meeting agenda and displayed resolution of the screen in the meeting room and acknowledged by the shareholders simultaneously in order to provide fast and accurate results which being announced promptly after the end of each agenda. The Company has used ballot item on the agenda of appointment of directors and permit the shareholders to elect directors individually. For transparency, the company kept the said ballots at the Bangkok office for checking after finishing the meeting.

The summary of voting in each agenda on the General Meeting of Shareholders No.40 held on Tuesday, April 23, 2019 is as follows ;

Agenda	Approve			Disapprove			Abstention		
	No. of Shareholder	Shares	%	No. of Shareholder	Shares	%	No. of Shareholder	Shares	%
1	102	128,589,413	100.00	-	-	-	-	-	-
3	102	128,589,413	100.00	-	-	-	-	-	-
4	102	128,589,413	100.00	-	-	-	-	-	-
5.1 – 5.5	102	128,589,413	100.00	-	-	-	-	-	-
6	102	128,589,413	100.00	-	-	-	-	-	-
7	102	128,589,413	100.00	-	-	-	-	-	-

Remark : No voided ballot

- **Subsequent to the shareholders' meeting**

(1) The company disclosed the resolutions adopted by the shareholders' meeting, together with the voting results for each meeting agenda, in both Thai and English, via the news channel of The Stock Exchange of Thailand, and the company website, on the following day.

(2) The company compiled the meeting minutes subsequent to the shareholders' meeting, by incorporating all essential details and summarizing voting results for each meeting agenda, classified as approve, disapprove, abstention and voided ballot votes, together with the record on the discussion and conclusion regarding significant topics. Said minutes was submitted to The Stock Exchange of Thailand and The Securities and Exchange Commission within 14 days subsequent to the meeting, and disseminated on the company website, in both Thai and English, so as to enable the shareholders to review said minutes content without having to wait until the next shareholders' meeting. Also, sent the reports to the Ministry of Commerce within time set forth by law.

(3) The company recorded the meeting on VDO, for further distribution to the shareholders upon request.

(4) After the shareholders' meeting approved dividend payment, company shall inform the resolution including dividend payment's details via SET news and cooperate with the registrar of Thailand Securities Depositories

Co., Ltd. to ensure all shareholders receiving payment correctly and completely. Including the notice in daily newspapers for a period of 3 consecutive days on 7 - 9 May 2019.

In recognition of its consistent efforts dedicated to holding the general shareholders' meeting efficiently on a continuous basis resulting, the company was awarded the "Excellent" appraisal result in 2019 for the quality of its shareholders' meeting by the Thai Investors Association.

Section 2 : Equitable Treatment of Shareholders

The Company attaches importance and ensures that all shareholders are treated equally and fairly either they are major shareholders, minority shareholders, overseas shareholder or institute investors as following :

2.1 The shareholders' meeting

(1) The company provided the minority shareholders with the opportunity to nominate candidates as directors prior to holding the shareholders' meeting in 2019 during the period of November 15 - December 31, 2018. For such purpose, the company compiled the nomination conditions and disseminated them on the company website, as well as notifying the shareholders via the news channel of The Stock Exchange of Thailand. Nevertheless, there was no shareholder nominating any candidate for consideration as company directors.

(2) The allocation of votes in the meeting was based on the number of shares being held by each shareholder, with 1 vote representing 1 share with no shareholding any special privilege in restricting the right of other shareholders.

(3) In the case of foreign shareholders, the company sent out meeting invitation letter in English, to facilitate the understanding by foreign shareholders, as well as disseminating said information on company website www.snjinter.com in both languages 30 days before the meeting date.

(4) In the case where shareholders could not attend the meeting in person, the company provided opportunity to shareholders to assign any person or independent director of the company as their proxy to attend the meeting and exercise the rights on their behalf. The company provides information concerning all 4 members of Audit Committee by informing name, age and address attaching to the letter of invitations in addition to identifying the documents, evidences and instructions on procedure of the assignment of proxy to all shareholders in order that they can arrange appropriately and do not have any problem for the attendance of proxy.

In the 40th Annual General Meeting of Shareholder held on Tuesday April 23, 2019, 9 shareholders who possesses 31,911,138 shares assigned the proxy to member of the Audit Committee who was the independent director of the company and delegated their vote to him.

(5) The exercise of vote must be done openly and ballot box must be prepared for each and every agenda. The counting of vote is done on the no consent votes and/or abstaining only. These numbers will be deducted from the total votes presenting in the meeting, the remaining numbers will be regarded as consent votes. The company implemented the barcode system to count the votes and display on screens available in the meeting room immediately for the transparency and check.

2.2 Supervision over inside information

The company has laid down the policy safeguarding against inside information abuse, by stating in writing in the business ethics manual, and the code of conduct for company directors, the management and employees, not allowing company directors, the management, and employees, to exploit the information or assets belonging to the

company, or accorded own position, in such manner seeking unjust gains for own self or for others. In relation to this, the company handed out relevant manuals to company directors, the management, and the employees, to serve as guidelines for their business operations and assignments, while also disseminating those information on company website.

Furthermore, the company also incorporated above information into company regulations, together with the penalty provision. During 2019, the directors, the management, and the employees strictly followed those company policies on a consistent basis. The company did not encounter the case where its directors and the management traded their securities by using inside information.

2.3 Supervision over the transaction of company securities

(1) The company clearly specified conditions regarding the transaction of company securities in its business ethics, by forbidding the directors, the management, and the employees working in those departments accessible to inside information, to engage in the transaction of company securities, during the period of 1 month before the disclosure of such information to the public and 24-hour after disclosure of financial statements. The company distributed said instructions in circular to all concerned parties each quarter.

In 2019, all the company directors and management members strictly followed accordingly, without engaging in such transactions during said period.

(2) The company informed company directors and the management to acknowledge of duty to report their first securities holding, together with any subsequent change in securities holding, to The Securities and Exchange Commission, in accordance with article 59 of The Securities and Exchange Act B. E. 2535. Furthermore, the company provided for the report on securities holding by the directors and their spouses, as a regular item in The Board of Directors' meeting

(3) The company has set a policy for directors and top management to inform of the company's securities trading to the company secretary at least 1 working day prior to trading. In 2019, the directors and the management have strictly followed the above policy by informing to the company secretary 4 - 6 days prior to trading.

2.4 Treatment of conflict of interests

The company treated the issue of conflict of interests with caution and reason, with the company's interests in mind, by laying down operations systems in a transparent manner, deemed as one major policy regarding good governance practice and business ethics for the company. The company supervised the implementation of connected transactions so as to comply with the announcement by The Capital Market Supervisory Board. Before implementing each connected transaction requiring prior approval from The Board of Directors, the item was first proposed to The Audit Committee for endorsement prior to submitting to The Board of Directors for further approval. The directors with possible conflict of interests were not allowed to take part in the meeting. Afterwards, the company informed said meeting resolution to the shareholders via the news channel of the SET together with the company website. The information included the disclosure of names and relationship of connected parties, pricing policy, transaction value, and other related details, as well as the opinions of The Board of Directors pertaining to such transactions.

Furthermore, the company held The Board of Directors' meeting subsequent to the shareholders' meeting each year, to decide on the approval criteria for business transactions under normal business term, conducted between the company and the directors, management members, or connected persons.

2.5 Supervision over assets transaction

The company supervised assets transaction in accordance with the announcement by The Capital Market Supervisory Board regarding the acquisition and disposal of assets, whereby directors with possible conflict of interests were not allowed to participate, so as to facilitate fairness and transparency.

Section 3 : Consideration of The Roles of Stakeholders

Based on its recognition of the rights of stakeholders, The Board of Directors duly laid down relevant policies and guidelines in the company's business ethics manual, and distributed them to the directors, management members and the employees, to be followed as practice guidelines, to ensure that all stakeholders receive fair and equitable treatment.

3.1 Shareholders

The company duly respected the basic rights accorded the shareholders in accordance with the laws, regulations, and business ethics of the company. At the same time, the company had proper mechanism in place to ensure that the shareholders receive accurate and reliable information, having proper measures safeguarding against conflict of interests, and against the exploitation of inside information for personal gain. Furthermore, the company also aimed to generate justifiable return for the shareholders, by laying down appropriate dividend payment policy on a consistent basis.

In year 2019, the company paid the dividend from the result of business performance of year 2018 at rate of 1.26 Baht per share accounting for 50.02% of net profit of the separate financial statements by setting the date of payment on May 22, 2019. The dividend has been paid to shareholders for 40 years consecutively and of which accounted as real long-term wealth for all shareholders. So, each and every shareholder was invited to attend the Annual General Meeting of Shareholders of Year 2019 and has right of vote for each and every important agenda item as well as receive the important information through various medias, e.g. pamphlet and e-information. Besides, the company also reports the business performance at every quarter and disclose the transactions done with related persons in the same condition as that done with external persons for their awareness via the news system of the Stock Exchange of Thailand and the company's website.

3.2 Company employees

In the company's recognition of company employees as its valuable human resources playing the critical role in leading the organization toward success, The Board of Directors therefore set the company's policy to devote its best efforts to develop and upgrade the employees' potentials on a consistent basis. At the same time, the company sought to provide job security and advancement opportunities to all employees based on their own potentials, as well as encouraging the employees to play a part in charting the company policies. At the same time, the company laid down its remuneration policy toward the employees by providing the employees with fair and reasonable remuneration commensurate with the capability, responsibility, and performance results for each employee, which is in line with the compensation of the same industry. (See details under the heading "Management Structure" on employees).

The company provide benefits to promote quality of life and well-being, such as Provident Fund, Retirement gratuities to employees, Nursing room, Annual health check, product purchase welfare rates, Uniform, Loans for housing project, etc. Also has established welfare committees the opportunity to engage employees in welfare administration. As well as promoting the preparation of activities to engage employees, such as "Pheun Chuay Pheun Project", "Dharma Sa-buy Jai Project", New year activity.

At the same time, the company is also taking into consideration the safety of life, health and property of employees defined as Occupational Health and Safety Policy as follow:

1. Compliance with the law, Occupational Safty, Health and Environment, including a business deal for both current and future.
2. To manage for committed to prevent injuries and reduce the accident rate to zero, including improved working environment to be safe.
3. Committed to developing performance management system in occupational health, safety continuously.
4. Support adequate resources in management to control and prevent danger from work of workers.
5. To cultivated conscious mind for everyone to recognize the safety to work by considering to be the primary function of all.

This policies encourage and support employees and workers outside to safety working and reduce the risk of accidents or of disease from working to enable employees to work efficiently. With both the Committee and the security agencies to work up to this work, including in particular follow-up and continuous operation as well as the label shows the statistics of accidents of work by the company. In 2019, the company had safty training total 21 courses such as Training for safety working for new employees, new supervisor and new executives. “Emergency training plan for Boiler explosion and fire on LPG tank”. Course “Chemical Spill Management”. Courses “basic and advanced fire fighting”. 5 Sor. Week for Safety on environmentally conscious. Including creating recognition and awareness of safety for employees by creating a plan to inspect the area to assess operational risks provide a safety workplace project, such as a project to reduce the risk of disease from work. Safety awareness campaign, Zero accident, KYT, safety driving campaign. Outstanding Employee in Safety Program and the Safety working area project etc.

Lost Time Injury Frequency Rate (LTIFR)

Continual improvement of safety plans with lost time injury frequency rate (LTIFR) of 2.0 in the year 2022.

Developing employees and supervisors to participate in enhancing safety in order to achieve the organization's goals of reducing work accident rates.

The company has set a target for hygiene and safety for the year 2019 for each department to make an action plan and proceed to achieve the following goals.

1. No accident until stop working over 3 days, continuously 1,400 days.
Result No accident until working over 3 days, continuously 1,216 days.
2. No injury due to work stop 0 case.
Result Injury severity rate (in case of absence) 0 case.

From the said policy resulting the company received National award for workplace “Excellent”; in Occupational Safety, Health and Environment. The award was given by Department of Labor Protection and Welfare. See more details in “Sustainable Development Report 2019 : “Proudly Awards”

3.3 Customer

The Board of Directors recognizes that the customer satisfaction and confidence is success of the company for sustainable company policy and guideline to consistent with the integrity and do not take any action to be a violation the rights of the customer, we focuses on the service provider that impressed by creating the satisfaction in the products and

services to customers by offering a quality product in a reasonable price to allow the customer to get the most out of both quality and price, we also operates its business with a commitment to develop products and services to devise new innovations that add value and services to products for meet the needs of customers, along with providing the information is necessary to decisions without obscuring or misrepresentation of facts, in addition the production and services must be safe for consumers and environment friendly as well as maintain the confidentiality of the customer not used to the benefits of their own or that those involved an improperly, as well as the care and perform a fair of complaints from customer we have customer service team for more information and comment of multiple channels including over telephone number 02) 676-2727 Fax (02) 676-2726 or E-Mail : sjoffice@snjinter.com.

The evaluation of customer satisfaction report compares year 2017 - 2019

	2019	2018	2017
Local-Customer	89%	83%	89%
Overseas-Customer	93%	84%	80%

Customer satisfaction in domestic decreased due to price competitiveness. To increase confidence to customers, the company's sales department has analyzed the cause of the problem and determined solutions with the relevant business units to increase the effectiveness of production through cost reduction project, Research and development processes in the Fast track product, and PK Liabrary to speed out the goods.

In 2019, the company received confidence from customers and consumers and got the Best Selling Award for Hair Treatment products and Facial Foam for Men Dermaction Plus.

3.4. The Competitor

The Board of Directors operates business in accordance with the provisions of law. In this regard, the following policies and guidelines have been prescribed :

1. The Company shall conduct its business within the rules of fair competition with due regard to business ethics and trading laws competition of various countries in which the company operates.
2. The Company will not damage the reputation of its trade competitors.

In addition to these policies. The company did not seek the confidential information of competitors by dishonest or inappropriate ways. We considered competitors take part in empowering your organization's stability and even stronger. Throughout the period of the past, we never had any disputes with competitors.

3.5. Trading Partner

The company treats trading partners equitably and takes into account mutual interests by prescribing the following polociies and guidelines :

1. The company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards, and friendliness to the enviroment. Trading parters are treated on the basis of fair competition, equality and mutual respect.
2. The confidentiality of secrets or communications of trading partners are maintained and not exploited for wrongful gains of oneself or of others.
3. Relationships and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and services are jointly undertaken to promote mutual growth.

4. The Company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the company will expeditiously engage in early negotiations with trading partners in order to reach a mutual remedy and loss prevention solution.

5. The company does not demand, receive or consent to the receipt of properties or any other benefits outside trade agreements.

In addition, the company have a policy for selection of trading partners that recognizes its responsibility and environment, encourage partners to develop a process that takes regard to human rights, not using forced labor and regard to children rights. As well as offering products and service that take into consideration the environmental impact and the safety of consumers. As well as improving process of work to prevent pollution and impacts on the environment along with conservation of natural resources, reduce energy consumption and eliminate the risk of unsafe conditions, including got certified of quality standards ISO9001:2008 , ISO 14001:2004.

Selection Criteria and Trading Partners Evaluation

The Company set up partner selection system based on the ability to manufacture products that satisfy the needs of the customer, the quality of business partners, production capacity, standard system, availability of services, transportation, safety, health, including operation of business partners who be responsible for social and environment, by using the questionnaire in the preliminary assessment and follow up to ensure that business partner are sufficient ability and reliable.

In which year 2019, there is no event that we do not abide by the contract partner.

Remark : More detail in "Sustainable Development Report 2019 : Supply chain management."

3.6. Creditors

The company's policy of treating all creditors equally and fairly by complying with the contract or the terms strictly creditors to disclose financial position correctly, on time, and in the case that cannot abide by any one institution that let the creditor know in advance in order to jointly find solutions and prevent damage.

For The Creditors, the company provides can be billed on the 1st to the 6th of each month and payable every 25th of every month by means of bank transfer in Media Clearing, Which are the facilities for the creditors.

In the year 2019 The Company pays to the trade meets Credit Term agreed in advance, without payment of any company's business been adhered to competition in good faith and fairness under the framework of the law strictly.

3.7 Community and society.

The Board of Directors is aware of the responsibility toward the community and the society to define policies, there is a strong responsibility to the community and society, formed within the company, and employees at all levels as well as support activities beneficial to the community and society as a whole.

Social Responsibility Policy

S & J aim to a good model to operate in according with corporate governance. Proceed to social activities without force. Participate in society other than the pursuit of profit. Focus on the existence of the business coupled with value creation and corporate social responsibility from the process all section within the organization.

The company has appointed corporate social responsibility Committee, also set the corporate social responsibility policies and practices in the different activities, such as reducing or avoiding the use of chemicals prohibited

in using renewable natural extract, which is good for consumer. The generate of develop a successor fair to help disadvantaged, elderly, reforestation, conservation of animals. Disaster restoration, etc., based on the principles of care or promote community. Create an atmosphere of coexistence of people in the community and the company can live together happily. Create awareness in the context of sustainability to self-reliance, to recognize helping to each other.

The company has appointed the Corporate Social Responsibility Committee responsible for determining corporate social responsibility policies and establishing guidelines for social activities consistent with the United Nations Sustainable Development Guidelines 17 GOALS covering CSR IN PROCESS and CSR AFTER PROCESS.

Remark : More detail in "Sustainable Development Report 2019 : Good Society."

3.8 Environment.

The Board of Directors of the company are aware of the responsibility for the environment. The policy is one of the mission of the company's governance and ethics in the operations. The company are aware for the impact on the natural resources and the environment.

The company has appointed a working group on environmental and conservation of energy in order to work in accordance with the laws and systems for environmental standards ISO 14001:2015 along with policy and planning environmental projects to reduce the negative impact that sources since in the process including. Waste disposal based on the 3R were Reduce : reducing resource usage, Reuse : reuse worthy and Recycle : recycled process standard. As well as a support and rehabilitation in emergency situations.

Environment Policy

S & J International Enterprises Public Company Limited is focused on producing quality products. By focusing on the importance of risk that has impact on the environment and the resources arising from the sources of the raw materials, production process, storage and delivery of the goods.

Company focused on maintaining environmental quality under the intention as follows.

1. Compliance with legal, the customer requirements, the Treaty and environmental standards both in the present and might have in the future.
2. Focus on management to prevention, reduction, reuse, recycle. Including getting rid of things that pollute the environment.
3. Strive to improve and developed environmental performance continuously for environmental sustainability
4. Promote to the consideration of life cycle to achieve maximize efficient use of resources.
5. To cultivated conscious mind of the employees to realize and participate in the prevention of problems that affect the environment.

The company also has environmental surveillance measures, such as to measure and track air quality, lighting, sound, and water waste within the company for assign the proactive measures, such as the Working Group of structures with energy to approval reduce CO2 emissions and indirect projects, for example set up Solar roof, Improve water quality after treatment for reuse, Improve the production process in order to reduce energy consumption, etc. All of this performance and measurement of environmental quality and safety will be systematically stored and has been monitoring compliance with safety and quality Department regularly.

In addition, the company has opened a channel of complaint for the community if it has been affected due to the company's business operations, which in the past year, the company has not received complaints about the impact of the operation on the environmental.

Remark : More detail in "Sustainable Development Report 2019 : Environmental Management"

3.9 Social Responsibility Reporting

The Board of Directors is aware of social responsibility by providing an Sustainable Development Report to disclose its business practices, in accordance with the Code of Conduct and results of the implementation of the policies and guidelines for sustainable development of the company both on economic, social and environment.

"Sustainable Development Report" of the Company have been prepared in accordance with International Standards of "Global Reporting Initiatives Guideline: GRI (G4 Guidelines)" has the analysis and link to the company's performance relative to the strategies and objectives of sustainable development of the company by further disseminating innovation in business and society. Including the implementation of against corruption consistent with the reporting guidelines of the Stock Exchange of Thailand.

The company has the commitment and work in this continuously, result in year 2019, the company received awards from organizations as follows.

- The award of " Highly Commended Sustainability Excellence Award 2019" from the Stock Exchange of Thailand.
- The award of "Thailand Sustainability Investment 2018" from the stock exchange of Thailand which is a reward for the listed companies that have business operations in accordance with good corporate governance, social responsibility and the environment. The company has received 4 consecutive years.

The company has delivered Sustainable Development Report 2019 to shareholders on QR Code together with invitation letter of The Annual General Meeting of Shareholders for the year 2020 and published the report for those interested on the company website "www.snjinter.com" under the topic "Investors Relation : Publication".

3.10 Encouraged to use resources efficiently.

The Committee recognizes the value of the resources. To achieve efficient use of resources coupled with business operations, one of the established guidelines is "to promote the use of resources in the production process economically and efficiently". The company provides training and the campaign to conserve energy conscience continuously regarding ways to use resources to maximize value in all activities of the organization covers the use of electricity, water, paper and other consumables.

The company has implemented an energy conservation in various aspects, such as Solar cell energy, Waste water treatment, Reduction of pressure in the pipe water, Reduce water consumption, Compensable from chiller system supply for cooling Vacuum Pump, etc.

Remark : More detail in "Sustainable Development Report 2019 : Environmental Management"

3.11 Educating and training employees on environmental.

The board of directors encourage the employees to realize the importance of the environment. The Company provides dissemination environment to employees through computer system, manage the Information board and publicity through the sound cable. Activities about nature conservation and the environment, as well as encouraging employees to increase their knowledge training in environmental matters continuously.

In 2019, the company provided training environment as follow.

1. Basic knowledge of ISO14001/OHSAS18001
2. Aspect & Risk Assessment
3. Energy Saving and Waste Sorting Course with 3Rs
4. Safety and environment regulations

3.12 Supporting and Participation in Community Development.

The company gives priority to business of social responsibility and the environment. In addition to conducting business without creating a negative impact on society and the environment, then. Engagement and social assistance, sustainable growth along the way. That is what the company has been addressed with its actions. It can be seen from the policy and guidelines on how to conduct activities that are clearly defined in various ways, as follows:

Children and Youth 3 projects	<ul style="list-style-type: none"> ● Gift for Children Day project ● The Smart Science Teacher in Eastern Region project ● Youth Yathaphuttra project : India - Nepal
Religious charities 4 projects	<ul style="list-style-type: none"> ● Chanting evening ● Good Start Good Life project ● Kathin Ceremony ● Offering Robes to Buddhis
Enviromental 1 project	<ul style="list-style-type: none"> ● Afforest for Pracharath
Community and Underprivileged 4 projects	<ul style="list-style-type: none"> ● School for Elder People project ● Look Good Feel Better project ● Health Mobile project ● Community Market for Employee
Elephant and Other Animals 2 projects	<ul style="list-style-type: none"> ● Free the Life of Elephant Project. ● the Elephant's Clinic project and Mobile Animal Care project.

Remark : More detail in "Sustainable Development Report 2019 : Good society.

3.13 Policies and practices regarding unrelated to human rights violations.

The company, give priority to the fundamental rights of humanity. Conduct business in compliance with laws and principles of human rights. Not all discrimination is sex discrimination. Religion, political rights or other matters, such as the employment of people with disabilities to encourage persons with disabilities were employed, including the company's policy not to take any action or do not support Parties that violate human rights.

The company has prepared the human rights policy, and is published by the training for employees, since beginning work. This is to ensure all agencies are operating according to the principles of human rights laws and regulations relating to employees, and about basic human rights according to international standards also must comply with a standard system, labor, Thailand TLS.8001:2010 which the company has been certified in a highest complete level

from the Department of labour protection and welfare, Ministry of labour, on May 20, 2018 effective through May 19, 2021. Over a period of time that the company has never been a history or a court case about violation of human rights.

Remark : More detail in "Sustainable Development Report 2019 : Good people."

3.14 The policies and practices of non-infringement of intellectual property or copyright.

The company adheres to our policy on business operations that are not related to intellectual property violations by imitators or take other people's intellectual property used in the business without permission. But we developed a new raw material, goods and services, the company continuously research and development team, more than 150 people sharing valuable innovation of business enterprise. By realizing corporate social responsibility and the environment proactively until the company can bring to a patent to be protected of creative concept of the company.

In addition, the company also encourages employees to continuous innovation in both product production by Small Group Activity through projects or suggestions that will help-system as a mechanism to store employee of innovation in the practice and delivery of various innovative projects competition in the Saha group, continuous innovation and awarded annually.

In the year 2019, the company was not associated with abuse of any copyright and/or other intellectual property.

Remark : More detail in "Sustainable Development Report 2019 : Business and Social Innovation"

3.15 Measures against corruption and bribery

The company has set anti-corruption policy and prepared a manual for anti-corruption measures for Directors, Executives and employees to use as guidelines. The key focus of such policy and measures is to prevent and corruption in all forms whether directly or indirectly. The company will not participate in any bribery or corruption to government officials, public as well as private sectors in order to gain or maintain competitive advantage. In addition, the company have set the practice guidelines for activities with potential risk of corruption in order to clear guidelines in the doing business and reduce the risk of corruption.

The Anti-Corruption Policy and Practices 6 editions are "Principles and guidelines for Anti-Corruption" and provide to the Board of Director, Executives and other units within the organization to compliance guidelines in case of doubt in regard to corruption. In addition, there has been published on the company's website (www.snjinter.com) under the heading investor relations: Corporate Governance: Anti-Corruption.

In 2019, the company submitted a self-assessment form and the results of the risk assessment of anti-corruption to the Thai Private Sector Collective Action Coalition Against Corruption (CAC) in order to re-certificate the registration of companies in the said project, which the Coalition Committee certified the company to be a member of the Private Sector Collective Action Coalition Against Corruption in the 2nd period in the 3rd quarter of 2019.

Corruption risk assessment

The company requires units whose transactions may create corruption risks of all units which contact the government department, such as Engineering department, accounting and finance, import-export and regulation department, to conduct corruption risk assessment. Cause and chances of the corruption risks in the entire business process, from project development to project financing, project and power plant management and organizational administration, are identified while practice guidelines, regulations and rules used for control such risks are prepared.

Corruption Risk Assessment showed that the Company has effective risk prevention, such as prevention, whistleblowing system, control and monitoring. Chances of such risks are very low. Although the assessment also showed that some anti-corruption guidelines are already in writing, such as gifting, entertainment, internal control, human resource management and procurement, some other practices, including sponsorship, training and communications, remain not clear. The Management and employees however have correctly, properly and transparently performed, which is a strong organizational culture. To support effective implementation and provide clear guidelines, the Company has improved and put in writing those guidelines by preparing the “Anti-corruption Measures Manual”. The manual has been disseminated throughout the entire Organization via internal communication channels and to outsiders via the company website under Corporate Governance.

Implementation of Anti-Corruption Policy and Measures.

- Anti-corruption Policy and Practices are regularly communicated within the Organization 2 times per day by voice channel . Set up a poster and QR Code for publication about anti-corruption principles and practices at various point of the company , adding detail of anti-corruption policy in employee manual for new employee and set up Brochure for officer and outsider , which can be see become aware of company commitment.
- The Board encourages Directors, Executives and employees were attend trainings and seminars on anti-corruption held by various organizations, including:
 1. The training " Good Corporate Governance and Anti-Corruption for Sustainable Organization" for Directors and management, which has invited guest speakers who are competent external training at Bangkok and Sriracha office.
 2. The training “Anti-corruption for employees 2019” for Bangkok office and Sriracha office
 3. Orientation for new employees, which have content policies and guidelines, operating for anti-corruption, to cultivate the consciousness from the start.
 4. Special Seminar "Extension of Anti-Corruption for Corporate Sustainable Development" for subsidiaries, associates and business partners, Together with signing in "Announcement of the Anti-Corruption Action Alliance" to ensure that the company's business operations throughout the supply chain are transparent, verifiable
- The Company has notified its policy to its trading partners by sending a notice informing the anti-fraud policy. In cooperation, if found guilty person in the organization. In addition, the company has prepared the memorandum committing to Anti-Corruption for the represent of the company to provide customers and partners to realize in this matter.
- The company has set the notification letter policy stopped accepting gift from business partner every year.

Whistleblowing

The company encourages its employees and stakeholders to participate in monitoring the actions in compliance with related laws, regulations rules, corporate governance practice and business ethics and report or complain on breach of laws, ethics or malpractice that may involve corruption. Measures for whistleblower protection are also put in place so as to keep reported information confidential and will be acknowledged only be relevant parties to provide whistleblowers with full confidence and protection.

The company provides a channel for all stakeholder groups to report or complaint that may cause damage to the Company. Wrongful action against related laws, regulations and business ethics or Corruption and bribery or suspected actions that may involve money laundering, wrongful actions related to accounting, finance, control and auditing. Issues to be reported directly by telephone or e-mail as following:

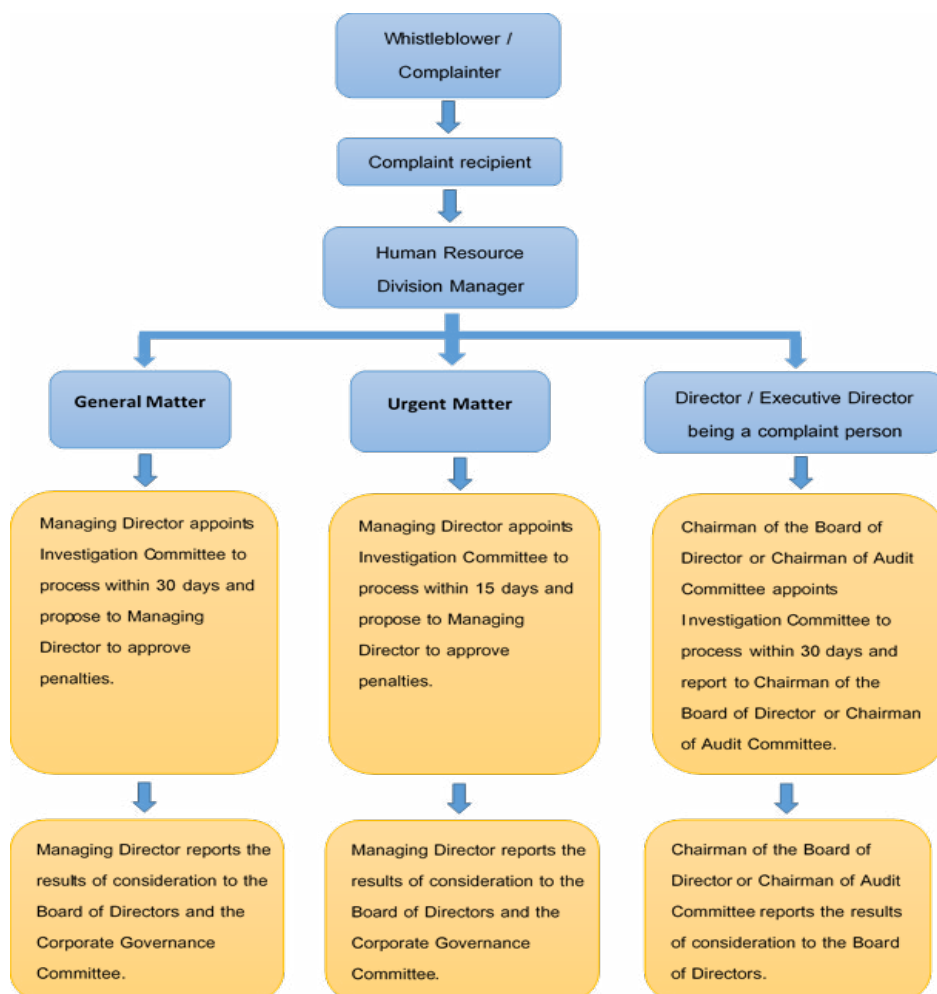
Division	Telephone number	E-mail address
Human Resource Division Manager	(02) 676-2727 Ext. 2208	patchara@snjinter.com
Company Secretary	(02) 676-2727 Ext. 2812	sumit_k@snjinter.com

Or send a registered mail to Chairman of the Audit Committee or Chairman of the Corporate Governance Committee or Human and Resource Division Manager or Head of Internal Audit or Company Secretary at the following address :

S & J International Enterprises Public Company Limited
 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok, 10120

Process of whistleblowing and complaints

The company conducted the investigation with fairness, transparency, prudence and fairness to the complainant, as following :



The protection of the whistleblower and complainer

The company will protect the whistleblower and complainer made by fide intent by concealing the name or any information that could identify the whistleblower and complainer and maintain the information of whistleblower and complainer to be confidential by limited to those who have a responsibility to investigate complaints only.

The protection of employees

The company will provide care and protect employees who comply with Anti-corruption policy and regulation by protection complainer set in Code of conduct the Board of Directors, executives and employees. Including the company give justice and protection to employee. By employee will not be punished, or reduce position, if denied the corruption acts, even though such actions would cause the company to lose business opportunities.

The company has set whistleblowing process and protection of whistleblowers and those being complained as well as penalty and clue reporting; and clearly published such details in the Anti-corruption Manual. In 2019, there were complaints about a violation of work regulations for 3 cases which had been investigated the causes for disciplinary action with related persons. In previous year, the company did not receive any complaints about corruption.

Monitoring, Reviewing and Assessment

The company has a process to review, monitoring and assessment of the risks of corruption, as well as programmes for preventing such risks. The supervisory board governance is the risk assessor in corruption and coordination with internal audit checks and presentation at the meeting of the Audit Committee to review the internal control and internal audit follow-up. In the case of fraud, internal audit work unit will report directly to the Audit Committee and the Audit Committee will report to the Board of Directors, respectively.

In 2019, the Corporate Governance Committee has reviewed policy and practices relating against corruption, to review policies and practices for improvement by cooperating with the Internal audit to follow up the adoption of practices with the annual audit plan. The report to the Audit Committee and the Board of Directors by quarterly.

3.16 Communication Channel

Stakeholders are able to provide their recommendations and concerns to company via the following channels:

Channel	Telephone number	E-mail address
Company Secretary	(02) 676-2727 Ext. 2812	sumit_k@snjinter.com
Investor Relations	(02) 676-2727 Ext. 2508	sjicac@snjinter.com
Human Resources Division	(02) 676-2727 Ext. 2208	patchara_p@snjinter.com

The mailing address is S & J International Enterprises Public Company Limited 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok, 10120.

The Company Secretary is responsible for sending documents directly to the Board and then forwarding them to relevant committees or directors. Issues and recommendations will be summarized and submitted to the Board on a quarterly basis. In 2019, the company did not received neither complaint nor involved recommendations from stakeholders.,

Section 4 : Information Disclosure and Transparency

The Board of Directors duly recognized the importance of disclosing significant company information relating to both financial and non-financial topics, which was regarded as one of the company's policies regarding good corporate governance. The company ensured that the shareholders and investors receive such information, in a fast, accurate, and equitable manner, through such channels as, the annual report, annual information disclosure form 56-1, news distribution channel of The Stock Exchange of Thailand, and The Securities and Exchange Commission, as well as the company website, in both Thai and English (www.snjinter.com), with those information being regularly updated.

In 2019, the company facilitated information disclosure in accordance with the requirements of The Stock Exchange of Thailand, as well as disclosing other significant information, in display of transparency toward its business operations as follows:

4.1 Corporate governance : The company prescribed and disclosed its corporate governance policies, corporate governance principles, business ethics, code of conduct for company directors, the management, and employees, Anti-Corruption Policy and guideline of anti-corruption. Also provided information board.

In 2019, the company has reported compliance with corporate governance policy. This is consistent with good corporate governance principles for listed companies on the Stock Exchange of Thailand. By publishing the Annual Report Form (56-1), annual reports (56-2) and the Company's website.

4.2 Social and environmental management policy : The company incorporated these topics under mission and the policies on corporate governance and business ethics with regard to the society and environments, can be found more detail at "Sustainable Development Report 2019".

4.3 Risk management policy : The company has set up Risk Management Committee to supervise risk management of the organization in a systematic and effective manner, and cover all areas appropriately, as well as assign risk management policies, according to the details under the heading "Risk Factors".

4.4 Shareholding structure : The company disclosed the names of the top 10 shareholders on December 31, 2019 under the heading "Property and Shareholders Information" and company's website www.snjinter.com menu "Investor Relation" topic "Shareholders Information", section "Shareholding Structure"

4.5 The Board of Directors' responsibility report toward financial statements : The Board of Directors recognized the importance of compiling financial statements in such manner deemed accurate and reliable, accompanied by preparing in accordance with accounting standards, to serve as references for decision-making by the investors, by displaying said report together with the certified public accountant's report in the annual report publication. Furthermore, in 2019, the Company's Audited Financial Statements were certified with clean audit opinion by auditor and submitted to The Stock Exchange of Thailand and The Securities and Exchange Commission within the timeframe required, and never subject to any instruction to revise its financial statements.

4.6 Duty performances by The Board of Directors and various committees : The company disclosed the details on the roles and authority of The Board of Directors and other committees, the number of meetings held, the number of meeting attendance by each director during the past year, details under the heading "Management structure", and "Corporate Governance" on sub-committees.

4.7 Shareholding by the directors and the management : The company annually disclosed shareholding and changes of the company's shareholding of the directors and the management both directly and indirectly in the annual report. Details are under the heading "Personal information of company directors and management members" on report on changes in securities holding by company directors and management members

4.8 The remuneration for the directors and the management : The company disclosed the policy regarding the remuneration for directors and the management, the nature and number of remuneration accorded the directors for The Board of Directors and other committees are individual, under the heading "Management structure", on the remuneration for the directors and management members.

4.9 The policy to report possible conflict of interests by the directors : The Board of Directors laid down the policy requiring company director and management member to report to the company each time possible conflict of interests arose by either themselves or connected persons, within 3 month of that event causing an appointment or change. Regarding this, the company secretary was required to submit related report to The Chairman and The Audit Committee Chairperson within 7 days after the company learned of such event. During 2019, company directors and management members strictly followed said policy, by not taking part in such meeting agenda having possible conflict of interests. Moreover, the company facilitated information disclosure pertaining to any conflict of interests by company director or management member, via the letter informing the meeting's resolution to the news system of The Stock Exchange of Thailand.

4.10 Development for the directors and the management : The company disclosed the development and training of directors and the management. Details are under the heading "Personal information of company directors and management members" and "Corporate governance" on Section 5 : Responsibilities of The Board of Directors, no. 5.7.

4.11 Relating transaction The Board of Directors laid down the policy for the company to comply with the regulations of the Capital Market Supervisory Board. In the case of important relating transaction; although the approved amount of money is under the executive director supervising the division, the company shall present to the Executive Board for consideration and/or approval depending on the case. After that, the company will bring the significant volume transaction to The Audit Committee's meeting and The Board of Directors' meeting for consideration respectively, so The Audit Committee can comment in case there are different opinions, and the directors and the management can acknowledge the details before the company informs the Stock Exchange of Thailand. Details are under the heading "Relating Transaction".

4.12 Quarterly Performance Report : In the case of total revenue or net profit according to last financial statement changed from the financial statements in the same period last year more than 20 percent, the company has revealed the explanation of the operation's results for the quarter on the website of the Stock Exchange of Thailand and the company website.

In 2019, the company has disclosed the quarterly operating result report for 3 times.

4.13 Management and operation of the company : The company has its tax policy with a strong tax management in order to protect the reputation and image of the company in a tax-related issues, including promoting the maximum added value to shareholders. Tax policy gets approval from senior management, according to the code of ethics in the company's business operations.

Tax policy of the company

Tax policy adheres to principles of integrity, transparency, by providing accurate, timely taxation according to law, to build credibility for the company by conducting a performance tax, legal and tax benefits to achieve optimum performance under the terms of the law, including compliance with legal regulations on financial disclosure and the tax authorities or related organizations including the public. This is consistent with the business strategy to provide maximum benefit to shareholders, and maintain good relations with government officials and customers.

Tax policy compliance

The company had a tax compliance and tax news and new laws closely, including the review process by senior executives, internal auditors regularly according to the annual internal audit plans to follow up the operation consistency, including a review of the external auditor in order to be compliance with tax effectively, transparency and legality.

In addition, the company has defined Rule of practices for donation and public Interest, Rule of practices for give or obtain gift and entertainment, Rule of practices for political support, Rule of practices for Business Operation in Sales and Marketing and Rule of practices for Business Operation in Procurement in accordance with the guidelines of the relevant law, including laws, taxation. All processes are approved by the company's management and has carefully considered under the tax laws.

4. 14 Whistle Blowing Policy : The Board of Directors gives employees and stakeholders an opportunity to give information or file a complaint on a matter which could constitute a violation of the law, dishonest or wrongful act of an employee, including irregular behavior which could cause a problem or loss to the company. The company also receives complaints on cases where the rights of an employee or stakeholder has been infringed or where they have been treated unfairly. Suitable channels and procedures have been provided by the company in this regard.

4. 15 The relationship with investors : The company earlier set up Company Secretary and Investor Relation Department, to serve as the center in communicating and distributing significant information useful to the investors and other parties concerned. Interested person could view the company's latest developments via the company website, under the heading "Investor Relations" , and the news system of The Stock Exchange of Thailand. Investors and related persons may contact Company Secretary and Investor Relation Department represented by:

Mr.Varith Tritrapun
Investor Relation
Tel. (662) 676-2727 ext. 2508
E-mail : sji_sec@snjinter.com

or Mr.Sumit Khopai boon
Company Secretary
Tel. (662) 676-2727 ext. 2812
E-mail : sumit_k@snjinter.com

In 2019, the company and the Saha Group together with the SET hold "investors and analysts meet Saha Group" No.11 at 23rd Saha Group Fair at Bangkok International Trade & Exhibition Centre (BITEC) to engage investors, analysts and the media met with the Board and management closely. Managing Director provided the information about the business, operations, industry, economic outlook and key developments including answers and question. The company prepared book summarizes the history and key operational results distributed to investors, analysts and media at the event as well as all of them have visited product and innovative of companies in the group that was on display at the 23rd Saha Group Fair. An opportunity to purchase product at special price which has been received very well with attendance increasing every year. This caused investors, analysts and the media learned an overview of the business of the Saha Group, and more published through the Stock Exchange and the company's website (www.snjinter.com).



Section 5 : Responsibilities of The Board of Directors

The Board of Directors had important responsibility in setting the direction for the company's business operations, following up on the work results by its management members, and being responsible for their duties to contribute to the best interests of the shareholders and the company.

5.1 Structure of The Board of Directors

1. Composition of The Board of Directors

The Board of Directors comprised	15	directors, classified into:
- Non-executive directors	4	persons
- Executive directors	5	persons
- Independent directors	6	persons

The Board of Directors consisted of qualified directors with knowledge, proficiency, and various experiences in accounting, finance, management, marketing, laws and science, as well as no gender discrimination. There are 10 Non-executive directors of whom 6 are Independent directors or equal to 40.00 % of the total number of the Board. And among 6 Independent Directors, 4 of them are members of the Audit Committee. The Chairman shall not be the same person who is taking an office of Managing Director.

All directors have a determination to perform their duty as trusted by the Board of Directors and shareholders. They are all independent in expressing their idea, considering and approving any issue by regarding the optimum benefit to the company.

2. Independent director's qualifications

Every member of the company's independent directors is fully qualified to serve as an independent director under the rules set by the company. Independent directors who are women are accounted for 2 persons or 33.33 percent of all independent directors. None of independent directors take a position as director in more than 5 listed companies.

The Board of Directors resolved to adopt the definition for "independent director" having qualifications in accordance with the notification of The Capital Market Supervisory Board. Nonetheless, practically the independent directors of the company are truly independent from the management and major shareholders of the company. Independent directors and the person being involved held not more than 1% of the total voting share of the company and have no shareholding in the parent company, subsidiaries, associates, major shareholders, or person in authority of the company.

3. Directors selection process

The Board of Directors appointed The Nominating Committee, to supervise the director selection process to be carried out in a transparent manner (See the details under the heading "Corporate Governance", on the selection and appointment of the directors and chief executive officer).

4. The number of companies served by each director

The company disclosed the information regarding the holding of directorship by each company director in other companies in the heading "Personal information of company directors and management members". At present, none of the company's directors serve as director in more than 5 listed companies.

In addition, The Board of Directors assigned a policy to appoint the Managing Director as directors in its subsidiary companies and affiliate companies, so as to facilitate smooth and consistent operations management for these companies.

5. The separation of the positions of Chairman from the Chief Executive Officer

Directors and the Chief Executive Officer, the company therefore specified the Chairman of The Board of Directors and the Managing Director to be different persons, so as to clearly separate the supervision and management authority for the company, and contributing to proper authority balance in company management within the company. In relation to this, the company has set up The Board of Directors Charter, setting the authority and duty scope for each committee, Chairman of the Board of Directors and Managing Director.

6. Company Secretary

The Board of Directors resolved to appoint Mr. Sumit Khopaiboon, Account and Finance Section Manager, as the Company Secretary, having the duties and responsibilities as specified by the company. (See the details under the heading “Management structure” on company secretary.)

5.2 Sub-committees

The Board of Directors appointed several sub-committees comprising of competent and experienced members to supervise over each particular aspect of company operations, and clearly laid down the authority and responsibility scope for each committee per the charter for said committee. (Additional details are under the heading “Corporate Governance” on various committees and “Management structure” on The Board of Directors)

Furthermore, the directors and senior executives of the company have never been employees or partners of outside auditing companies that serviced the company in the past 2 years.

5.3 The roles, authority, and responsibility scope of The Board of Directors

1. Leadership and vision

The Board of Directors consisted of members who had extensive capabilities and experiences beneficial to company management, together with leadership and independent decision-making qualities, necessary to supervise company operations in such manner best contributing to the objectives and goals of the company and shareholders.

The Board of Directors were obliged to assign the vision and mission of the company, with yearly revision, in which in 2019, The Board of Directors’ meeting had considered and reviewed that vision and mission were still appropriate with current business engagement. Moreover, The Board of Directors also approved strategy, target, plan, and annual budget of the company proposed by the management. At the same time, they were required to ensure that there were adequate mechanisms in supervising, monitoring the implementation of the company’s strategies, and evaluating performances by the management, so as to meet the targets contributing to further value and wealth for both shareholders and the company, while properly safeguarding the interests of all stakeholders concerned.

2. Good corporate governance

In due recognition of the importance of good corporate governance practice, The Board of Directors therefore laid down good corporate governance policy in writing, consisting of 4 parts of information which are corporate governance policies, corporate governance principles, business ethics, and code of conduct of the company’s directors, the management and employees. The good corporate governance principles were prepared in two languages : Thai and

English. There was evaluation of compliance and review of good corporate governance principles annually, and revealed through the company website. The manual was distributed to directors, the management, and employees, which required that all of them comply with such manual strictly. The ethics and code of conducts also being presented to the management and employees in animated cartoon for easy understanding.

In 2019, the company has announced the corporate governance code by applying the 2017 corporate governance code for listed companies according to the announcement of the Securities and Exchange Commission (SEC) to apply and covering the operation of the company appropriately for the benefit of creating sustainable value for the company.

The Board of Directors followed the measures of good corporate governance to strengthen its management and business engagement transparency, and those who do not comply with such measures will be appropriately punished and might be prosecuted in the case of law violation. If the employees are in doubt and cannot comply or make decision, they shall consult with sequence supervisor. In the case of dispute, the judgment from the Managing Directors, The Executive Board and The Board of Directors will be considered as final order. (See full details of corporate governance policies, business ethics, and code of conduct for company directors, the management and employees on the company website).

3. The policy regarding possible conflict of interests

The Board has a clear guideline for care. To eliminate conflicts of interest with prudence for the benefit of the Company and its shareholders. The item may have a conflict of interest. The company has informed the meeting about these transactions for transparency in accordance with the Capital Market Commission, Directors who have conflict of interest were out of the meeting and abstained on the agenda for independent of the company's decision. In addition, the company do not to provide financial assistance except in the case of loans or loan guarantees in proportion to their shareholding by preparing report in the Annual Report (56-2) and annual information form (56-1).

4. Supervision over internal control and audit systems

The Board of Directors address on the systems overseeing financial control, company management, and corporate supervision, by assigning The Internal Audit Office to supervise over the audit, review, and monitoring of those operations results. Furthermore, The Internal Audit Office also provided recommendations to ensure independent and effective practices according to those guidelines in an independent and balanced manner.

Accordingly, The Board of Directors instructed The Internal Audit office to directly report to The Audit Committee every quarter, so as to allow the Committee to review and ensures sufficient internal control practice. At The Board of Directors' meeting no.2/2019, also attended by The Audit Committee members, the meeting together reviewed the adequacy of the internal control system and risk management system, and then concluded that the company had adequate internal control system in place. (The details are disclosed under the heading "Internal control and risk management").

With this regard, The Audit Committee is responsible for considering and giving approval for the appointment, transfer and dismissal of the head of internal audit office. Currently, the head of the company's internal audit office is Mrs. Pannee Chantavaralak, who has good quality of knowledge, abilities and experiences in internal audit.

5. Risk management

The Board of Directors places emphasis on risk management affecting the organization's goals by having risk management process in a systematic and in compliance with the company's policies.

The Board of Directors appointed The Risk Management Committee to supervise the risk management to be effective and meet the standard with risk assessment and monitoring risk management plan, as well as reporting to the Board of Directors. (See the details on risk management for each area of the company under the heading "Risk factors").

5.4 The Board of Directors' meeting

The Board of Directors scheduled the meeting for the whole year and notified the directors in advance in which the meeting will be held at least every quarter with additional meeting if necessary as specified in the Charter of Board of Directors. For each meeting and agenda for The Board of Directors' meeting, each director was able to propose agenda, and the Chairman together with the Managing Director shall consider the matter to be brought into the meeting. After that, the Company Secretary sent out meeting invitation letter, meeting agenda, and relevant meeting documents, to the directors not less than 7 days in advance, to allow them sufficient time to review the information prior to the meeting.

All directors considered as their duties to attend the meeting each time, unless unable to do so due to significant obligation or illness. During the meeting, The Chairman allowed the directors to present opinions and comments freely. The company has set a policy of minimum quorum of the committee to vote at the meeting of the Committee that must have directors not less than 2 out of 3 of all members. while those directors having conflict of interests would not be allowed to attend or cast votes at such meetings. The Company Secretary recorded the meeting minutes and then classified those minutes in a systematic manner, to facilitate easy references.

The Board of Directors supported the joint meeting between The Board of Directors and The Executive Board at least once a year, to deliver yearly strategic targets and operation plans of the company, as well as to build good relationships between directors and executives. In addition, Chief Financial Officer has joined The Board of Directors' meeting at all times.

The Audit Committee has scheduled meetings with external auditors and report this to the Board of Directors every quarter.

During 2019, The Board of Directors held 6 meetings altogether and having the Directors attending the meeting more than 90% of the meeting whole year. (See the details about the meetings under the heading "Management structure" on The Board of Directors, no. 1.3 the number of directors' meeting).

In addition, in 2019 has set scheduled of the Board of Director meeting for the year 2020 in advance (this schedule is subject to change.) excluding the agenda of the special meeting as follows:

Number	The Board of Director Meeting
1	January 20, 2020
2	February 20, 2020
3	April 28, 2020
4	May 15, 2020
5	August 13, 2020
6	November 12, 2020
7	December 22, 2020

5.5 Evaluation of The Board of Directors

The evaluation of the Board of Directors performance for the year 2019 has been carry out, in which the evaluation was set to conduct yearly. Each of the directors will be given opportunity to assess the performance both individuals and the board as a whole to review performance results, problems, and obstacles faced during the past year, in order to contribute to better effective performances by The Board of Directors.

There is a process in which the evaluation as follows: the Company Secretary sent out an evaluation of the performance of the Board of Directors form, an evaluation of the performance of the directors individually form, and an evaluation of the performance of the Sub-Committees Directors form (Only directors who are members of the committees of the Board) to all directors. Every director was independent in taking such evaluation. The evaluation form was returned to the Company Secretary once completed to be collected, summarized, and reported to The Board of Directors at The Board of Directors' meeting.

The percentage score criteria was set as follows:

Criteria	Score
Excellent	Over 80 percent
Good	Over 70 percent
Fair	Over 60 percent
Improve	Over 50 percent
Poor	Less than 50 percent

Yearly Performance Evaluation of The Board of Directors

The Board of Directors carried out the board's performance evaluation, which divided in to 3 aspects as follows:

1. Role, Duty, and Responsibility of the board
2. Independence of director
3. Relationship with the management and stakeholders

In 2019, the evaluation result was in "Excellent" criteria with the average score of 89%

Yearly Performance Evaluation of The Individual Director

The Board of Directors carried out the individuals' performance evaluation, which divided in to 3 aspects as follows:

1. Role, Duty, and Responsibility of director
2. Duty fulfilment of director
3. Self-development of director

In 2019, the evaluation result was in "Excellent" criteria with the average score of 86%

Yearly Performance Evaluation of The Various Committees

The Board of Directors has set the evaluation of performance of every various committees in 2019 that each member of the various committees evaluated the work of his/her various committees as a whole. The result can be summarized as follows:

The Sub-Committees	Evaluation Result
The Audit Committee	86%
The Nominating Committee	79%
The Remuneration Committee	80%
The Risk Management Committee	69%
The Corporate Social Responsibility Committee	91%
The Corporate Governance Committee	92%
The Executive Board	82%

With regard to the appraisal of the performances of the Managing Director, this would be carried out by the Chairman and the Board of Director, by considering and assesment the performances result from target of company every year.

5.6 Directors' remuneration

The Board of Directors appointed The Remuneration Committee, to supervise and ensure that the remuneration process for directors and senior executives were carried out in a transparent manner (See the regulations and criteria on remuneration policy for directors and the management under the heading "Management structure", on remuneration for the directors and management members).

5.7 Board and Management Development

The Board of Directors has set up a policy to promote and support those training activities seeking to promote further knowledge for the directors, managers, and all parties concerned on a consistent basis. So, as to gain better effective skills and understanding regarding their duty assignments. These activities included the programs organized by Thai Institute of Directors Association (IOD) and other agencies concerned (See the details under the heading "Board of Directors Information"), as well as the meeting to exchange opinions with The Board of Directors and the managers of other organizations, in order to apply the knowledge and experience gained to develop the Company.

The Board of Directors participated in training programs organized by Association of Thai Institute of Directors (IOD).

	NAME	DAP	DCP	RCC	RMP	RCP	ACP
1.	Mr.Boonkiet Chokwatana	3/2003	41/2004	-	-	-	-
2.	Mrs.Tipaporn Chokwatana	3/2003	68/2005	-	-	-	-
3.	Mr.Thirasak Vikitset	3/2003	68/2005	-	-	-	-
4.	Dr..Atthakorn Glankwamdee	3/2003	68/2005	-	-	-	-
5.	Mrs.Kaewta Ongsaranakom	-	27/2003	10/2010	-	-	-
6.	Prof.Dr.Malyn Ungsurungsie	17/2004	-	-	-	-	-
7.	Mrs.Chitraporn Vikitset	66/2007	-	-	-	-	-
8.	Mrs.Teerada Ambhanwong	3/2003	51/2004	-	-	-	-
9.	Mr.Suthep Dansiriviroj	32/2005	60/2005	-	5/2014	-	-
10.	Admiral Apichart Pengsritong	82/2010	-	-	-	-	-
11.	Mrs.Pismai Chandrubeksa	82/2010	-	-	-	-	-

	NAME	DAP	DCP	RCC	RMP	RCP	ACP
12.	Mr.Amorn Asvanunt	4/2003	-	-	-	-	-
13.	Mrs.Pradittha Chongwattana	-	5/2001	-	-	-	-
14.	Pol.Gen.Somchai Prabhasabhakdi	25/2004	51/2004	-	-	12/2005	2/2004
15.	Assist.Prof.Dr.Pongchai Athikomrattanakul	162/2019	283/2019	-	-	-	-

The Company directors and managers paid much attention to attend training courses or seminars designed to promote their management abilities.

Training and seminar attended by the Board of Directors and Managers in 2019

Name	Training Course / Seminar
Mr.Thirasak Vikitset	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd)
Dr.Atthakorn Glankwamdee	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - Modern Risk Management by Mrs.Jirapom Sumeteeprasit
Mrs.Kaewta Ongsaranakom	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - Good Corporate Governance and Anti-Corruption for Sustainable Organization by Mr.Thanakrit Peompoonkantisuk
Prof.Dr.Malyn Ungsurungsie	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd)
Mrs.Chitraporn Vikitset	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd)
Pol.Gen.Somchai Prabhasabhakdi	- Good Corporate Governance and Anti-Corruption for Sustainable Organization by Mr.Thanakrit Peompoonkantisuk
Mrs.Thongsuk Upathambhakul	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - Modern Risk Management by Mrs.Jirapom Sumeteeprasit - Good Corporate Governance and Anti-Corruption for Sustainable Organization by Mr.Thanakrit Peompoonkantisuk
Mrs.Patchara Pongwichan	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - Good Corporate Governance and Anti-Corruption for Sustainable Organization by Mr.Thanakrit Peompoonkantisuk - Law of Transfer Pricing.
Mrs.Daranee Ajjaneeyakul	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - Modern Risk Management by Mrs.Jirapom Sumeteeprasit - Good Corporate Governance and Anti-Corruption for Sustainable Organization by Mr.Thanakrit Peompoonkantisuk - Process Innovation Coaching Program 2019 (Thailand Productivity Institute)

Name		Training Course / Seminar
Dr.Arucha	Budsakornbhinanda	<ul style="list-style-type: none"> - Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - Modern Risk Management by Mrs.Jiraporn Sumeteeprasit - Good Corporate Governance and Anti-Corruption for Sustainable Organization by Mr.Thanakrit Peompoonkantisuk - New Paradigm The Future of Leadership by Mr.Archirawish Pakchotipong

Orientation for new directors

The company hosted the orientation course for new directors, to properly prepare them for director assignments. The company arranged factory tour, organized presentations on company background, business perspective and business policies for these new directors. The company also provided them with the manual for directors for listed company, clearly summarizing and comparing the provision in the company regulations, with those in The Securities and Exchange Act, The Public Company Act, Good Governance Practice Principles, as well as the charter for each respective Committee and the corporate governance policies, corporate governance principles, business ethics, and code of conduct for the company directors, the management, and employees, anti-corruption policy and other regulations. In addition to related regulations issued by concerned agencies in supervising over listed companies, to serve as their practice guidelines during the directorship term.

5.8 Plan for Successors

The company has plans for successors to be ready for in case the executives are unable to work. The details are as follows

1. To provide opportunity for middle management to work closely with senior management.
2. To prepare having senior management be ready to take up other functions if necessary.
3. To prepare specialized personnel to be able to take up higher management positions.
4. To establish various committees for development of works and potentials of flame works in a systematic process.
5. To encourage middle management to propose their various plans.
6. To provide training courses for middle management to take up high posts.
7. To organize a training course for senior and middle management to promote common awareness for accountability, integrity and corporate image as a whole.
8. To provide executive training for each department for higher potential, advance planning in addition to systematic thinking to middle managements.
9. To enhance charitable spirit and activities among executives at all levels for promoting happy living in societies.

Compliance with good corporate governance principles in other matters

The Board of Directors have placed much emphasis on building good corporate governance practice, and upgrading those practice on continuous basis, to enable company operations to be carried out in a transparent and effective manner, leading to further growth and stability for the company. Furthermore, such practice was aimed at contributing to further economic value and long-term wealth for the shareholders, while providing fair treatment to all stakeholders concerned. The company has set the policy to achieve balanced business operations under changing social and economic environments, based on sufficiency economy principles, and in compliance with good governance practice principles for listed companies.

The consistent development of good corporate governance principles to comply with the criteria of ASEAN CG Scorecard, which is a more intensive criteria of survey, has resulted in the company receiving an “Excellent CG” score in the annual good corporate governance practices assessment of Thai listed companies for 2019 and the company also received certificate of ESG100 company from Thaipat Institute as one of the top 100 listed companies with outstanding environmental, social and governance (ESG) operation.

Details of Corporate Governance Evaluation;

Categories	2017 (%)	2018 (%)	2019 (%)
1. Right of Shareholders	92	92	92
2. Equitable Treatment of Shareholders	99	93	99
3. Role of Stakeholders	94	94	94
4. Disclosure and Transparency	92	94	97
5. Responsibilities of the Board	83	85	84
Score Average	89	90	91

In case of the part that company had not practiced complying with good corporate governance principles for listed companies, the company would take into account to apply appropriately such as:

Non - practiced aspects	Reasons
1. The Board of Directors has specified the number of listed companies that each director hold directorship for not more than 5 places in the company's corporate governance policy.	The Board of Directors has not specified the number of listed companies that each director hold directorship for not more than 5 places, since The Board of Directors believed that each director's business expertise and capabilities should not be restricted by the number of companies said director served, as long as he/she proved to be capable and devoted enough to carry out own assignments in fulfilling the expectations by The Board of Directors and shareholders. At present, none of the company's directors serve as director in more than 5 listed companies.

Non - practiced aspects	Reasons
<p>2. The Board of Directors's policy has specified the limit of the number of years on the tenure of independent directors not exceeding 9 years.</p>	<p>The Board of Directors's policy does not limit the number of years on the tenure of independent directors since the company's independent directors continue to perform their duties with independence and without private interests that may conflict with the interests of the company, as well as make decisions by taking into account the best interests of the company. They are also independent from the management and major shareholders of the company.</p>
<p>3. The Board of Directors has no independent director appointed as the company's director for more than 9 years.</p>	<p>The Board of Directors has four independent directors appointed as the company's director for more than 9 years because they are fully qualified per definition of company's independent directors, while duly processing such sound knowledge, professional expertise, and work experiences, beneficial to the company's business operations.</p>
<p>4. The Chairman of The Board of Directors is independent director.</p>	<p>The Board of Directors has appointed non-executive director serving as the Chairman of The Board of Directors due to his ability and expertise in the company's business. Furthermore, despite the Chairman of The Board of Directors not being an independent director, nevertheless, the Chairman of The Board of Directors duly carried out his assignments in an independent manner, and providing opportunities to all directors to act freely in expressing own opinions and suggestions contributing to the best interests of the organization.</p>
<p>5. The Chairman of The Nominating Committee and the Chairman of The Remuneration Committee are independent directors and The Nominating Committee and The Remuneration Committee mainly comprise independent directors.</p>	<p>Although the Chairman of The Nominating Committee and the Chairman of The Remuneration Committee are not independent directors, all of them are directors with knowledge and experience who served the positions for a long period of time. They have performed their duties with responsibility and honesty, while never voted when they have conflict of interests.</p>

Opinion of the Board of Directors on the adequacy and appropriateness of the internal control system.

The company recognizes the importance of the system of internal control which all employees of the company have joint roles and responsibilities together by assigning the duties and responsibilities, operating power on administrative and operation level is written clearly, covers financial control, operations, management, governance, compliance with the relevant laws and relating regulations to ensuring accomplishment of the objectives of the company will be achieved as follows:

1. Strategies and goals are clearly defined, consistent and support mission of the company.
2. Achieve the performance objectives with an efficient and cost effective resource management.
3. Report significant information both financial, administrative and implementation are accurate and reliable.
4. Implementation and practicing are in consistent with policies, rules and regulations set forth with the law and other regulations related to business.
5. Has the safety of personnel, property including data in information systems.
6. Has suitable oversight and management of the effectiveness.
7. Continuing in improving operational quality.

The company's internal audit department is responsible and accountable for ensuring an independent assessment of the internal control system, risk management and Corporate governance together with reviews the company's compliance with regulations especially the connected transaction.

In 2019, the internal audit department has set up an annual audit plan. Present to the audit committee for consideration and approval. The audit committee is of the opinion that The company has appropriate and sufficient internal control to the operations to meet the goals, objectives, laws and various related requirements. Protecting assets from fraud accurate accounting and reporting. There may be some operations that should be considered for improvement. The management considers that there is The need for operating business of the company is present to the Board of Directors meeting every quarter.

The Board of Directors Meeting No.1/2020 held on January 20, 2020 by a committee of 4 members attended the meeting. The Board of Directors reviewed the system of internal control by questioning for assessment of internal controls. The overall conclusion based on the evaluation of internal control systems in different 5 elements are as follows.

1. Internal Organization Control
2. Risk Assessment
3. Operational Control
4. Information and Communication System
5. Monitoring System

The management has reasonable confidence in the company's internal control system is adequate enough to carry out such an effective way to protect the property from damage that may occur from use or disposal without permission and monitoring of the operations of the subsidiary enabling to protect assets of the company and its subsidiaries caused by the director or executive deployed without adequate power as follow.

1. Control Environment

The Company has its policy and target for doing business. The policy and business goals are clear, regard to fairness to employees, customers, business partners including responsible to the shareholders, society and the environment. Review of the performance to meet defined goals regularly in order to comply with the conditions at that time. Prepare organizational structure and a charter of various committees including the duties and responsibilities of the Managing Director in writing to define authority clearly, in addition, setting policies of governance, ethics in business and conduct of directors management and staff in writing to guide the conduct of directors, management and staff which makes the system of internal control operates more effectively. It also records check, which is overseen by the Audit Committee, the approval of financial transactions, procurement regulations to be made in writing to prevent of using assets with abuse of power. The company provides training both internal and external to develop staff skills, have the knowledge and appropriate ability to operate in each position.

2. Risk Assessment

The company assesses type of the risk, cause of the risk factors, opportunities and possible impacts to provide to prevent plan and manage the possible risks that may arise as to the acceptable level as well as informed to the management and employees to minimize and prevent risks that may occurred. The internal audit has its process to monitor each operational unit and aware of the possible risks that may arise with supporting by the Board of Directors and the Audit Committee.

3. Control Activities

The company granted the scope of authority and approval level amount to each level of management clearly in writing. Including segregation of the roles and responsibilities of each working unit for check and balance. In the case of transactions with major shareholders, the Directors, management or related to such persons including connected transactions, the company has complied with the process of the Capital Market Commission and will conclude the said transaction as a normal business transaction in order to report to the Board of Directors. If not, it will be proposed to approve the procedure and inform the Stock Exchange of Thailand. The Company shall follow-up, review of the results of operations of the company on monthly basis and monitor the operation of the company in accordance with resolution of the Board of Directors, Shareholders and related laws. In the event of approval of the transaction in a manner that is binding the company long-term period, the company shall monitor to comply with the agreed conditions and reviewing the appropriateness of the contract in accordance with the situation.

Also to highlight the clear duty of the employees to be legitimate, the company has determined that employee must abide by the rules and regulations of the company and laws strictly under the principles of corporate governance.

4. Information and Communication

The company provides both internal and external communications effectively. Accounting documents are kept in full by category and use accounting policies generally accepted accounting principles in the communications for financial information or other information that is accurate, current to people involved for making decision. There is a storage system that can monitor the accuracy and security of data and information effectively. In a proposal to the Board for consideration,

there is sufficient information to make decision, prepare minute of meeting, comments, questions or comments observations of Directors of the company in the consideration (if any) and resolution which can be verified.

5. Monitoring Activities

The company's operating results is monitored on a monthly basis and is compared with the performance in the prior year to analysis of the causes of differences and adjust their strategies to meet the needs in order to achieve a goal. In addition to having adequate internal control by requiring internal audit to do the audit, analyze and evaluate the internal control of various internal control system and monitor performance continuously by report directly to the audit committee if any significant defects are found, Audit Committee has to report to the Board of Directors for corrective action and to monitor progress in improving deficiencies regularly.

From the assessment of the internal controls of the company in 5 various aspects of the above, the Board of Directors including the 4 members of the Audit Committee concluded that the internal controls are appropriate and sufficient. The Board recognizes that any system of internal control may not be ensured against all damages resulting from significant mistakes, but it can be prevented or acceptable at reasonable level.

Opinion of the Audit Committee in case of having different opinion from Board of Directors.

- No different opinion –

Chief of internal audit's information

At the meeting of the Audit Committee Meeting No. 1/2019 held on 26 February, 2019 appointed Mrs. Pannee Chantavorakit to be chief internal auditor in addition to Secretary of the Audit Committee of the company since February 26, 2019 due to a highly qualified individuals knowledge experience could be used her experiences for the internal audit work of the company with the great success.

The scope and responsibilities as follows:

1. Plan annual audit according to the standards of professional conduct internal audit.
2. Determean step, process guidelines and audit procedures of the internal audit.
3. Supervision of the internal audit to be planned.
4. Evaluate performance of the audit.
5. Present the audit results to the Audit Committee.
6. Serve as secretary of the Audit Committee.
7. Coordinate with all staff, including the CPA.

Name / Position	Highest Education Level	Training Course
Mrs.Pannee Chantavaralak	Bachelor Degree	- Company Secretary Program
- Internal Audit Manager	Faculty of Commerce and	# 11/2005 (Thai Institue of Directors (IOD))
- Secretary of Audit Committee	Accountancy	
	Thammasat University	- Preparing to TFRS 16 and Transfer Pricing and Up date Tax Invoice
		- Role of the company secretary in shaping (IOD)
		- Preparing to accounting Re: Lease agreement, read and write the Auditor's Report

As such, to consider and approve the appointment, transfer and dismissal of the incumbent head of the internal audit must be approved by the Audit Committee and be submitted to the Board for approval as stated in the Charter of the Audit Committee.

Information for Chif Financial Officer

Criteria of the Company's Chief Financial Officer according to the regulations of the Securities and Exchange Commission (SEC) defines is Mr.Varith Tritrapun, Office Division Assistant Manager (Accounting & Finance), who is an account and finance administrator of the company with qualifications as follow :

Name / Position	Highest Education Level	Training Course
Mr.Varith Tritrapun - Office Division Assistant Manager (Accounting & Finance)	Master of Managerial Economic- University of Wisconsin, USA.	- Update Tax Invoice and preparing to TFRS 16 and Transfer Pricing.

Information for bookkeeper

The company's bookkeeper under the accounting Act AD 2000 is Mr. Sumit Khopaiboon, Accounting and Finance Section Manager, who supervised the preparation of the financial statements and the disclosure of information of a company to be complete and accurate with qualifications of the bookkeeper as follow :

Name / Position	Highest Education Level	Training Course
Mr.Sumit Khopaiboon - Accounting and Finance Section Manager	Bachelor of Faculty of Business Administration (Accounting), Ramkhamhaeng University	- Update Tax Invoice and preparing to TFRS 16 and Transfer Pricing. - Law of Transfer Pricing. - Update Tax Law of the year 2019 - The development of accounting systems in the digital era. - Important financial for Accountants.

Information disclosure for relating transaction

In year 2019, the company and its subsidiaries entered into related party transactions with parties with possible conflict of interests, according to the details as follows:

1. Normal business transactions, normal business support transactions, rental or lease transaction for immovable property (not more than 3 years), and transactions related to assets and services.

(Unit : Million baht)

Name	Relation ship	Shareholding by the company (%)	Significant item	Relating transaction amount
1. Top Trend Manufacturing Co.,Ltd.	A	50.00	- Purchase of products / Service	185.51
			- Other expenses	0.29
			- Service income	0.01
2. EF Co.,Ltd.	A	99.99	- Purchase of products / Service	4.58
			- Other expenses	7.90
			- Sale of products	1.66
			- Immovable property rental income	0.18
			- Service income	2.34
3. Wildlives (Thailand) Co.,Ltd.	A	99.99	- Immovable property rental income	0.21
			- Service charge	3.74
4. S & J International (UK) Ltd.	A	100.00	- Purchase of products / Service	225.18
			- Sale of products	164.04
			- Service charge	15.57
			- Other income	0.43
5. 4WD Vision Co.,Ltd.	A	99.99	- Purchase of products / Service	84.91
			- Other expenses	0.06
			- Immovable property rental income	0.13
			- Service income	7.29
6. SAAS Co.,Ltd.	A	99.99	- Purchase of products / Service	0.09
			- Immovable property rental income	0.49
			- Service income	0.11
			- Other income	0.51
7. Yamahatsu (Thailand) Co.,Ltd.	B	30.00	- Sale of products	0.01
			- Immovable property rental income	29.82
			- Other income	0.33

Name	Relation ship	Shareholding by the company (%)	Significant item	Relating transaction amount
8. Osoth Inter laboratories Co., Ltd.	B	33.19	- Sale of products	0.14
			- Immovable property rental income	2.28
			- Service income	0.59
9. Atika Beauty Manufacturing Sdn.Bhd.	B	35.00	- Sale of products	0.66
			- Other income	0.25
10. I.C.C. International Plc.	C,E	0.35	- Purchase of products / Service	29.74
			- Royalty fee expenses	0.16
			- Other expenses	0.28
			- Sale of products	31.45
			- Immovable property rental income	0.20
			- Other income	0.11
11. Saha Pathana Inter-Holding Plc.	C,E	0.32	- Immovable property rental expenses	12.93
			- Utility charges expenses	50.00
			- Service fee expenses	7.62
			- Royalty fee expenses	0.09
			- Other expenses	0.53
			- Other income	0.01
12. People's Garment Plc.	D,E	-	- Purchase of products/ Service	0.02
			- Other expenses	0.10
			- Sale of products	0.02
13. Saha Pathanapibul Plc.	D	-	- Purchase of products/ Service	0.02
			- Other expenses	0.10
			- Sale of products	7.82
			- Other income	0.01
14.Thai Wacoal Plc.	D	0.08	- Sale of products	7.24
			- Immovable property rental expenses	0.18
			- Utility charges expenses	0.08
15. E.P.F Co., Ltd.	D	18.00	-Sale of products	0.19
16. Better Way (Thailand) Co., Ltd.	E	-	- Sale of products	900.21
			- Other income	2.10
17. International Laboratories Crop.,Ltd.	E	-	- Purchase of products / Service	0.01
			- Service fee expenses	0.64
			- Sale of products	26.42

Pricing Policy The company set selling price, by considering product design, complexity level of production process, sales forecast, sales volume, and production cost which is the same price level with the general customers.

Remuneration Policy The company carried out relating transactions with other companies, on a fair business practice basis, based on market prices and normal business terms being applied to those transactions conducted with unconnected outside business parties or persons.

Item	Remuneration Policy
- Immovable property rental fees	Fees depending on the location, surrounding, building condition, and utilization purpose for said assets
- Service charges	The remuneration of the service provider, the difficulty of the task, without compensation, as well as other persons or other parties that are not involved.
- Utility charges	According to the rates announced by Saha Group Industrial Park, based on actual units or volume used
- Other expenses	According to the actual rate.

2. Transaction in providing or receiving financial assistance

Unit : Million Baht

Company name	Loan Extension				
	Balance as of	Increase	Decrease	Balance as of	Interest Rate
	Dec. 31, 18			Dec. 31, 19	%
1.Wildlives (Thailand) Co.,Ltd.	4.0	-	-	4.0	3.0

Loan Providing The company and the subsidiaries had not provided additional loan to related parties during year, 2019. (Please see note to financial statements no.6). In 2019, the Company had interest income amount of Baht 0.1 Million.

Necessity and rational of transaction with related personnel

The Board of Directors has its opinion on related party transactions that is the normal course of doing business. This is the same as recording transactions with other personnel in the industry relating with the business. Determining buying - selling prices is corresponding to normal practice. It is not for transferring company's benefits to related personnel.

The related transaction is made for the benefit of the company and shareholders as a whole in order to sustain growth and grow the business for long term. Teaming-up with an alliance is for mutual strengthening in doing business in order to maximize benefits to all parties concerned.

Criteria or process of authorization in recording related transactions

For unusual transactions, if the size of transactions are not in the level with no need to get approval from a shareholder's meeting. Under SET's regulations, the transactions will be considered and approved by the Executive Board of Directors without get approval from the interested persons. If the size of the transactions are larger than approval, the Executive Board of Directors will obtain a resolution from the Executive Board and propose the resolution to the Board of Directors to gain further approval without gaining an approval from the interested persons. Also, the Audit Committee shall review the said transaction and disclose it every quarter to avoid conflict of interest.

In the related transaction between, the company have policy and terms of the transaction such as buying price, selling price, value of the related transaction between the company is subject to normal course of business.

Related party transactions are strictly conformed with the regulations of the Stock Exchange of Thailand. The Audit Committee will provide their opinion to the reasonableness of the transaction and price in the best interests of the company. The Audit Committee will review such prices or rates of the transaction with the staff of the company and internal auditors that the price is reasonable and disclosures in the financial statements are correct.

The company have the process of approving the related party transaction between the company in the same way as the procurement of the company and the executives or shareholders have no interest in the transaction, and not to the approval of such matters.

To enter into the related transaction between the company, the company have complied with the requirements and regulations of the Stock Exchange of Thailand. The Audit Committee will provide an opinion on the suitability of the item and the fair price in order to maximize benefit of the company.

The company complies with the standards of the Stock Exchange of Thailand on the related transaction and / or the acquisition or disposition of assets of the company which will be amended to include the practices disclosed to the shareholders of the company. The Investors and related agencies, including the Stock Exchange of Thailand and will be approved by the Board of Directors and / or the Annual General Meeting of Shareholders, as defined by the Stock Exchange of Thailand.

Comments of Audit Committee relating to the transactions incurred.

The Audit Committee had considered the 2019 connected transactions with comment of no deviation from Board of Directors' resolution.

Policy and trend of making related transactions in future.

Recording related transactions will be continued. Number of transactions will vary depending on economic conditions since personnel who may have conflict are the company's supply chain. Flexibility and convenience of being part of the supply chain will benefit in the competing business and to the shareholders. The company realizes its responsibility to the shareholders, employees and all parties concerned under "Good Corporate Governance".

The Board of Directors duly recognized their obligations and responsibilities in their status as the directors of listed company, with regard to the compilation of financial statements for S & J International Enterprises Public Company Limited and its subsidiaries. The said financial statements were prepared in accordance with Thai Financial Reporting Standards, based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimates.

Furthermore, the adequate significant information was disclosed in notes to the financial statements, together with necessary clarification and analysis regarding the financial positions and performances by the company and its subsidiaries, so as to contribute to the interests of the shareholders and general investors. Moreover, the said financial statements were duly audited with unqualified audit opinion by independent certified public accountants.

In Addition, the Board of Directors had exercised efforts to promote good corporate governance principle, and to establish risk management system and internal control system in an efficient and effective manner, to ensure that the recording of accounting information was carried out in an accurate, complete, and sufficient manner, in order to safeguard the assets of the company and its subsidiaries, while also safeguarding against any significant fraud or abuse.

In the regard, the Company's Audit Committee whose members comprising independent directors had duly carried out audit work on the quality of the financial statements and the efficiency of internal control system. The opinions of the Audit Committee were displayed per the Audit Committee's report contained in the annual report publication, as well as the annual registration statement (form 56-1).

Accordingly, the Board of Directors concluded that, the good corporate governance principle, the risk management system, as well as the internal control system of the company, were well adequate and sufficient, reasonably providing sufficient confidence to all the concerned parties that, the financial statements of the company and its subsidiaries ending December 31, 2019, were prepared and fair presented in accordance with Thai financial report standards as well as the related laws and regulations.



Mr.Boonkiet Chokwatana
Chairman



Mr.Thirasak Vikitset
Managing Director

Independent Auditor's Report

To the Shareholders of S & J International Enterprises Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of S & J International Enterprises Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2019, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of S & J International Enterprises Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of S & J International Enterprises Public Company Limited and its subsidiaries and of S & J International Enterprises Public Company Limited as at 31 December 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

Key audit matter is that matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

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

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

Revenue recognition

Revenues from sales of the Group are a significant to the financial statements because the amount of revenue is high (representing 97% and 95% of total revenues in the consolidated financial statements and the separate financial statements, respectively) which directly affect the Group's profit or loss. In addition, economic volatility may have a direct impact on competition in the industry overall. The Group has a large number of domestic and overseas customers, and the prices vary according to the competitive situation. As a result, revenues from sales of the Group are recognised under different conditions and amounts for each customer. There are therefore risks with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group by assessing and testing the internal controls of the Group with respect to revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls and with special considerations given to testing related to the accuracy and timing of revenue recognition. On a sampling basis, examining supporting documents for sales transactions occurring during the year, near the end of the accounting period and after the period-end. In addition, I reviewed credit notes issued by the Group after the period-end and performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Other Matter

The Consolidated financial statements of S&J International Enterprises Public Company Limited and its subsidiaries and the separate financial statements of S&J International Enterprises Public Company Limited for the year ended 31 December 2018 were audited by another auditor who, under his report dated 26 February 2019, expressed an unmodified opinion on those financial statements.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion.
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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



Termphong Opanaphan

Certified Public Accountant (Thailand) No. 4501

EY Office Limited

Bangkok: 20 February 2020

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Assets					
Current assets					
Cash and cash equivalents	7	127,188,781	53,014,504	51,642,206	8,374,982
Current investments - Certificates of deposits		4,000,000	8,000,000	-	-
Trade and other receivables	8	873,864,789	932,668,699	708,368,439	744,637,005
Short-term loans to subsidiary	6	-	-	4,000,000	4,000,000
Inventories	9	764,293,595	698,048,495	651,205,977	609,750,112
Other current assets		111,641,791	88,817,334	76,292,977	81,794,688
Total current assets		1,880,988,956	1,780,549,032	1,491,509,599	1,448,556,787
Non-current assets					
Available-for-sale investments	10	948,049,553	998,748,082	948,049,553	998,748,082
Investments in subsidiaries	11	-	-	154,903,416	154,903,416
Investments in associates	12	278,887,611	279,071,412	216,261,032	213,618,532
Investments in related companies	13	62,896,180	65,219,380	59,350,580	61,635,380
Investment in other company		5,000,000	5,000,000	5,000,000	5,000,000
Long-term investments - Certificates of deposits		3,000,000	-	-	-
Long-term loans to other company	14	-	16,142,400	-	16,142,400
Investment properties	15	88,679,633	92,504,955	88,559,634	92,384,955
Property, plant and equipment	16	1,575,303,691	1,569,699,833	954,714,294	997,183,036
Leasehold right		-	527,649	-	-
Intangible assets	17	32,969,568	34,695,938	27,815,071	33,265,721
Deferred tax assets	23	53,976,585	47,718,231	46,146,631	42,538,590
Other non-current assets		16,121,092	34,710,409	10,023,019	10,783,018
Total non-current assets		3,064,883,913	3,144,038,289	2,510,823,230	2,626,203,130
Total assets		4,945,872,869	4,924,587,321	4,002,332,829	4,074,759,917

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

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	18	180,072,984	138,742,726	-	60,000,000
Trade and other payables	19	498,544,196	529,203,263	448,704,972	478,074,832
Income tax payable		26,210,133	45,355,726	26,186,802	41,853,852
Other current liabilities		17,381,375	10,622,045	13,292,734	8,558,613
Total current liabilities		722,208,688	723,923,760	488,184,508	588,487,297
Non-current liabilities					
Provision for long-term employee benefits	20	178,525,501	185,844,481	142,212,627	154,523,809
Deferred tax liabilities	23	119,721,108	129,699,356	119,721,108	129,699,356
Other non-current liabilities		368,416	359,471	258,416	251,471
Total non-current liabilities		298,615,025	315,903,308	262,192,151	284,474,636
Total liabilities		1,020,823,713	1,039,827,068	750,376,659	872,961,933
Shareholders' equity					
Share capital					
Registered					
200,000,000 ordinary shares of Baht 1 each		200,000,000	200,000,000	200,000,000	200,000,000
Issued and fully paid-up					
149,930,828 ordinary shares of Baht 1 each		149,930,828	149,930,828	149,930,828	149,930,828
Share premium		724,763,392	724,763,392	724,763,392	724,763,392
Retained earnings					
Appropriated-statutory reserve	21	20,000,000	20,000,000	20,000,000	20,000,000
Unappropriated		2,234,431,740	2,152,068,388	1,879,397,479	1,788,680,470
Other components of shareholders' equity		461,538,013	510,473,100	477,864,471	518,423,294
Equity attributable to owners of the Company		3,590,663,973	3,557,235,708	3,251,956,170	3,201,797,984
Non-controlling interests		334,385,183	327,524,545	-	-
Total shareholders' equity		3,925,049,156	3,884,760,253	3,251,956,170	3,201,797,984
Total liabilities and shareholders' equity		4,945,872,869	4,924,587,321	4,002,332,829	4,074,759,917

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

S & J International Enterprises Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Revenues					
Sales		4,634,029,644	4,798,321,220	3,786,998,090	3,811,616,659
Dividend income		27,196,873	34,407,937	96,149,869	147,114,198
Gain on sales of available-for-sale investments		-	87,240,000	-	87,240,000
Other income		109,326,583	112,808,160	120,655,813	104,628,675
Total revenues		4,770,553,100	5,032,777,317	4,003,803,772	4,150,599,532
Expenses					
Cost of sales		3,419,629,927	3,614,175,643	2,784,377,841	2,850,274,195
Selling and distribution expenses		155,067,144	140,944,742	108,499,748	103,475,336
Administrative expenses		945,026,561	880,441,167	816,746,385	764,653,644
Total expenses		4,519,723,632	4,635,561,552	3,709,623,974	3,718,403,175
Profit before share of profit from investments in associates,					
finance costs and income tax expenses		250,829,468	397,215,765	294,179,798	432,196,357
Share of profit from investments in associates	12	57,633,258	42,381,937	-	-
Profit before finance costs and income tax expenses		308,462,726	439,597,702	294,179,798	432,196,357
Finance costs		(5,327,275)	(5,974,298)	(2,288,779)	(4,068,737)
Profit before income tax expenses		303,135,451	433,623,404	291,891,019	428,127,620
Income tax expenses	23	(28,337,179)	(55,807,782)	(29,716,621)	(50,436,246)
Profit for the year		274,798,272	377,815,622	262,174,398	377,691,374
Profit attributable to:					
Equity holders of the Company		258,246,788	347,399,317	262,174,398	377,691,374
Non-controlling interests		16,551,484	30,416,305		
		274,798,272	377,815,622		
Earnings per share					
Basic earnings per share	24				
Profit attributable to equity holders of the Company		1.72	2.32	1.75	2.52

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

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit for the year		<u>274,798,272</u>	<u>377,815,622</u>	<u>262,174,398</u>	<u>377,691,374</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to</i>					
<i>profit or loss in subsequent years:</i>					
Exchange differences on translation of					
financial statements in foreign currencies		(8,376,264)	(3,132,194)	-	-
Loss on changes in value of available-for-sale					
investments - net of income tax	10, 23	<u>(40,558,823)</u>	<u>(127,042,118)</u>	<u>(40,558,823)</u>	<u>(127,042,118)</u>
Other comprehensive income to be reclassified					
to profit or loss in subsequent years - net of income tax		<u>(48,935,087)</u>	<u>(130,174,312)</u>	<u>(40,558,823)</u>	<u>(127,042,118)</u>
<i>Other comprehensive income not to be reclassified to</i>					
<i>profit or loss in subsequent years:</i>					
Actuarial gain - net of income tax	20, 23	16,073,846	-	17,455,454	-
Share of loss from actuarial loss of investment in					
associated companies - net of income tax	12	<u>(3,735,243)</u>	-	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent years - net of income tax		<u>12,338,603</u>	-	<u>17,455,454</u>	-
Other comprehensive income for the year		<u>(36,596,484)</u>	<u>(130,174,312)</u>	<u>(23,103,369)</u>	<u>(127,042,118)</u>
Total comprehensive income for the year		<u><u>238,201,788</u></u>	<u><u>247,641,310</u></u>	<u><u>239,071,029</u></u>	<u><u>250,649,256</u></u>
Total comprehensive income attributable to:					
Equity holders of the Company		222,341,108	217,225,005	<u>239,071,029</u>	<u>250,649,256</u>
Non-controlling interests		<u>15,860,680</u>	<u>30,416,305</u>		
		<u><u>238,201,788</u></u>	<u><u>247,641,310</u></u>		

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

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements										
	Equity attributable to owners of the Company										
					Other components of shareholders' equity						
					Exchange differences		Gain (loss) on change in value of available-for-sale investments		Total other components of shareholders' equity		Total equity attributable to shareholders of the Company
	Issued and paid-up share capital	Share premium	Retained earnings		on translation of financial statements in foreign currencies				attribution to shareholders of the Company	Equity attributable to non-controlling interests	Total shareholders' equity
		Appropriated - statutory reserve	Unappropriated								
Balance as at 1 January 2018	149,930,828	724,763,392	20,000,000	1,984,586,064	(4,818,000)	645,465,412	640,647,412	3,519,927,696	304,308,315	3,824,236,011	
Profit for the year	-	-	-	347,399,317	-	-	-	347,399,317	30,416,305	377,815,622	
Other comprehensive income for the year	-	-	-	-	(3,132,194)	(127,042,118)	(130,174,312)	(130,174,312)	-	(130,174,312)	
Total comprehensive income for the year	-	-	-	347,399,317	(3,132,194)	(127,042,118)	(130,174,312)	217,225,005	30,416,305	247,641,310	
Dividend paid (Note 27)	-	-	-	(179,916,993)	-	-	-	(179,916,993)	-	(179,916,993)	
Decrease in non-controlling interests from dividend paid by the subsidiary	-	-	-	-	-	-	-	-	(7,200,075)	(7,200,075)	
Balance as at 31 December 2018	149,930,828	724,763,392	20,000,000	2,152,068,388	(7,950,194)	518,423,294	510,473,100	3,557,235,708	327,524,545	3,884,760,253	
Balance as at 1 January 2019	149,930,828	724,763,392	20,000,000	2,152,068,388	(7,950,194)	518,423,294	510,473,100	3,557,235,708	327,524,545	3,884,760,253	
Profit for the year	-	-	-	258,246,788	-	-	-	258,246,788	16,551,484	274,798,272	
Other comprehensive income for the year	-	-	-	13,029,407	(8,376,264)	(40,558,823)	(48,935,087)	(35,905,680)	(690,804)	(36,596,484)	
Total comprehensive income for the year	-	-	-	271,276,195	(8,376,264)	(40,558,823)	(48,935,087)	222,341,108	15,860,680	238,201,788	
Dividend paid (Note 27)	-	-	-	(188,912,843)	-	-	-	(188,912,843)	-	(188,912,843)	
Decrease in non-controlling interests from dividend paid by the subsidiary	-	-	-	-	-	-	-	-	(9,000,042)	(9,000,042)	
Balance as at 31 December 2019	149,930,828	724,763,392	20,000,000	2,234,431,740	(16,326,458)	477,864,471	461,538,013	3,590,663,973	334,385,183	3,925,049,156	

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



S & J International Enterprises Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2019

(Unit: Baht)

	Separate financial statements				Other components of equity	Total shareholders' equity
	Issued and paid-up share capital	Share premium	Retained earnings			
			Appropriated - statutory reserve	Unappropriated	Gain (loss) on change in value of available-for-sales investments	
Balance as at 1 January 2018	149,930,828	724,763,392	20,000,000	1,590,906,089	645,465,412	3,131,065,721
Profit for the year	-	-	-	377,691,374	-	377,691,374
Other comprehensive income for the year	-	-	-	-	(127,042,118)	(127,042,118)
Total comprehensive income for the year	-	-	-	377,691,374	(127,042,118)	250,649,256
Dividend paid (Note 27)	-	-	-	(179,916,993)	-	(179,916,993)
Balance as at 31 December 2018	<u>149,930,828</u>	<u>724,763,392</u>	<u>20,000,000</u>	<u>1,788,680,470</u>	<u>518,423,294</u>	<u>3,201,797,984</u>
Balance as at 1 January 2019	149,930,828	724,763,392	20,000,000	1,788,680,470	518,423,294	3,201,797,984
Profit for the year	-	-	-	262,174,398	-	262,174,398
Other comprehensive income for the year	-	-	-	17,455,454	(40,558,823)	(23,103,369)
Total comprehensive income for the year	-	-	-	279,629,852	(40,558,823)	239,071,029
Dividend paid (Note 27)	-	-	-	(188,912,843)	-	(188,912,843)
Balance as at 31 December 2019	<u>149,930,828</u>	<u>724,763,392</u>	<u>20,000,000</u>	<u>1,879,397,479</u>	<u>477,864,471</u>	<u>3,251,956,170</u>

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



Statement of cash flows

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit before tax	303,135,451	433,623,404	291,891,019	428,127,620
Adjustments to reconcile net profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	233,849,869	226,033,094	115,998,348	132,061,575
Allowance for doubtful debts (reversal)	2,444,657	(353,430)	-	(490,301)
Reduction in cost of inventories to net realisable value (reversal)	3,928,331	(385,457)	4,522,060	(2,783,573)
Loss on destruction of inventories	26,676,696	24,870,003	25,477,940	24,827,991
Gain on sales/write off of equipment	(2,242,275)	(1,449,244)	(1,057,236)	(273,575)
Provision for long-term employee benefits	21,262,616	30,924,794	15,819,839	24,947,102
Share of profit from investments in associates	(57,633,258)	(42,381,937)	-	-
Dividend received from subsidiaries	-	-	(12,253,130)	(10,706,656)
Dividend received from associates	-	-	(56,699,866)	(101,999,605)
Dividend received from related companies	(1,769,237)	(2,302,068)	(1,769,237)	(2,302,068)
Dividend received from available-for-sale investments and other companies	(25,427,636)	(32,105,869)	(25,427,636)	(32,105,869)
Unrealised exchange loss	338,636	2,622,116	432,037	2,621,807
Loss on diminution of investment in related companies and other companies	2,323,200	129,552	2,284,800	33,552
Gain on dissolution of investment in related company	-	(3,889,168)	-	(3,889,168)
Gain on sales of available-for-sale investments	-	(87,240,000)	-	(87,240,000)
Allowance for impairment loss on long-term loans to other company	14,988,350	-	14,988,350	-
Interest income	(1,307,527)	(1,205,701)	(1,089,035)	(1,158,238)
Interest expenses	5,327,275	5,974,298	2,288,779	4,068,737
Profit from operating activities before changes in operating assets and liabilities	525,895,148	552,864,387	375,407,032	373,739,331
Operating assets (increase) decrease				
Trade and other receivables	56,383,078	(15,105,667)	36,187,853	(50,439,149)
Inventories	(96,850,127)	(37,740,028)	(71,455,865)	(84,140,459)
Other current assets	(21,450,949)	(4,396,676)	6,696,803	(8,487,410)
Other non-current assets	18,589,317	(2,393,197)	759,999	(2,097,958)
Operating liabilities increase (decrease)				
Trade and other payables	(42,891,158)	30,940,156	(40,260,275)	29,892,295
Other current liabilities	6,753,758	7,195,212	4,734,121	6,915,878
Provision for long-term employee benefits	(8,489,288)	(6,330,053)	(6,311,703)	(5,755,495)
Other non-current liabilities	8,945	86,916	6,945	86,916
Cash flows from operating activities	437,948,724	525,121,050	305,764,910	259,713,949
Cash paid for interest expenses	(5,239,991)	(6,038,182)	(2,306,482)	(4,127,240)
Cash paid for corporate income tax	(57,463,292)	(31,111,447)	(53,194,118)	(24,642,094)
Cash received for corporate income tax	-	1,656,990	-	-
Net cash flows from operating activities	375,245,441	489,628,411	250,264,310	230,944,615

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

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from investing activities				
Interest received	932,309	305,626	701,230	277,053
Decrease (increase) in current investments	4,000,000	(1,500,000)	-	-
Proceeds from capital decrease of investments in related company	-	1,602,155	-	1,602,155
Proceeds from dissolution of investment in related company	-	3,889,168	-	3,889,168
Cash paid for investments in associates	(2,642,500)	-	(2,642,500)	-
Cash received from sales of available-for-sale investments	-	91,740,000	-	91,740,000
Increase in long-term investments	(3,000,000)	-	-	-
Acquisitions of property, plant and equipment	(218,042,772)	(209,056,026)	(52,767,397)	(26,657,701)
Proceeds from sales of equipment	3,997,321	1,660,324	1,091,826	436,316
Increase in intangible assets	(4,780,085)	(11,917,409)	(445,376)	(11,844,510)
Increase in investment properties	(171,895)	-	(171,895)	-
Dividend received from subsidiaries	-	-	12,253,130	10,706,656
Dividend received from associated	56,699,866	101,999,605	56,699,866	101,999,605
Dividend received from related companies	1,769,237	2,302,068	1,769,237	2,302,068
Dividend received from available-for-sale investments and other companies	25,427,636	32,105,869	25,427,636	32,105,869
Net cash flows from (used in) investing activities	(135,810,883)	13,131,380	41,915,757	206,556,679
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	41,330,258	(301,683,420)	(60,000,000)	(254,500,000)
Dividend paid	(188,912,843)	(179,916,993)	(188,912,843)	(179,916,993)
Dividend paid by subsidiary to non-controlling interests	(9,000,042)	(7,200,075)	-	-
Net cash flows used in financing activities	(156,582,627)	(488,800,488)	(248,912,843)	(434,416,993)
Decrease in translation of financial statements adjustments	(8,677,654)	(3,080,607)	-	-
Net increase in cash and cash equivalents	74,174,277	10,878,696	43,267,224	3,084,301
Cash and cash equivalents at beginning of the year	53,014,504	42,135,808	8,374,982	5,290,681
Cash and cash equivalents at end of the year	127,188,781	53,014,504	51,642,206	8,374,982
Supplementary disclosures of cash flows information				
Non-cash items				
Accounts payable - purchase of equipment	12,134,680	8,859,209	10,903,555	7,319,124
Loss on changes in value of investments in available-for-sale investments	50,698,529	(71,802,648)	50,698,529	(71,802,648)
Transferred convertible debentures of common stocks	-	(19,455,975)	-	(19,455,975)

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

S & J International Enterprises Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2019

1. General information

S & J International Enterprises Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of all type of cosmetics and business of investment. The registered office of the Company is at 600/4 Moo 11, Sukapiban 8 Road, Nhongkharm, Sriracha, Chonburi with 4 branches as follows:

Branch No.1 2 Naradhiwas Rajanakarindra Road, Tungwatdon, Sathorn, Bangkok

Branch No.2 19/43 Moo 7, Bangna-Trad Road Km. 17, Bangchlong, Bangplee, Samutprakan

Branch No.3 789/159 Moo 1, Sai Nongkho-Laemchabang Road, Nongkham, Sriracha, Chonburi

Branch No.4 600/23-24 Moo 11, Sukapiban 8 Road, Nhongkham, Sriracha, Chonburi

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of S & J International Enterprises Public Company Limited and the following subsidiaries (hereinafter called “the Group”).

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019 (%)	2018 (%)
Held by the Company				
E F Co., Ltd.	Manufacturer and distributor of consumer products	Thailand	100	100
Top Trend Manufacturing Co., Ltd.	Manufacturer and distributor of packaging	Thailand	50	50
Wildlives (Thailand) Co., Ltd.	Manufacturer and distributor of consumer products	Thailand	100	100
4WD Vision Co., Ltd.	Import, export, purchase and sale of chemicals, packaging products and cosmetic products	Thailand	100	100
SAAS Co., Ltd.	Research and development of cosmetic formulations	Thailand	100	100
S&J International (UK) Limited	Distributor of cosmetic products, gift set and marketing service	English	100	100
Held by S&J International (UK) Limited				
Guangzhou S&J Cosmetics Company Limited	Distributor of material and packaging	China	100	100
4WD Vision (HK) Limited	Distributor of material and packaging	China	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiaries are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currencies” in the statement of changes in shareholders’ equity.

- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

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

3. New financial reporting standards

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

During the year, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes the following accounting standards together with related interpretations.

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

Entities are to apply IFRS 15 to all contracts with customers unless those contracts within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Group's financial statements.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

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

The management of the Group expects the adoption of these accounting standards to result in the following adjustments.

- Classification and measurement of investments in equity instruments of non-listed companies - The Group is to measure investments in equity instruments of non-listed companies at fair value and to classify the investments as financial assets at fair value, through either profit or loss or through other comprehensive income. If the Group elects to present subsequent changes in the fair value of the investment through other comprehensive income, the election is irrevocable.

- Classification and measurement of investments in available-for-sale equity securities - The Group's available-for-sale investments in listed equity securities are measured at fair value through other comprehensive income. The Group has decided to classify (some of) these investments as financial assets at fair value through profit or loss. The cumulative gain (or loss) on changes in the value of reclassified available-for-sale investments that were previously presented in other comprehensive income is to be reclassified to retained earnings.
- Recognition of credit losses - The Group is to recognise an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.
- Recognition of derivatives - The Group is to initially recognise derivatives at their fair value on the contract date and subsequently measure them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss.

The management of the Group is currently evaluating the impact of these standards on the financial statements in the year when they are adopted.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year when they are adopted.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Interest income

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

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

4.3 Trade accounts receivable

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

4.4 Inventories

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.5 Investments

- a) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income and will be recorded in profit or loss when the securities are sold.
- b) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- c) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- d) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties, which is building for rent, is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.7 Property, plant and equipment and depreciation

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

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

Building and building improvements	-	20 - 25 years
Machinery and equipment	-	5 - 10 years
Furniture, fixtures and office equipment	-	5 - 10 years
Motor vehicles	-	5 - 8 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation and under construction.

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

4.8 Leasehold rights and amortisation

Leasehold rights are stated at cost less accumulated amortisation and any accumulated impairment losses (if any). Amortisation of leasehold rights is calculated by reference to their costs on a straight-line basis over the lease period.

The amortisation expense is charged to profit or loss.

4.9 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

A summary of the intangible assets with finite useful lives is computer software with estimated useful lives of 10 years.

4.10 Related party transactions

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

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

4.11 Long-term leases

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

4.12 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

4.13 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.14 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

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

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring - related costs.

4.15 Provisions

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

4.16 Income tax

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

Current tax

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

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

Deferred tax

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

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

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

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Derivatives

Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are included in determining income. Premiums or discounts on forward exchange contracts are amortised on a straight-line basis over the contract periods.

4.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

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

Allowance of diminution in value of inventories

In determining an allowance of diminution in value of inventories, the management makes judgment and estimates net realisable value of inventories based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of reporting period. Also, the management makes judgment and estimates expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

6. Related party transactions

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Transaction with subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Sales of goods	-	-	166	50
Other income	-	-	30	9
Purchases of goods and services	-	-	500	464
Other expenses	-	-	8	7
Rental income	-	-	1	1

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Transactions with associates</u>				
Sales of goods	20	16	1	3
Other income	1	3	1	3
Rental income	32	31	32	31
<u>Transactions with related parties</u>				
Sales of goods	1,160	1,334	996	1,137
Other income	5	6	5	6
Purchases of goods and services	40	41	40	41
Rental expenses	14	8	14	8
Electricity and utilities expenses	131	126	60	62

Transfer pricing policy for significant business transactions with related parties are summarised below.

<u>Transactions</u>	<u>Transfer pricing policy</u>
Sales of goods	Market price
Other income	Cost plus margin
Rental income	Contract price
Purchases of goods and services	Market price
Rental expenses	Contract price
Electricity and utilities expenses	Contract price

The balances of the accounts as at 31 December 2019 and 31 December 2018 between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Trade and other receivables - related parties (Note 8)</u>				
<u>Trade receivables</u>				
Subsidiaries	-	-	53,073	2,886
Associates	7,012	6,071	439	392
Related companies	190,824	192,848	146,613	166,355
Trade and other receivables - related parties	<u>197,836</u>	<u>198,919</u>	<u>200,125</u>	<u>169,633</u>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Other receivables</u>				
Subsidiaries	-	-	23,507	6,143
Associates	427	1,238	427	1,237
Related companies	122	1,145	122	1,145
Total other receivables - related parties	549	2,383	24,056	8,525
Total trade and other receivables - related parties	198,385	201,302	224,181	178,158
<u>Short-term loans to subsidiary</u>				
Subsidiary	-	-	4,000	4,000
Total short-term loans to subsidiary	-	-	4,000	4,000
<u>Other non-current assets - related parties</u>				
Related companies	7,106	5,036	5,748	4,492
Total other non-current assets - related parties	7,106	5,036	5,748	4,492
<u>Trade and other payables - related parties (Note 19)</u>				
<u>Trade payables</u>				
Subsidiaries	-	-	62,786	68,482
Associates	2	-	2	-
Related companies	1,127	12,510	1,127	12,522
Total trade payables - related parties	1,129	12,510	63,915	81,004
<u>Other payables</u>				
Subsidiaries	-	-	705	760
Associates	196	-	185	-
Related companies	9,240	8,927	3,925	3,742
Total other payables - related parties	9,436	8,927	4,815	4,502
Total trade and other payables - related parties	10,565	21,437	68,730	85,506

Short-term loans to subsidiary

As at 31 December 2019 and 2018, the balance of short-term loan between the Company and its subsidiaries and the movement are as follows.

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2018	Increase during the period	Decrease during the period	Balance as at 31 December 2019
<u>Short-term loans to subsidiary</u>				
Subsidiary	4,000	-	-	4,000
Total	4,000	-	-	4,000

The above short-term loans are promissory notes carrying interest at the rate of 3.0 percent per annum (31 December 2018: 3.0 percent per annum). The loans are due at call and unsecured.

Directors and management's benefits

During the years ended 31 December 2019 and 2018, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	70,271	56,230	65,418	51,882
Total	70,271	56,230	65,418	51,882

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash	732	650	450	450
Bank deposits	125,388	47,227	51,192	7,617
Cheque on hand	1,069	5,138	-	308
Total	127,189	53,015	51,642	8,375

As at 31 December 2019, bank deposits in saving accounts and fixed deposits carried interests between 0.05 and 0.63 percent per annum (the Company only: between 0.05 and 0.50 percent per annum) (2018: between 0.05 and 0.63 percent per annum and the Company only: between 0.05 and 0.50 percent per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	173,156	179,168	194,113	165,832
Past due				
Up to 3 months	21,721	17,916	4,591	2,361
3 - 6 months	585	449	213	83
6 - 12 months	1,520	683	380	665
Over 12 months	854	703	828	692
Total trade accounts receivable - related parties	197,836	198,919	200,125	169,633
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	431,009	522,344	314,988	420,827
Past due				
Up to 3 months	190,307	142,140	137,547	98,853
3 - 6 months	14,605	17,114	5,293	12,213
6 - 12 months	3,600	7,197	1,038	5,173
Over 12 months	18,718	15,165	14,871	12,684
Total	658,239	703,960	473,737	549,750
Less: Allowance for doubtful debts	(14,719)	(12,274)	(11,995)	(11,995)
Trade accounts receivable - unrelated parties, net	643,520	691,686	461,742	537,755
Total trade accounts receivable - net	841,356	890,605	661,867	707,388
<u>Other receivables</u>				
Other receivables - related parties	549	2,383	24,056	8,525
Other receivables - unrelated parties	2,738	4,093	2,720	3,793
Advance payment for inventories	26,053	29,087	16,267	23,524
Prepaid expenses	3,169	6,501	3,458	1,407
Total other receivables	32,509	42,064	46,501	37,249
Total trade and other receivables - net	873,865	932,669	708,368	744,637

9. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories-net	
	2019	2018	2019	2018	2019	2018
	Finished goods	302,036	243,098	(3,788)	(6,384)	298,248
Work in process	83,630	77,155	(4,828)	(430)	78,802	76,725
Raw materials	180,138	178,798	(10,475)	(6,223)	169,663	172,575
Packaging	182,970	186,692	(4,817)	(6,943)	178,153	179,749
Supplies	1,677	1,314	-	-	1,677	1,314
Goods in transit	37,751	30,971	-	-	37,751	30,971
Total	788,202	718,028	(23,908)	(19,980)	764,294	698,048

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories-net	
	2019	2018	2019	2018	2019	2018
	Finished goods	229,543	200,229	(143)	(952)	229,400
Work in process	72,360	66,381	(4,828)	(430)	67,532	65,951
Raw materials	145,573	137,423	(6,104)	(3,044)	139,469	134,379
Packaging	187,522	187,223	(4,816)	(6,943)	182,706	180,280
Supplies	1,091	1,314	-	-	1,091	1,314
Goods in transit	31,008	28,549	-	-	31,008	28,549
Total	667,097	621,119	(15,891)	(11,369)	651,206	609,750

During the current year, the Group reduced cost of inventories by Baht 34 million (2018: Baht 26 million) (The Company only: Baht 33 million and 2018: Baht 22 million), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 30 million (2018: Baht 42 million) (The Company only: Baht 28 million and 2018: Baht 42 million), and reduced the amount of inventories recognised as expenses during the year.

10. Available-for-sale investments

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements			
	2019		2018	
	Cost	Fair value	Cost	Fair value
Available-for-sale investments				
Marketable equity securities				
Related companies	323,922	934,783	323,922	978,432
Other companies	26,797	13,267	26,797	20,316
	<u>350,719</u>	<u>948,050</u>	<u>350,719</u>	<u>998,748</u>
Add: Surplus on change in value of available-for-sale investments	597,331		648,029	
Total available-for-sale investments	<u>948,050</u>		<u>998,748</u>	

11. Investments in subsidiaries

11.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding		Cost		Dividend received	
			percentage				during the year	
			2019	2018			2019	2018
			2019	2018	2019	2018	2019	2018
			%	%				
E F Co., Ltd.	Baht 4.0 million	Baht 4.0 million	100	100	4,005	4,005	240	480
Top Trend Manufacturing Co., Ltd.	Baht 120.0 million	Baht 120.0 million	50	50	124,825	124,825	9,000	7,200
Wildlives (Thailand) Co., Ltd.	Baht 1.0 million	Baht 1.0 million	100	100	1,000	1,000	-	-
4WD Vision Co., Ltd.	Baht 10.0 million	Baht 10.0 million	100	100	10,000	10,000	2,000	500
SAAS Co., Ltd.	Baht 10.0 million	Baht 10.0 million	100	100	10,000	10,000	-	-
S&J International (UK) Limited	GBP 0.1 million	GBP 0.1 million	100	100	5,073	5,073	1,013	2,527
Total					<u>154,903</u>	<u>154,903</u>	<u>12,253</u>	<u>10,707</u>

11.2 Details of investments in subsidiary that has material non-controlling interests.

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2019	2018	2019	2018	2019	2018	2019	2018
	(%)	(%)						
Top Trend Manufacturing Co., Ltd.	50.00	50.00	334,385	327,525	15,861	30,416	9,000	7,200

11.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that has material non-controlling.

Top Trend Manufacturing Co., Ltd.

Summarised information about financial position.

	(Unit: Million Baht)	
	As at 31 December	
	<u>2019</u>	<u>2018</u>
Current assets	340	297
Non-current assets	585	546
Current liabilities	217	157
Non-current liabilities	38	31

Summarised information about comprehensive income.

	(Unit: Million Baht)	
	For the year ended	
	31 December	
	<u>2019</u>	<u>2018</u>
Revenue	1,024	1,135
Profit	33	61
Other comprehensive income	(1)	-
Total comprehensive income	32	61

Summarised information about cash flow

	(Unit: Million Baht)	
	For the year ended	
	31 December	
	<u>2019</u>	<u>2018</u>
Cash flow from operating activities	129	248
Cash flow from investing activities	(167)	(182)
Cash flow from (used in) financing activities	50	(57)
Net increase in cash and cash equivalents	<u>12</u>	<u>9</u>

12. Investments in associates

12.1 Details of investments in associates

No.	Company's name	Nature of business	Paid-up capital		Percentage of investment	
			2019	2018	2019	2018
					(%)	(%)
1.	Yamahatsu (Thailand) Co., Ltd.	Hair products	Baht 20 million	Baht 20 million	30	30
2.	Operational Energy Group Limited	Servicing to operate the power plant	Baht 30 million	Baht 30 million	30	30
3.	Atika Beauty Manufacturing Sdn. Bhd.	Manufacturing and distribute cosmetic products	RM 6 million	RM 5 million	35	35
4.	Osoth Interlaboratories Co., Ltd.	Medicine	Baht 600 million	Baht 600 million	33	33

12.2 Carrying amount share of comprehensive income and dividend received

During the years, the Company recognised its share of profit (loss) from investments in the consolidated financial statements and dividend received from associates in the separate financial statements and presented carrying amount based on equity method in the consolidated financial statements and carrying amount based on cost method in the separate financial statements as follows:

(Unit: Thousand Baht)

No.	Company's name	Consolidated financial statements						Separate financial statements			
		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the year		Share of other comprehensive income from investments in associates during the year		Carrying amount based on cost method		Dividend received during the year	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
1.	Yamahatsu (Thailand) Co., Ltd.	22,371	21,754	10,408	11,831	109	-	6,000	6,000	9,900	39,000
2.	Operational Energy Group Limited	62,219	62,085	51,270	42,551	(4,336)	-	13,151	13,151	46,800	63,000
3.	Atika Beauty Manufacturing Sdn. Bhd.	7,065	8,342	(3,895)	(2,957)	(24)	(18)	17,916	15,274	-	-
4.	Osoth Interlaboratories Co., Ltd.	187,233	186,891	(150)	(9,043)	492	-	201,994	201,994	-	-
Total		278,888	279,072	57,633	42,382	(3,759)	(18)	239,061	236,419	56,700	102,000
	Less: Provision for impairment loss							(22,800)	(22,800)		
	Total investment in associates							216,261	213,619		



12.3 Summarised financial information about material associates

Summarised information about financial position

(Unit: Million Baht)

Company	Current assets		Non-current assets		Current liabilities		Non-current liabilities		Net assets		Shareholding percentage (%)		Share of net assets		Elimination entries and other		Carrying amounts of associates based on equity method	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Yamahatsu (Thailand) Co., Ltd.	184	246	191	99	268	263	20	10	87	72	30	30	26	22	(4)	-	22
Operational Energy Group Limited	235	150	161	193	59	56	128	80	209	207	30	30	62	62	-	-	62	62
Atika Beauty Manufacturing Sdn. Bhd.	12	11	21	22	14	10	-	-	19	23	35	35	7	8	-	-	7	8
Osoth Interlaboratories Co., Ltd.	294	230	382	401	175	135	11	8	490	488	33	33	163	162	24	25	187	187

Summarised information about comprehensive income

(Unit: Million Baht)

For the year ended 31 December

Company	Revenue		Profit (loss)		Other comprehensive income		Total comprehensive income	
	2019	2018	2019	2018	2019	2018	2019	2018
	Yamahatsu (Thailand) Co., Ltd.	855	915	35	39	-	-	35
Operational Energy Group Limited	711	624	170	142	(14)	-	156	142
Atika Beauty Manufacturing Sdn. Bhd.	13	16	(11)	(8)	-	-	(11)	(8)
Osoth Interlaboratories Co., Ltd.	472	418	-	(27)	1	-	1	(27)

During the second quarter of year 2019, Atika Beauty Manufacturing Sdn. Bhd. (Associate) increased its registered share capital from RM 5.0 million (5.0 million ordinary shares with a par value of RM 1.0 each) to RM 6.0 million (6.0 million ordinary shares with a par value of RM 1.0 each), through the issuance of 1.0 million ordinary shares with a par value of RM 1.0 each. The Company paid in capital of Baht 2.6 million as proportionate shareholding in the associate in June 2019.



13. Other Investments in related companies

Details of other investments in related companies are as follows.

(Unit: Thousand Baht)

No.	Company's name	Paid-up capital		Percentage of investment		Cost of investments				Dividend received during the year	
		2019	2018	2019 (%)	2018 (%)	Consolidated financial statements		Separate financial statements		2019	2018
						2019	2018	2019	2018		
1.	Thai Lotte Co., Ltd.	3,013,000	3,013,000	0.27	0.27	8,000	8,000	8,000	8,000	-	-
2.	H&B Kabinuri Co., LTD.	15,000	15,000	9.00	9.00	1,350	1,350	1,350	1,350	68	68
3.	Thai Cubic Technology Co., Ltd.	40,000	40,000	5.00	5.00	2,000	2,000	2,000	2,000	200	200
4.	Train Time Test Co., Ltd.	1,250	1,250	14.00	14.00	175	175	175	175	-	-
5.	B.K.C. International Marketing Co., Ltd.	5,000	5,000	19.00	19.00	950	950	950	950	-	-
6.	United Utility Co., Ltd.	350,000	350,000	5.71	5.71	20,599	20,599	20,599	20,599	600	-
7.	Eastern Rubber Co., Ltd.	30,000	30,000	1.50	1.50	450	450	450	450	-	-
8.	Advantage Footwear Co., Ltd.	91,750	91,750	0.38	0.38	1,387	1,387	1,387	1,387	14	33
9.	Treasure Hill Co., Ltd.	200,000	200,000	3.00*	3.00*	6,000	6,000	4,000	4,000	-	-
10.	Tipwarin Watana Co., Ltd.	16,440	16,440	7.50	7.50	1,233	1,233	1,233	1,233	616	493
11.	T-Way Co., Ltd.	160,000	160,000	16.00*	16.00*	25,608	25,608	19,208	19,208	-	-
12.	K. Commercial & Construction Co., Ltd.	50,000	50,000	2.20	2.20	3,278	3,278	3,278	3,278	-	-
13.	E.P.F. Co., Ltd.	3,900	3,900	18.00	18.00	702	702	702	702	-	959
14.	Pan Land Co., Ltd.	300,000	300,000	1.00	1.00	3,000	3,000	3,000	3,000	-	-
15.	American Food Co., Ltd.	140,000	140,000	3.00	3.00	4,200	4,200	4,200	4,200	-	-
16.	Sahapat Assets Co., Ltd.	20,000	20,000	2.50	2.50	500	500	500	500	50	40
17.	Thanara Co., Ltd.	90,000	90,000	0.83	0.83	750	750	750	750	-	-
18.	Thai Herbal Products Co., Ltd.	80,000	80,000	1.50	1.50	1,200	1,200	1,200	1,200	42	30



(Unit: Thousand Baht)

No.	Company's name	Paid-up capital		Percentage of investment		Cost of investments				Dividend received during the year	
						Consolidated financial statements		Separate financial statements			
		<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
				(%)	(%)						
19.	Saha Sehwa Co., Ltd.	103,000	103,000	3.48	3.48	3,587	3,587	3,587	3,587	179	179
20.	Sriracha Aviation Co., Ltd.	66,600	55,000	3.00	3.64	2,000	2,000	2,000	2,000	-	300
21.	Waseda Education (Thailand) Co., Ltd.	20,000	20,000	7.14	7.14	1,428	1,428	1,428	1,428	-	-
	Total					88,397	88,397	79,997	79,997	1,769	2,302
	Less: Allowance for diminution in value of investments					(25,501)	(23,178)	(20,646)	(18,362)		
	Total other investments in related companies - net					62,896	65,219	59,351	61,635		

*The Company and its subsidiaries invested in Treasure Hill Co., Ltd., accounting for 3% interest in such company (the Company only: 2%) and invested in T-Way Co., Ltd., accounting for 16% interest in such company (the Company only: 12%).



14. Long-term loans to other company

In March 2017, the Company has entered into loan agreement with ELLA CORA, INC., which established under the Law of the United States of America, in the amount of USD 0.5 million as a secured convertible promissory note for a period of 3 years with interest rate equal to the greater of 3% p.a. or the Applicable Federal Rate and no repayment of principal or interest until the maturity date. The loan is secured by a security interest in all of the assets of that company. After maturity date, the loan shall be extended not exceeding for a period of 2 years and the loan and its interest shall be converted to voting preferred shares of that borrower company under the conditions as specified in the promissory note.

Movements in long-term loans to other company account during the years ended 31 December 2019 are summarised below:

	(Unit: Thousand Baht)
	Consolidated financial statements/ Separate financial statements
Net book value as at 1 January 2019	16,142
Less: Unrealised exchange loss	(1,154)
Allowance for doubtful debts	(14,988)
Net book value as at 31 December 2019	-

15. Investment properties

The net book value of investment properties as at 31 December 2019 and 2018 is presented below.

	(Unit: Thousand Baht)					
	Consolidated financial statements			Separate financial statements		
	Non- operating land	Land and building for rent	Total	Non- operating land	Land and building for rent	Total
31 December 2019:						
Cost	120	142,842	142,962	-	142,842	142,842
Less: Accumulated depreciation	-	(54,282)	(54,282)	-	(54,282)	(54,282)
Net book value	120	88,560	88,680	-	88,560	88,560
31 December 2018:						
Cost	120	142,670	142,790	-	142,670	142,670
Less: Accumulated depreciation	-	(50,285)	(50,285)	-	(50,285)	(50,285)
Net book value	120	92,385	92,505	-	92,385	92,385

A reconciliation of the net book value of investment properties for the year 2019 and 2018 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Net book value at beginning of year	92,505	96,490	92,385	96,370
Acquisition of assets	172	-	172	-
Depreciation for the year	(3,997)	(3,985)	(3,997)	(3,985)
Net book value at end of year	<u>88,680</u>	<u>92,505</u>	<u>88,560</u>	<u>92,385</u>

The fair value of the investment properties as at 31 December 2019 and 2018 stated below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Non-operating land	120	120	-	-
Land and building for rent	189,759	148,521	189,759	148,521

The fair value of non-operating land has been determined based on market prices assessed by an accredited independent valuer. The fair value of the land and building held for rental has been determined using the market approach and the income approach by an accredited independent valuer. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

The Company has jointly invested with the related companies to purchase land and construction thereon, with a total value of approximately Baht 30 million, with the investment proportion as follows:

	Amount (Thousand Baht)	Ownership in land (Square wa)
Wittaya Sitthi Co., Ltd.	14,929	76.57
S&J International Enterprises Plc.	9,953	51.05
K Commercial and Construction Co., Ltd.	5,474	28.08
Total	<u>30,356</u>	<u>155.70</u>

16. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements								
	Land and improvements	Buildings and building improvements	Furniture and fixtures	Office equipment	Machinery and equipment	Motor vehicles	Assets under installation and under construction	Total
Cost:								
1 January 2018	301,906	1,165,731	370,436	159,962	2,485,504	39,140	42,260	4,564,939
Additions	-	9,764	996	7,714	113,743	-	90,863	223,080
Disposals/ Write-off	-	-	(1,214)	(2,940)	(22,269)	(1,464)	-	(27,887)
Transfers	-	1,175	2,502	195	76,875	-	(80,747)	-
31 December 2018	301,906	1,176,670	372,720	164,931	2,653,853	37,676	52,376	4,760,132
Additions	-	1,642	1,739	9,452	12,896	-	204,449	230,178
Disposals/ Write-off	-	-	(568)	(25,114)	(15,993)	(2,763)	-	(44,438)
Transfers	-	12,602	1,446	211	173,692	-	(187,951)	-
31 December 2019	301,906	1,190,914	375,337	149,480	2,824,448	34,913	68,874	4,945,872
Accumulated depreciation:								
1 January 2018	-	388,412	344,496	123,124	2,109,489	35,418	-	3,000,939
Depreciation for the year	-	50,882	14,042	13,105	136,069	871	-	214,969
Depreciation on disposals/write-off	-	-	(1,212)	(2,939)	(22,061)	(1,464)	-	(27,676)
31 December 2018	-	439,294	357,326	133,290	2,223,497	34,825	-	3,188,232
Depreciation for the year	-	51,521	7,595	12,258	150,774	671	-	222,819
Depreciation on disposals/write-off	-	-	(490)	(25,073)	(14,469)	(2,651)	-	(42,683)
31 December 2019	-	490,815	364,431	120,475	2,359,802	32,845	-	3,368,368
Allowance for impairment loss:								
1 January 2018	-	-	-	-	-	-	2,200	2,200
31 December 2018	-	-	-	-	-	-	2,200	2,200
31 December 2019	-	-	-	-	-	-	2,200	2,200
Net book value:								
31 December 2018	301,906	737,376	15,394	31,641	430,356	2,851	50,176	1,569,700
31 December 2019	301,906	700,099	10,906	29,005	464,646	2,068	66,674	1,575,304
Depreciation for the year								
2018 (Baht 146 million included in manufacturing cost, and the balance in selling and administrative expenses)								214,969
2019 (Baht 161 million included in manufacturing cost, and the balance in selling and administrative expenses)								222,819

(Unit: Thousand Baht)

Separate financial statements

	Land and improvements	Buildings and building improvements	Furniture and fixtures	Office equipment	Machinery and equipment	Motor vehicles	Assets under installation and under construction	Total
Cost:								
1 January 2018	200,750	973,835	199,980	132,714	1,246,331	21,669	15,114	2,790,393
Additions	-	9,097	973	6,159	12,669	-	5,078	33,976
Disposals/ Write-off	-	-	(220)	(2,394)	(3,305)	(153)	-	(6,072)
Transfers	-	-	-	-	1,663	-	(1,663)	-
31 December 2018	200,750	982,932	200,733	136,479	1,257,358	21,516	18,529	2,818,297
Additions	-	1,642	1,515	8,035	10,573	-	41,907	63,672
Disposals/ Write-off	-	-	(131)	(24,626)	(3,809)	(1,520)	-	(30,086)
Transfers	-	9,737	232	181	16,798	-	(26,948)	-
31 December 2019	200,750	994,311	202,349	120,069	1,280,920	19,996	33,488	2,851,883
Accumulated depreciation:								
1 January 2018	-	316,909	182,461	98,636	1,085,758	18,537	-	1,702,301
Depreciation for the year	-	41,697	9,963	11,752	58,239	871	-	122,522
Depreciation on disposals/write-off	-	-	(220)	(2,393)	(3,143)	(153)	-	(5,909)
31 December 2018	-	358,606	192,204	107,995	1,140,854	19,255	-	1,818,914
Depreciation for the year	-	42,843	4,426	10,874	47,292	670	-	106,105
Depreciation on disposals/write-off	-	-	(130)	(24,604)	(3,796)	(1,520)	-	(30,050)
31 December 2019	-	401,449	196,500	94,265	1,184,350	18,405	-	1,894,969
Allowance for impairment loss:								
1 January 2018	-	-	-	-	-	-	2,200	2,200
31 December 2018	-	-	-	-	-	-	2,200	2,200
31 December 2019	-	-	-	-	-	-	2,200	2,200
Net book value:								
31 December 2018	200,750	624,326	8,529	28,484	116,504	2,261	16,329	997,183
31 December 2019	200,750	592,862	5,849	25,804	96,570	1,591	31,288	954,714
Depreciation for the year								
2018 (Baht 63 million included in manufacturing cost, and the balance in selling and administrative expenses)								122,522
2019 (Baht 54 million included in manufacturing cost, and the balance in selling and administrative expenses)								106,105

As at 31 December 2019, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 2,648 million (2018: Baht 2,515 million) (The Company only: Baht 1,448 million, 2018: Baht 1,346 million).

17. Intangible assets

The net book value of intangible assets as at 31 December 2019 and 2018 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Computer software	Computer under installation	Total	Computer software	Computer under installation	Total
31 December 2019						
Cost	96,523	4,875	101,398	71,133	1,530	72,663
Less: Accumulated amortisation	(68,428)	-	(68,428)	(44,848)	-	(44,848)
Net book value	<u>28,428</u>	<u>4,875</u>	<u>32,970</u>	<u>26,285</u>	<u>1,530</u>	<u>27,815</u>
31 December 2018						
Cost	89,702	7,173	96,875	65,045	7,173	72,218
Less: Accumulated amortisation	(62,179)	-	(62,179)	(38,952)	-	(38,952)
Net book value	<u>27,523</u>	<u>7,173</u>	<u>34,696</u>	<u>26,093</u>	<u>7,173</u>	<u>33,266</u>

A reconciliation of the net book value of intangible assets for the year 2019 and 2018 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Net book value at beginning of year	34,696	29,115	33,266	26,975
Acquisition of computer software	4,780	11,917	445	11,845
Amortisation for the year	(6,506)	(6,336)	(5,896)	(5,554)
Net book value at end of year	<u>32,970</u>	<u>34,696</u>	<u>27,815</u>	<u>33,266</u>

18. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)		Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018	2019	2018
Promissory notes	1.50 - 2.73	1.85 - 2.82	180,073	137,104	-	60,000
Bank overdrafts	-	6.87 - 7.13	-	1,639	-	-
Total bank overdrafts and short-term loans from financial institutions			<u>180,073</u>	<u>138,743</u>	<u>-</u>	<u>60,000</u>

Short-term loans from financial institutions of the Group are unsecured.

19. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Trade payables - related parties	1,129	12,510	63,915	81,004
Trade payables - unrelated parties	305,186	310,082	237,885	250,412
Other payables - related parties	9,436	8,927	4,815	4,502
Other payables - unrelated parties	42,928	47,161	28,556	25,232
Accrued expenses	127,398	140,886	102,025	109,077
Payable from acquisition of assets	12,135	9,479	11,509	7,831
Accrued interest expenses	332	158	-	17
Total trade and other payables	498,544	529,203	448,705	478,075

20. Provision for long-term employee benefits

Provision for long-term employee benefits, was as follows.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Defined benefit plans		Other long-term employee benefits		Total	
	2019	2018	2019	2018	2019	2018
Provision for long-term employee benefits at beginning of year	179,262	155,793	6,582	5,457	185,844	161,250
Included in profit or loss:						
Past service costs	3,232	-	214	-	3,446	-
Current service cost	15,673	25,605	148	1,283	15,821	26,888
Interest cost	2,517	3,897	59	139	2,576	4,036
Actuarial (gain) loss arising from						
Demographic assumptions changes	-	-	(59)	-	(59)	-
Financial assumptions changes	-	-	182	-	182	-
Experience adjustments	-	-	(703)	-	(703)	-
Included in other comprehensive income:						
Actuarial (gain) loss arising from						
Demographic assumptions changes	(712)	-	-	-	(712)	-
Financial assumptions changes	11,963	-	-	-	11,963	-
Experience adjustments	(31,343)	-	-	-	(31,343)	-
Benefits paid during the year	(8,179)	(6,033)	(310)	(297)	(8,489)	(6,330)
Provision for long-term employee benefits at end of year	172,413	179,262	6,113	6,582	178,526	185,844

(Unit: Thousand Baht)

	Separate financial statements					
	Defined benefit plans		Other long-term employee benefits		Total	
	2019	2018	2019	2018	2019	2018
Provision for long-term employee benefits at beginning of year	148,850	130,433	5,674	4,899	154,524	135,332
Included in profit or loss:						
Past service costs	1,970	-	-	-	1,970	-
Current service cost	12,280	20,616	110	951	12,390	21,567
Interest cost	2,018	3,259	46	121	2,064	3,380
Actuarial (gain) loss arising from						
Demographic assumptions changes	-	-	(163)	-	(163)	-
Financial assumptions changes	-	-	157	-	157	-
Experience adjustments	-	-	(598)	-	(598)	-
Included in other comprehensive income:						
Actuarial (gain) loss arising from						
Demographic assumptions changes	(6,109)	-	-	-	(6,109)	-
Financial assumptions changes	11,450	-	-	-	11,450	-
Experience adjustments	(27,160)	-	-	-	(27,160)	-
Benefits paid during the year	<u>(6,107)</u>	<u>(5,458)</u>	<u>(205)</u>	<u>(297)</u>	<u>(6,312)</u>	<u>(5,755)</u>
Provision for long-term employee benefits at end of year	<u>137,192</u>	<u>148,850</u>	<u>5,021</u>	<u>5,674</u>	<u>142,213</u>	<u>154,524</u>

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Group has additional long-term employee benefit liability of Baht 3.2 million (the Company only: Baht 2.0 million). The Group reflected the effect of the change by recognising past service costs as expenses in the income statement of current year.

The Group expect to pay Baht 10 million of long-term employee benefits during the next year (the Company only: Baht 7 million) (2018: Baht 9 million, the Company only: Baht 7 million).

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit is 11 - 12 years (the Company only: 12 years) (2018: 13 - 15 years, the Company only: 15 years).

Significant actuarial assumptions are summarised below:

	(Unit: Percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Discount rate	1.45 - 1.56	2.53 - 2.55	1.51 - 1.56	2.55
Salary increase rate	3.00 - 5.00	2.67 - 5.00	3.00 - 5.00	2.67 - 5.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2019 and 2018 are summarised below:

	(Unit: Million Baht)			
	As at 31 December 2019			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(25)	28	(20)	22
Salary increase rate	29	(26)	23	(20)

	(Unit: Million Baht)			
	As at 31 December 2018			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(13)	14	(10)	12
Salary increase rate	15	(13)	12	(11)

21. Statutory reserve

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

22. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Salaries and wages and other employee benefits	1,099,175	1,059,576	743,194	698,747
Depreciation and amortisation	233,850	226,033	115,998	132,062
Rental expenses from operating lease agreements	68,702	31,189	54,864	26,568
Raw materials and consumables used	1,926,224	2,198,372	2,247,541	2,323,291
Changes in finished goods and work in progress	(65,413)	4,368	(35,293)	(31,262)

23. Income tax

Income tax expenses for the years ended 31 December 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current income tax:				
Current income tax charge	38,414	54,149	37,488	46,716
Adjustment in respect of income tax of previous year	39	-	39	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(10,116)	1,932	(7,810)	3,720
Effect of the change in tax rate	-	(273)	-	-
Income tax expenses reported in profit or loss	<u>28,337</u>	<u>55,808</u>	<u>29,717</u>	<u>50,436</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Deferred tax relating to				
Loss on changes in value of available-for-sale investments	10,140	31,761	10,140	31,761
Actuarial gain	(4,019)	-	(4,364)	-
Total	<u>6,121</u>	<u>31,761</u>	<u>5,776</u>	<u>31,761</u>

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Accounting profit before tax	303,135	433,623	291,891	428,128
Applicable tax rate	0% - 20%	0% - 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	63,309	99,541	58,378	85,626
Adjustment in respect of income tax of previous year	39	-	39	-
Effects of changes in the tax rates	-	(273)	-	-
Recording of previously unrecognised deferred tax assets	(1,711)	(31)	(1,711)	-
Effects of:				
Income not subject to tax	(19,230)	(29,198)	(19,230)	(29,198)
Non-deductible expenses	863	1,424	88	146
Additional expense deductions allowed	(16,564)	(15,348)	(7,847)	(6,138)
Others	1,631	(307)	-	-
Total	(33,300)	(43,429)	(26,989)	(35,190)
Income tax expense reported in profit or loss	<u>28,337</u>	<u>55,808</u>	<u>29,717</u>	<u>50,436</u>

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

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Deferred tax assets				
Allowance for doubtful accounts	2,938	740	2,399	688
Allowance for diminution in value of inventories	4,751	3,756	3,178	2,274
Provision for long-term employee benefits	31,490	37,169	28,443	30,905
Provision for impairment loss	9,660	4,636	8,689	8,232
Unused tax loss	1,698	977	-	-
Others	3,440	440	3,438	440
Total	<u>53,977</u>	<u>47,718</u>	<u>46,147</u>	<u>42,539</u>
Deferred tax liabilities				
Gain on change in value of available-for-sale investments	119,466	129,606	119,466	129,606
Others	255	93	255	93
Total	<u>119,721</u>	<u>129,699</u>	<u>119,721</u>	<u>129,699</u>

As at 31 December 2019, a subsidiary has unused tax losses totaling Baht 0.7 million (2018: Baht 0.7 million), on which deferred tax assets have not been recognised as the subsidiary believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

The unused tax losses amounting to Baht 13.9 million will expire by 2023.

24. Earnings per share

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

25. Segment information

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

For management purposes, the Group is organised into business units based on its products and services and have three reportable segments as follows.

- Cosmetics
- Packaging
- Others

No operating segments have been aggregated to form the above reportable operating segments.

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

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

The following tables present revenue and profit information regarding the Group' operating segments for the years ended 31 December 2019 and 2018.

(Unit: Million Baht)

	Cosmetics		Packaging		Others		Total reportable segments		Adjustments and eliminations		Consolidated financial statements	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Sales	3,787	3,812	1,005	1,135	572	421	5,364	5,368	(730)	(570)	4,634	4,798
Other income	217	339	19	17	9	5	245	361	(108)	(126)	137	235
Total revenue	4,004	4,151	1,024	1,152	581	426	5,609	5,729	(838)	(696)	4,771	5,033
Cost of sales	(2,730)	(2,787)	(779)	(903)	(479)	(351)	(3,988)	(4,041)	731	572	(3,257)	(3,469)
Selling and distribution expenses	(109)	(104)	(23)	(20)	(23)	(17)	(155)	(141)	-	-	(155)	(141)
Administrative expenses	(755)	(696)	(73)	(76)	(85)	(45)	(913)	(817)	39	17	(874)	(800)
Depreciation and amortisation	(116)	(132)	(113)	(89)	(5)	(5)	(234)	(226)	-	-	(234)	(226)
Total expenses	(3,710)	(3,719)	(988)	(1,088)	(592)	(418)	(5,290)	(5,225)	770	589	(4,520)	(4,636)
Profit before share of profit from investments in associates, finance costs and income tax income (expenses)	294	432	36	64	(11)	8	319	504	(68)	(107)	251	397
Share of profit from investments in associates	-	-	-	-	-	-	-	-	58	42	58	42
Finance cost	(2)	(4)	(2)	(1)	(1)	(1)	(5)	(6)	-	-	(5)	(6)
Income tax income (expenses)	(30)	(50)	2	(4)	(1)	(1)	(29)	(55)	-	-	(29)	(55)
Profit for the year	262	378	36	59	(13)	6	285	443	(10)	(65)	275	378



Geographic information

Revenue from external customers is based on domestic and export sales in consolidated financial statements for the years ended 31 December 2019 and 2018 presented below.

(Unit: Thousand Baht)

	<u>2019</u>	<u>2018</u>
Sales		
- Domestic	2,363,782	2,716,708
- Export	2,270,248	2,081,613
Total	<u>4,634,030</u>	<u>4,798,321</u>

Major customers

In the year 2019, the Group has revenue from 3 major customers in amount of Baht 2,017 million, arising from sales by cosmetics segments (2018: revenue from 3 major customers in amount of Baht 2,116 million, arising from sales by cosmetics).

26. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contributes to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by CIMB-Principal Asset Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2019 amounting to approximately Baht 11 million (2018: Baht 11 million) (the Company only: Baht 9 million (2018: Baht 9 million)) were recognised as expenses.

27. Dividend

Dividend	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
Final dividends for 2017	Annual General Meeting of the shareholders on 24 April 2018	<u>180</u>	<u>1.20</u>
Final dividends for 2018	Annual General Meeting of the shareholders on 23 April 2019	<u>189</u>	<u>1.26</u>

28. Commitments and contingent liabilities

28.1 Capital commitments

As at 31 December 2019, the Group has capital commitments of approximately Baht 14 million (The Company only: Baht 6 million), relating to factory construction and purchase machine.

28.2 Operating lease and service commitments

The Group has entered into several lease agreements in respect of the lease of building, equipment, car rental and other service agreements. The terms of the agreements are generally 1 year to 5 years. Operating lease agreements are non-cancellable.

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Payable within:				
In up to 1 year	32	41	27	28
In over 1 and up to 5 years	53	20	50	17
Total	<u>85</u>	<u>61</u>	<u>77</u>	<u>45</u>

28.3 Guarantees

The Group has outstanding bank guarantees as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Bank guarantee for:				
Electricity use guarantees	14.6	14.9	6.3	6.5
Tax refund guarantees	4.6	4.5	4.6	4.5
Other guarantees	8.1	7.3	8.1	7.3

The guarantees in respect of certain performance bonds as required in the normal course of business.

29. Fair value hierarchy

As at 31 December 2019 and 2018, the Group had the assets and liabilities that were measured and disclosed at fair value, as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2019				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Equity instruments	948,050	-	-	948,050
Assets for which fair value are disclosed				
Investment properties	-	33,878	156,001	189,879

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2018				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Equity instruments	998,748	-	-	998,748
Assets for which fair value are disclosed				
Investment properties	-	71,422	77,219	148,641

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2019				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Equity instruments	948,050	-	-	948,050
Assets for which fair value are disclosed				
Investment properties	-	33,758	156,001	189,759

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2018			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Equity instruments	998,748	-	-	998,748
Assets for which fair value are disclosed				
Investment properties	-	71,302	77,219	148,521

During the current year, there were no transfers within the fair value hierarchy.

30. Financial instruments

30.1 Financial risk management

The financial instruments of the Group, as defined under Thai Accounting Standard No.107 “Financial Instruments: Disclosure and Presentations”, principally comprise cash and cash equivalents, trade and other receivables, short-term loans to subsidiary, other long-term investments, bank overdrafts and short-term loans, trade and other payables. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to receivables, loans and other receivables. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans and other receivables as stated in the statement of financial position.

Interest rate risk

The Group is exposed exposure to interest rate risk relates primarily to its cash at banks, loans, bank overdrafts and short-term borrowings. Most of the Group’ financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2019 and 2018, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

	Consolidated financial statements													
	Fixed interest rates				Floating interest rate				Non-interest bearing		Total		Effective interest rate	
	Within 1 year		Over 1 and up to 2 years											
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018		
	(Percent per annum)													
Financial assets														
Cash and cash equivalents	-	-	-	-	125,273	47,227	1,916	5,788	127,189	53,015	0.05 - 0.63	0.05 - 0.63		
Current investments	4,000	8,000	3,000	-	-	-	-	-	7,000	8,000	1.50 - 2.00	2.00		
Trade and other receivables	-	-	-	-	-	-	873,865	932,669	873,865	932,669	-	-		
Investments in related companies	-	-	-	-	-	-	62,896	65,219	62,896	65,219	-	-		
Other long-term investments	-	-	-	-	-	-	5,000	5,000	5,000	5,000	-	-		
Long-term loans to other company	-	-	-	-	-	16,142	-	-	-	16,142	3.00	3.00		
	<u>4,000</u>	<u>8,000</u>	<u>3,000</u>	<u>-</u>	<u>125,273</u>	<u>63,369</u>	<u>943,677</u>	<u>1,008,676</u>	<u>1,075,950</u>	<u>1,080,045</u>				
Financial liabilities														
Bank overdrafts and short-term loans from														
financial institution	180,073	87,104	-	-	-	1,639	-	50,000	180,073	138,743	1.50 - 2.73	1.85 - 7.13		
Trade and other payables	-	-	-	-	-	-	498,544	529,203	498,544	529,203	-	-		
	<u>180,073</u>	<u>87,104</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,639</u>	<u>498,544</u>	<u>579,203</u>	<u>678,617</u>	<u>667,946</u>				

(Unit: Thousand Baht)

Separate financial statements

	Fixed interest rates				Floating interest rate		Non-interest bearing		Total		Effective interest rate	
	Within 1 year		Over 1 and up to 2 years		2019	2018	2019	2018	2019	2018	2019	2018
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
											(Percent per annum)	
Financial assets												
Cash and cash equivalents	-	-	-	-	51,192	7,617	450	758	51,642	8,375	0.05 - 0.50	0.05 - 0.50
Trade and other receivables	-	-	-	-	-	-	708,368	744,637	708,368	744,637	-	-
Short-term loans to subsidiary	4,000	4,000	-	-	-	-	-	-	4,000	4,000	3.00	3.00
Investments in related companies	-	-	-	-	-	-	59,351	61,635	59,351	61,635	-	-
Other long-term investments	-	-	-	-	-	-	5,000	5,000	5,000	5,000	-	-
Long-term loans to other company	-	-	-	-	-	16,142	-	-	-	16,142	3.00	3.00
	4,000	4,000	-	-	51,192	23,759	773,169	812,030	828,361	839,789		
Financial liabilities												
Bank overdrafts and short-term loans from												
financial institutions	-	60,000	-	-	-	-	-	-	-	60,000	-	1.85 - 2.82
Trade and other payables	-	-	-	-	-	-	448,705	478,075	448,705	478,075	-	-
	-	60,000	-	-	-	-	448,705	478,075	448,705	538,075		



Foreign currency risk

The Group' exposures to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies.

As at 31 December 2019 and 2018, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
<u>The Company</u>						
USD	7.11	7.98	0.77	1.59	30.15	32.45
GBP	1.42	0.49	0.01	0.37	39.52	41.07
JPY	5.87	5.32	11.39	25.80	0.28	0.29
Euro	-	0.02	0.02	0.52	33.73	37.13
<u>The subsidiaries</u>						
USD	0.16	0.10	0.35	0.07	30.15	32.45
GBP	-	0.46	-	-	39.52	41.07
Euro	-	-	-	0.02	-	37.13
CNY	0.35	-	0.60	0.67	4.31	4.72

30.2 Forward exchange contracts

The Group seek to reduce the risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2019 and 2018, the outstanding forward contracts are summarised below.

Foreign currency	Forward amounts		Maturity date		Contractual exchange rate	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Million)	(Million)			(Baht per 1 foreign currency unit)	
<u>Sold amount</u>						
USD	-	2	-	June 2019 - December 2019	-	32.1148 - 32.2001
GBP	1	-	June 2020 - December 2020	-	40.2290 - 40.5725	-
JPY	5	215	April 2020	March 2019 - December 2019	0.27633	0.2922 - 0.3000

30.3 Fair values of financial instruments

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

31. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2019, the Group's debt-to-equity ratio was 0.3:1 (2018: 0.3:1) and the Company only was 0.2:1 (2018: 0.3:1).

32. Events after the reporting period

On 20 February 2020, the Company's Board of Directors passed a resolution to propose to the Annual General Meeting of shareholders to be held in April 2020 to pay a dividend of Baht 1.10 per share, or a total of Baht 164.92 Million to shareholders in respect of the year 2019 profit and retained earnings. The dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

33. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 20 February 2020.

Financial Ratio Table

	Consolidated Financial Statement			
	2019	2018	2017	
LIQUIDITY RATIO				
Current Ratio	2.60	2.46	1.85	Times
Quick Ratio	1.35	1.31	0.95	Times
Current Cash Flow Ratio	0.52	0.58	0.38	Times
Receivable Turnover	5.27	5.38	5.21	Times
Average Collection Period	68	67	69	Days
Inventory Turnover	12.78	16.28	15.44	Times
Inventory Turnover Period	28	22	23	Days
Payable Turnover	10.87	11.46	11.61	Times
Payment Period	33	32	31	Days
Cash Cycle	63	57	61	Days
PROFITABILITY RATIO				
Gross Profit	26.21	24.68	23.25	%
Operating Profit	2.47	3.39	2.67	%
Operating Cash Flow Turnover	328.28	300.83	353.39	%
Net Profit	5.41	6.90	5.37	%
Return on Equity	7.23	9.82	7.30	%
EFFICIENCY RATIO				
Return on Total Asset	5.23	6.96	5.24	%
Return on Fixed Asset	28.97	33.87	30.70	%
Total Asset Turnover	0.97	1.01	0.98	Times
FINANCIAL POLICY RATIO				
Debt to Equity	0.26	0.27	0.32	Times
Interest Coverage	83.58	86.97	40.78	Times
Payout Ratio (The Separate Financial Statements)	62.91	50.02	55.36	%

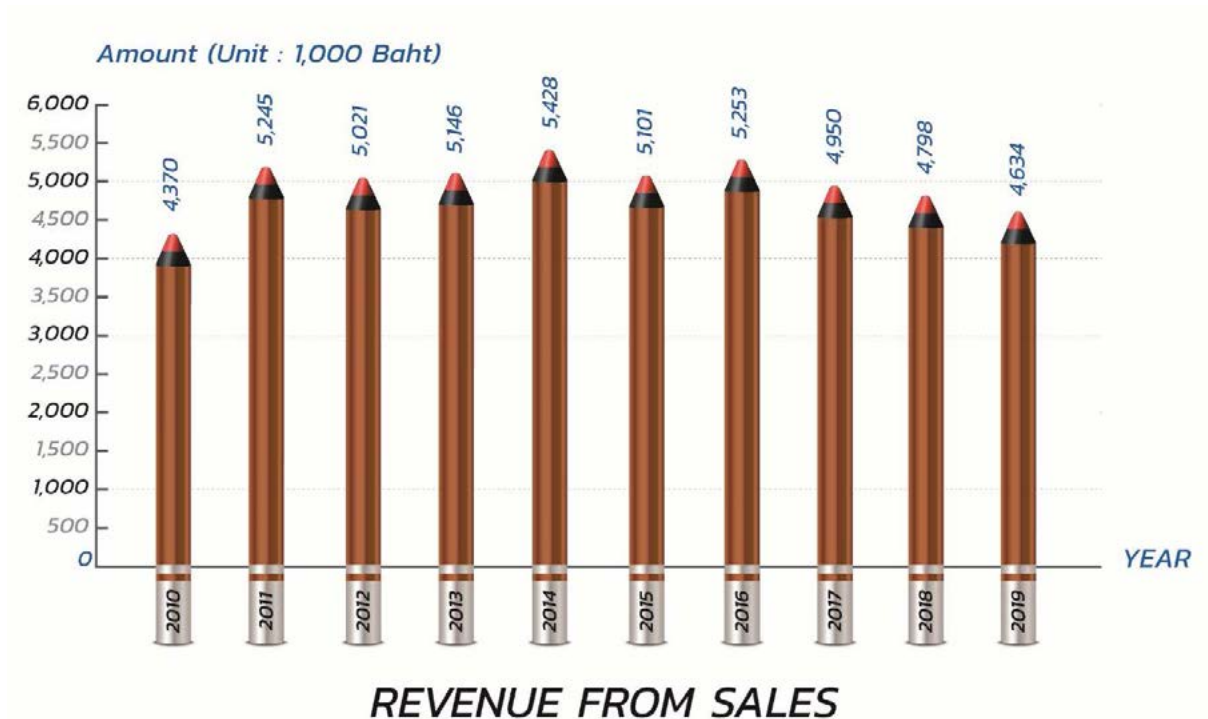
Factors that could affect operating results and financial position in future.

- Nil -

Overview of Business Operations

In 2019, the cosmetic business had such strong competition together with the current online and offline selling channels. Meanwhile, there is a huge number of the start-ups to serve consumer's demand in the digital era. Additionally, the continual strong baht currency is also directly affecting exportation value alongside the recession of both domestic and overseas economic. Nevertheless, the Company is still having strong determination to enhance our business growth continually to create new innovation for production formula, sustainable supplier selection for raw materials and environmental friendly packaging for the modern production process. The overall effort is to ensure quality goods outcome as the product added value. The company, meanwhile, seek business opportunity with new customers both local and overseas to enhance customer base In order to increase sales and profit to sustain business.

Financial performance and financial position



Revenue from sales

In 2019, the company and its subsidiaries had revenue from sales of 4,634 Million Baht, decreased from prior year of 164 million baht or 3.4 % due to decrease in local sales of 353 Million Baht or 12.9 % from decrease in market share in cosmetic and packaging products where as increase in overseas sales of 189 Million Baht or 9.1 % from increase in overseas market share in cosmetic products.

Gross profit

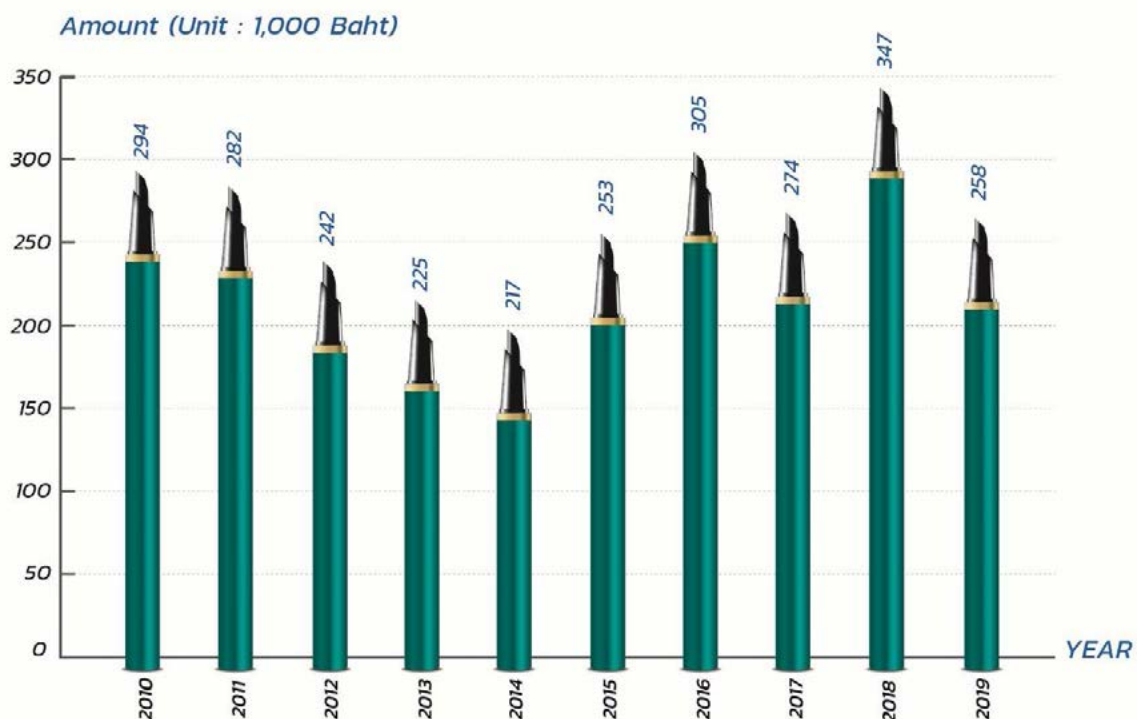
In 2019, the company and its subsidiaries had gross profit of 26.2 % of revenue from sales which increased from prior year of 1.5% due to be able to increase in profitability in cosmetic products and packaging products.

Other income (included dividend income and Gain on sales of inestment)

In 2019, the company and its subsidiaries had other income of 136 Million Baht decreased from prior year of 98 Million Baht due to having gain on disposal of investment in prior year.

Administrative expenses

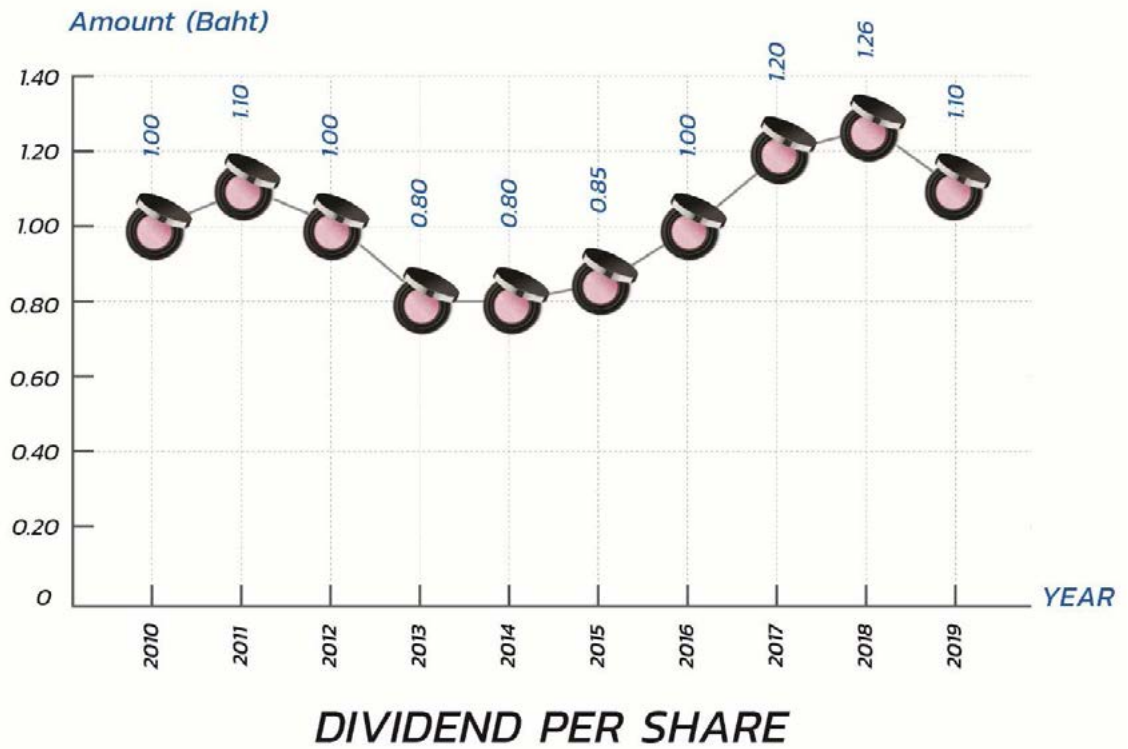
In 2019, the company and its subsidiaries had administrative expenses 945 Million Baht, increased from prior year 65 Million Baht or 7.3 % due to decrease in personel expenses and computer expenses.



PROFIT FOR THE YEAR

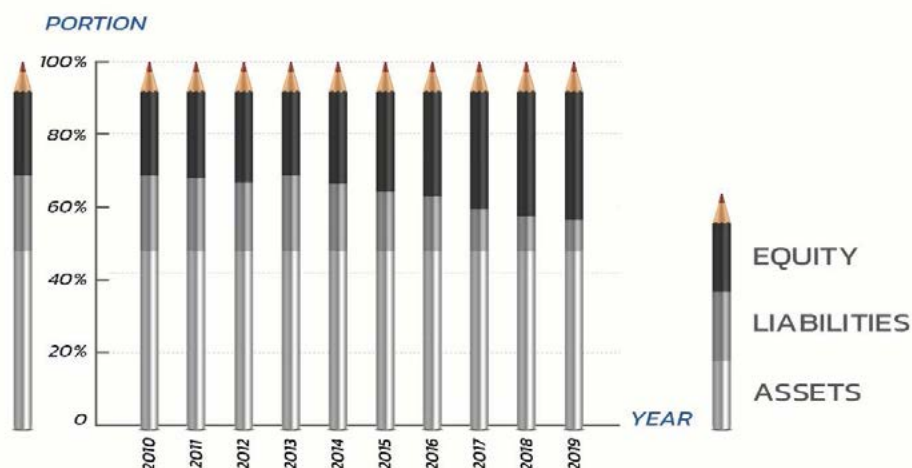
Profit attributable to equity holders of the parent

In the consolidated fiancial statements of year 2019, the company and its subsidiaries had net profit attributable to equity holders of the parent company 258 Million Baht, decreased from prior year of 89 million baht or 25.7 % due to decrease in revenues from sales together with increase in expenses as above explained.



Return on Equity

In the consolidated financial statements of year 2019, The company and its subsidiaries had Return on Equity of 7.2 %, decreased from prior year 2.6% due to decrease in profit for the year. The company has a policy to pay dividend to shareholders at 20-80 percent of profit for the year of the company's separate financial statement (under the cost method) . However, this rate principally depends on economic conditions and operational results of the company. In 2019, the company had profit for the year of 262.1 Million Baht. The company had the resolution of the Board of Directors' Meeting No. 2/2020 held on February 20, 2020 which will be proposed at the shareholders' ordinary meeting for their approval on April 23, 2020 to pay dividend at the rate of 1.10 Baht per share from the 2019 financial performance, totally 164.9 Million Baht. The proposed dividend payment is equal to 62.9 % of profit for the year of the separate financial statement and will be paid on May 22, 2020.



STATEMENTS OF FINANCIAL POSITION

YEAR	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
EQUITY	2,118	2,901	3,581	3,149	3,480	3,481	3,692	3,824	3,885	3,925
LIABILITIES	1,667	2,137	2,390	2,434	2,203	1,828	1,736	1,230	1,040	1,021
ASSETS	3,785	5,038	5,971	5,583	5,683	5,310	5,429	5,054	4,925	4,946

Financial position

Total Assets : In 2019, the company and its subsidiaries had total assets amounting to 4,946 Million Baht, decreased from prior year of 5,054 Million Baht or 0.43 % due to material changes as follows:

1. Increase in cash and cash equivalent of 74 Million Baht due to collection of receivables during end of the year.
2. Decrease in trade and other receivables of 59 Million Baht due to debt collection from receivables.
3. Increase in inventories due to preparation stocks for sale in the next year.
4. Decrease in available-for-sale securities of 51 Million Baht due to decrease in share price of securities.
5. Increase in property, plant and equipment due to purchase during the year.

Total Liabilities : In 2019, the company and its subsidiaries had total liabilities amounting to 1,021 Million Baht, decreased from prior year of 1,040 Million Baht or 1.8 % due to material changes as follows:

1. Increase in bank overdraft and short-term borrowing from financial institutions of 41 Million Baht due to subsidiary's loan from Bank to support its liquidity.
2. Decrease in trade and other payables of 31 Million Baht due to payment to payables.
3. Decrease in income tax payable related to operation result of the company.

Shareholders' Equity : In 2019, the company and its subsidiaries had shareholders' equity amounting to 3,925 Million Baht, increased from prior year of 3,885 Million Baht or 1% due to material changes as follows:

1. Profit for the year of 274 Million Baht and dividend payment of 189 Million Baht.
2. Loss from change in value available -for- sale investments (net of income tax) of 40 Million Baht.

Liquidity

1. Cash flows in 2019, the company and its subsidiaries had net increase in cash and cash equivalent of 74 Million Baht by separated activities as follows:

(Unit : Million Baht)

	2019	2018	2017
Cash Flows provided from Operating Activities	366.6	486.5	466.5
Cash Flows provided from (used in) Investing Activities	(135.8)	13.1	48.9
Cash Flows used in Financing Activities	(156.6)	(488.8)	(593.9)
Net Increase (Decrease) in Cash and Cash Equivalent	74.2	10.8	(78.5)

The material changes in cash flows in 2019 are as follows:

- Decrease in cash flows provided from operating activities of 120 Million Baht due to increase in inventories and payment to trade and other payables.
- Decrease in cash flows provided from investing activities of 149 Million Baht due to decrease in dividend received from investment and no cash received from disposal of investment in this year.
- Decrease in cash flows used in financing activities of 332 Million Baht due to decrease in short-term borrowings from financial institution from more liquidity.

2. Sufficiency of liquidity

	2019	2018	2017	
Current Ratio	2.60	2.46	1.85	Times
Quick Ratio	1.35	1.31	0.95	Times
Current Cash Flow Ratio	0.52	0.58	0.38	Times
Debt to Equity ratio	0.26	0.27	0.32	Times

In 2019, the company and its subsidiaries had more liquidity reflecting from the above Current Ratio of 2.60 times and increase in Quick Ratio from prior year which were a result of efficiency of debt collection together with most customers are good and made their payment on time, together with cash received from investing activities as above said. Whereas, Debt to Equity Ratio of 0.26 times, decreased from prior year reflecting overall adequacy of business liquidity.

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
1. Mr.Boonkiet Chokwatana - Chairman - Chairman of the Nominating Committee - Chairman of the Remuneration Committee April 22, 1980	72	- Honorary Doctorate Degree in Business Faculty of Management and Information Sciences, Naresuan University. - Honorary Doctorate Degree in Business Administration (Management), Sripatum University - Honorary Doctorate Degree in Business Administration College of Commerce , Burapha University - B.S.Engineering - Worcester Polyteching Institute, Massachusetts, U.S.A. Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 41/2004	8.69%	Other Listed Company : 5 companies - President, Executive Chairman, Chairman of the Remuneration Committee and Nominating Director : I.C.C. International PCL. - Chairman : People's Garment PCL. PAN Asia Footwear PCL. - Director, Nominating and Remuneration Director : Sahacogen (Chonburi) PCL. - Director : Saha Pathana Inter Holding PCL. Other Non-Listed Company: 59 companies
2. Mrs.Tipaporn Chokwatana - Vice Chairman April 24, 1995	73	- BA.- Ramakhamhaeng University - Secretary - Pitman London Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005	8.69%	Other Listed Company : 1 company - Director : O.C.C. PCL. Other Non-Listed Company: 24 companies
3. Mr.Thirasak Vikitset - Managing Director - Chairman of the Executive Board - Nominating Director - Remuneration Director April 30, 1985	68	- MBA, Clark University Worcester, Massachusetts, U.S.A. - B.D. Engineering, Worcester Polytechnic Institute, Massachusetts, U.S.A. Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005	1.77%	Other Listed Company : 1 company - Director : Sahacogen (Chonburi) PCL. Other Non-Listed Company : 19 companies

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
4. Dr.Atthakorn Glankwamdee - Deputy Managing Director - Chairman of the Risk Management - Executive Director - Nominating Director April 22, 1991	71	- Ph.D. University of Illinois@Urbaha U.S.A. Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005	0.31%	Other Listed Company : 1 company - Director : Sahacogen (Chonburi) PCL. Other Non-Listed Company : 9 companies
5. Mrs.Kaewta Ongsaranakom - Director - Executive Director - Nominating Director - Remuneration Director - Corporate Governance Director June 22, 1987	63	- Bachelor of Political science, Thammasat University Thai Institute of Directors Association (IOD) - Director Certification Program (DCP) 27/2003 - Role of the Compensation Committee (RCC) 10/2010	0.67%	Other Listed Company : -None- Other Non-Listed Company: 10 companies
6. Prof.Dr.Malyn Ungsurungsie - Director - Chairman of CSR Committee - Executive Director April 26 2004	69	- Doctor of Philosophy (Microbiology) From Mahidol University - B.Sc. In Pharm From Chulalongkorn University - Certificate in Management of Higher Education from Galilee College, Israel and Harvard University Extension School, USA. Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 17/2004	0.12%	Other Listed Company : -None- Other Non-Listed Company: 4 companies
7. Mrs.Chitraporn Vikitset - Director - Executive Director - Nominating Director April 23, 2007	68	- Master of Early Childhood Education From Worcester College, U.S.A. Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 66/2007	1.77%	Other Listed Company : -None- Other Non-Listed Company: 6 companies

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
8. Mrs. Teerada Ambhanwong - Director April 26, 1998	49	- Master of Marketing, Sasin Graduate Institute of Business Administration, Chulalongkorn University Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 51/2004	0.58%	Other Listed Company : 2 companies - Managing Director : O.C.C. PCL. - Director : People's Garment PCL. Other Non-Listed Company : 16 companies
9. Mr. Suthep Dansiriviroj - Director April 22, 2014	71	- Bachelor of Accountancy (Honors), Thammasat University Thai Institute of Directors Association (IOD) - Risk Management Committee Program (RMP) 5/2014 - Director Accreditation Program (DAP) 32/2005 - Director Certification Program (DCP) 60/2005	None	Other Listed Company : 1 company - Director, Executive Director and Chairman of the Risk Management : Sahacogen (Chonburi) PCL. Other Non-Listed Company : 1 company
10. Admiral Apichart Pengsritong - Independent Director - CSR Director November 12, 2009	70	- The State Private & Political Sectors Course, National Defense College (Class of 15th) - Bachelor of Engineering in Electrical Engineering, Royal Thai Naval Academy Thai Institute of Directors Association (IOD) - Risk Management Program for Corporate Leaders (RCL) 4/2016 - Director Accreditation Program (DAP) 82/2010	0.06%	Other Listed Company : 3 companies - Chairman, Chairman of Audit Committee and Independent Director : JKN Global Media PCL. - Chairman and Independent Director : T.A.C. Consumer PCL. - Chairman, Chairman of Nominating and Remuneration Committee and Independent Director : Muangthai Capital PCL. Other Non-Listed Company : -None-
11. Mrs. Pismai Chandrubeksa - Independent Director - Remuneration Director April 28, 2009	71	- Cambridgeshire College of Arts & Technology, Catering Diploma England Cambridge, Hotel & Restaurant Management Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 82/2010	0.06%	Other Listed Company : -None- Other Non-Listed Company : -None-

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
12. Mr.Amorn Asvanunt - Independent Director - Chairman of Audit Committee April 24, 2017	71	- Master of MBA, Bowling Green State University, Ohio, U.S.A. - Bachelor of .Accountancy, Chulalongkorn University Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 4/2003	None	Other Listed Company : 4 companies - Independent Director, Chairman of Risk Management Committee and Audit Committee Director : I.C.C. International PCL. - Independent Director and Audit Committee Director : Sahacogen (Chonburi) PCL. Far East Fame Line DDB PCL. - Independent Director, Risk Management Director and Chairman of Nominating and Remuneration Committee : Krungdhep Sophon PCL. Other Non-Listed Company : 1 company
13. Mrs.Pradittha Chongwattana - Independent Director - Audit Committee Director April 22, 2002	70	- Bachelor of Faculty of Law, Thammasat University - MINI MBA, Thammasat University Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 5/2001 - Management Construction (6months), Chulalongkorn University	0.11%	Other Listed Company : -None- Other Non-Listed Company : 2 companies
14. Pol.Gen.Somchai Prabhasabhakdi - Independent Directors - Audit Committee Director - Chairman of Corporate Governance committee April 28, 2015	77	- Master of Public Administration (M.P.A.), National Institution of Development Administration. - Branches of public administration, Royal Police Cadet Academy. Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 25/2004 - Director Certification Program (DCP) 51/2004 - Role of the Chairman Program (RCP) 12/2005 - Audit Committee Program (ACP) 2/2004	None	Other Listed Company : 1 company - Independent Director & Audit Committee Director : Sahacogen (Chonburi) PCL. Other Non-Listed Company : -None-

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
15. Assist.Prof.Dr.Pongchai Athikomrattanakul - Independent Directors - Audit Committee Director April 23, 2018	49	- Ph.D. in Industrial Engineering, Iowa State University, USA - MS. In Industrial Engineering, Iowa State University, U.S.A. Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 162/2019 - Director Certification Program (DCP) 283/2019	None	Other Listed Company : -None- Other Non-Listed Company : -None-
16. Mr.Simon Rhoderick Knight - Overseas Business Division Manager	65	- Bachelor of Economics & Mathematics Sheffield University	0.08%	Other Listed Company : -None- Other Non-Listed Company : 4 companies
17. Miss Sumeth Surachartchairit - Executive Director - Factory Division Manager	64	- Bachelor of Chemical Engineering, King Mongkut's University of Technology Thonburi.	0.14%	Other Listed Company : -None- Other Non-Listed Company : 4 companies
18. Mrs.Thongsuk Upathambhakul - Executive Director - CSR Director - Domestic Business Division Manager	60	- Bachelor of Economics, Thammasat University	0.09%	Other Listed Company : -None- Other Non-Listed Company : 2 companies
19. Mr.Bo Nystrup Nielsen - Strategy and Corporate Development Division Manager	49	- Master of Economic Institute University of Aarhus, Institute of Management. - Bachelor of Senior Executive Program, London Business School.	None	Other Listed Company : -None- Other Non-Listed Company : -None-
20. Mr.Varith Tritrapun - Office Division Assistant Manager (Accounting & Finance) - Chief Financial Office (CFO)	75	- Master of Managerial Economic, University of Wisconsin, USA.	0.16%	Other Listed Company : -None- Other Non-Listed Company : 4 companies
21. Mrs.Patchara Pongwichan - Executive Director - Corporate Governance Director - Human Resource Division Assistant Manager	60	- Bachelor of Liberal Arts, Thammasat University	0.08%	Other Listed Company : -None- Other Non-Listed Company : 1 company

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
22. Mrs. Daranee Ajjneyyakul - Executive Director - Risk Management Director - Technical Division Assistant Manager	52	- Master of Science, Mahidol University	0.05%	Other Listed Company : -None- Other Non-Listed Company : -None-
23. Mr. Arucha Budsakornbhinanda - Automation and Digital Technology Division Assistant Manager	41	- Doktor der Ingenieurwissenschaften Ph.D. in Engineering (Dr. Ing.) Mechatronics University of Erlangen-Nuremberg Erlangen. Germany	0.00%	Other Listed Company : -None- Other Non-Listed Company : -None-
24. Miss Patcharee Ariyachansin - Quality Assurance Division Assistant Manager	43	- Master of Technology Management, Thammasat University	None	Other Listed Company : -None- Other Non-Listed Company : -None-

Remark : * Including shareholding by spouse and underage children

Offence record of the company directors, the management, and the controlling parties

During the past 5 years, there were no offence record committed by the company's directors or other management members, in violation of the provisions under The Securities and Exchange Act B.E. 2535, and The Derivatives Act B.E. 2546.

	Name		Common share 2018	Increase (Decrease) During the year	Common share 2019	Share-holding ratio (%)	2019	
							Director	Spouse
1	Mr.Boonkiet	Chokwatana	13,024,060	-	13,024,060	8.69	10,298,408	2,725,652
2	Mrs.Tipaporn	Chokwatana	13,024,060	-	13,024,060	8.69	2,725,652	10,298,408
3	Mr.Thirasak	Vikitset	2,661,174	-	2,661,174	1.77	1,701,051	960,123
4	Dr.Atthakorn	Glankwamdee	470,774	-	470,774	0.31	470,774	-
5	Mrs.Kaewta	Ongsaranakom	1,004,709	-	1,004,709	0.67	771,149	233,560
6	Prof.Dr.Malyn	Ungsurungsie	177,284	-	177,284	0.12	177,284	-
7	Mrs.Chitraporn	Vikitset	2,661,174	-	2,661,174	1.77	960,123	1,701,051
8	Mrs.Teerada	Ambhanwong	867,857	-	867,857	0.58	867,857	-
9	Mr.Suthep	Dansiriviroj	-	-	-	-	-	-
10	Admiral Apichart	Pengsritong	85,714	-	85,714	0.06	85,714	-
11	Mrs.Pismai	Chandrubeksa	84,285	-	84,285	0.06	84,285	-
12	Mr.Amorn	Asvanunt	-	-	-	-	-	-
13	Mrs.Pradittha	Chongwattana	168,548	-	168,548	0.11	167,857	691
14	Pol.Gen.Somchai	Prabhasabhakdi	-	-	-	-	-	-
15	Assist.Prof.Dr.Pongchai	Athikomrattanukul	-	-	-	-	-	-
16	Mr.Simon Rhoderick Knight		116,142	-	116,142	0.08	116,142	-
17	Miss Sumeth	Surachartchairit	203,212	-	203,212	0.14	203,212	-
18	Mrs.Thongsuk	Upathambhakul	136,178	-	136,178	0.09	136,178	-
19	Mr.Bo Nystrup Nielsen		-	-	-	-	-	-
20	Mr.Varith	Tritrapun	245,383	-	245,383	0.16	245,383	-
21	Mrs.Patchara	Pongwichan	120,178	-	120,178	0.08	120,178	-
22	Mrs.Daranee	Ajjaneeyakul	79,999	-	79,999	0.05	79,999	-
23	Mr.Arucha	Budsakornbhinanda	-	3,892	3,892	-	3,892	-
24	Miss Patcharee	Ariyachansin	-	-	-	-	-	-

Remark : The company has issued and paid-up share capital 149,930,828 shares. The Board of Directors and the Management, including shares of spouse and underage children, according for 12.97% number of shares issued and paid-up.

Name of Directors and Management	S&J International Enterprises Pcl.	Subsidiaries							
		Top Trend Manufacturing Co.,Ltd.	EF Co.,Ltd.	Wildlives (Thailand) Co.,Ltd.	S & J International (UK) Ltd.	Guangzhou S&J Cosmetics Ltd.	4WD Vision (HK) Ltd.	4WD Vision Co.,Ltd.	SAAS Co.,Ltd.
Mr.Boonkiet Chokwatana	XXX	XXX	XXX	XXX	/	XX		XX	XXX
Mrs.Tipaporn Chokwatana	XX				XX				
Mr.Thirasak Vikitset	/	/	/	/	XXX	XXX	XXX	XXX	/
Dr.Atthakorn Glankwamdee	/	/	/						
Mrs.Kaewta Ongsaranakom	/		/	/					
Prof.Dr.Malyn Ungsurungsie	/				/				/
Mrs.Chitraporn Vikitset	/	/		/					
Mrs.Teerada Ambhanwong	/								
Mr.Suthep Dansiriviroj	/								
Admiral Apichart Pengsritong	/								
Mrs.Pismai Chandrubeksa	/								
Mr.Amorn Asvanunt	/								
Mrs.Pradittha Chongwattana	/								
Pol.Gen.Somchai Prabhasabhakdi	/								
Assist.Prof.Dr.Pongchai Athikomrattanakul	/								
Mr.Bo Nystrup Nielsen					XX		XX	XX	
Mr.Simon Rhoderick Knight					/	/	/	/	
Miss Sumeth Surachartchairit						/			
Mrs.Thongsuk Upathambhakul		/							
Mr.Varith Tritrapun		/							
Mrs.Patchara Pongwichan		/							
Mrs.Daranee Ajjaneeyakul									/
Mr.Arucha Budsakornbhinanda									
Miss.Patcharee Ariyachansin									

XXX = Chairman XX = Vice Chairman / = Director

Name of Directors and Management		Associates				Related Companies				
		Yamahatsu (Thailand) Co.,Ltd.	Operational Energy Group Limited.	Osoth Interlaboratories Co.,Ltd.	Atika Beauty Manufacturing Sdn.Bhd	H&B Kabinburi Co.,Ltd.	Thai Cubic Technology Co.,Ltd.	Train Time Test Co.,Ltd.	BKC International Marketing Co.,Ltd.	United Utility Co.,Ltd.
Mr.Boonkiet	Chokwatana		/			xxx	xxx	/		xxx
Mrs.Tipaporn	Chokwatana					/		/	xxx	
Mr.Thirasak	Vikitset	xx	/	xx	/					
Dr.Atthakorn	Glankwamdee									
Mrs.Kaewta	Ongsaranakom					/		/	/	
Prof.Dr.Malyn	Ungsurungsie			/						
Mrs.Chitraporn	Vikitset	/							/	
Mrs.Teerada	Ambhanwong							/		
Mr.Suthep	Dansiriviroj									
Admiral Apichart	Pengsritong									
Mrs.Pismai	Chandrubeksa									
Mr.Amorn	Asvanunt									
Mrs.Pradittha	Chongwattana							/		
Pol.Gen.Somchai	Prabhasabhakdi									
Assist.Prof.Dr.Pongchai	Athikomrattanakul									
Mr.Bo Nystrup Nielsen										
Mr.Simon Rhoderick Knight										
Miss Sumeth	Surachartchairit	/		/	/					
Mrs.Thongsuk	Upathambhakul									
Mr.Varith	Tritrapun									
Mrs.Patchara	Pongwichan									
Mrs.Daranee	Ajjaneeyakul									
Mr.Arucha	Budsakornbhinanda									
Miss.Patcharee	Ariyachansin									

xxx = Chairman xx = Vice Chairman / = Director



Name of Directors and Management		Related Companies							
		Eastern Rubber CO.,Ltd.	Advantage Footwear CO.,Ltd.	Treasure Hill Co.,Ltd.	Tipvarin Wattana Co.,Ltd.	T-way Co.,Ltd.	K. Comercial & Construction Co.,Ltd.	E.P.F Co.,Ltd	Thai Herbal Products Co.,Ltd.
Mr.Boonkiet	Chokwatana		XXX	/		/	XXX		
Mrs.Tipaporn	Chokwatana	/				XXX	/	XXX	
Mr.Thirasak	Vikitset	/			/		/		
Dr.Atthakorn	Glankwamdee								
Mrs.Kaewta	Ongsaranakom					/			
Prof.Dr.Malyn	Ungsurungsie							/	
Mrs.Chitraporn	Vikitset								
Mrs.Teerada	Ambhanwong								
Mr.Suthep	Dansiriviroj								
Admiral Apichart	Pengsritong								
Mrs.Pismai	Chandrubeksa								
Mr.Amorn	Asvanunt								/
Mrs.Pradittha	Chongwattana						/		
Pol.Gen.Somchai	Prabhasabhakdi								
Assist.Prof.Dr.Pongchai	Athikomrattanakul								
Mr.Bo Nystrup Nielsen									
Mr.Simon Rhoderick Knight									
Miss Sumeth	Surachartchairit								
Mrs.Thongsuk	Upathambhakul								
Mr.Varith	Tritrapun								
Mrs.Patchara	Pongwichan								
Mrs.Daranee	Ajjaneeyakul								
Mr.Arucha	Budsakombhinanda								
Miss.Patcharee	Ariyachansin								

XXX = Chairman XX = Vice Chairman / = Director



Name of Directors and Management		Related Companies						
		I.C.C. International Plc.	Sahacogen (Chonburi) Plc.	Saha Pathana Inter-Holding Plc.	People's Garment Plc.	O.C.C Plc.	Better Way (Thailand) Co.,Ltd.	International Laboratories Crop.Ltd.
Mr.Boonkiet	Chokwatana	XXX	/	/	XXX		XXX	
Mrs.Tipaporn	Chokwatana					/	/	XX XXX
Mr.Thirasak	Vikitset		/					
Dr.Atthakorn	Glankwamdee		/					
Mrs.Kaewta	Ongsaranakom						/	
Prof.Dr.Malyn	Ungsurungsie							
Mrs.Chitraporn	Vikitset							
Mrs.Teerada	Ambhanwong				/	/	/	
Mr.Suthep	Dansiriviroj		/					
Admiral Apichart	Pengsritong							
Mrs.Pismai	Chandrubeksa							
Mr.Amorn	Asvanunt	/	/					
Mrs.Pradittha	Chongwattana							
Pol.Gen.Somchai	Prabhasabhakdi		/					
Assist.Prof.Dr.Pongchai	Athikomrattanakul							
Mr.Bo Nystrup Nielsen								
Mr.Simon Rhoderick Knight								
Miss Sumeth	Surachartchairit							
Mrs.Thongsuk	Upathambhakul							
Mr.Varith	Tritrapun							
Mrs.Patchara	Pongwichan							
Mrs.Daranee	Ajjaneeyakul							
Mr.Arucha	Budsakornbhinanda							
Miss.Patcharee	Ariyachansin							

XXX = Chairman XX = Vice Chairman / = Director



Name of Directors and Management		Related Companies							
		Oriental Salon Business Co.,Ltd.	H&B Intertex Co.,Ltd.	Shop Global (Thailand) Co.,Ltd.	Make up Technique International Co.,Ltd.	I.S.B.M. Co.,Ltd.	Shaldan (Thailand) Co.,Ltd.	Cake & Bakery Co.,Ltd.	Better Leasing Co.,Ltd.
Mr.Boonkiet	Chokwatana		XXX	XXX	XXX			XXX	XXX
Mrs.Tipaporn	Chokwatana		/		XX			/	/
Mr.Thirasak	Vikitset					/			
Dr.Atthakorn	Glankwamdee						/		
Mrs.Kaewta	Ongsaranakom		/		/			/	
Prof.Dr.Malyn	Ungsurungsie								
Mrs.Chitraporn	Vikitset							/	
Mrs.Teerada	Ambhanwong	/							
Mr.Suthep	Dansiriviroj								
Admiral Apichart	Pengsritong								
Mrs.Pismai	Chandrubeksa								
Mr.Amorn	Asvanunt								
Mrs.Pradittha	Chongwattana								
Pol.Gen.Somchai	Prabhasabhakdi								
Assist.Prof.Dr.Pongchai	Athikomrattanakul								
Mr.Bo Nystrup Nielsen									
Mr.Simon Rhoderick Knight									
Miss Sumeth	Surachartchairit								
Mrs.Thongsuk	Upathambhakul					/			
Mr.Varith	Tritrapun				/				
Mrs.Patchara	Pongwichan								
Mrs.Daranee	Ajjaneeyakul								
Mr.Arucha	Budsakornbhinanda								
Miss.Patcharee	Ariyachansin								

XXX = Chairman XX = Vice Chairman / = Director





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