

ANNUAL REPORT 2020

S&J INTERNATIONAL
ENTERPRISES PUBLIC
COMPANY LIMITED



40 

ANNIVERSARY

Financial Overview

CONSOLIDATED	2020	2019	2018
Financial Position and Operating Results (Thousand Baht)			
Total Assets	5,115,102	4,945,873	4,924,587
Total Liabilities	1,026,720	1,020,824	1,039,827
Shareholders' Equity of Parent Company	3,721,851	3,590,664	3,557,236
Sales	4,315,586	4,634,030	4,798,321
Total Revenues	4,418,863	4,769,246	5,032,777
Gross Profit	1,256,984	1,214,400	1,184,146
Profit attributable to equity holders of the parent	275,907	258,247	347,399
Information per Share (Baht)			
Par Value	1.00	1.00	1.00
Book Value	27.27	26.18	25.91
Earnings per share	1.84	1.72	2.32
Market Price at year end date	23.90	25.00	23.80
Dividend payment	1.00*	1.10	1.26
Financial Ratio			
Profitability (%)			
Return on Total Revenues	6.24	5.41	6.90
Return on Equity	7.55	7.23	9.82
Liquidity Ratio (Times)			
Current Ratio	3.14	2.60	2.46
Quick Ratio	1.74	1.35	1.31
Liquidity of Cash Flow from Operation	0.82	0.52	0.58
Efficiency Ratio (%)			
Return on Assets	5.48	5.23	6.96
Return on Fixed Assets	32.17	28.97	33.87
Financial Policy Ratio (Times)			
Debt to Equity Ratio	0.25	0.26	0.27
Interest Coverage	81.89	83.58	86.97
Payout Ratio (%) (The Separate Financial Statements)	62.94*	62.91	50.02

* The Board of Directors resolved to set dividend payment rate at 1.00 per share, for further proposal to the shareholder's general meeting for approval, on April 27, 2021.

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BOARD OF DIRECTORS



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



Mrs. Pradittha Chongwattana
Director Of Audit Committee



Assist. Prof. Dr. Pongchai Atikomrattanakul
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

Message from the Chairman

Numerous business challenges arose in 2020, including all the global economic and supply chain disruption stemming from the COVID-19 pandemic. Additionally, other factors such as a US-China trade war, continued Thai Baht exchange rate appreciation, and persistent high levels of air pollution all had a negative impact. Furthermore, a “New Normal” lifestyle emerged which focused on hygiene, social distancing, and working-from-home which became dominant trends in influencing consumers to change behavior and switch substantially to online shopping, thus greatly intensifying online trade competition.

However, amid a crisis lies opportunity, so as always S&J remained resolute in seeking ways to create new business opportunities both locally and overseas. Hence, the Company utilized own-developed innovations to attract new customers and fulfil consumer needs, along with offering impressive service that continued to win customer loyalty. Consequently, S&J still attained both growth and profitability to maintain corporate sustainability during a period of significant business challenges. Furthermore, the Company successfully diversified its portfolio by creating a new line of urgently needed hygiene products for both domestic and international markets. Additionally, it stood firm on its commitments to be social responsible by donating many of these new products to numerous hospitals as well as government agencies.

Moreover, S&J received a rating of “Excellent” for a third consecutive year under the Corporate Governance Assessment Report for Listed Companies 2020. This was achieved by having a level of continual transparency that reflected principles of good corporate governance, and at the same time demonstrating business integrity with a sustainable development approach. Also, there was concern shown for all stakeholders by pursuing economic success together with responsibility to society and the environment. Additionally, for the seventh successive year the Company received an award from the Stock Exchange of Thailand under the Thailand Sustainability Investment Awards 2020 category. Not surprisingly, the Company took great pride in being the only consumer product manufacturer to win these combined awards.

On behalf of the Board of Directors, I would like to extend our thanks to all shareholders, customers and business partners for their confidence, trust and support shown at all times. Also, we greatly appreciate the best efforts of all executives and employees who worked at the maximum to benefit both shareholders and customers, at the same time as providing greater sustainable growth for the Company.



(Mr.Boonkiet Chokwatana)

Chairman

The Audit Committee's Report

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 2020, 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 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 according to the company's policy and trend of related transactions in the future.
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 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 two 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, selection and proposed the appointment of independent individuals to act as the external auditor and proposed their remuneration prior to the Company's Board of Director 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

Corporate Business Policy and Business Overview

Quality Policy

S & J has its policy to be partnership with our business partners, also we are committed to produce quality products, deliver on time with competitive price and good services. Our operation are always socially responsible and environmental friendly. Each employee shall cooperate to continue improve and provide greater customer satisfaction through fast, flexible, and precise response.

Overview of Business

Over the past 40 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 and Competitive Strategies

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 Commissio, 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.
- 2020
 - The Company signed a joint investment agreement with DKSH (Thailand) Co.,Ltd. to establish DKSJ Co.,Ltd. with registered capital of 100,000 baht, by shareholding at 50%. The operation of business is distribution and marketing of beauty and body care products for customers throughout Asia including Thailand.

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

- 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).

- 2017
- 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).
 - 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.
- 2020
- Received “the Thailand Sustainability Investment award of year 2020” from the Securities Exchange of Thailand. This award is intended to the listed companies who operate their businesses in accordance with the principles of corporate governance with social and environmental responsibility.

- 2020 - Received “FDA quality awards competition of year 2020”, Best of the Best Award from the Office of the Food and Drug Administration. This award is intended to those who have consistently maintained their quality.
- The Outstanding Disability Employer Awards of the year 2020 from the Department of Empowerment of Persons with Disabilities, the Ministry of Social Development and Human Security.

Internationally Quality standards during the past 5 years as follows:

- 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.
- 2020 - Recertified the International Standard, HAS 23000 and Certified Halal certification mark from LPPOM MUI, Indonesia
- Recertified the cosmetic good manufacturing practice (GMP) of the Food and Drug Administration.
- Recertified the International Standard, ISO 9001 : 2015 from TUV NORD (Thailand).
- Recertified the Environmental Management System ISO 14001: 2015 from TUV NORD (Thailand).
- Certified the Occupation & health and safety management system ISO 45001: 2018 from TUV NORD (Thailand).
- Certified the Roundtable on Sustainable Palm Oil (RSPO) from TUV NORD (Thailand).

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. (GZ S & J)
4WD Vision (HK) Co.,Ltd. (4WD HK)
- 4WD Vision Co.,Ltd. (4WD TH)
4WD Vision Europe B.V. (4WD NL)
- 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.

Shareholding in the company, 4WD Vision Europe B.V. an indirect shareholding of the company through 4WD Vision Co.,Ltd.

Associates

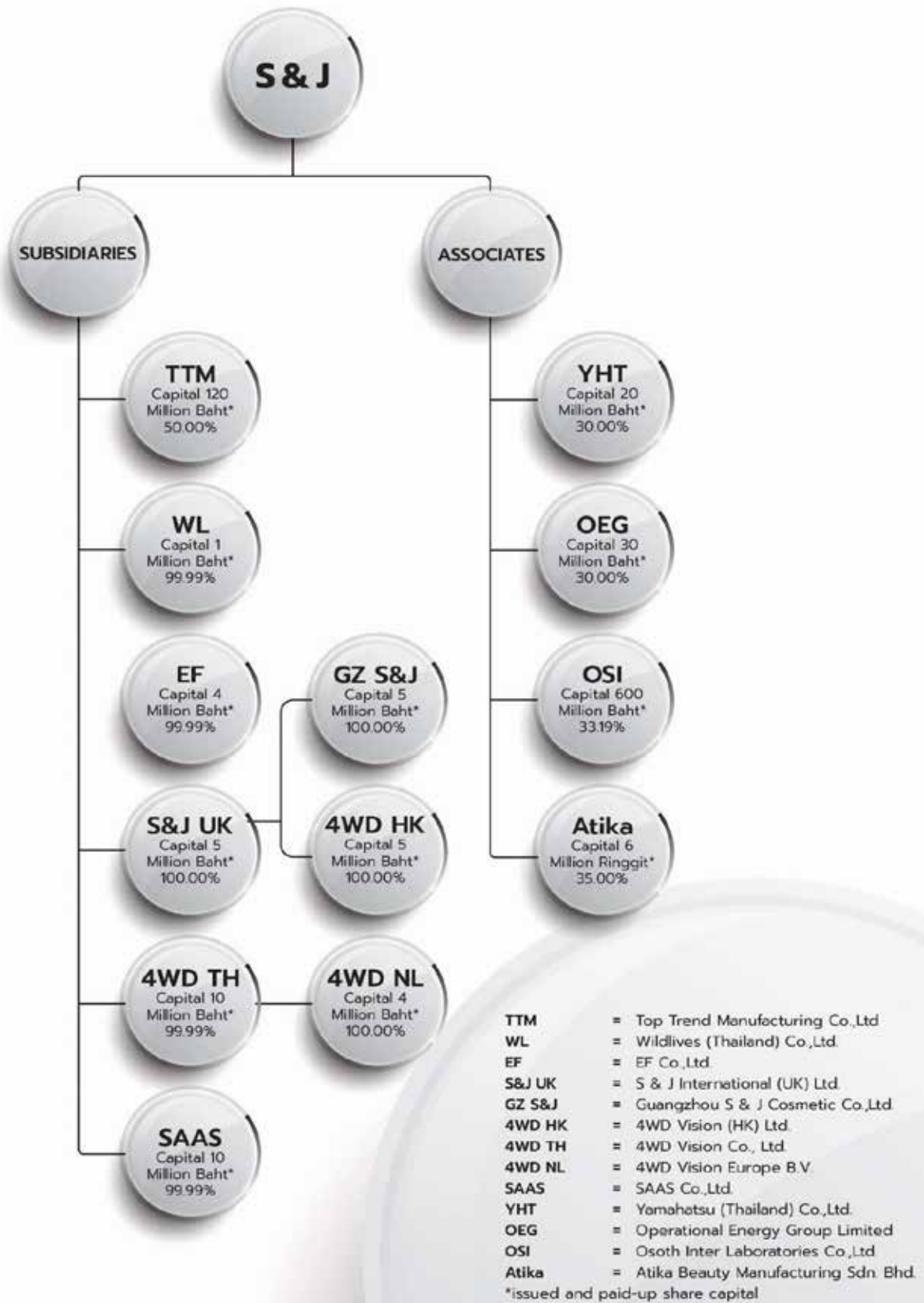
A group of companies which have investment ratio with its affiliates in order to provide benefits to the company strategically and for business coordination especially in form of various product development besides company's products.

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, 2020

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. 4WD Vision Europe B.V.	99.99	-
9. 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	19.63
2. I.C.C. International Public Company Limited (ICC)	0.35	14.60

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.

Corporate Business Nature

Revenue Structure

Saperated Revenue of each company	% Shareholding of Company	2020		2019		2018		
		Million Baht	%	Million Baht	%	Million Baht	%	
Manufacturing and Others Business Income								
Manufacturing of Cosmetic								
S & J International Enterprises PLC.	Domestic	-	1,336.4	24.8	1,612.6	28.6	1,837.2	32.0
	Oversea	-	1,947.2	36.1	2,174.4	38.6	1,974.8	34.3
Total Manufacturing of Cosmetic			3,283.6	60.9	3,787.0	67.2	3,812.0	66.3
Manufacturing of Packaging								
Top Trend Manufacturing Co.,Ltd.	Domestic	50.00	1,014.1	18.8	918.6	16.3	1,038.5	18.1
	Oversea		103.4	1.9	86.3	1.5	96.1	1.7
Total Manufacturing of Packaging			1,117.5	20.7	1,004.9	17.8	1,134.6	19.8
Others Business								
Wildlives (Thailand) Co.,Ltd.	Domestic	99.99	4.3	0.1	7.7	0.1	10.3	0.2
	Oversea		-	-	-	-	-	-
EF Co.,Ltd	Domestic	99.99	21.7	0.4	21.9	0.4	20.2	0.3
	Oversea		-	-	-	-	-	-
S & J International (UK) Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea		472.5	8.7	373.0	6.6	264.4	4.6
Guangzhou S & J Cosmetic Co.,Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea		-	-	-	-	-	-
4WD Vision (HK) Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea		126.8	2.4	82.0	1.5	59.0	1.0
4WD Vision Co.,Ltd.	Domestic	99.99	89.7	1.7	86.8	1.6	64.3	1.1
	Oversea		-	-	-	-	2.9	0.1
4WD Vision Europe B.V.	Domestic	99.99	-	-	-	-	-	-
	Oversea		7.0	0.1	-	-	-	-
SAAS Co.,Ltd.	Domestic	99.99	1.0	-	1.1	-	0.7	-
	Oversea		-	-	-	-	-	-
Total Others Business			723.0	13.4	572.5	10.2	421.8	7.3
Total Manufacturing and Others Business Income			5,124.1	95.0	5,364.4	95.2	5,368.4	93.4
Other Income			193.9	3.6	215.7	3.8	339.0	5.9
Share of profit of investment in associates			74.5	1.4	57.6	1.0	42.4	0.7
Total Income			5,392.5	100.00	5,637.7	100.00	5,749.8	100.00

Remark : Additional information are disclosed in the Notes to Financial Statements for the year ended December 31, 2020 No.28 :
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 40 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
- Roundtable on Sustainable Palm Oil (RSPO) from TUV NORD (Thailand)

● 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 food 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**

The company 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**

The company 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. The company has expanded its business to the Netherlands for distribution of cosmetic products and gift sets, including marketing services.

4WD Vision Europe B.V.

- **Product Design or Service**

The company is a fully integrated beauty, and health-hygiene services trading company, focusing on trading raw materials, packaging, and other related items to be supplied primarily to Thai, and AEC markets.

- **Marketing and Competition**

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 and health-hygiene products, and services.

- **Material Sourcing or Service**

The company 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**

The company is to facilitate additional business opportunities. Moreover, future distribution of technology led health-hygiene products will further expand the Company's product and service portfolio.

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 2020 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) and 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 Risk Management Committee's Report

S & J International Enterprises Public Company Limited places great importance on management of risks, particularly those jeopardizing accomplishment of the Company's business objectives and goals of being a leader in comprehensive beauty industry. To this end, it seeks to minimize potential risks and pursue business opportunities favorable to creation of added value for the shareholders and stakeholders. The Risk Management Committee was therefore established, comprising Assist.Prof.Dr.Pongchai Athikomrattanakul as Chairman and Assoc.Prof.Nares Kesaparakorn, Mrs.Porntip Putipat, Mrs.Thongsuk Upathambhakul and Mrs.Daranee Ajaneeyakul as member directors, with Ms.Waraluck Punpairoj as a member director and secretary to the Committee.

In 2020, the Risk Management Committee has discharged its duties as assigned by the Board of Directors and under the Charter of the Risk Management Committee. Its responsibilities included determining the enterprise risk management policy, goal and framework so as to ensure appropriateness to the Company's domestic and overseas operations, attainment of international standards, and alignment with corporate strategies and business plans. The Committee held meetings on a quarterly basis to monitor and assess risks and results of risk management at both departmental and organizational levels. Its performance could be summarized as follows:

1. The Risk Management Committee set risk management framework and reviewed risk factors and impacts thereof in order to develop a systematic and standardized risk management plan covering economic, financial, social and environmental aspects. It also managed emerging internal and external risks, while placing the highest priority on steady growth of the Company.
2. The Risk Management Committee oversaw that significant risks were managed and assessed and that a risk management plan was formulated, in order to enable the Company to systematically curb risks to an acceptable level or to mitigate future risk opportunities.
3. The Risk Management Committee passed on the risk management report to the Executive Board in order to ensure that the Company's risk management was efficient and consistent with internal control system and good corporate governance guidelines.

From the above mentioned performance, the Risk Management Committee viewed that the risk management practice had been carried out systematically with close monitoring. This has contributed to the Company's achievement of the determined business objectives and plan, as well as the creation of added value to be sustainably delivered to the Company's shareholders and stakeholders.



(Assist.Prof.Dr.Pongchai Athikomrattanakul)
Chairman of the Risk Management Committee

Risk Management Policy

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

Risk Factors

The Risk Management Committee and related units have jointly analyzed and identified types of risks in order to determine preventive measures and mitigate potential risks. All the risk factors were examined systematically and categorized into 7 types of risks as follows:

Risks Associated with Overseas Business Operations

The Company undertakes a cosmetic manufacturing business and distributes the products to foreign countries through S & J International (UK) Limited in England and 4WD Vision (HK) Limited in China, with a total sales volume of 59% annually. As the COVID-19 pandemic and the UK BREXIT may induce a decrease in sales volume overseas, the Company has therefore adjusted its business strategies and approaches based on the demand for necessity goods in European markets to ensure timely response to customers. In addition, it has managed to expedite delivery time so as to enable the customers to serve the market with fast sales. As a result, the Company could mitigate risks and enjoy continual growth in sales.

Risks Associated with Domestic Business Operations

According to preventive measures against the spread of COVID-19, the government has imposed international travel restrictions which led to a contraction of foreign tourists. The situation correspondingly affected the Company's local customers on sales of cosmetics and other related products to foreign tourists. Besides, local consumers have less their spending on cosmetics, as luxury goods, resulting decrease in company's sale. However, the Company has more focus on personal care products, hygienic products and other necessary goods during the COVID situation by producing products for customers to serve and respond to the market and consumer need.

Risks from Economic Situation

Over the previous year, economic situation changed significantly and influenced the demand of people across the world according to the New Normal, which posed impacts upon many industries in terms of higher costs of raw materials and transportation. The Company has devised thorough cost management in upstream, midstream and downstream supply chain, agile sales strategy to attain continuous revenue, and effective and suitable inventory management. Accordingly, it could keep the production costs less volatile and well respond to ever-changing competition.

Risks from Foreign Exchange

The Company imports raw materials and packaging as well as distributes cosmetics to overseas markets, with US dollar as the main currency for exchange. It has closely monitored changes in exchange rates and prevented foreign exchange risks by executing currency hedging contracts and adopting a natural hedging method of foreign currency deposit account. Thus, foreign currency risks have been effectively managed and impacts been greatly lessened.

Risks Associated with Ability to Retain Domestic and Overseas Customer Bases

Aware of the importance of retaining existing customers to maintain revenue, the Company focuses on gaining customer satisfaction with products and services, constantly interacting with customers in the development of new products that meet market and consumer demand, and being highly responsive to existing customers by means of shortened process and fast delivery of goods.

Moreover, the Company conducts a customer satisfaction survey on an annual basis in order to affirm its emphasis on customer satisfaction. It has also carried out a study into ways of boosting customer satisfaction and formulated a joint action plan.

For smooth-running operations, the Company has enhanced its methods for communicating with both local and international customers by setting up communication technology system on such online conference platforms as Zoom, etc in order to assure customers of its ability to serve their demand either for new product development or purchase order placement, including procedural communications required by customers, such as online inspection of products.

Risks from Government Policies Affecting Businesses

Change of government policies as well as enactment of laws or regulations may affect business undertaking. Consequently, the Company attaches importance to laws or rules that are subject to immediate changes. Upon legislation of the current Personal Data Protection Act, the Company realizes the risk in the unconsented collection, use and disclosure of personal data. Hence, it has prepared a draft Personal Data Protection Policy and a draft Letter of Consent for customers and other related parties, both internally and externally. Relevant operating procedures have been set forth in conformity to the laws and been communicated for enterprise-wide implementation.

Environmental Risks

As a cosmetic manufacturer with a factory located at Saha Group Industrial Park in Chonburi, the Company's non-potable water supply system and wastewater treatment must meet the Ministry of Industry's standards. Despite having a closed manufacturing system with low environmental risks, the Company remains fully eco-conscious and manages environmental risks by establishing a unit responsible for occupational health and environment. Additionally, it has pursued systematic environmental management and been continually receiving ISO 14001:2015 certification on environmental management system from RW TUV NORD.

Dispute

1. The cases which may have the negative impact on the company's assets or its subsidiaries a higher number of 5% of the shareholders' equity as of December 31, 2020.
- None -
2. The cases that affect the business of the Company or its subsidiaries significantly but can not assess the impact number.
- None -
3. The cases that do not incur from the normal business operations of the company or its subsidiaries.
- None -

General Information and Other Important Information

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	Office 2 Naradhiwas Rajanagarindra Road, Thungwatdon, Sathorn, Bangkok, 10120, Thailand. Tel. (662) 676-2727, (662) 676-2737 Fax. (662) 676-2726, (662) 373-2747 Factory 1 (Saha Group Industrial Park - Sriracha) 600/4 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand. Tel. (6638) 480-086-89 Fax. (6638) 480-139 Factory 2 (Pinthong Industrial Park) 789/159 Moo 1, Sai Nong Kho-Leamchabang Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand. Tel. (6638) 348-512 Fax. (6638) 348-461
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	sjj_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, 2020.

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, Boun, 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
Joint venture companies					
11. DKSJ Co.,Ltd. 2535 Sukumvit Road, Bang Chak, Phra Khanong, Bangkok 10260 Tel. (662) 790-8000	Distribution of cosmetics	Common Stock	1,000	499	49.99
Related companies					
12. 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
13. 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

Company/Address	Type of Business	Type of Shares	No. of Paid-up Shares	Shareholding by the Company	
				No. of Shares	%
Related companies					
14. 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
15. 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
16. 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 Ms.Sineenart Jirachaikhuan Khan Certified Public Accountant No. 6287 EY Office Limited. 193/136-137 Lake Rajada Office Complex, 33 rd Floor, Rajadapisek Rd., Klongtoey, Bangkok, 10110 Tel./Fax. (662) 264-9090, (662) 264-0789

2. Other Important Information

- None -

Property and Shareholders Information

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, 2020

Name	No. of shares	%
1. Saha Pathana Inter-Holding Public Company Limited*	29,435,192	19.63
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.Boonsithi Chokwatana	3,452,374	2.30
8. Mrs. Tipaporn Chokwatana	2,725,652	1.82
9. Ms. Ratiporn Punsak-Udomsin	1,800,000	1.20
10. Mrs.Pavinee Punsak-Udomsin	1,800,000	1.20
Total 10 Major Shareholders	108,148,800	72.13
Total Shareholders	149,930,828	100.00

Note : * Saha Group Companies

Shareholding structure classified by shareholding party categories (As of December 31, 2020)

Shareholder Category	Number	No. of shares	%
Legal entity			
Thai nationality	30	87,592,105	58.43
Foreign nationality	4	410,728	0.27
Total legal entity	34	88,002,833	58.70
Ordinary person			
Thai nationality	774	61,477,002	41.00
Foreign nationality	14	450,993	0.30
Total Ordinary person	788	61,927,995	41.30
Total	822	149,930,828	100.00

Shareholding structure classified by shareholding ratio (As of December 31, 2020)

Shareholder Category	Number	No. of shares	%
Legal entity			
Holding shares over 0.5%	9	86,010,885	57.37
Holding shares not over 0.5% but not less than 1 board lot	23	1,991,898	1.33
Holding shares less than 1 board lot	2	50	0.00
Total legal entity	34	88,002,833	58.70
Ordinary person			
Holding shares over 0.5%	16	40,420,991	26.96
Holding shares not over 0.5% but not less than 1 board lot	658	21,505,136	14.34
Holding shares less than 1 board lot	114	1,868	0.00
Total Ordinary person	788	61,927,995	41.30
Total	822	149,930,828	100.00

Distribution Information Shareholdings (Free Float)

As of June 25, 2020, the closing date of the company entitled to attend the Annual General Meeting of Shareholders No.41 on August 4, 2020 of which the company's minor shareholders holding is 36.68%.

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-

Dividend Policy

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	2019	2018	2017	2016	2015
1. Profit for the year (Million Baht)	262.17	377.69	324.98	315.84	237.46
2. Number of Share (Million share)	149.93	149.93	149.93	149.93	149.93
3. Earnings per Share (Baht / Share)	1.75	2.52	2.17	2.11	1.58
4. Interim Dividend per share (Baht)	1.10	-	-	-	-
5. Annual Dividend per share (Baht)	-	1.26	1.20	1.20	1.00
6. Dividend Paid (Million Baht)	164.92	188.91	179.92	179.92	149.93
7. Payout ratio (%)	62.91	50.02	55.36	56.96	63.14

Note : The Board of Directors meeting No 2/2021 held on February 25, 2021 had the resolution to propose to the shareholders meeting scheduled on April 27, 2021 in order to approve for dividend payment baht 1.00 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.

The Nominating Committee's Report

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 2020, none of the shareholders nominated any candidates to be considered as company directors.

In 2020, 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 5 persons who had been nominated to serve as company directors replacing the directors who retired by rotation at the 41st General Meeting of Shareholders, which were Mr.Thirasak Vikitset, Mrs.Teerada Ambhanwong, Mr.Suthep Dansiriviroj, Mr.Amorn Asvanunt and Mrs.Pradittha Chongwattana to become company directors for another term. 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

The Remuneration Committee's Report

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 2020, 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 Executive Board's Report

S & J International Enterprises Public Company Limited appointed the Executive Board, with a capacity of the Management, to be responsible for the management of corporate business as assigned by the Board of Directors and in conformity to the Charter of the Executive Board.

In 2020, the Executive Board consisted of 12 members, namely:

1.	Mr.Thirasak	Vikitset	Chairman
2.	Dr.Atthakorn	Glankwamdee	Member
3.	Mrs.Kaewta	Ongsaranakom	Member
4.	Prof.Dr.Malyn	Ungsurungsie	Member
5.	Mrs.Chitraporn	Vikitset	Member
6.	Mrs.Thongsuk	Upathambhakul	Member
7.	Mrs.Patchara	Pongwichan	Member / Secretary of the Executive Board
8.	Mrs.Daranee	Ajjaneeyakul	Member
9.	Mrs.Suthanya	Sumana	Member
10.	Mr.Sumit	Khopaiboon	Member
11.	Ms.Kitsanarut	Rassameesuriyan	Member
12.	Ms.Yarin	Arayatanitkul	Member

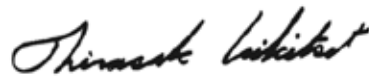
The Executive Board convened a total of 25 meetings to perform the designated duties, as summarized below:

1. Proposed the annual business plan, entailing business strategies, sales target and profit projection, to the Board of Directors; as well as responsibilities to manage the Company's business according to the set-forth policy and strategies.
2. Considered and approved on annual investment budget for various aspects, i.e. production efficiency augmentation, product improvement, IT development, along with enhancement and promotion of personnel capabilities in order to support corporate growth under business strategies and long-term competitiveness.
3. Overseeing that financial reports are prepared and ready for the external auditors to review, audit and express their opinions thereon prior to proposing such reports to the Audit Committee and the Board of Directors respectively; and monitoring overall performance of the Company and each business group on a monthly basis, with recommendations for further development and greater efficiency.
4. Considered the connected transactions and acquisition or disposal of assets prudently to ensure that these transactions are reasonable in terms of prices and other relevant conditions and executed in benefit to the Company and its shareholders, whereby executive directors with conflict of interests in the matter shall not take part in the decision making. The Executive Board shall subsequently propose any transactions with significant size to the Audit Committee and the Board of Directors for consideration and approval.

5. Encouraged and supported employees to work continually on product and process innovations; as well as driving the Company and its products to attain quality and standard accreditation from leading agencies both nationally and internationally.

6. Reviewed the Charter of the Executive Board so that these operating guidelines are consistent with current circumstances; approving the anti-corruption policy as guidelines for the executives and staff to perform with transparency and fairness; and reviewing internal operating procedures in alignment with forthcoming changes.

The Executive Board is committed to managing the business with transparency and accountability toward accomplishment of the Company's vision, mission, goal and business strategies under the good corporate governance principles alongside business operations with social and environmental responsibility so that the Company continues to thrive steadily and sustainably.



(Mr.Thirasak Vikitset)

Chairman of the Executive Board and Managing Director

Management Structure

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.Tipapom Chokwatana	Vice Chairman	-	-	-	-	-	-	-
3	Mr.Thirasak Vikitset	Managing Director	-	Director	Director	-	-	-	Chairman
4	Dr..Athakorn Glankwamdee	Deputy Managing Director	-	Director	-	-	-	-	Director
5	Mrs.Kaewta Ongsaranakom	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.Amorn Asvanunt	Independent Director	Chairman	-	-	-	-	-	-
13	Mrs.Pradittha Chongwattana	Independent Director	Director	-	-	-	-	-	-
14	Pol.Gen.Somchai Prabhasabhakdi	Independent Director	Director	-	-	-	-	Chairman	-
15	Assist.Prof.Dr.Pongchai Athikomrattanakul	Independent Director	Director	-	-	Chairman	-	-	-

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 2020, The Board of Directors and other committees regularly held their meetings, with the attendance record by each directors were summarized as follows :

Name		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	The Executive Board	
		10 times / year	5 times / year	2 times / year	2 times / year	5 times / year	4 times / year	4 times / year	25 times / year	1 time / year
1	Mr.Boonkeit	Chokwatana	10/10	-	2/2	2/2	-	-	-	1/1
2	Mrs.Tipaporn	Chokwatana	10/10	-	-	-	-	-	-	1/1
3	Mr.Thirasak	Vikitset	10/10	-	2/2	2/2	-	-	22/25	1/1
4	Dr.Atthakorn	Glankwamdee	9/10	-	0/2	-	2/5**	-	21/25	1/1
5	Mrs.Kaewta	Ongsaranakom	10/10	-	2/2	2/2	-	4/4	22/25	1/1
6	Prof.Dr.Malyn	Ungsurungsie	9/10	-	-	-	4/4	-	23/25	1/1
7	Mrs.Chitraporn	Vikitset	10/10	-	1/2	-	-	-	23/25	1/1
8	Mrs.Teerada	Ambhanwong	9/10	-	-	-	-	-	-	1/1
9	Mr.Suthep	Dansiriviroj	10/10	-	-	-	-	-	-	1/1
10	Admiral Apichart	Pengsritong	9/10	-	-	-	4/4	-	-	1/1
11	Mrs.Pismai	Chandrubeksa	7/10	-	-	1/2	-	-	-	1/1
12	Mr.Amom	Asvanunt	10/10	5/5	-	-	-	-	-	1/1
13	Mrs.Pradittha	Chongwattana	10/10	5/5	-	-	-	-	-	1/1
14	Pol.Gen.Somchai	Prabhasabhakdi	10/10	5/5	-	-	-	4/4	-	1/1
15	Assist.Prof.Dr.Pongchai	Athikomrattanakul	10/10	5/5	-	-	3/5*	-	-	-
16	Assoc.Prof.Nares	Kesaparakom	-	-	-	-	3/5	-	-	-
17	Mrs.Pomtip	Putipat	-	-	-	-	3/5*	-	-	-
18	Mr.Varith	Tritrapun	-	-	-	-	-	-	-	1/1
19	Mrs.Thongsuk	Upathambhakul	-	-	-	-	3/5*	1/4**	24/25	-

Name	Directors' Meeting									General
	The	The	The	The	The	The	The	The	The	Shareholders' Meeting
	Board of Directors	Audit Committee	Nomination Committee	Remuneration Committee	Risk Management Committee	Corporate Social Responsibilit Committee	Corporate Governance Committee	Executive Board	25 times / year	
10 times / year	5 times / year	2 times / year	2 times / year	5 times / year	4 times / year	4 times / year	25 times / year	1 time / year		
20 Mrs.Patchara Pongwichan	-	-	-	-	-	-	4/4	25/25	-	
21 Mrs.Daranee Ajaneeyakul	-	-	-	-	5/5	-	-	23/25	-	
22 Mrs.Suthanya Sumana	-	-	-	-	2/5**	-	-	25/25	-	
23 Mr.Sumit Khopaiboon	-	-	-	-	-	-	4/4	25/25	-	
24 Ms.Kitsananut Rassameesuriyan	-	-	-	-	-	-	-	24/25	-	
25 Ms.Yarin Arayatanitkul	-	-	-	-	-	-	-	25/25	-	
26 Mrs.Rujapa Srisurang	-	-	-	-	2/5**	4/4	-	-	-	
27 Mrs.Tanyanan Tantikovit	-	-	-	-	-	4/4	-	-	-	
28 Ms.Waraluck Punpairoj	-	-	-	-	3/5*	-	-	-	-	
29 Ms.Thatsruang Saengwichian	-	-	-	-	-	4/4	-	-	-	
30 Mrs.Worawan tantrasadatee	-	-	-	-	-	-	4/4	-	-	
31 Ms.Pompanawan Boonrom	-	-	-	-	-	3/4*	-	-	-	
32 Ms.Patchapornwan Thanavejchamong	-	-	-	-	-	3/4*	-	-	-	
33 Assoc.Prof.Kitisak Ploypanichcharoer	-	-	-	-	2/5**	-	-	-	-	
34 Mr.Pattara Vikitset	-	-	-	-	0/5**	-	-	-	-	
35 Ms.Yaowaluk Potinimit	-	-	-	-	-	1/4**	-	-	-	

Remark : * Appointed on May 15, 2020

** Retired on May 15, 2020

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 13 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, 2020

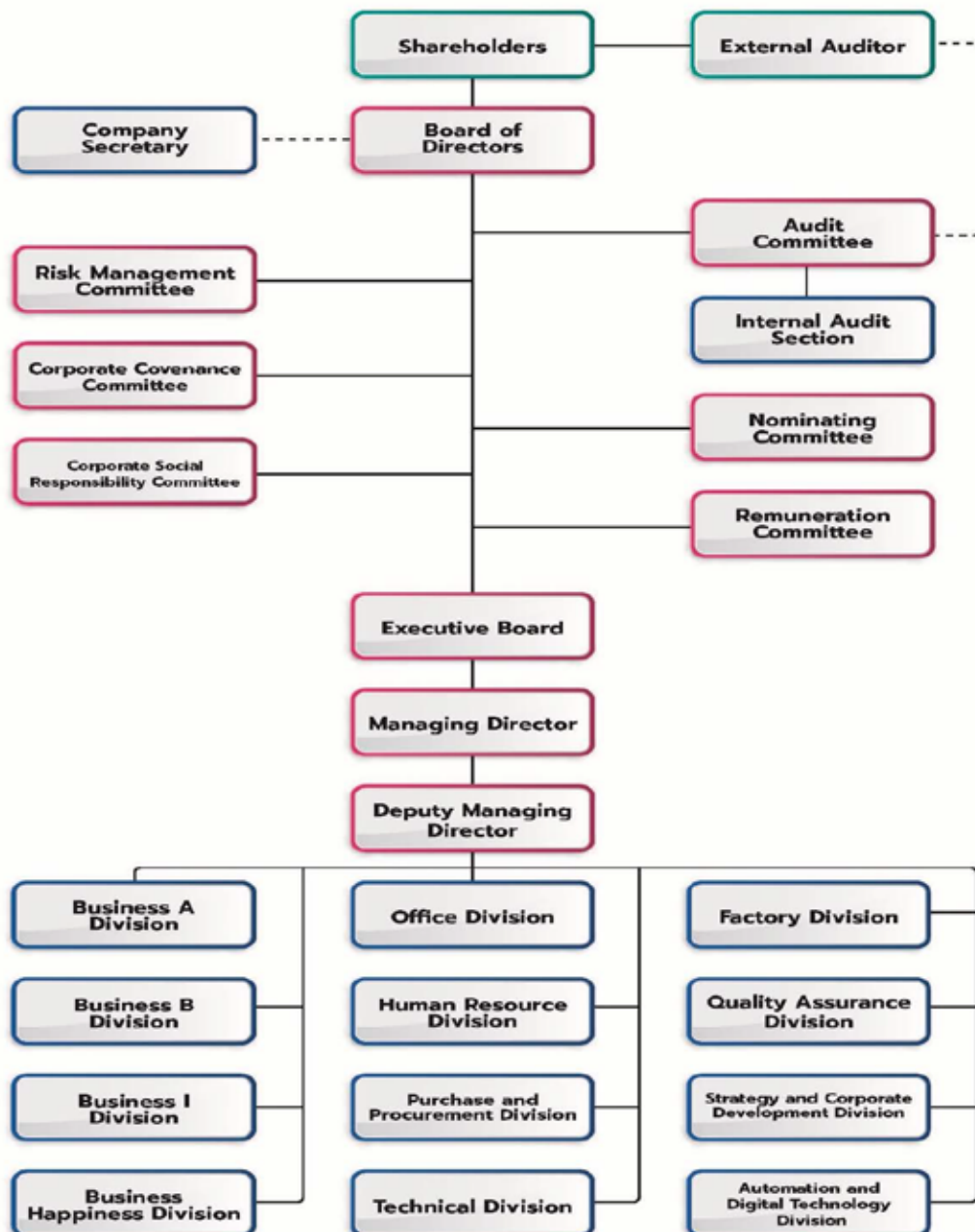
Name	Position
1. Mr.Thirasak Vikitset	Managing Director / Director which are Management
2. Dr.Atthakorn Glankwamdee	Deputy Managing Director / Director which are Management
3. Mrs.Kaewta Ongsaranakom	Director / Director which are Management
4. Prof.Dr.Malyn Ungsurungsie	Director / Director which are Management
5. Mrs.Chitraporn Vikitset	Director / Director which are Management
6. Mr.Bo Nystrup Nielsen	Strategy and Corporate Development Division Manager

	Name	Position
7.	Mr.Simon Rhoderick Knight	Overseas Business Division Manager
8.	Mrs.Thongsuk Upathambhakul	Domestic Business Division Manager
9.	Mr.Praj Srichandra	Factory Division Manager
10.	Mr.Varith Tritrapun	Office Division Assistant Manager (Accounting & Finance)
11.	Mrs.Patchara Pongwichan	Human Resource Division Assistant Manager
12.	Mrs.Daranee Ajjaneeyakul	Technical Division Assistant Manager
13.	Dr.Arucha Budsakornbhinanda	Automation and Digital Technology 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”.

2.3 Organization Structure as of December 31, 2020



3. Company Secretary

The Board of Directors has appointed Mr. Sumit Khopai boon, 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 Khopai boon Company Secretary	Bachelor of Administration (Accounting), Ramkhamhaeng University	- Company Secretary Program Class 83/2017 : Thai Institute of Directors (IOD)

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 prior 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:

	2020 (baht / time)		2019 (baht / time)	
	Chairman	Director	Chairman	Director
The Board of Directors	12,000	10,000	12,000	10,000
The Audit Committee				
The Nominating Committee				
The Remuneration Committee				
The Risk Management Committee	10,000	9,000	10,000	9,000
The Corporate Social Responsibility Committee				
The Corporate Governance Committee				

For year 2020, the company paid the meeting allowance of Baht 1,743,000 and director remuneration of Baht 12,300,000, totalling Baht 14,043,000.

Details of remuneration received by each company directors in 2020 are as follows:

		Meeting fee								Total
		Directors fee								Directors fee
Name	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	1,200,000.00	108,000.00	-	20,000.00	20,000.00	-	-	-	1,348,000.00	
2 Mrs.Tipapom Chokwatana	1,100,000.00	84,000.00	-	-	-	-	-	-	1,184,000.00	
3 Mr.Thirasak Vikitset	2,800,000.00	84,000.00	-	16,000.00	16,000.00	-	-	-	2,916,000.00	
4 Dr..Athakorn Glankwamdee	400,000.00	75,000.00	-	-	-	20,000.00	-	-	495,000.00	
5 Mrs.Kaewta Ongsaranakom	1,000,000.00	84,000.00	-	16,000.00	16,000.00	-	-	35,000.00	1,151,000.00	
6 Prof.Dr.Malyn Ungsurungsie	1,000,000.00	75,000.00	-	-	-	-	40,000.00	-	1,115,000.00	
7 Mrs.Chitrapom Vikitset	1,000,000.00	84,000.00	-	8,000.00	-	-	-	-	1,092,000.00	
8 Mrs.Teerada Ambhanwong	400,000.00	75,000.00	-	-	-	-	-	-	475,000.00	
9 Mr.Suthep Dansiriviroj	500,000.00	84,000.00	-	-	-	-	-	-	584,000.00	
10 Admiral Apichart Pengsritong	400,000.00	74,000.00	-	-	-	-	34,000.00	-	508,000.00	
11 Mrs.Pismai Chandrubeksa	400,000.00	57,000.00	-	-	8,000.00	-	-	-	465,000.00	
12 Mr.Anom Asvanunt	600,000.00	84,000.00	60,000.00	-	-	-	-	-	744,000.00	
13 Mrs.Pradittha Chongwattana	400,000.00	84,000.00	48,000.00	-	-	-	-	-	532,000.00	
14 Pol.Gen.Somchai Prabhasabhakdi	500,000.00	84,000.00	48,000.00	-	-	-	-	40,000.00	672,000.00	
15 Assist.Prof.Dr.Pongchai Athikomrattanukul	600,000.00	84,000.00	48,000.00	-	-	30,000.00	-	-	762,000.00	
Total	12,300,000.00	1,220,000.00	204,000.00	60,000.00	60,000.00	50,000.00	74,000.00	75,000.00	14,043,000.00	

(B) Remuneration for management Referred to the remuneration for the 5 executive directors who were non-management members and 8 company's management members in accordance with the definition of the management set by The Securities and Exchange Commission, altogether totaling 13 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	2020		2019	
	Number of persons	Amount (baht)	Number of persons	Amount (baht)
Salary and bonus	13	54,042,696	14	51,610,590
Meeting fee	13	678,000	14	531,000
Total		54,720,696		52,141,590

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	2020		2019	
	Number of persons	Amount (baht)	Number of persons	Amount (baht)
Provident fund contribution	13	156,312	14	126,500
Total		156,312		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, 2020 and 2019, the Company had total staffs of 1,675 and 1,898 persons respectively, divided into 10 main departments as follows :

Main Division	2020 (Persons)	2019 (Persons)
Customer Service	123	121
Office	98	92
Purchase and Procurement	47	45
Human Resource	127	132
Technical	222	308
Factory	872	1,064
Quality Assurance	160	106
Automation and Digital Technology	19	25
Strategy and Corporate Development	4	2
Internal Audit	3	3
Total	1,675	1,898

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 2020 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.

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	2020 (Million baht)	2019 (Million baht)
Employee benefit expenses	728.8	734.0
Provident fund	10.0	9.2
Total	738.8	743.2

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.

The Company realizes the importance of human resource development at all levels in the organization. The company focuses on the value creation process of development and training by establishing a human resource development plan that is linked to the business development plan and corporate strategy, together with the creation of a learning culture for the business needs of the future. In 2020, the Company has focused on enhancing personnel capabilities in relation to and consistent with its business goals, particularly digital skills, analytical thinking skills and effective communication skills which are essential for employees and executives toward continual development planning for the time being and beyond. Although undergoing crisis due to COVID-19 outbreak, the Company continued to implement its personnel development on

necessary matters as planned, with the added aid of technology in training, assessment and follow-up. For more details, please see “Sustainable Development Report 2020: Human Resource Development.”

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 2020 : Good People”

The Corporate Governance Committee's Report

The Corporate Governance Committee of S & J International Enterprises Public Company Limited, comprised of Pol. Gen. Somchai Prabhasabhakdi as Chairman and Mrs. Kaewta Ongsaranakom, Mrs. Patchara Pongwichan, Mrs. Worawan Tantrasadetee and Mr. Sumit Khopaiboon as member directors, has fulfilled the duties assigned by the Board of Directors as specified in the Charter of the Corporate Governance Committee to ensure compliance with the Good Corporate Governance Principles and the management in a transparent, disclosure and accountable manner that is fair to all stakeholders toward the achievement of sustainable growth.

In 2020, the Corporate Governance Committee convened 4 meetings and carried out duties as follows:

1. Reviewing the **Charter of the Corporate Governance Committee** to be in line with the current situations.
2. Supervising to ensure full compliance with the **Good Corporate Governance Principles**. As a result, the Company received an **"Excellent"** assessment score by the Thai Institute of Directors for the third consecutive year, and achieved a **full score of 100** on the AGM Quality Assessment Project for 2020 by the Thai Investors Association for the fourth consecutive year.
3. Promoting **knowledge and understanding** of good corporate governance and anti-corruption by cultivating the "consciousness" among related parties so as to sustainably put these ideals into concrete practices.
4. Encouraging its subsidiary (Top Trend Manufacturing Co., Ltd.) to declare its intention to join the Thai Private Sector Collective Action Against Corruption (CAC) of the Thai Institute of Directors (IOD).

The Corporate Governance Committee firmly asserts that the Company has operated its businesses in accordance with the Good Corporate Governance Principles to the level capable of giving the shareholders confidence.



(Pol.Gen.Somchai Prabhasabhakdi)

Chairman of the Corporate Governance Committee

Anti-Corruption Policy

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 24, 2015. 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

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 Pengsritong	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 2020, The Board of Directors convened total 10 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 2020 – May 2021. In 2020 the total amount of the Audit Committee was 4 persons.

Name list of the Audit Committee

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

Remark : * Well knowledge 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 controlsystem.
 - 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 2020, 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 Chairman of the Nominating Committee is a non-executive director. The term of the Nominating Committee is 1 year from May 2020 – May 2021.

Name list of the Nominating Committee

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

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 2020, 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 2020 – May 2021.

Name list of the Remuneration Committee

	Name	Position
1	Mr.Boonkiet Chokwatana	Chairman of the Remuneration Committee
2	Mr.Thirasak Vikitset	Director of the Remuneration Committee
3	Mrs.Kaewta Ongsaranakom	Director of the Remuneration Committee
4	Mrs.Pismai Chandrubeksa	Director of the Remuneration Committee / Independent 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 2020, 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 6 members to serve as members of The Risk Management Committee, by the non-executive officer 4 persons, which including the Chairman of the Risk Management Committee and executive officer, 2 persons. The term of the Risk Management Committee is 1 year from May 2020 – May 2021.

Name list of the Risk Management Committee

	Name		Position
1	Assist.Prof.Dr.Pongchai	Athikomrattanukul	Chairman of the Risk Management Committee
2	Assoc.Prof.Nares	Kesaprakorn	Director of the Risk Management Committee
3	Mrs.Porntip	Putipat	Director of the Risk Management Committee
4	Mrs.Thongsuk	Upathambhakul	Director of the Risk Management Committee
5	Mrs.Daranee	Ajjaneeyakul	Director of the Risk Management Committee
6	Ms.Waraluck	Punpairoj	Director of the Risk Management Committee
	Ms.Waraluck	Punpairoj	Secretary of 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 2020, The Risk Management 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.

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 2020 – May 2021.

Name list of the Corporate Social Responsibility Committee

	Name		Position
1	Prof.Dr.Malyn	Ungsurungsie	Chairman of the Corporate Social Responsibility Committee
2	Admiral Apichart	Pengsritong	Director of the Corporate Social Responsibility Committee
3	Mrs.Rujapa	Srisurang	Director of the Corporate Social Responsibility Committee
4	Mrs.Tanyanan	Tantikovit	Director of the Corporate Social Responsibility Committee
5	Ms.Thatsruang	Saengwichian	Director of the Corporate Social Responsibility Committee
6	Ms.Pornpanawan	Boonrom	Director of the Corporate Social Responsibility Committee
7	Ms.Patchapornwan	Thanavejchamong	Director of the Corporate Social Responsibility Committee
	Mrs.Rujapa	Srisurang	Secretary of 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 employee's ethics of the company.
7. Other duties as assigned by the Board of Directors.

During 2020, 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, its term is 1 year, from May 2020 - May 2021.

Name list of the Corporate Governance Committee

	Name		Position
1	Pol.Gen.Somchai	Prabhasabhakdi	Chairman of the Corporate Governance Committee
2	Mrs.Kaewta	Ongsaranakom	Director of the Corporate Governance Committee
3	Mrs.Patchara	Pongwichan	Director of the Corporate Governance Committee
4	Mrs.Worawan	Tantrasadatee	Director of the Corporate Governance Committee
5	Mr.Sumit	Khopaiboon	Director of the Corporate Governance Committee
	Mr.Sumit	Khopaiboon	Secretary of 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 2020, The Corporate Governance 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.

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 12 persons with 1 year term, from May 2020 - May 2021, 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 of the Executive Board and Managing Director
2	Dr.Atthakorn	Glankwamdee	Director of the Executive Board
3	Mrs.Kaewta	Ongsaranakom	Director of the Executive Board
4	Prof.Dr.Malyn	Ungsurungsie	Director of the Executive Board
5	Mrs.Chitraporn	Vikitset	Director of the Executive Board
6	Mrs.Thongsuk	Upathambhakul	Director of the Executive Board
7	Mrs.Patchara	Pongwichan	Director of the Executive Board
8	Mrs.Suthanya	Sumana	Director of the Executive Board
9	Mrs.Daranee	Ajjaneeyakul	Director of the Executive Board
10	Ms.Kitsanarut	Rassameesuriyan	Director of the Executive Board
11	Mr.Sumit	Khopaiboon	Director of the Executive Board
12	Ms.Yarin	Arayatanitkul	Director of the Executive Board
	Mrs.Patchara	Pongwichan	Secretary of the Executive Board

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, filling 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.

In 2020, 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 2020, the Executive Board convened total 25 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 of 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 directorships 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 that 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 2020, 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 2020, 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 2020, the company did not receive a caution offence by the Securities and Exchange Commission (SEC).

Auditor's remuneration

In 2020, the shareholders approved the appointment of EY Office Limited. as the external auditor of the company 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	2020	2019
S & J International Enterprises Plc.	1,810,000	1,810,000
5 Subsidiary companies	1,285,000	1,285,000
Total	3,095,000	3,095,000

2. Non-audit fee

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

Unit : baht

Non-audit fee	2020	2019
Observation on destruction of goods	80,000	80,000
Other service for reviewing the work of other auditors	90,000	90,000
Total	170,000	170,000

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 has 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 2020, 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 2020, 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 2020, the Company scheduled to convene the Annual General Meeting of Shareholders No.41 on Thursday 23 April 2020. Given the severe COVID-19 outbreak in early 2020 and the Bangkok Metropolitan Administration's request for cooperation to contemplate the necessity of mass gathering activities that might pose a high risk of virus spread, the Company decided to postpone the Annual General Meeting of Shareholders No. 41 to Tuesday 4 August 2020.

In addition, the Board of Directors resolved to pay interim dividend instead of annual dividend to be proposed to the meeting of shareholders for approval, in order to lessen the impact of the meeting postponement on the shareholders. The Company therefore notified the shareholders of the Board resolution and the dividend payment in detail via the Stock Exchange of Thailand's news and information system, and coordinated with Thailand Securities Depository Co., Ltd., the registrar, to assure the shareholders of accurate receipt of dividends under their right. Pertinent details were also published in a daily newspaper for 3 consecutive days, i.e. 27 – 29 April 2020.

(1) The company provided the shareholders with the opportunity to propose meeting agenda prior to the meeting date for 2020, during the period of November 15 – December 31, 2019, by providing related conditions on company website on November 15, 2019 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 41st shareholders' meeting 60 days prior to the meeting date, namely on June 4, 2020, 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 June 29, 2020, 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 July 10, 2020 or 24 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 20 days prior to the meeting date, during July 13 – 15, 2020.

(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 June 29 – July 31, 2020, via company's website. The procedure of sending questions was also mailed together with the notice of shareholder's meeting. In 2020, 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 20, 2020) and sent the annual report to the shareholders by mail (July 10, 2020).

- **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 year 2020, the company held the shareholders' meeting on Tuesday, August 4, 2020, at 13.00 p.m., at The Avani Plus 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 2020, 15 directors accounting for 100% 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 EY 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 2020, 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.41 held on Tuesday, August 4, 2020 is as follows ;

Agenda	Approve			Disapprove			Abstent		
	No. of Shareholder	Shares	%	No. of Shareholder	Shares	%	No. of Shareholder	Shares	%
1	63	125,890,350	100.00	-	-	-	-	-	-
3	64	125,934,164	100.00	-	-	-	-	-	-
5.1 –5.4	64	125,934,164	100.00	-	-	-	-	-	-
5.5	63	125,934,154	100.00	1	10	0.00	-	-	-
6	64	125,934,164	100.00	-	-	-	-	-	-
7	64	125,934,164	100.00	-	-	-	-	-	-
8	64	125,934,164	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.

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 2020 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 2020 during the period of November 15 - December 31, 2019. 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 General Meeting of Shareholders No.41 held on Tuesday August 4, 2020, 7 shareholders who possesses 28,885,040 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 that information on company website.

Furthermore, the company also incorporated above information into company regulations, together with the penalty provision. During 2020, 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 2020, 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 2020, 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 2020, the company paid the interim dividend from the result of business performance of year 2019 at rate of 1.10 Baht per share accounting for 62.91% of net profit of the separate financial statements by setting the date of payment on May 7, 2020. The dividend has been paid to shareholders for 41 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 2020 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 Safety, 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 2020, the Company organized a total of 20 safety courses, such as "Operational Safety for New Employees, Supervisors and Executives," etc. It also raised awareness and consciousness of safety among employees by devising the area inspection plan to assess and identify operational risks and running projects on safe workplace environment, e.g. mitigation of risks of work-related diseases, hazard prediction training for zero-accident (KYT), safe driving and traffic rule compliance campaign, 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 2020 for each department to make an action plan and proceed to achieve the following goals.

1. No accident until stop working over 3 days, Working days

Result Achieved

2. No injury due to work stop 0 case.

Result Injury severity rate (in case of absence) 0 case.

According to the said policy, the Company participated in a project by Thailand Institute of Occupational Safety and Health (TOSH) encouraging all employees to engage in zero-accident workplace, and received a national honorable award in Zero Accident Campaign on “Silver Level.”

Remark: For more details, please see “Sustainable Development Report 2020: Occupational Health and Safety.”

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 2018 - 2020

	2020	2019	2018
Local-Customer	88%	89%	83%
Overseas-Customer	85%	93%	84%

In 2020, the company received confidence from customers and consumers and got Watsons Health, Wellness, and Beauty Awards for Avocado Hair Treatment Wax, which has become their best-selling hair treatment.

Remark: For more details, please see “Sustainable Development Report 2020: Customer Relationship Management.”

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 policies 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 environment. Trading partners 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 2020, there is no event that we do not abide by the contract partner.

Remark : More detail in "Sustainable Development Report 2020 : 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 2020 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 2020 : 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 missions 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 2020 : 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 2020, the company received award of "Thailand Sustainability Investment 2020" 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 7 consecutive years.

The company has delivered Sustainable Development Report 2020 to shareholders on QR Code together with invitation letter of The Annual General Meeting of Shareholders for the year 2021 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, as follow:

- **Energy** - Energy conservation, Renewable energy
- **Water** - Water conservation, Renewable water, Waste water management
- **Air** - Reduces Carbon Dioxide and others emissions
- **Industrial waste management**

Remark : More detail in "Sustainable Development Report 2020 : 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 2020, the company provided training environment as follow.

1. Basic knowledge of ISO14001/OHSAS18001
2. Aspect & Risk Assessment
3. 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** – the Master Science Room Project, the Science on Mobile Project, etc.
- **Community and Underprivileged** - Health Mobile project, Healthy Market from employees and factory Communities, etc.
- **Elephant and Other Animals** - Free the Life of Elephant Project, Grow food crops for elephants Project, the Mobile Animal Care project, etc.
- **Religious charities** - Good Start Good Life project, Kathin Ceremony, etc.

During the COVID-19 pandemic, the Company also assisted hospitals and the government sector by donations to 18 hospitals for purchase of medical equipment and expansion of COVID-19 treatment rooms, as well as giving 4,040 bottles of hand sanitizer gel to 4 government agencies.

Remark : More detail in "Sustainable Development Report 2020 : 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 labor protection and welfare, Ministry of labor, 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 2020 : 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 2020, the company was not associated with abuse of any copyright and/or other intellectual property.

Remark : More detail in "Sustainable Development Report 2020 : 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 2020, the Company has extended the Coalition against Corruption to Top Trend Manufacturing Co.,Ltd. (a subsidiary), which announced its intention to the Thai Private Sector Coalition Against Corruption Committee. (CAC) in October 2020 and is expected to file a self-assessment by the second quarter of 2021.

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.
- Training "SJI cooperation for Anti-Corruption " for employees of all levels for the year 2020 through the E-learning system and assessment for average score at 95% (very good level).
- Orientation for new employees, which have content policies and guidelines, operating for anti-corruption, to cultivate the consciousness from the start.
- 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:

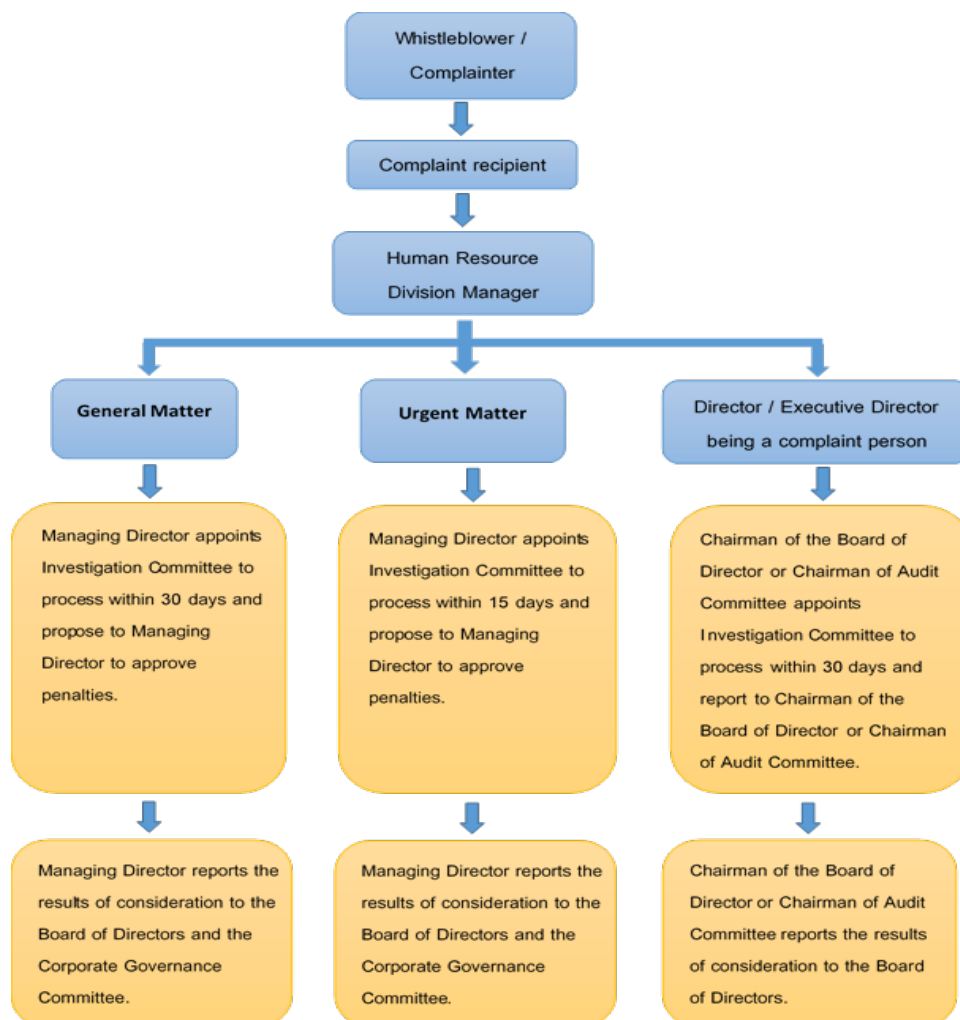
Division	Telephone number	E-mail address
Human Resource Division Manager	(02) 676-2727 Ext. 2208	patchara@snjinter.com
Company Secretary	(02) 676-2727 Ext. 2812	sumit_k@snjinter.com

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 2020 there were complaints about a violation of work regulations for 1 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 plans 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 2020, 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 2020, 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 2020, 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 2020, 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 2020".

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 2020, 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 2020, the company has disclosed the quarterly operating result report for 4 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

or

Mr.Sumit Khopaiboon

Investor Relation

Company Secretary

Tel. (662) 676-2727 ext. 2508

Tel. (662) 676-2727 ext. 2812

E-mail : sji_sec@snjinter.com

E-mail : sumit_k@snjinter.com

In 2020, the COVID-19 has spread incessantly and widely. Meanwhile, the government had declared a state of emergency across the nation and requested cooperation to consider the necessity of organizing mass gathering activities that could carry a high risk of virus spread and public infections. In response to the government policy and for the safety of those going to the meeting, the Company had communicated its significant information to the shareholders and investors through the SET's channel and the Company's website instead of hosting the "Analysts and Investors Meet Saha Group" event.

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, one director held director position in 5 listed companies. However, the company believes that no any impacts on their

performance. Furthermore, the director has dedicated time in working and consistency attendance in the meetings and always perform for the benefit of the company.

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 2020, 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.

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.1/2020, 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 2020, The Board of Directors held 6 meetings altogether and having the Directors attending the meeting more than 95% of the meeting whole year and non-executive directors held 1 meeting on February 25, 2021, without any management in attendance. (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 2020 has set scheduled of the Board of Director meeting for the year 2021 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 21, 2021
2	February 25, 2021
3	May 13, 2021
4	July 15, 2021
5	August 13, 2021
6	November 11, 2021
7	December 23, 2021

5.5 Evaluation of the Board of Directors

The evaluation of the Board of Directors performance for the year 2020 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 follow:

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

In 2020, the evaluation result was in "Excellent" criteria with the average score of 93%

Yearly Performance Evaluation of the Individual Director

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

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

In 2020, the evaluation result was in "Excellent" criteria with the average score of 93%

Yearly Performance Evaluation of the Various Committees

The Board of Directors has set the evaluation of performance of every various committees in 2020 that each member of the various committees evaluated the work of his/her various committees as a whole. The result can be summarized as follow:

The Sub-Committees	Evaluation Result
The Audit Committee	94%
The Nominating Committee	82%
The Remuneration Committee	85%
The Risk Management Committee	82%
The Corporate Social Responsibility Committee	97%
The Corporate Governance Committee	97%
The Executive Board	89%

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 assessment 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	-	-	-	-	-
12.	Mr.Amorn Asvanunt	4/2003	-	-	-	-	-

	NAME	DAP	DCP	RCC	RMP	RCP	ACP
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	162/201	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 Management in 2020

Name	Training Course / Seminar
Mr.Varith Tritrapun	- Managerial accounting for planning and decision : Dharmniti

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 2020.

Details of Corporate Governance Evaluation;

Categories	2020 (%)	2019 (%)	2018 (%)
1. Right of Shareholders	92	92	92
2. Equitable Treatment of Shareholders	99	99	93
3. Role of Stakeholders	94	94	94
4. Disclosure and Transparency	97	97	94
5. Responsibilities of the Board	84	84	85
Score Average	91	91	90

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.
2. The Board of Director’s policy has specified the limit of the number of years on the tenure of independent directors not exceeding 9 years.	The Board of Director’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

Non - practiced aspects	Reasons
3. The Board of Directors has no independent director appointed as the company's director for more than 9 years.	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.
4. The Chairman of The Board of Directors is independent director.	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.
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.	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.

Internal Control and Risk Management

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 2020, 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.1/2021 held on January 21, 2021 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. 1/2020 held on 20 February, 2020 appointed Mrs.Panee Chantavorakit to be chief internal auditor in addition to Secretary of the Audit Committee of the company since February 20, 2020 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.Panee Chantavaralak	Bachelor Degree	- Company Secretary Program
- Internal Audit Manager	Faculty of Commerce and	# 11/2005 (Thai Institute of Directors
- Secretary of Audit Committee	Accountancy	(IOD))
	Thammasat University	- Issues and future direction of TFRS
		for NPAEs
		- Update Tax Law of the year 2020

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 Chief 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.	- Managerial accounting for planning and decision : Dharmniti

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	- Managerial accounting for planning and decision : Dharmniti - Update Tax Law of the year 2020

Relating Party Transaction

Information disclosure for relating transaction

In year 2020, 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. Saha Pathana Inter-Holding Plc.	A,B,C,D	0.32	- Immovable property rental expenses	5.80
			- Electrical and Utility charges expenses	116.00
			- Sale of goods	0.03
2. I.C.C. International Plc.	A,B,C,D	0.35	- Purchase of products / Service	10.08
			- Royalty fee expenses	0.08
			- Other expenses	0.06
			- Sale of goods	4.81
			- Other income	0.27
3. Yamahatsu (Thailand) Co.,Ltd.	A,B	30.00	- Sale of goods	7.35
			- Immovable property rental income	29.82
			- Other income	0.35
4. Osoth Inter laboratories Co., Ltd.	A,B	33.19	- Sale of goods	46.24
			- Immovable property rental income	2.85
			- Service income	0.49
5. Atika Beauty Manufacturing Sdn.Bhd.	A,B	35.00	- Sale of goods	1.99
			- Other income	0.32
6.Thai Cubic Technology Co., Ltd.	A,B	5.00	- Other expenses	0.36
7. T-Way Co.,Ltd	A,B	12.00	- Sale of goods	0.11
			- Other expenses	0.04
8.Thai Wacoal Plc.	A,D	0.08	- Sale of products	10.60
			- Royalty fee expenses	0.01
9. Better Way (Thailand) Co., Ltd.	B	-	- Sale of goods	739.34
			- Other income	1.44
10. International Laboratories Crop.,Ltd.	B	-	- Purchase of products / Service	0.05
			- Service fee expenses	0.36
			- Sale of goods	166.92

(Unit : Million baht)

Name	Relation ship	Shareholding by the company (%)	Significant item	Relating transaction amount
11. O.C.C. Plc.	B	-	- Sale of goods	8.92
12. Oriental Salon Business Co.,Ltd	B	-	- Sale of goods	0.18
13. H&B Intertex Co.,Ltd.	B	-	- Purchase of products/ Service	6.93
			- Other expenses	0.03
			- Sale of goods	0.16
14. Make up Technique International Co.,Ltd.	B	-	- Sale of goods	1.73
15. I.S.B.M. Co.,Ltd.	B	-	- Sale of goods	3.44
16. Shaldan (Thailand) Co.,Ltd.	B	-	- Sale of goods	3.81
			- Other income	0.41
17. Chokwathana Co.,Ltd.	B	-	- Immovable property rental expenses	0.77
			- Utility charges expenses	0.32
18. AANC Co.,Ltd.	B	-	- Sale of goods	2.83
19. Saha Pathanapibul Plc.	D	-	- Other expenses	0.03
			- Sale of goods	7.98
20. Lion Corporation (Thailand) Limited	D	-	- Purchase of products/ Service	0.79
			- Sale of goods	38.30
			- Other expenses	0.29

Relationship A = Shareholding by the Company B = Co-directors
C = Major shareholders D = Major shareholder with over 10% shareholding

Relating Party Transactions can be looked at the past 3 years at “www.snjinter.com” topic “Investor Relation” “Financial Information”.

Transfer 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	Additions	Settlements	Balance as of	Interest Rate
	Dec. 31, 2019			Dec. 31, 2020	%
1.Wildlives (Thailand) Co.,Ltd.	4.0	-	(4.0)	-	2.0

Loan Providing The company and the subsidiaries had not provided additional loan to related parties during year, 2020. (Please see note to financial statements no.7). In 2020, 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 paid 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 conform with the regulations of the Stock Exchange of Thailand and propose to the Audit Committee for consideration and follow the steps to the reasonableness of the transaction and is 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 I 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 2020 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 Director's Responsibility Report towards Financial Statements

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, 2020, were prepared and fair presented in accordance with Thai financial report standards as well as the related laws and regulations.



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 2020, 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 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matter

I draw attention to Note 3 to the consolidated financial statements. In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of fair value measurement of non-listed equity instruments, impairment of assets and sufficient taxable profits against which deferred tax assets can be utilised. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all temporary relief measures on accounting alternatives and recognised resulting losses (net of income tax), totaling Baht 12 million (the Company only: Baht 13 million), in the statement of comprehensive income for the year ended 31 December 2020. These pertain in the fair value of non-listed equity instruments.

My opinion is not modified in respect of this matter.

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 98% and 94% 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 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.



Sineenart Jirachaikhuan Khan

Certified Public Accountant (Thailand) No. 6287

EY Office Limited

Bangkok: 25 February 2021

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	268,996,919	127,188,781	211,799,321	51,642,206
Current investments - Certificates of deposits		-	4,000,000	-	-
Trade and other receivables	9	857,937,587	873,864,789	707,652,128	708,368,439
Short-term loans to subsidiary	7	-	-	-	4,000,000
Inventories	10	771,044,971	764,293,595	677,645,756	651,205,977
Other current financial assets		18,809,030	-	7,809,030	-
Other current assets		68,255,862	111,641,791	30,333,047	76,292,977
Total current assets		1,985,044,369	1,880,988,956	1,635,239,282	1,491,509,599
Non-current assets					
Other non-current financial assets	11	1,044,272,177	-	1,040,886,577	-
Available-for-sale investments	12	-	948,049,553	-	948,049,553
Investments in subsidiaries	13	-	-	153,903,486	154,903,416
Investments in associates	14	289,624,822	278,887,611	216,261,032	216,261,032
Investments in joint venture		49,900	-	49,900	-
Investments in related companies	15	-	62,896,180	-	59,350,580
Investment in other company		-	5,000,000	-	5,000,000
Long-term investments - Certificates of deposits		-	3,000,000	-	-
Long-term loans to other company	16	-	-	-	-
Investment properties	17	87,130,206	88,679,633	87,010,206	88,559,634
Property, plant and equipment	18	1,485,085,892	1,575,303,691	885,890,731	954,714,294
Right-of-use assets	22	127,932,471	-	114,914,465	-
Intangible assets	19	29,110,803	32,969,568	23,771,174	27,815,071
Deferred tax assets	26	59,459,172	53,976,585	45,509,229	46,146,631
Other non-current assets		7,392,208	16,121,092	5,829,115	10,023,019
Total non-current assets		3,130,057,651	3,064,883,913	2,574,025,915	2,510,823,230
Total assets		5,115,102,020	4,945,872,869	4,209,265,197	4,002,332,829

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 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	20	60,281,111	180,072,984	702,393	-
Trade and other payables	21	500,268,050	498,544,196	446,951,912	448,704,972
Current portion of lease liabilities	22	43,202,854	-	34,906,993	-
Income tax payable		10,435,893	26,210,133	10,396,049	26,186,802
Other current financial liabilities		1,635	-	-	-
Other current liabilities		18,001,066	17,381,375	14,792,848	13,292,734
Total current liabilities		632,190,609	722,208,688	507,750,195	488,184,508
Non-current liabilities					
Lease liabilities, net of current portion	22	85,362,256	-	81,686,163	-
Provision for long-term employee benefits	23	187,991,923	178,525,501	149,684,400	142,212,627
Deferred tax liabilities	26	120,593,028	119,721,108	121,595,908	119,721,108
Other non-current liabilities		582,014	368,416	504,499	258,416
Total non-current liabilities		394,529,221	298,615,025	353,470,970	262,192,151
Total liabilities		1,026,719,830	1,020,823,713	861,221,165	750,376,659
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	24	20,000,000	20,000,000	20,000,000	20,000,000
Unappropriated		2,341,178,792	2,234,431,740	1,952,696,187	1,879,397,479
Other components of shareholders' equity		485,977,976	461,538,013	500,653,625	477,864,471
Equity attributable to owners of the Company		3,721,850,988	3,590,663,973	3,348,044,032	3,251,956,170
Non-controlling interests		366,531,202	334,385,183	-	-
Total shareholders' equity		4,088,382,190	3,925,049,156	3,348,044,032	3,251,956,170
Total liabilities and shareholders' equity		5,115,102,020	4,945,872,869	4,209,265,197	4,002,332,829

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 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Revenues					
Revenue		4,315,586,107	4,634,029,644	3,283,643,972	3,786,998,090
Dividend income		18,622,340	27,196,873	84,302,161	96,149,869
Exchange gains		3,381,759	12,753,699	9,079,137	14,341,520
Gain from fair value measurement of derivatives		1,540,975	801,716	1,534,079	807,288
Other income		79,731,577	94,463,641	98,984,785	104,417,970
Total revenues		4,418,862,758	4,769,245,573	3,477,544,134	4,002,714,737
Expenses					
Cost of sales		3,058,602,236	3,419,629,927	2,299,683,285	2,784,377,841
Selling and distribution expenses		143,868,619	155,067,144	109,896,064	108,499,748
Administrative expenses		949,674,480	945,026,561	798,736,524	816,746,385
Total expenses		4,152,145,335	4,519,723,632	3,208,315,873	3,709,623,974
Operating profit		266,717,423	249,521,941	269,228,261	293,090,763
Share of profit from investments in associates	14	74,463,501	57,633,258	-	-
Finance income		678,033	1,307,527	614,108	1,089,035
Finance cost		(7,271,569)	(5,327,275)	(4,175,284)	(2,288,779)
Profit before income tax expenses		334,587,388	303,135,451	265,667,085	291,891,019
Income tax expenses	26	(20,470,077)	(28,337,179)	(27,444,466)	(29,716,621)
Profit for the year		314,117,311	274,798,272	238,222,619	262,174,398
Profit attributable to:					
Equity holders of the Company		275,907,249	258,246,788	238,222,619	262,174,398
Non-controlling interests		38,210,062	16,551,484		
		314,117,311	274,798,272		
Earnings per share					
Basic earnings per share	27				
Profit attributable to equity holders of the Company		1.84	1.72	1.59	1.75

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 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Note	2020	2019	2020	2019
Profit for the year		<u>314,117,311</u>	<u>274,798,272</u>	<u>238,222,619</u>	<u>262,174,398</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent years:</i>					
Exchange differences on translation of financial statements in foreign currencies		1,714,810	(8,376,264)	-	-
Loss on changes in value of available-for-sale investments - net of income tax	12, 26	<u>-</u>	<u>(40,558,823)</u>	<u>-</u>	<u>(40,558,823)</u>
Other comprehensive income to be reclassified to profit or loss in subsequent years - net of income tax		<u>1,714,810</u>	<u>(48,935,087)</u>	<u>-</u>	<u>(40,558,823)</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent years:</i>					
Actuarial gain - net of income tax	23, 26	-	16,073,846	-	17,455,454
Share of loss from actuarial loss of investment in associated companies - net of income tax	14	(4,236,286)	(3,735,243)	-	-
Loss on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax	11, 26	<u>(69,932,872)</u>	<u>-</u>	<u>(70,414,152)</u>	<u>-</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent years - net of income tax		<u>(74,169,158)</u>	<u>12,338,603</u>	<u>(70,414,152)</u>	<u>17,455,454</u>
Other comprehensive income for the year		<u>(72,454,348)</u>	<u>(36,596,484)</u>	<u>(70,414,152)</u>	<u>(23,103,369)</u>
Total comprehensive income for the year		<u><u>241,662,963</u></u>	<u><u>238,201,788</u></u>	<u><u>167,808,467</u></u>	<u><u>239,071,029</u></u>
Total comprehensive income attributable to:					
Equity holders of the Company		203,212,261	222,341,108	<u>167,808,467</u>	<u>239,071,029</u>
Non-controlling interests		<u>38,450,702</u>	<u>15,860,680</u>		
		<u><u>241,662,963</u></u>	<u><u>238,201,788</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 2020

(Unit: Baht)

	Consolidated financial statements										
	Equity attributable to owners of the Company										
	Other components of shareholders' equity										Total shareholders' equity
	Issued and paid-up share capital	Share premium	Retained earnings		Exchange differences on translation of financial statements in foreign currencies	Surplus change in value of investments available-for-sale	Fair value reserve	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests	
Appropriated - statutory reserve			Unappropriated	on translation of financial statements in foreign currencies							investments available-for-sale
Balance as at 1 January 2019	149,930,828	724,763,392	20,000,000	2,152,088,388	(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 30)	-	-	-	(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
Balance as at 1 January 2020	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
Cumulative effect of changes in accounting policies (Note 4)	-	-	-	-	-	(477,864,471)	-	92,898,666	92,898,666	(304,684)	92,593,982
Balance as at 1 January 2020 - as restated	149,930,828	724,763,392	20,000,000	2,234,431,740	(16,326,458)	-	-	564,436,679	3,683,562,639	334,080,499	4,017,643,138
Profit for the year	-	-	-	275,907,249	-	-	-	-	275,907,249	38,210,062	314,117,311
Other comprehensive income for the year	-	-	-	(4,236,286)	1,714,810	-	-	(68,458,703)	(72,694,989)	240,641	(72,454,348)
Total comprehensive income for the year	-	-	-	271,670,963	1,714,810	-	-	(68,458,703)	203,212,260	38,450,703	241,662,963
Dividend paid (Note 30)	-	-	-	(164,923,911)	-	-	-	-	(164,923,911)	-	(164,923,911)
Decrease in non-controlling interests from dividend paid by the subsidiary	-	-	-	-	-	-	-	-	-	(6,000,000)	(6,000,000)
Balance as at 31 December 2020	149,930,828	724,763,392	20,000,000	2,341,178,792	(14,611,648)	-	-	485,977,976	3,721,850,988	366,531,202	4,088,382,190

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 2020

(Unit: Baht)

	Separate financial statements									
	Issued and paid-up share capital	Share premium	Retained earnings		Surplus on change in value of			Other components of equity		Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	available-for-sales investments	Fair value reserve	Other comprehensive income			
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 30)	-	-	-	(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>-</u>	<u>-</u>	<u>-</u>	<u>3,251,956,170</u>	
Balance as at 1 January 2020	149,930,828	724,763,392	20,000,000	1,879,397,479	477,864,471	-	-	-	3,251,956,170	
Cumulative effect of changes in accounting policies (Note 4)	-	-	-	-	(477,864,471)	-	-	571,067,777	93,203,306	
Balance as at 1 January 2020 - as restated	<u>149,930,828</u>	<u>724,763,392</u>	<u>20,000,000</u>	<u>1,879,397,479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>571,067,777</u>	<u>3,345,159,476</u>	
Profit for the year	-	-	-	238,222,619	-	-	-	-	238,222,619	
Other comprehensive income for the year	-	-	-	-	-	-	-	(70,414,152)	(70,414,152)	
Total comprehensive income for the year	-	-	-	238,222,619	-	-	-	(70,414,152)	167,808,467	
Dividend paid (Note 30)	-	-	-	(164,923,911)	-	-	-	-	(164,923,911)	
Balance as at 31 December 2020	<u>149,930,828</u>	<u>724,763,392</u>	<u>20,000,000</u>	<u>1,952,696,187</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,653,625</u>	<u>3,348,044,032</u>	

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

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before tax	334,587,388	303,135,451	265,667,085	291,891,019
Adjustments to reconcile net profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	295,771,211	233,849,869	145,137,857	115,998,348
Allowance for doubtful debts	-	2,444,657	-	-
Allowance for impairment loss on long-term loans to other company	-	14,988,350	-	14,988,350
Impairment loss on financial assets	16,677,228	-	11,139,823	-
Write-off bad debts	405,985	-	-	-
Reduction in cost of inventories to net realisable value (reversal)	(1,370,558)	3,928,331	223,949	4,522,060
Loss on destruction of inventories	31,832,617	26,676,696	27,454,887	25,477,940
Gain on sales/write off of equipment	(869,859)	(2,242,275)	(1,273,556)	(1,057,236)
Provision for long-term employee benefits	19,229,879	21,262,616	15,246,184	15,819,839
Share of profit from investments in associates	(74,463,501)	(57,633,258)	-	-
Unrealised exchange loss	2,708,983	338,636	2,355,440	432,037
Loss on diminution of investment in subsidiary	-	-	999,930	-
Loss on diminution of investment in related companies and other companies	-	2,323,200	-	2,284,800
Dividend income	(18,622,340)	(27,196,873)	(84,302,161)	(96,149,869)
Finance income	(678,033)	(1,307,527)	(614,108)	(1,089,035)
Finance cost	7,271,569	5,327,275	4,175,284	2,288,779
Profit from operating activities before changes in operating assets and liabilities	612,480,569	525,895,148	386,210,614	375,407,032
Operating assets (increase) decrease				
Trade and other receivables	(4,758,352)	56,383,078	(10,098,080)	36,187,853
Inventories	(37,213,435)	(96,850,127)	(54,118,615)	(71,455,865)
Other current assets	42,444,509	(21,450,949)	44,879,269	6,696,803
Other non-current assets	8,728,884	18,589,317	4,193,904	759,999
Operating liabilities increase (decrease)				
Trade and other payables	(1,337,129)	(42,891,158)	(2,520,293)	(40,865,327)
Other current liabilities	628,220	6,753,758	1,500,114	4,734,121
Provision for long-term employee benefits	(9,763,457)	(8,489,288)	(7,774,411)	(6,311,703)
Other non-current liabilities	213,598	8,945	246,083	6,945
Cash flows from operating activities	611,423,407	437,948,724	362,518,585	305,159,858
Interest paid	(7,466,515)	(5,239,991)	(4,175,284)	(2,306,482)
Corporate income tax paid	(46,676,969)	(57,463,292)	(46,420,306)	(53,194,118)
Net cash flows from operating activities	557,279,923	375,245,441	311,922,995	249,659,258

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 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Interest received	486,536	932,309	419,818	701,230
Decrease in current investments	-	4,000,000	-	-
Increase in other current financial assets	(9,000,000)	-	(5,000,000)	-
Cash paid for investments in associates	-	(2,642,500)	-	(2,642,500)
Cash paid for investments in joint venture	(49,900)	-	(49,900)	-
Increase in long-term investments	-	(3,000,000)	-	-
Acquisitions of property, plant and equipment	(144,400,170)	(218,042,772)	(33,122,801)	(52,162,345)
Proceeds from sales of equipment	2,199,728	3,997,321	2,170,661	1,091,826
Increase in intangible assets	(3,328,799)	(4,780,085)	(1,581,354)	(445,376)
Increase in investment properties	-	(171,895)	-	(171,895)
Dividend received	78,022,203	83,896,739	84,302,161	96,149,869
Net cash flows from (used in) investing activities	(76,070,402)	(135,810,883)	47,138,585	42,520,809
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	(121,536,737)	41,330,258	702,393	(60,000,000)
Payment of principal portion of lease liabilities	(50,505,166)	-	(34,682,947)	-
Dividend paid	(164,923,911)	(188,912,843)	(164,923,911)	(188,912,843)
Dividend paid by subsidiary to non-controlling interests	(6,000,000)	(9,000,042)	-	-
Net cash flows used in financing activities	(342,965,814)	(156,582,627)	(198,904,465)	(248,912,843)
Increase (decrease) in translation adjustments	3,564,431	(8,677,654)	-	-
Net increase in cash and cash equivalents	141,808,138	74,174,277	160,157,115	43,267,224
Cash and cash equivalents at beginning of the year	127,188,781	53,014,504	51,642,206	8,374,982
Cash and cash equivalents at end of the year	268,996,919	127,188,781	211,799,321	51,642,206
	-	-	-	-
Supplementary disclosures of cash flows information				
Non-cash items				
Increase in right-of-use from lease liabilities	20,458,681	-	14,864,538	-
Transfer property, plant and equipment to investments properties	3,276,780	-	3,276,780	-
Accounts payable - purchase of equipment	3,039,749	12,134,680	552,282	11,508,607
Loss on changes in value of investments in				
available-for-sale investments	-	(50,698,529)	-	(50,698,529)
Loss on changes in value of equity investments designated				
at fair value through other comprehensive income	(87,416,090)	-	(88,017,690)	-

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 2020

1. General information

1.1 General information of the Company

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

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

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, 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 (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 (%)	2019 (%)
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	The United Kingdom	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	Hong Kong SAR	100	100
Held by 4WD Vision Co., Ltd.				
4WD Vision Europe B.V.	Distributor of cosmetic products, gift set and marketing service	The Netherlands	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 Group 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 On 22 June 2020, the Company entered into a joint venture agreement with DKSH (Thailand) Limited (“DKSH”) for the purpose of establishment of DKSJ Limited (“DKSJ”) to operate in the distribution of cosmetics business. On 27 August 2020, the Company paid for shares amounting to Baht 0.05 million. The Company hold a 50 percent interest in DKSJ. The Company recorded such investment as “Investments in joint venture” in the statements of financial position.

2.4 The separate financial statements present investments in subsidiaries, joint ventures 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 2019) and new 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. 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:

Financial reporting standards related to financial instruments

The 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. They also include stipulations regarding the presentation and disclosure of financial instruments.

The adoption of these standards has the impact on the Group's financial statements to result in the following adjustments.

- Classification and measurement non-listed equity instruments - The Group has decided to measure these investments at fair value and classify them as financial assets at fair value through other comprehensive income.
- Recognition of expected credit losses - The Group recognises an allowance for expected credit losses on contract assets, and it is no longer necessary for a credit-impaired event to have occurred.
- Recognition of derivatives - The Group initially recognises derivatives at their fair value on the contract date and subsequently measures 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 Group recognised the cumulative effect of the adoption of these financial reporting standards as an adjustment to other components of shareholders' equity as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the financial statements.

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 under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group recognised the cumulative effect of the adoption of this financial reporting standard as an adjustment to retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the financial statements.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impacts of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to fair value measurement of non-listed equity instruments, impairment of assets and reversal of deferred tax assets.

In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of fair value measurement of non-listed equity instruments, impairment of assets and sufficient taxable profits against which deferred tax assets can be utilised. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all temporary relief measures on accounting alternatives and recognised resulting losses (net of income tax), totaling Baht 12 million (the Company only: Baht 13 million), in the statement of comprehensive income for the year ended 31 December 2020. These pertain in the fair value of non-listed equity instruments.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. 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 management of the Group is currently evaluating the impact of these standards on the financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the financial statements, during the current year, the Group has adopted the set of financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards was recognised as an adjustment to other components of shareholders' equity as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2019	The effect of		1 January 2020
Financial reporting standards related to financial instruments		TFRS 16		
Statement of financial position				
Assets				
Current assets				
Current investments - Certificates of deposits	4,000	(4,000)	-	-
Other current financial assets	-	4,000	-	4,000
Non-current assets				
Other non-current financial assets	-	1,134,688	-	1,134,688
Available-for-sale investments	948,049	(948,049)	-	-
Investments in related companies	62,896	(62,896)	-	-
Investment in other company	5,000	(5,000)	-	-
Long-term investments - Certificates of deposits	3,000	(3,000)	-	-
Right-of-use assets	-	-	158,180	158,180
Deferred tax assets	53,976	(5,100)	-	48,876
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	35,946	35,946
Non-current liabilities				
Lease liabilities, net of current portion	-	-	122,234	122,234
Deferred tax liabilities	119,721	18,049	-	137,770
Shareholders' equity				
Other components of shareholders' equity	461,538	92,899	-	554,437
Non-controlling interests	334,385	(305)	-	334,080

(Unit: Thousand Baht)

	Separate financial statements			1 January 2020
	31 December 2019	The effect of		
		Financial reporting		
		instruments	TFRS 16	
Statement of financial position				
Assets				
Non-current assets				
Other non-current financial assets	-	1,128,904	-	1,128,904
Available-for-sale investments	948,049	(948,049)	-	-
Investments in related companies	59,351	(59,351)	-	-
Investment in other company	5,000	(5,000)	-	-
Right-of-use assets	-	-	136,412	136,412
Deferred tax assets	46,147	(4,129)	-	42,018
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	28,796	28,796
Non-current liabilities				
Lease liabilities, net of current portion	-	-	107,616	107,616
Deferred tax liabilities	119,721	19,172	-	138,893
Shareholders' equity				
Other components of shareholders' equity	477,865	93,203	-	571,068

4.1 Financial instruments

- a) Details of the impact on other components of shareholders' equity as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Fair value measurement of non-listed equity instruments - net of income tax		
Equity holders of the Company	92,899	93,203
Non-controlling interest	(305)	-
Impacts of the adoption of financial reporting standards related to financial instruments	92,594	93,203

- b) As at 1 January 2020, classification and measurement of financial assets required by TFRS 9, in comparison with classification and the former carrying amount, are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	The former carrying amounts	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	127,189	-	-	127,189	127,189
Trade and other receivables	873,865	-	-	873,865	873,865
Other current financial assets	4,000	-	-	4,000	4,000
Other current assets	111,642	1,275	-	110,367	111,642
Other non-current financial assets	1,018,945	-	1,131,688	3,000	1,134,688
Other non-current assets	16,121	-	-	16,121	16,121
Total financial assets	2,151,762	1,275	1,131,688	1,134,542	2,267,505

(Unit: Thousand Baht)

	Separate financial statements				
The former carrying amounts	Classification and measurement in accordance with TFRS 9				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	
Financial assets as at 1 January 2020					
Cash and cash equivalents	-	-	51,642	51,642	51,642
Trade and other receivables	-	-	708,369	708,369	708,369
Short-term loans to related parties	-	-	4,000	4,000	4,000
Other current assets	1,275	-	75,018	75,018	76,293
Other non-current financial assets	-	1,128,904	-	-	1,128,904
Other non-current assets	-	-	10,023	10,023	10,023
Total financial assets	1,275	1,128,904	849,052	849,052	1,979,231

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss except derivative liabilities of which fair value is Baht 0.01 million (Separate financial statements: Baht 0.01 million).

4.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 January 2020. For leases that previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Operating lease commitments as at 31 December 2019	84,277	76,723
Less: Short-term leases and leases of low-value assets	(265)	(265)
Add: Option to extend lease term	86,695	70,902
Less: Contracts reassessed as service agreements	(1,569)	(1,012)
Less: Deferred interest expenses	(10,958)	(9,936)
Lease liabilities as at 1 January 2020	<u>158,180</u>	<u>136,412</u>
Weighted average incremental borrowing rate (percent per annum)	3.0	3.0
Comprise of:		
Current lease liabilities	35,946	28,796
Non-current lease liabilities	122,234	107,616
	<u>158,180</u>	<u>136,412</u>

5. Significant accounting policies

5.1 Revenue and expense 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 calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

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

5.2 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.

5.3 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.

5.4 Investments in subsidiaries, joint ventures and associates

Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method.

5.5 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.

5.6 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.

5.7 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.

5.8 Leases

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

The Group as a lessee

Accounting policies adopted since 1 January 2020

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and land improvements	3 - 5	years
Buildings and building improvements	2 - 5	years
Furniture, fixtures and office equipment	2 - 4	years
Motor vehicles	1 - 5	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

Accounting policies adopted before 1 January 2020

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

The Company as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

5.9 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.

5.10 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.

5.11 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other 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.

5.12 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.

5.13 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.

5.14 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 of Thailand.

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.

5.15 Financial instruments

Accounting policies adopted since 1 January 2020

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

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

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies adopted before 1 January 2020

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.

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 Group classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

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.

5.16 Derivatives

The Group uses derivatives, such as forward currency contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

5.17 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.

6. 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:

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

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.

7. 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>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Transaction with subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Sales of goods	-	-	186	166
Other income	-	-	35	30
Purchases of goods and services	-	-	542	500
Other expenses	-	-	7	8
Rental income	-	-	-	1
<u>Transactions with associates</u>				
Sales of goods	56	20	34	1
Other income	1	1	1	1
Rental income	33	32	33	32
<u>Transactions with related parties</u>				
Sales of goods	989	1,185	793	996
Other income	2	5	2	5
Purchases of goods and services	17	41	17	40
Rental expenses	7	14	7	14
Electricity and utilities expenses	118	131	44	60

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

Transactions	Transfer pricing policy
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 2020 and 2019 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade and other receivables - related parties (Note 9)</u>				
<u>Trade receivables</u>				
Subsidiaries	-	-	52,832	53,073
Associates	29,159	7,012	22,315	439
Related companies	141,558	196,741	116,897	146,613
Trade and other receivables - related parties	<u>170,717</u>	<u>203,753</u>	<u>192,044</u>	<u>200,125</u>
<u>Other receivables</u>				
Subsidiaries	-	-	2,833	23,507
Associates	118	427	113	427
Related companies	250	122	250	122
Total other receivables - related parties	<u>368</u>	<u>549</u>	<u>3,196</u>	<u>24,056</u>
Total trade and other receivables - related parties	<u>171,085</u>	<u>204,302</u>	<u>195,240</u>	<u>224,181</u>
<u>Short-term loans to subsidiary</u>				
Subsidiary	-	-	4,000	4,000
Less: Allowance for expected credit losses	-	-	(4,000)	-
Total short-term loans to subsidiary - net	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,000</u>
<u>Other non-current assets - related parties</u>				
Related companies	3,454	7,106	2,096	5,748
Total other non-current assets - related parties	<u>3,454</u>	<u>7,106</u>	<u>2,096</u>	<u>5,748</u>
<u>Trade and other payables - related parties (Note 21)</u>				
<u>Trade payables</u>				
Subsidiaries	-	-	95,573	62,786
Associates	6	2	6	2
Related companies	1,774	1,241	1,691	1,127
Total trade payables - related parties	<u>1,780</u>	<u>1,243</u>	<u>97,270</u>	<u>63,915</u>
<u>Other payables</u>				
Subsidiaries	-	-	325	705
Associates	-	196	-	185
Related companies	8,969	9,240	3,630	3,925
Total other payables - related parties	<u>8,969</u>	<u>9,436</u>	<u>3,955</u>	<u>4,815</u>
Total trade and other payables - related parties	<u>10,749</u>	<u>10,679</u>	<u>101,255</u>	<u>68,730</u>
<u>Lease liabilities - related parties (Note 22)</u>				
Related companies	40,616	-	34,605	-
Total lease liabilities - related parties	<u>40,616</u>	<u>-</u>	<u>34,605</u>	<u>-</u>

Short-term loans to subsidiary

As at 31 December 2020 and 2019, 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 2019	Increase during the period	Decrease during the period	Balance as at 31 December 2020
<u>Short-term loans to subsidiary</u>				
Subsidiary	4,000	-	-	4,000
Less: Allowance for expected credit losses	-	(4,000)	-	(4,000)
Total	4,000	(4,000)	-	-

Set out below is the movement in the allowance for expected credit losses of loans to related parties.

(Unit: Thousand Baht)

	Separate financial statements
As at 1 January 2020	-
Allowance for expected credit losses	4,000
As at 31 December 2020	4,000

The above short-term loans are promissory notes carrying interest at the rate of 2.0 percent per annum (31 December 2019: 3.0 percent per annum). The loans are due at call and unsecured.

Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	72,058	70,144	67,021	65,292
Post-employment benefits	374	284	374	284
Total	72,432	70,428	67,395	65,576

8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash	646	732	450	450
Bank deposits	267,891	125,388	211,349	51,192
Cheque on hand	460	1,069	-	-
Total	268,997	127,189	211,799	51,642

As at 31 December 2020, bank deposits in saving accounts and fixed deposits carried interests between 0.05 and 0.35 percent per annum (the Company only: between 0.05 and 0.25 percent per annum) (2019: between 0.05 and 0.63 percent per annum and the Company only: between 0.05 and 0.50 percent per annum).

9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	128,355	177,980	148,754	194,113
Past due				
Up to 3 months	17,727	22,814	6,729	4,591
3 - 6 months	1,716	585	13,642	213
6 - 12 months	22,484	1,520	22,484	380
Over 12 months	435	854	435	828
Total trade accounts receivable - related parties	170,717	203,753	192,044	200,125
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	464,337	426,186	383,232	314,988
Past due				
Up to 3 months	189,769	189,213	104,077	137,547
3 - 6 months	8,686	14,605	4,720	5,293
6 - 12 months	11,840	3,600	7,025	1,038
Over 12 months	16,699	18,718	11,094	14,871
Total	691,331	652,322	510,148	473,737
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(31,396)	(14,719)	(19,135)	(11,995)
Trade accounts receivable - unrelated parties, net	659,935	637,603	491,013	461,742
Total trade accounts receivable - net	830,652	841,356	683,057	661,867

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Other receivables</u>				
Other receivables - related parties	368	549	3,196	24,056
Other receivables - unrelated parties	1,448	2,738	635	2,720
Advance payment for inventories	20,649	26,053	15,941	16,267
Prepaid expenses	4,821	3,169	4,823	3,458
Total other receivables	<u>27,286</u>	<u>32,509</u>	<u>24,595</u>	<u>46,501</u>
Total trade and other receivables - net	<u>857,938</u>	<u>873,865</u>	<u>707,652</u>	<u>708,368</u>

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
As at 1 January 2020	14,719	11,995
Allowance for expected credit losses	16,942	7,140
Amount written off	(187)	-
Amount recovered	(78)	-
As at 31 December 2020	<u>31,396</u>	<u>19,135</u>

10. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Finished goods	301,505	302,036	(11,482)	(3,788)	290,023	298,248
Work in process	77,867	83,630	(1,264)	(4,828)	76,603	78,802
Raw materials	174,785	180,138	(3,784)	(10,475)	171,001	169,663
Packaging	185,118	182,970	(6,007)	(4,817)	179,111	178,153
Supplies	2,359	1,677	-	-	2,359	1,677
Goods in transit	51,948	37,751	-	-	51,948	37,751
Total	<u>793,582</u>	<u>788,202</u>	<u>(22,537)</u>	<u>(23,908)</u>	<u>771,045</u>	<u>764,294</u>

(Unit: Thousand Baht)

Separate financial statements

	Cost		Reduce cost to net realisable value		Inventories-net	
	2020	2019	2020	2019	2020	2019
Finished goods	243,876	229,543	(6,664)	(143)	237,212	229,400
Work in process	56,966	72,360	(1,264)	(4,828)	55,702	67,532
Raw materials	157,578	145,573	(2,179)	(6,104)	155,399	139,469
Packaging	188,995	187,522	(6,007)	(4,816)	182,988	182,706
Supplies	1,136	1,091	-	-	1,136	1,091
Goods in transit	45,209	31,008	-	-	45,209	31,008
Total	693,760	667,097	(16,114)	(15,891)	677,646	651,206

During the current year, the Group reduced cost of inventories by Baht 38 million (2019: Baht 34 million) (The Company only: Baht 35 million and 2019: Baht 33 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 39 million (2019: Baht 30 million) (The Company only: Baht 35 million and 2019: Baht 28 million), and reduced the amount of inventories recognised as expenses during the year.

11. Other non-current financial assets

(Unit: Thousand Baht)

31 December 2020

	Consolidated financial statements	Separate financial statements
<u>Equity instruments designated at FVOCI</u>		
Listed equity instruments		
Sahacogen (Chonburi) Plc.	497,896	497,896
President Bakery Plc.	207,750	207,750
Saha Pathana Inter-Holding Plc.	126,645	126,645
I.C.C. International Plc.	28,513	28,513
Bangkok Bank Plc.	7,501	7,501
Thai Wacoal Plc.	4,425	4,425
Nation Multimedia Group Plc.	3,170	3,170
Far East Fame Line DDB Plc.	91	91
Boutique New City Plc.	28	28
Total listed equity instruments	876,019	876,019

(Unit: Thousand Baht)

	31 December 2020	
	Consolidated	Separate
	financial statements	financial statements
Non-listed equity instruments		
Sahapat Assets Co., Ltd.	40,926	40,926
United Utility Co., Ltd.	33,870	33,870
Tipwarin Watana Co., Ltd.	23,937	23,937
T-Way Co., Ltd.	13,542	10,157
Saha Sehwa Co., Ltd.	9,352	9,352
Thai Cubic Technology Co., Ltd.	9,082	9,082
Pan Land Co., Ltd.	6,837	6,837
Thai Yukilon Co., Ltd.	6,725	6,725
E.P.F. Co., Ltd.	4,539	4,539
Waseda Education (Thailand) Co., Ltd.	4,294	4,294
K. Commercial & Construction Co., Ltd.	3,403	3,403
American Food Co., Ltd.	3,272	3,272
H&B Kabinburi Co., Ltd.	2,153	2,153
Thai Lotte Co., Ltd.	2,122	2,122
Thanara Co., Ltd.	1,765	1,765
B.K.C. International Marketing Co., Ltd.	1,058	1,058
Others	1,376	1,376
Total non-listed equity instruments	168,253	164,868
Total other non-current financial assets	1,044,272	1,040,887

As at 31 December 2020, non-listed equity instruments consisted of investment in 6 companies with fair value of Baht 1 million or 0.8 percent of total non-listed equity instruments in consolidated financial statements (the Company only: 6 companies with fair value of Baht 1 million or 0.8 percent).

The Company received dividends from their listed equity instruments and non-listed equity instruments for the year ended 31 December 2020 amounting to Baht 19 million.

12. Available-for-sale investments

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements	
	31 December 2020	
	Cost	Fair value
Available-for-sale investments		
Marketable equity securities		
Related companies	323,922	934,783
Other companies	26,797	13,267
	350,719	948,050
Add: Surplus on change in value of available- for-sale investments	597,331	
Total available-for-sale investments	948,050	

13. Investments in subsidiaries

13.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2020	2019	2020	2019	2020	2019	2020	2019
			%	%				
E F Co., Ltd.	Baht 4.0 million	Baht 4.0 million	100	100	4,005	4,005	280	240
Top Trend Manufacturing Co., Ltd.	Baht 120.0 million	Baht 120.0 million	50	50	124,825	124,825	6,000	9,000
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
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
Total					154,903	154,903	6,280	12,253
Less: Allowance for diminution in value of investments					(1,000)	-		
Total Investments in subsidiaries					153,903	154,903		

On 12 November 2020, the Board of Directors' Meeting No. 9/2563 passed a resolution approving the dissolution of Wildlives (Thailand) Co., Ltd. (a subsidiary), which did not constitute an integral part to the Group's business. Therefore, there was no material impact on the consolidated financial statements.

13.2 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	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(%)	(%)						
Top Trend Manufacturing Co., Ltd.	50	50	366,531	334,385	38,451	15,861	6,000	9,000

13.3 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>2020</u>	<u>2019</u>
Current assets	306	340
Non-current assets	570	585
Current liabilities	104	217
Non-current liabilities	39	38

Summarised information about comprehensive income.

(Unit: Million Baht)

For the year ended
31 December

	<u>2020</u>	<u>2019</u>
Revenue	1,132	1,024
Profit	76	33
Other comprehensive income	-	(1)
Total comprehensive income	76	32

Summarised information about cash flow

(Unit: Million Baht)

For the year ended
31 December

	<u>2020</u>	<u>2019</u>
Cash flow from operating activities	239	129
Cash flow from investing activities	(104)	(167)
Cash flow from (used in) financing activities	(132)	50
Net increase in cash and cash equivalents	<u>3</u>	<u>12</u>

14. Investments in associates

14.1 Details of investments in associates

No.	Company's name	Nature of business	Paid-up capital		Percentage of investment	
			<u>2020</u>	<u>2019</u>	<u>2020</u> (%)	<u>2019</u> (%)
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 6 million	35	35
4.	Osoth Interlaboratories Co., Ltd.	Medicine	Baht 600 million	Baht 600 million	33	33

14.2 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:

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			
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>		
1.	Yamahatsu (Thailand) Co., Ltd.	25,566	22,371	13,095	10,408	-	109	6,000	6,000	9,900	9,900		
2.	Operational Energy Group Limited	70,525	62,219	62,042	51,270	(4,236)	(4,336)	13,151	13,151	49,500	46,800		
3.	Atika Beauty Manufacturing Sdn. Bhd.	4,795	7,065	(2,180)	(3,895)	(90)	(24)	17,916	17,916	-	-		
4.	Osoth Interlaboratories Co., Ltd.	188,739	187,233	1,506	(150)	-	492	201,994	201,994	-	-		
Total		289,625	278,888	74,463	57,633	(4,326)	(3,759)	239,061	239,061	59,400	56,700		
	Less: Provision for impairment loss							(22,800)	(22,800)				
	Total investment in associates							216,261	216,261				

(Unit: Thousand Baht)

14.3 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	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Yamahatsu (Thailand) Co., Ltd.	243	184	153	191	279	268	20	20	97	87	30	30	29	26	(3)	(4)	26	22
Operational Energy Group Limited	334	235	139	161	77	59	161	128	235	209	30	30	71	62	-	-	71	62
Atika Beauty Manufacturing Sdn. Bhd.	11	12	19	21	17	14	-	-	13	19	35	35	5	7	-	-	5	7
Osoth Interlaboratories Co., Ltd.	313	294	359	382	169	175	8	11	495	490	33	33	163	163	26	24	189	187

Summarised information about comprehensive income

(Unit: Million Baht)

Company	Revenue		Profit (loss)		Other comprehensive income		Total comprehensive income	
	2020	2019	2020	2019	2020	2019	2020	2019
Yamahatsu (Thailand) Co., Ltd.	859	855	44	35	-	-	44	35
Operational Energy Group Limited	744	711	206	170	(14)	(14)	192	156
Atika Beauty Manufacturing Sdn. Bhd.	13	13	(6)	(11)	-	-	(6)	(11)
Osoth Interlaboratories Co., Ltd.	502	472	5	-	-	1	5	1

For the year ended 31 December

15. Other Investments in related companies

As at 31 December 2019, details of other investments in related companies are as follows.

(Unit: Thousand Baht)

No.	Company's name	Paid-up capital		Cost of investments		
				Consolidated financial statements	Separate financial statements	Dividend received during the year
			(%)			
1.	Thai Lotte Co., Ltd.	3,013,000	0.27	8,000	8,000	-
2.	H&B Kabinburi Co., Ltd.	15,000	9.00	1,350	1,350	68
3.	Thai Cubic Technology Co., Ltd.	40,000	5.00	2,000	2,000	200
4.	Train Time Test Co., Ltd.	1,250	14.00	175	175	-
5.	B.K.C. International Marketing Co., Ltd.	5,000	19.00	950	950	-
6.	United Utility Co., Ltd.	350,000	5.71	20,599	20,599	600
7.	Eastern Rubber Co., Ltd.	30,000	1.50	450	450	-
8.	Advantage Footwear Co., Ltd.	91,750	0.38	1,387	1,387	14
9.	Treasure Hill Co., Ltd.	200,000	3.00*	6,000	4,000	-
10.	Tipwarin Watana Co., Ltd.	16,440	7.50	1,233	1,233	616
11.	T-Way Co., Ltd.	160,000	16.00*	25,608	19,208	-
12.	K. Commercial & Construction Co., Ltd.	50,000	2.20	3,278	3,278	-
13.	E.P.F. Co., Ltd.	3,900	18.00	702	702	-
14.	Pan Land Co., Ltd.	300,000	1.00	3,000	3,000	-
15.	American Food Co., Ltd.	140,000	3.00	4,200	4,200	-
16.	Sahapat Assets Co., Ltd.	20,000	2.50	500	500	50
17.	Thanara Co., Ltd.	90,000	0.83	750	750	-
18.	Thai Herbal Products Co., Ltd.	80,000	1.50	1,200	1,200	42
19.	Saha Sehwa Co., Ltd.	103,000	3.48	3,587	3,587	179
20.	Sriracha Aviation Co., Ltd.	66,600	3.00	2,000	2,000	-
21.	Waseda Education (Thailand) Co., Ltd.	20,000	7.14	1,428	1,428	-
Total				88,397	79,997	1,769
Less: Allowance for diminution in value of investments				(25,501)	(20,646)	
Total other investments in related companies - net				62,896	59,351	

*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%).

16. 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.

Since ELLA CORA, INC. has been fraught with operational difficulties, there are uncertainties as to the amount payable from the company to date. Therefore, the Company already set aside allowance for expected credit losses in full amount.

17. Investment properties

The net book value of investment properties as at 31 December 2020 and 2019 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 2020:						
Cost	120	146,119	146,239	-	146,119	146,119
Less: Accumulated depreciation	-	(59,109)	(59,109)	-	(59,109)	(59,109)
Net book value	120	87,010	87,130	-	87,010	87,010
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

A reconciliation of the net book value of investment properties for the year 2020 and 2019 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Net book value at beginning of year	88,680	92,505	88,560	92,385
Acquisition of assets	-	172	-	172
Transfer from properties, plant and equipment	3,276	-	3,276	-
Depreciation for the year	(4,826)	(3,997)	(4,826)	(3,997)
Net book value at end of year	<u>87,130</u>	<u>88,680</u>	<u>87,010</u>	<u>88,560</u>

The fair value of the investment properties as at 31 December 2020 and 2019 stated below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Non-operating land	120	120	-	-
Land and building for rent	189,759	189,759	189,759	189,759

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>

18. 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 2019	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
Additions	-	1,451	732	8,243	14,321	-	122,693	147,440
Disposals/write-off	-	(503)	(8,329)	(2,862)	(8,688)	(1,768)	-	(22,150)
Transfer to investment properties	-	-	-	-	-	-	(3,276)	(3,276)
Transfers	-	19,204	4,194	4,055	109,836	-	(137,289)	-
31 December 2020	301,906	1,211,066	371,934	158,916	2,939,917	33,145	51,002	5,067,886
Accumulated depreciation:								
1 January 2019	-	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
Depreciation for the year	-	52,375	5,397	12,140	163,057	82	-	233,051
Depreciation on disposals/write-off	-	(223)	(8,300)	(2,854)	(8,206)	(1,236)	-	(20,819)
31 December 2020	-	542,967	361,528	129,761	2,514,653	31,691	-	3,580,600
Allowance for impairment loss:								
1 January 2019	-	-	-	-	-	-	2,200	2,200
31 December 2019	-	-	-	-	-	-	2,200	2,200
31 December 2020	-	-	-	-	-	-	2,200	2,200
Net book value:								
31 December 2019	301,906	700,099	10,906	29,005	464,646	2,068	66,674	1,575,304
31 December 2020	301,906	668,099	10,406	29,155	425,264	1,454	48,802	1,485,086
Depreciation for the year								
2019 (Baht 161 million included in manufacturing cost, and the balance in selling and administrative expenses)								222,819
2020 (Baht 174 million included in manufacturing cost, and the balance in selling and administrative expenses)								233,051

(Unit: Thousand Baht)

Separate financial statements

	Buildings		Furniture and fixtures	Office equipment	Machinery and equipment	Motor vehicles	Assets under	Total
	Land and improvements	and building improvements					installation and under construction	
Cost:								
1 January 2019	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
Additions	-	1,451	732	6,836	4,257	-	20,399	33,675
Disposals/write-off	-	(381)	(8,074)	(2,065)	(6,770)	(1,673)	-	(18,963)
Transfer to investment properties	-	-	-	-	-	-	(3,276)	(3,276)
Transfers	-	18,717	1,472	3,448	18,029	-	(41,666)	-
31 December 2020	200,750	1,014,098	196,479	128,288	1,296,436	18,323	8,945	2,863,319
Accumulated depreciation:								
1 January 2019	-	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
Depreciation for the year	-	43,637	3,195	10,428	41,065	-	-	98,325
Depreciation on disposals/ write-off	-	(102)	(8,048)	(2,064)	(6,712)	(1,140)	-	(18,066)
31 December 2020	-	444,984	191,647	102,629	1,218,703	17,265	-	1,975,228
Allowance for impairment loss:								
1 January 2019	-	-	-	-	-	-	2,200	2,200
31 December 2019	-	-	-	-	-	-	2,200	2,200
31 December 2020	-	-	-	-	-	-	2,200	2,200
Net book value:								
31 December 2019	200,750	592,862	5,849	25,804	96,570	1,591	31,288	954,714
31 December 2020	200,750	569,114	4,832	25,659	77,733	1,058	6,745	885,891
Depreciation for the year								
2019 (Baht 54 million included in manufacturing cost, and the balance in selling and administrative expenses)								106,105
2020 (Baht 49 million included in manufacturing cost, and the balance in selling and administrative expenses)								98,325

As at 31 December 2020, 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 2,718 million (2019: Baht 2,648 million) (The Company only: Baht 1,503 million, 2019: Baht 1,448 million).

19. Intangible assets

The net book value of intangible assets as at 31 December 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Computer software		Total	Computer software		Total
	Computer software	under installation		Computer software	under installation	
31 December 2020						
Cost	104,676	50	104,726	74,195	50	74,245
Less: Accumulated amortisation	(75,615)	-	(75,615)	(50,474)	-	(50,474)
Net book value	<u>29,061</u>	<u>50</u>	<u>29,111</u>	<u>23,721</u>	<u>50</u>	<u>23,771</u>
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>28,095</u>	<u>4,875</u>	<u>32,970</u>	<u>26,285</u>	<u>1,530</u>	<u>27,815</u>

A reconciliation of the net book value of intangible assets for the year ended 31 December 2020 and 2019 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Net book value at beginning of year	32,970	34,696	27,815
Acquisition of computer software	3,328	4,780	1,582	445
Amortisation for the year	(7,187)	(6,506)	(5,626)	(5,896)
Net book value at end of year	<u>29,111</u>	<u>32,970</u>	<u>23,771</u>	<u>27,815</u>

20. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)		Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019	2020	2019
	Promissory notes	2.50 - 3.00	1.50 - 2.73	59,579	180,073	-
Bank overdrafts	5.88	-	702	-	702	-
Total bank overdrafts and short-term loans from financial institutions			<u>60,281</u>	<u>180,073</u>	<u>702</u>	<u>-</u>

Short-term loans from financial institutions of the Group are unsecured.

21. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade payables - related parties	1,780	1,243	97,270	63,915
Trade payables - unrelated parties	273,452	305,072	193,085	237,885
Other payables - related parties	8,969	9,436	3,955	4,815
Other payables - unrelated parties	48,794	42,928	21,824	28,556
Accrued expenses	164,096	127,398	130,266	102,025
Payable from acquisition of assets	3,040	12,135	552	11,509
Accrued interest expenses	137	332	-	-
Total trade and other payables	500,268	498,544	446,952	448,705

22. Leases

22.1 The Group as a lessee

The Group has lease contracts for used in its operations. Leases generally have lease terms between 1 - 5 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land and land improvements	Buildings and building improvements	Furniture, fixtures and office equipment	Motor vehicles	Total
1 January 2020	13,059	120,934	3,504	20,683	158,180
Additions	4,124	5,856	-	10,569	20,549
Adjustment due to lease modification	-	-	(90)	-	(90)
Depreciation for the year	(10,901)	(28,850)	(969)	(9,987)	(50,707)
31 December 2020	6,282	97,940	2,445	21,265	127,932

(Unit: Thousand Baht)

	Separate financial statements				
	Land and land improvements	Buildings and building improvements	Furniture, fixtures and office equipment	Motor vehicles	Total
1 January 2020	-	118,028	3,245	15,139	136,412
Additions	3,620	469	-	10,887	14,976
Adjustment due to lease modification	-	-	(113)	-	(113)
Depreciation for the year	(1,207)	(26,220)	(827)	(8,107)	(36,361)
31 December 2020	2,413	92,277	2,305	17,919	114,914

b) Lease liabilities

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	2020	2020
Lease payments	135,351	123,019
Less: Deferred interest expenses	(6,786)	(6,426)
Total	128,565	116,593
Less: Portion due within one year	(43,203)	(34,907)
Lease liabilities - net of current portion	85,362	81,686

A maturity analysis of lease payments is disclosed in Note 33.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)	
	For the year ended 31 December 2020	
	Consolidated financial statements	Separate financial statements
Depreciation expense of right-of-use assets	50,707	36,361
Interest expense on lease liabilities	4,796	4,030
Expense relating to short-term leases	187	187
Expense relating to leases of low-value assets	23	23

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 51 million (the Company only: Baht 35 million), including the cash outflow related to short-term lease and leases of low-value assets. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 20 million (the Company only: Baht 15 million).

22.2 The Company as a lessor

The Company has entered into operating leases for its investment property portfolio consisting of land and building for rent (see Note 17) of the lease terms are between 1 and 3 years.

The Company has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2020 in immaterial amount.

23. 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	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Provision for long-term employee benefits at						
beginning of year	172,413	179,262	6,113	6,582	178,526	185,844
Included in profit or loss:						
Past service costs	-	3,232	-	214	-	3,446
Current service cost	16,109	15,673	359	148	16,468	15,821
Interest cost	2,703	2,517	58	59	2,761	2,576
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	(9,075)	(8,179)	(688)	(310)	(9,763)	(8,489)
Provision for long-term employee benefits at						
end of year	<u>182,150</u>	<u>172,413</u>	<u>5,842</u>	<u>6,113</u>	<u>187,992</u>	<u>178,526</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Defined benefit plans		Other long-term employee benefits		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Provision for long-term employee benefits at beginning of year	137,192	148,850	5,021	5,674	142,213	154,524
Included in profit or loss:						
Past service costs	-	1,970	-	-	-	1,970
Current service cost	12,745	12,280	275	110	13,020	12,390
Interest cost	2,180	2,018	45	46	2,225	2,064
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	(7,086)	(6,107)	(688)	(205)	(7,774)	(6,312)
Provision for long-term employee benefits at end of year	<u>145,031</u>	<u>137,192</u>	<u>4,653</u>	<u>5,021</u>	<u>149,684</u>	<u>142,213</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 million (the Company only: Baht 2 million). The Group reflected the effect of the change by recognising past service costs as expenses in the income statement of year 2019.

The Group expect to pay Baht 15 million of long-term employee benefits during the next year (the Company only: Baht 14 million) (2019: Baht 10 million, the Company only: Baht 7 million).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 11 - 12 years (the Company only: 12 years) (2019: 11 - 12 years, the Company only: 12 years).

Significant actuarial assumptions are summarised below:

	(Unit: Percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Discount rate	1.45 - 1.56	1.45 - 1.56	1.51 - 1.56	1.51 - 1.56
Salary increase rate	3.00 - 5.00	3.00 - 5.00	3.00 - 5.00	3.00 - 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 2020 and 2019 are summarised below:

	(Unit: Million Baht)			
	As at 31 December 2020			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(25)	28	(19)	22
Salary increase rate	32	(29)	25	(23)

	(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)

24. 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.

25. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Salaries and wages and other employee benefits	1,106,130	1,099,175	738,815	743,194
Depreciation and amortisation	295,771	233,850	145,138	115,998
Raw materials and consumables used	1,479,718	1,926,224	1,842,854	2,247,541
Changes in finished goods and work in progress	6,294	(65,413)	1,061	(35,293)

26. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Current income tax charge	31,931	38,414	31,814	37,488
Adjustment in respect of income tax of previous year	(1,185)	39	(1,185)	39
Deferred tax:				
Relating to origination and reversal of temporary differences	(10,276)	(10,116)	(3,185)	(7,810)
Income tax expenses reported in profit or loss	<u>20,470</u>	<u>28,337</u>	<u>27,444</u>	<u>29,717</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax on				
Loss from changes in value of available-for-sale investments	-	10,140	-	10,140
Loss from the change in value of financial assets measured at FVOCI	17,484	-	17,603	-
Actuarial gain	-	(4,019)	-	(4,364)
Total	<u>17,484</u>	<u>6,121</u>	<u>17,603</u>	<u>5,776</u>

The reconciliation between accounting profit and income tax expense is shown below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit before tax	334,587	303,135	265,667	291,891
Applicable tax rate	0% - 20%	0% - 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	64,097	63,309	53,133	58,378
Adjustment in respect of income tax of previous year	(1,185)	39	(1,185)	39
Recording of previously unrecognised deferred tax assets	1,410	(1,711)	-	(1,711)
Effects of:				
Exempt income	(16,860)	(19,230)	(16,860)	(19,230)
Non-deductible expenses	2,019	863	985	88
Additional expense deductions allowed	(28,287)	(16,564)	(6,922)	(7,847)
Others	(724)	1,631	(1,707)	-
Total	(43,852)	(33,300)	(24,504)	(26,989)
Income tax expense reported in profit or loss	20,470	28,337	27,444	29,717

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>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax assets				
Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	6,251	2,938	3,827	2,399
Allowance for diminution in value of inventories	4,493	4,751	3,223	3,178
Provision for long-term employee benefits	33,384	31,490	29,937	28,443
Provision for impairment loss	4,796	9,660	4,760	8,689
Lease	336	-	336	-
Unused tax loss	6,773	1,698	-	-
Others	3,426	3,440	3,426	3,438
Total	59,459	53,977	45,509	46,147

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
Deferred tax liabilities				
Gain on change in value of available-for-sale investments	-	119,466	-	119,466
Unrealised fair value gain on investments	120,031	-	121,034	-
Others	562	255	562	255
Total	<u>120,593</u>	<u>119,721</u>	<u>121,596</u>	<u>119,721</u>

As at 31 December 2020, a subsidiary has unused tax losses totaling Baht 13 million (2019: Baht 4 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 47 million will expire by 2025.

27. 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.

28. 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 2020 and 2019.

	(Unit: Million Baht)											
	Cosmetics		Packaging		Others		Total reportable segments		Adjustments and eliminations		Consolidated financial statements	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Sales	3,284	3,787	1,118	1,005	723	572	5,125	5,364	(809)	(730)	4,316	4,634
Other income	194	216	14	19	5	9	213	244	(110)	(108)	103	136
Total revenue	3,478	4,003	1,132	1,024	728	581	5,338	5,608	(919)	(838)	4,419	4,770
Cost of sales	(2,250)	(2,730)	(817)	(779)	(626)	(479)	(3,693)	(3,988)	810	731	(2,883)	(3,257)
Selling and distribution expenses	(110)	(109)	(24)	(23)	(10)	(23)	(144)	(155)	-	-	(144)	(155)
Administrative expenses	(703)	(755)	(90)	(73)	(98)	(85)	(891)	(913)	62	39	(829)	(874)
Depreciation and amortisation	(145)	(116)	(143)	(113)	(8)	(5)	(296)	(234)	-	-	(296)	(234)
Total expenses	(3,208)	(3,710)	(1,074)	(988)	(742)	(592)	(5,024)	(5,290)	872	770	(4,152)	(4,520)
Profit before income tax expenses	270	293	58	36	(14)	(11)	314	318	(47)	(68)	267	250
Share of profit from investments in associates	-	-	-	-	-	-	-	-	74	58	74	58
Finance income	1	1	-	-	-	-	1	1	-	-	1	1
Finance cost	(4)	(2)	(2)	(2)	(1)	(1)	(7)	(5)	-	-	(7)	(5)
Income tax income (expenses)	(27)	(30)	7	2	(1)	(1)	(21)	(29)	-	-	(21)	(29)
Profit for the year	240	262	63	36	(16)	(13)	287	285	27	(10)	314	275

Geographic information

Revenue from external customers is based on domestic and export sales in consolidated financial statements for the years ended 31 December 2020 and 2019 presented below.

(Unit: Thousand Baht)

	<u>2020</u>	<u>2019</u>
Sales		
- Domestic	2,177,017	2,363,782
- Export	2,138,569	2,270,248
Total	<u>4,315,586</u>	<u>4,634,030</u>

Major customers

In the year 2020, the Group has revenue from 3 major customers in amount of Baht 1,594 million, arising from sales by cosmetics segments (2019: revenue from 3 major customers in amount of Baht 2,017 million, arising from sales by cosmetics).

29. 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 Principal Asset Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to approximately Baht 12 million (2019: Baht 11 million) (the Company only: Baht 10 million (2019: Baht 9 million)) were recognised as expenses.

30. Dividend

<u>Dividend</u>	<u>Approved by</u>	<u>Total dividend</u>	<u>Dividend per share</u>
		(Million Baht)	(Baht)
Final dividends for 2018	Annual General Meeting of the shareholders on 23 April 2019	<u>189</u>	<u>1.26</u>
Interim dividends for 2019	Board of Directors' meeting on 8 April 2020	<u>165</u>	<u>1.10</u>

31. Commitments and contingent liabilities

31.1 Capital commitments

As at 31 December 2020, the Group has capital commitments of approximately Baht 29 million (The Company only: Baht 5 million) (2019: Baht 14 million, the Company only: Baht 6 million), relating to factory construction and purchase machine.

31.2 Guarantees

The Group has outstanding bank guarantees as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Bank guarantee for:				
Electricity use guarantees	15.7	14.6	7.0	6.3
Tax refund guarantees	4.8	4.6	4.8	4.6
Other guarantees	2.9	8.1	2.9	8.1

The guarantees in respect of certain performance bonds as required in the normal course of business.

32. Fair value hierarchy

As at 31 December 2020 and 2019, 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 2020			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets measured at fair value				
Financial assets measured at FVOCI				
Equity instruments	876,019	-	168,253	1,044,272
Derivatives				
Foreign currency forward contracts	-	2,809	-	2,809
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	2	-	2
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 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)

Separate financial statements

As at 31 December 2020

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Equity instruments	876,019	-	164,868	1,040,887
Derivatives				
Foreign currency forward contracts	-	2,809	-	2,809
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 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

33. Financial instruments

33.1 Derivatives

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Derivative assets				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	<u>2,809</u>	<u>1,275</u>	<u>2,809</u>	<u>1,275</u>
Total derivative assets	<u>2,809</u>	<u>1,275</u>	<u>2,809</u>	<u>1,275</u>
Derivative liabilities				
Derivatives liabilities not designated as hedging instruments				
Foreign exchange forward contracts	<u>2</u>	<u>9</u>	<u>-</u>	<u>-</u>
Total derivative liabilities	<u>2</u>	<u>9</u>	<u>-</u>	<u>-</u>

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 6 to 12 months.

33.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, loans, investments, and short-term loans. 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 trade accounts receivable, borrowing, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large and various customer.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by geography and customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising currency risk and interest rate risk. The Group enters into derivatives to manage its risk exposure for foreign exchange forward contracts to hedge the foreign currency risk arising on the export or import of goods.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2020 and 2019, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	<u>2020</u> (Million)	<u>2019</u> (Million)	<u>2020</u> (Million)	<u>2019</u> (Million)	<u>2020</u> (Baht per 1 foreign currency unit)	<u>2019</u>
<u>The Company</u>						
USD	14.01	7.11	0.94	0.77	30.04	30.15
GBP	2.16	1.42	0.52	0.01	40.64	39.52
JPY	140.57	5.87	7.53	11.39	0.29	0.28
Euro	0.56	-	1.10	0.02	36.88	33.73
<u>The subsidiaries</u>						
USD	0.36	0.16	0.12	0.35	30.04	30.15
GBP	0.01	-	-	-	40.64	-
Euro	0.48	-	0.01	-	36.88	-
CNY	0.01	0.35	-	0.60	4.62	4.31
CHF	0.05	-	-	-	34.03	-
JPY	0.50	-	-	-	0.29	-

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2020.

The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	Change in FX rate	Effect on profit before tax
		(Increase (decrease))
	(%)	(Thousand Baht)
USD	+10	53,408
	- 10	(53,408)
GBP	+10	11,207
	- 10	(11,207)
Euro	+10	8,020
	- 10	(8,020)
JPY	+10	6,449
	- 10	(6,449)

This information is not a forecast or prediction of future market conditions and should be used with care.

Interest rate risk

The Group's exposure to low interest rate risk. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2020 and 2019, 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											
Within 1 year		Over 1 and up to 2 years		Floating interest rate		Non-interest bearing		Total			
2020	2019	2020	2019	2020	2019	2020	2019	2020	2019		
Effective interest rate (Percent per annum)											
Financial assets											
Cash and cash equivalents	-	-	-	267,891	125,273	1,106	1,916	268,997	127,189	0.05 - 0.35	0.05 - 0.63
Current investments	-	4,000	-	3,000	-	-	-	-	7,000	-	1.50 - 2.00
Trade and other receivables	-	-	-	-	-	857,938	873,865	857,938	873,865	-	-
Other current financial assets	16,000	-	-	-	-	2,809	-	18,809	-	1.25 - 1.50	-
Other non-current financial assets	-	-	-	-	-	1,044,272	-	1,044,272	-	-	-
	16,000	4,000	-	3,000	125,273	1,906,125	875,781	2,190,016	1,008,054		
Financial liabilities											
Bank overdrafts and short-term loans											
from financial institution	59,579	180,073	-	702	-	-	-	60,281	180,073	2.50 - 5.88	1.50 - 2.73
Trade and other payables	-	-	-	-	-	500,268	498,544	500,268	498,544	-	-
	59,579	180,073	-	702	-	500,268	498,544	560,549	678,617		

(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		2020	2019	2020	2019	2020	2019	2020	2019
	2020	2019	2020	2019								
Financial assets												
Cash and cash equivalents	-	-	-	-	211,349	51,192	450	450	211,799	51,642	0.05 - 0.25	0.05 - 0.50
Trade and other receivables	-	-	-	-	-	-	707,652	708,368	707,652	708,368	-	-
Short-term loans to subsidiary	-	4,000	-	-	-	-	-	-	-	4,000	-	3.00
Other current financial assets	5,000	-	-	-	-	-	2,809	-	7,809	-	1.40	-
Other non-current financial assets	-	-	-	-	-	-	1,040,887	-	1,040,887	-	-	-
	5,000	4,000	-	-	211,349	51,192	1,751,798	708,818	1,968,147	764,010		
Financial liabilities												
Bank overdrafts and short-term loans												
from financial institutions	-	-	-	-	702	-	-	-	702	-	5.88	-
Trade and other payables	-	-	-	-	-	-	446,952	448,705	446,952	448,705	-	-
	-	-	-	-	702	-	446,952	448,705	447,654	448,705		

Interest rate sensitivity

The change in interest rate is no significant impact on the Group's profit before tax.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts and loans from financial institutions and lease contracts. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding. In addition, the Group's management considered that the Group has sufficient net working capital as compared with the expected cash flow will be paid in near future.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				Total
	On demand	Less than 1 year	1 to 5 years	Over 5 years	
Non-derivatives					
Bank overdraft and short-term loans					
from financial institutions	702	60,047	-	-	60,749
Trade and other payables	-	500,268	-	-	500,268
Lease liabilities	-	46,477	88,874	-	135,351
Total non-derivatives	702	606,792	88,874	-	696,368
Derivatives					
Derivative liabilities: gross settled					
Cash inflows	-	(5,341)	-	-	(5,341)
Cash outflows	-	5,343	-	-	5,343
Total derivatives	-	2	-	-	2

(Unit: Thousand Baht)

	Separate financial statements				Total
	On demand	Less than 1 year	1 to 5 years	Over 5 years	
Non-derivatives					
Bank overdraft and short-term loans from financial institutions	702	-	-	-	702
Trade and other payables	-	446,952	-	-	446,952
Lease liabilities	-	37,924	85,095	-	123,019
Total non-derivatives	702	484,876	85,095	-	570,673

33.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

During the current year, there were no transfers within the fair value hierarchy.

33.4 Reconciliation of recurring fair value measurements, of assets categorised within Level 3 of the fair value hierarchy.

(Unit: Thousand Baht)

	Non-listed equity instruments	
	Consolidated financial statements	Separate financial statements
Balance as of 1 January 2020	183,639	180,855
Net loss recognised into other comprehensive income	(15,386)	(15,987)
Balance as of 31 December 2020	168,253	164,868

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Non-listed equity instruments	Discounted future cash flow, dividend discount and other methods	Discount rate	2.6% - 12.2%	1% increase (decrease) in discount rate would result in Baht 11 million decrease in fair value (increase in Baht 22 million)

34. 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 2020, the Group's debt-to-equity ratio was 0.3:1 (2019: 0.3:1) and the Company only was 0.3:1 (2019: 0.2:1).

35. Events after the reporting period

On 25 February 2021, the Company's Board of Directors passed a resolution to propose to the Annual General Meeting of shareholders to be held in April 2021 to pay a dividend of Baht 1 per share, or a total of Baht 149.9 million to shareholders in respect of the year 2020 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.

36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2021.

Mangement Discussion and Analysis (MD&A)

Financial Ratio Table

	Consolidated Financial Statement			
	2020	2019	2018	
LIQUIDITY RATIO				
Current Ratio	3.14	2.60	2.46	Times
Quick Ratio	1.74	1.35	1.31	Times
Current Cash Flow Ratio	0.82	0.52	0.58	Times
Receivable Turnover	5.02	5.27	5.38	Times
Average Collection Period	72	68	67	Days
Inventory Turnover	10.40	12.78	16.28	Times
Inventory Turnover Period	35	28	22	Days
Payable Turnover	10.52	10.87	11.46	Times
Payment Period	34	33	32	Days
Cash Cycle	73	63	57	Days
PROFITABILITY RATIO				
Gross Profit	29.13	26.21	24.68	%
Operating Profit	3.79	2.47	3.39	%
Operating Cash Flow Turnover	340.97	328.28	300.83	%
Net Profit	6.24	5.41	6.90	%
Return on Equity	7.55	7.23	9.82	%
EFFICIENCY RATIO				
Return on Total Asset	5.48	5.23	6.96	%
Return on Fixed Asset	32.17	28.97	33.87	%
Asset Turnover	0.88	0.97	1.01	Times
FINANCIAL POLICY RATIO				
Debt to Equity	0.25	0.26	0.27	Times
Interest Coverage	81.89	83.58	86.97	Times
Payout Ratio (The Separate Financial Statements)	62.94	62.91	50.02	%

Factors that could affect operating results and financial position in future.

- Nil -

Overview of Business Operations

In 2020, the COVID-19 Pandemic has impacted to recession on global economic and consumers have changed their behaviors to emergence of the New Normal lifestyle pertinent to hygiene, social distancing and increase in online shopping, thus intensifying competition in cosmetic. Besides, other factors such as a US – China trade war, continued Thai Baht exchange rate appreciation has also impacted to export in Thailand. The Company remains resolute in seeking business opportunities both locally and overseas in order to attract new customers with its own innovations developed to fulfil consumer needs, impressive services that always win the customer loyalty. Consequently, the Company could still attain growth and make profits.

Financial performance and financial position



Revenue from sales

In 2020, the company and its subsidiaries had revenue from sales of 4,316 Million Baht, decreased from prior year of 318 million baht or 6.9% due to decrease in local sales of 187 Million Baht or 7.9% and decrease in oversea sales of 131 Million Baht or 5.8% due to recession in economic from the COVID-19 Pandemic.

Gross profit

In 2020, the company and its subsidiaries had gross profit of 29.1% of revenue from sales which increased from prior year of 2.9% due to be able to increase in profitability in cosmetic products and packaging products together with overall control in cost and expenses.

Other income (included Dividend Income, Exchange Gains and Gain from fair value measurement on derivatives)

In 2020, the company and its subsidiaries had other income of 103 Million Baht decreased from prior year of 32 Million Baht due to decrease in dividend income, Exchange Gains and other income.

Selling and distribution expenses

In 2020, the company and its subsidiaries had selling and distribution expenses of 144 Million Baht, decreased from prior year 11.2 Million Baht or 7.2% which were related to decrease in revenue from sales.

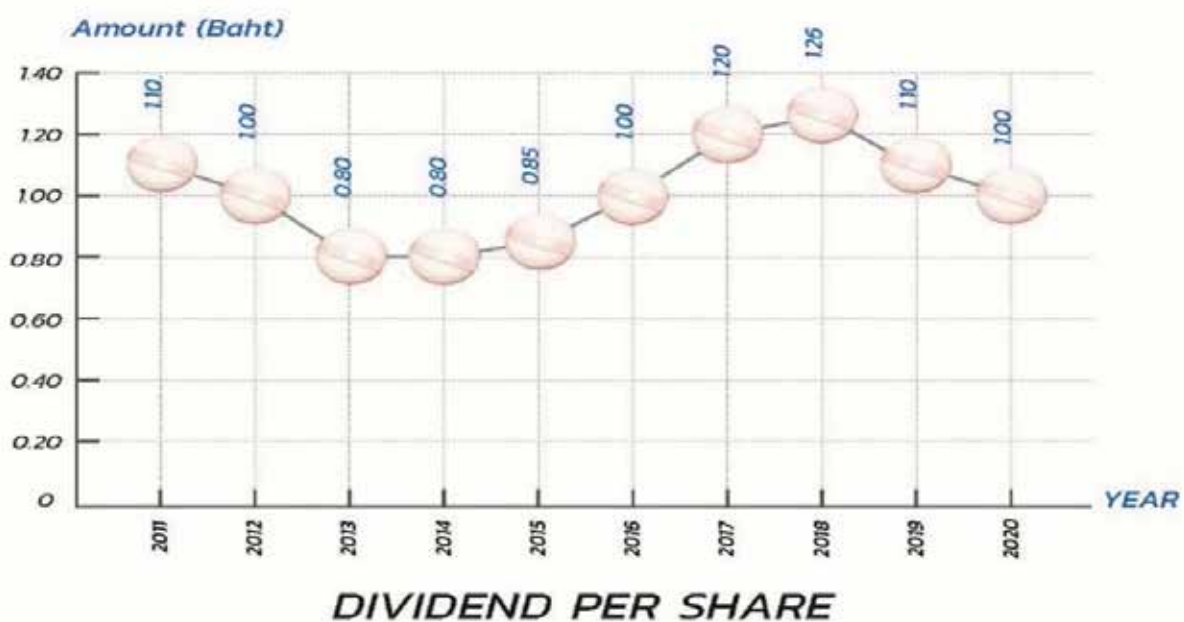
Administrative expenses

In 2020, the company and its subsidiaries had administrative expenses 950 Million Baht, increased from prior year 4.6 Million Baht or 0.5% which the expenses were in the same level as prior year.



Profit attributable to equity holders of the parent

In the consolidated financial statements of year 2020, the company and its subsidiaries had net profit attributable to equity holders of the parent company 276 Million Baht, increased from prior year of 17.7 million baht or 6.8% due to increase in profitability together with overall control in cost and expenses as above explained.



Return on Equity

In the consolidated financial statements of year 2020, the company and its subsidiaries had return on equity of 7.6%, increased from prior year 0.3% due to increase 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 2020, the company had profit for the year of 238.2 Million Baht. The company had the resolution of the Board of Directors' Meeting No.2/2021 held on February 25, 2021 which shall be proposed to the shareholders' ordinary meeting for their approval on April 27, 2021 to pay dividend at the rate of 1.00 Baht per share from the 2020 financial performance, totally 149.9 Million Baht. The proposed dividend payment is equal to 62.9% of profit for the year of the separate financial statement and shall be paid on May 25, 2021.



STATEMENTS OF FINANCIAL POSITION

YEAR	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
EQUITY	2,901	3,581	3,149	3,480	3,481	3,692	3,824	3,885	3,925	4,088
LIABILITIES	2,137	2,390	2,434	2,203	1,828	1,736	1,230	1,040	1,021	1,027
ASSETS	5,038	5,971	5,583	5,683	5,310	5,429	5,054	4,925	4,946	5,115

Financial position

Total Assets : In 2020, the company and its subsidiaries had total assets amounting to 5,115 Million Baht, increased from prior year of 169 Million Baht or 3.4% due to material changes as follows:

1. Increase in Cash and cash equivalent of 112 Million Baht due to collection of receivables during the year.
2. Decrease in Property, plant and equipment of 90 Million Baht from depreciation and decrease in acquisition of assets.
3. Increase in Right-of-use assets of 128 Million Baht due to recording in accordance with a new accounting standard which was effective in year 2020.

Total Liabilities : In 2020, the company and its subsidiaries had total liabilities amounting to 1,027 Million Baht, increased from prior year of 5.9 Million Baht or 0.6% due to material changes as follows:

1. Decrease in Bank overdraft and short-term borrowing from financial institutions of 120 Million Baht due to repayment short term borrowing from financial institutions.
2. Increase in Lease liabilities trade and other payables of 129 Million Baht due to recording this account in accordance with a new accounting standard as the above said.

Shareholders' Equity : In 2020, the company and its subsidiaries had shareholders' equity amounting to 4,088 Million Baht, increased from prior year of 163 Million Baht or 4.2% due to material changes as follows:

1. Profit for the year of 314 Million Baht and dividend payment of 165 Million Baht.
2. Loss from changes in value of investments (net of income tax) of 70 Million Baht..
3. Cumulative effect from changes in accounting policies of 93 Million Baht.

Liquidity

1. Cash flows in 2020, the company and its subsidiaries had net increase in cash and cash equivalent of 142 Million Baht by separated activities as follows:

	(Unit : Million Baht)		
	2020	2019	2018
Cash Flows provided from Operating Activities	557.3	375.2	489.6
Cash Flows provided from (used in) Investing Activities	(76.1)	(135.8)	13.1
Cash Flows used in Financing Activities	(343.0)	(156.6)	(488.8)
Increase (decrease) in transaction adjustments	3.6	(8.6)	(3.1)
Net Increase (Decrease) in Cash and Cash Equivalent	141.8	74.2	10.8

The material changes in cash flows are as follows:

- Increase in cash flows provided from operating activities of 182 Million Baht due to decrease in inventories, other current assets and decrease in payment to trade and other payables from purchasing.
- Increase in cash flows provided from investing activities of 60 Million Baht due to decrease in acquisitions of property , plant and equipment.
- Increase in cash flows used in financing activities of 186 Million Baht due to due to repayment short term borrowing from financial institutions.

2. Sufficiency of liquidity

	2020	2019	2018	
Current Ratio	3.14	2.60	2.46	Times
Quick Ratio	1.74	1.35	1.31	Times
Current Cash Flow Ratio	0.82	0.52	0.58	Times
Debt to Equity ratio	0.25	0.26	0.27	Times

In 2020, the company and its subsidiaries had more liquidity reflecting from higher Current Ratio and Quick Ratio, whereas Debt to Equity Ratio of 0.25 times, decreased from prior year due to a result of efficiency of debt collection together with most customers are good and made their payment on time , resulting in decrease in borrowing from financial institution as the above said and reflecting overall adequacy of business liquidity.

Personal Information of Company Directors and Management Members

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	73	- 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: 57 companies
2. Mrs.Tipaporn Chokwatana - Vice Chairman April 24, 1995	74	- 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: 21 companies
3. Mr.Thirasak Vikitset - Managing Director - Chairman of the Executive Board - Nominating Director - Remuneration Director April 30, 1985	69	- 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 : 18 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 - Executive Director - Nominating Director April 22, 1991	72	- 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 : 7 companies
5. Mrs.Kaewta Ongsaranakom - Director - Executive Director - Nominating Director - Remuneration Director - Corporate Governance Director June 22, 1987	64	- 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	70	- 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	69	- 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	50	- 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 : 13 companies
9. Mr. Suthep Dansiriviroj - Director April 22, 2014	72	- 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	71	- 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	72	- 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	72	- 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	71	- 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 - Chairman of Corporate Governance committee - Audit Committee Director April 28, 2015	78	- 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 - Chairman of the Risk Management - Audit Committee Director April 23, 2018	50	- 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.Bo Nystrup Nielsen Strategy and Corporate Development Division Manager	50	- 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-
17. Mr.Simon Rhoderick Knight - Overseas Business Division Manager	66	- Bachelor of Economics & Mathematics Sheffield University	0.08%	Other Listed Company : -None- Other Non-Listed Company : 4 companies
18. Mrs.Thongsuk Upathambhakul - Executive Director - Risk Management Director - Domestic Business Division Manager	61	- Bachelor of Economics, Thammasat University	0.09%	Other Listed Company : -None- Other Non-Listed Company : 2 companies
19. Mr.Praj Srichandra - Factory Division Manager	42	- Master of Environmental and Natural Resources Management Economics, Faculty of Economics, International Program, Chulalongkorn University - Bachelor of Major Industrial Engineering, Sirindhorn International Institute of Technology	None	Other Listed Company : -None- Other Non-Listed Company : -None-
20. Mr.Varith Tritrapun - Office Division Assistant Manager (Accounting & Finance) - Chief Financial Office (CFO)	76	- Master of Managerial Economic, University of Wisconsin, USA.	0.16%	Other Listed Company : -None- Other Non-Listed Company : 4 companies

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
21. Mrs.Patchara Pongwichan - Executive Director - Corporate Governance Director - Human Resource Division Assistant Manager	61	- Bachelor of Liberal Arts, Thammasat University	0.08%	Other Listed Company : -None- Other Non-Listed Company : 1 company
22. Mrs.Daranee Ajjneeeyakul - Executive Director - Risk Management Director - Technical Division Assistant Manager	53	- Master of Science, Mahidol University	0.05%	Other Listed Company : -None- Other Non-Listed Company : 1 company
23. Dr.Arucha Budsakornbhinanda - Automation and Digital Technology Division Assistant Manager	42	- Doktor der Ingenieurwissenschaften Ph.D. in Engineering (Dr. Ing.) MechatronicsUniversity of Erlangen-Nuremberg Erlangen. Germany	0.00%	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.

Report on the change in shareholding of the Directors and the Management as of December 31, 2020

	Name		Common	Increase	Common	Share- holding ratio (%)	2020	
			share 2019	(Decrease) During the year	share 2020		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	Athikomrattanakul	-	-	-	-	-	-
16	Mr.Bo Nystrup Nielsen		-	-	-	-	-	-
17	Mr.Simon Rhoderick Knight		116,142	-	116,142	0.08	116,142	-
18	Mrs.Thongsuk	Upathambhakul	136,178	-	136,178	0.09	136,178	-
19	Mr. Praj	Srichandra	-	-	-	-	-	-
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	2,142	82,141	0.05	82,141	-
23	Dr.Arucha	Budsakornbhinanda	3,892	1,500	5,392	-	5,392	-

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 12.83% number of shares issued and paid-up.

Position assignments for the Directors and management member for the subsidiary associate and relates companies

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.	4WD Vision Europe B.V. Co.,Ltd.	SAAS Co.,Ltd.		
Mr.Boonkiet Chokwatana	XXX	XXX	XXX	XXX	/	XX						XXX
Mrs.Tipaporn Chokwatana	XX	/	/	/	XX	/						
Mr.Thirasak Vikitset	/	/	/	/	XXX	XXX	XXX	XXX				/
Dr.Athakorn Glankwamdee	/	/	/	/								
Mrs.Kaewita Ongsaranakorn	/	/	/	/								
Prof.Dr.Malyn Ungsurungsie	/	/	/	/								/
Mrs.Chitraporn Vikitset	/	/	/	/								
Mrs.Teerada Ambhanwong	/	/	/	/								
Mr.Suthep Dansiriviroj	/	/	/	/								
Admiral Apichart Pengsrifong	/	/	/	/								
Mrs.Pismai Chandrubeksa	/	/	/	/								
Mr.Amorn Asvanunt	/	/	/	/								
Mrs.Pradiitha Chongwattana	/	/	/	/								
Pol.Gen.Somchai Prabhasabhakdi	/	/	/	/								
Assist.Prof.Dr.Pongchai Athikomrattanakul	/	/	/	/								
Mr.Bo Nystrup Nielsen					XX	XX	XX	XX	XX	XX	XX	XX
Mr.Simon Rhoderick Knight					/	/	/	/	/	/	/	/
Mrs.Thongsuk Upathambhakul		/	/	/								
Mr.Praj Srichandra		/	/	/								
Mr.Varith Tritrapun		/	/	/								
Mrs.Patchara Pongwichan		/	/	/								
Mrs.Daranee Ajaneeyakul		/	/	/								/
Dr.Arucha Budsakornbhinanda		/	/	/								

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 Ongsaranakorn					/		/	/		
Prof.Dr.Malyn Ungsurungsie			/							
Mrs.Chitraporn Vikitset	/						/			
Mrs.Teerada Ambhanwong							/			
Mr.Suthep Dansiriviroj										
Admiral Apichart Pengsitong										
Mrs.Pismai Chandrubeksa										
Mr.Amorn Asvanunt										
Mrs.Pradiitha Chongwatana								/		
Poi.Gen.Somchai Prabhasabhakdi										
Assist.Prof.Dr.Pongchai Athikomrattanakul										
Mr.Bo Nystrup Nielsen										
Mr.Simon Rhoderick Knight										
Mrs.Thongsuk Upathambhakul										
Mr.Praj Srichandra										
Mr.Varith Tritrapun										
Mrs.Patchara Pongwichan										
Mrs.Daranee Ajjaneeyakul										
Dr.Arucha Budsakornbhinanda										

XXX = Chairman XX = Vice Chairman / = Director

Related Companies

Name of Directors and Management	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.	Far East Fame Line DDB Plc.	I.C.C. International Plc.
	Mr.Boonkiet Chokwatana	XXX	/	/	XXX	/	XXX	XXX		
Mrs.Tipaporn Chokwatana	/			XXX	/		XXX			
Mr.Thirasak Vikitset	/		/							
Dr.Atthakorn Glangkamdee										
Mrs.Kaewta Ongsaranakorn			/							
Prof.Dr.Malyun 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										
Mrs.Thongsuk Upathambhakul										
Mr.Praj Srichandra										
Mr.Varith Tritrapun										
Mrs.Patchara Pongwichan										
Mrs.Daranee Ajjaneeyakul										
Dr.Arucha Budsakornbhinanda										

XXX = Chairman XX = Vice Chairman / = Director

Name of Directors and Management	Related Companies										
	Sahacogen (Chonburi)	Saha Pathana Inter-Holding	People's Garment	O.C.C Plc.	Better Way (Thailand) Co.,Ltd.	International Laboratories Crop.Ltd.	Vitayasathi Co.,Ltd.	Oriental Salon Business Co.,Ltd.	H&B Interfex Co.,Ltd.		
	Plc.	Plc.	Plc.	Plc.	Co.,Ltd.	Crop.Ltd.	Co.,Ltd.	Co.,Ltd.	Co.,Ltd.	Co.,Ltd.	
Mr.Boonkiet	/	/	XXX	XXX	XXX					XXX	XXX
Mrs.Tipaporn				/	/	XX	XXX		/		
Mr.Thirasak	/										
Dr.Athakorn	/					/					
Mrs.Kaewta									/		
Prof.Dr.Malyn											
Mrs.Chitraporn											
Mrs.Teerada			/	/	/	/			/		
Mr.Suthep	/										
Admiral Apichart											
Mrs.Pismai											
Mr.Amorn	/										
Mrs.Praditha											
Pol.Gen.Somchai	/										
Assist.Prof.Dr.Pongchai											
Mr.Bo Nystrup Nielsen											
Mr.Simon Rhoderick Knight											
Mrs.Thongsuk											
Mr.Praj											
Mr.Varith											
Mrs.Patchara											
Mrs.Daranee											
Dr.Arucha											

XXX = Chairman XX = Vice Chairman / = Director

Name of Directors and Management	Related Companies						
	Make up Technique International Co.,Ltd.	I.S.B.M. Co.,Ltd.	Shaldan (Thailand) Co.,Ltd.	Cake & Bakery Co.,Ltd.	Better Leasing Co.,Ltd.	Chokwatana Co.,Ltd.	AANC Co.,Ltd. (Thailand) Co.,Ltd.
Mr.Boonkiet	Chokwatana	XXX		XXX	XXX	/	
Mrs.Tipaporn	Chokwatana	XX		/	/		
Mr.Thirasak	Vikitset	/					
Dr.Athakorn	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 Nystруп Nielsen							
Mr.Simon Rhoderick Knight							
Mrs.Thongsuk	Upathambhakul						
Mr.Praj	Srichandra					/	
Mr.Varith	Tritapun	/					
Mrs.Patchara	Pongwichan						
Mrs.Daranee	Ajjaneeyakul						
Dr.Arucha	Budsakombhinanda						

XXX = Chairman XX = Vice Chairman / = Director



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FACTORY 2: 789/159 Moo 1, Sai Nong Kho - Leamchabang Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand

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