



ALWAYS MOVING FORWARD TOGETHER



Investors' Choice Award 2016
8 years of 100 Scores



A Full Member of the CAC Council
(Anti-Corruption)

ANNUAL REPORT 2016

SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED

« VISION »

"To be a leading investment company that serves customers with heartfelt service, dedication to ongoing development and social contribution values."

« MISSION »

- To invest in high-potential business.
- To increase satisfaction of the supporting trades and services.
- To develop industrial parks to an international standard level.
- To incorporate good corporate governance principles, as well as, promote ongoing personnel development in terms of business expertise, moral and ethics, and social and environmental awareness.

« TARGET »

To achieve sustainable business growth.



His Majesty will live in our hearts eternally

» Awards and Recognition



Certified as a member of the Private Sector Collective Action Coalition against Corruption (CAC) on 14 October 2016.



The Company achieved the full score of 100 along with the "Excellent" status for the quality assessment for its 2016 Annual General Meeting of Shareholders for the eighth consecutive year.



The Company achieved the CSR-DIW Continuous Award 2016 by the Ministry of Industries on July 28, 2016. This award is a testament to our commitment to developing our organization towards sustainability .



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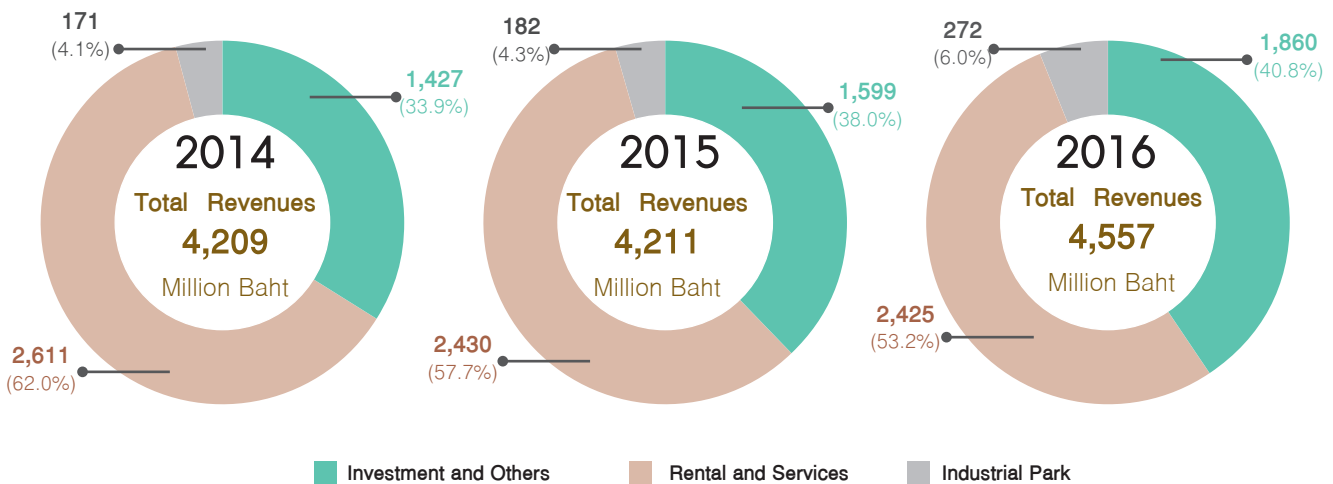
Investors are able to access more information of securities issuer from the annual report (Form 56-1) of Company on www.sec.or.th or Company's website, www.spi.co.th

FINANCIAL HIGHLIGHTS

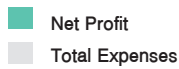
(Unit : Thousand Baht)

	2014	2015	2016
Total Revenues	4,209,136	4,210,735	4,557,372
Net Profit	1,150,142	1,317,087	1,682,271
Basic Earnings Per Share (Baht)	2.33	2.67	3.41
Dividend Payment	113,628	113,628	163,031
Dividend Payout Ratio (%)	9.88	8.63	9.69
Total Assets	21,854,248	23,087,821	25,015,700
Investment	17,260,932	17,923,734	19,805,012
Real Estate	3,951,649	4,325,768	4,643,291
Total Liabilities	2,500,608	2,730,573	2,638,123
Total Shareholders' Equity	19,353,640	20,357,248	22,377,577
Book Value per Share (Baht)	39.17	41.21	45.30

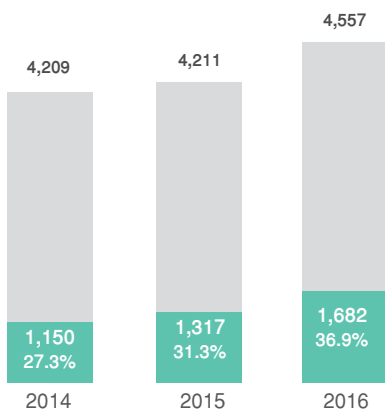
Revenue Structure



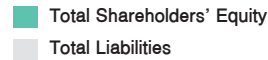
Total Revenues



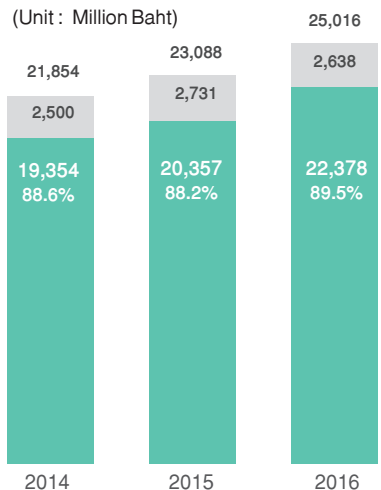
(Unit : Million Baht)



Total Assets



(Unit : Million Baht)





Report of the Board of Directors

The year 2016 marks a year of greatest loss for all Thais when the most devastating news about the passing of H.M. King Bhumibol Adulyadej was announced by the Bureau of The Royal Household on October 13, 2016. With our deepest gratitude towards H.M. King Bhumibol Adulyadej's dedication, compassion and kindness, we, the Board of Directors, as well as all executives and employees of the Company are pledge to perform our duties in response to H.M. King Bhumibol Adulyadej's aspirations and follow the Royal Footsteps. At the same time, we hereby humbly offer our utmost respect and best wishes to His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun. Long Live His Majesty the King.

In 2016, the global economy experienced several changes caused by the effects of political and economic events — some of which included the 'Brexit' referendum which led United Kingdom to leave the European Union; US presidential election results; energy price fluctuations; and, interest rate hikes of the US Federal Reserve. Nevertheless, the Thai economy in 2016 enjoyed a 3.2 percent growth from the previous year due largely to private sector consumption and public sector investments, expanding 3.1 percent and 9.9 percent respectively. Also attributable to the growth was increasing tourism revenues, which saw an 11.1 percent increase in comparison with the prior year. Thailand's exports showed a clearer sign of recovery in the second half of the year as a result of the economic and industrial reform covering various aspects. In terms of the political sector and the general public, a referendum on the latest draft constitutional helped bring the timeframe and national political process into sharp focus.

The Company recorded a revenue of Baht 4,557 million in 2016, a growth of 8.2 percent, with its utility expenses (electricity and steam) dropping by 0.7 percent. Share of Profit from Investment in Associates by Equity Method rose 14.2 percent while the Dividend Income surged 51.2 percent thanks to the improved operating results of the companies it has invested in. Other revenues contributing to the figure derived from the Consulting and Services Income along with Sales of Real Estate, which rose 2.8 percent and 49.5 percent respectively while Total Expenses declined by 1.3 percent. The Company's cost management and expense control led it to gain a record-breaking profit of Baht 1,682 million — the highest profit ever since its establishment, an impressive 27.7 percent increase from the previous year.

The Company was rated at **"AA"** with **"Stable"** outlook by TRIS Ratings Co., Ltd. It also became a member of Thailand's Private Sector Collective Action Coalition against Corruption (CAC) on October 14, 2016 certified by the CAC Council. Additionally, it received an Outstanding Award for Industrial Environmental Management from the Engineering Institute of Thailand under H.M. The King's Patronage. The Company achieved the full score of 100 along with the **"Excellent"** status for the quality assessment for its 2016 Annual General Meeting of Shareholders for the eighth consecutive year.

The year 2017 is yet another year of great challenges either in terms of economic uncertainties, the economic shift toward the Thailand 4.0 model, or internal adjustments within Saha Group. However, the Company has prepared a number of measures to address such challenges. They include reorganization, financial restructuring through the use of multiple financial instruments, changing the shareholding structure in various businesses, increasing investments in Special Economic Zones, particularly in Mae Sot district, Tak province, and the expansion of trade in CLMV countries. All these plans will be rigorously and consistently carried out with strict adherence and compliance with the Corporate Governance (CG), Collective Action Coalition against Corruption (CAC) and Corporate Social Responsibility (CSR).

On behalf of the Company's Board of Directors, we would like to express our heartfelt appreciation to all our executives and employees for their endeavors and dedication. We further extend our sincere gratitude to all shareholders, clients, partners, financial institutions, as well as all government and private agencies for their trust. Such reliance has led the Company to receive continued support and cooperation that have steered it forward in achieving smooth business operations throughout the years. Lastly, the Company will continue to adhere to "good people, good products, good society" practices to ensure its sustainable growth and success in many years to come.



Report of the Audit Committee

Dear Shareholders of Saha Pathana Inter-Holding Public Company Limited,

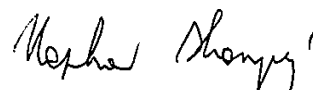
The Audit Committee of Saha Pathana Inter-Holding Public Company Limited was appointed by the Board of Directors on May 11th, 2016 with three independent and non-executive members: Mr. Nophorn Bhongsvej as Chairman of Audit Committee, Pol. Lt. Gen. Amarin Niemskul and Mrs.Punnee Worawuthichongsathit as Audit Committee having a term of one year. The Audit Committee has held fifteen meetings in 2016.

Name	Position	No. of Attendance
1. Mr. Nophorn Bhongsvej	Chairman of Audit Committee	15/15
2. Pol. Lt. Gen. Amarin Niemskul	Audit Committee	14/15
3. Mr. Krish Follett (resigned from this position since 25 April 2016)	Audit Committee	6/6
4. Mrs.Punnee Worawuthichongsathit (served in this position since 25 April 2016)	Audit Committee	8/9

The Audit Committee has performed their duties within the authority and the responsibilities entrusted by the Board of Directors as follows:

1. To review the quarterly financial statements and those for the accounting year 2016. The financial statements are prepared in accordance with generally accepted accounting standards with explaining from the auditor and the executives of accounting department in order to ensure correct and complete disclosure of information in accordance with the regulations of the Securities and Exchange Commission.
2. To review related transactions and disclosure of information on related transactions with individuals with possible conflict of interests to enhance correct transaction having benefits for the Company, which shall have been approved and reported in accordance with the regulations of the Securities and Exchange Commission.
3. To review the internal control system including the risk management and approve the internal audit plan; and to follow up on the internal audit effort of the internal audit department during the year in order to ensure adequacy and appropriateness of the internal control system to the current state of business.
4. To convene meetings with the auditor to review the auditing independence and performance and to seek the opinions of the auditor on the internal control system of the company.
5. To convene meetings with Company Executives for discussion on various topics of significance.
6. To review the alignment of Anti-Corruption Policy as the Company was certified by the Private Sector Collective Action against Corruption Council (CAC Council)
7. To consider the appointment of company auditors for 2017. The Audit Committee has considered the opinion that Ms. Somjintana Pholhirunrat C.P.A. (Thailand) Registration No. 5599 of DIA International Auditing Co., Ltd. and/or Mr. Nopparoeek Pissanuwong C.P.A. (Thailand) Registration No. 7764 of DIA International Auditing Co., Ltd. and/or Ms. Suphaphorn Mangjit C.P.A. (Thailand) Registration No. 8125 of DIA International Auditing Co., Ltd. are qualified and independent as auditors of the company. It will be subsequently proposed to the Board of Directors to appoint and determine the remuneration and to propose to the annual general meeting of shareholders for consideration and approval.

On behalf of the Audit Committee,



(Mr. Nophorn Bhongsvej)

Chairman of the Audit Committee

March 15, 2017





Report of Nomination and Remuneration Committee

Saha Pathana Inter-Holding Public Co. Ltd. has appointed the Nomination and Remuneration Committee, comprising the following three directors serving a one year term:

	Name	Position	No. of Attendance
1.	Mr. Boonsithi Chokwatana	Chairman of Nomination and Remuneration Committee	4/4
2.	Mr. Tanong Srichit	Nomination and Remuneration Committee	3/4
3.	Ms. Sirikul Dhanasarnsilp (served in this position since 15 December 2016)	Nomination and Remuneration Committee	0/0
4.	Mrs. Chantra Buranarek (resigned from this position since 1 December 2016)	Nomination and Remuneration Committee	3/3

Duties of the Nomination and Remuneration Committee are assigned by the Board of Directors and outlined in their charter.

Nomination: The committee is charged with nominating directors to serve on the board. Nomination criteria include beneficial expertise, education, skills, experience, and other qualifications, including the absence of characteristics prohibited by law, relevant announcements and the Company's own regulations to ensure a transparent nomination process. Nominees are first presented to the board for their approval before being submitted to a shareholder meeting for a vote to confirm their appointment. The Company encourages minority shareholders to nominate qualified candidates prior to the annual general meeting of shareholders. In 2016, there were no nominations made by shareholders.

Remuneration: The committee is tasked with devising the criteria and types of compensation for directors on the board with an aim of fostering transparency and fairness.

In 2016, the committee held a total of four meetings, a summary of which is as follows:

Nomination: The committee to nominate the Company Directors to replace vacant director and director whose term expired.

Remuneration: The committee reviewed the criteria and types of remuneration, as well as remuneration limit and allocation, for directors' role on the Company board of directors, the Audit Committee, the Nomination and Remuneration Committee, and the Corporate Governance and Risk Management Committee. Directors' remunerations were presented to the board to obtain their approval prior to the submission for a vote at the annual general meeting of shareholders.

Remunerations of each director are disclosed in the annual report and in Form 56-1.

(Boonsithi Chokwatana)

Chairman of the Nomination and Remuneration Committee



Report of Good Governance and Risk Management Committee

Saha Patana Inter-Holding Public Company Limited established the Good Governance and Risk Management Committee, which consists of five directors as follows:

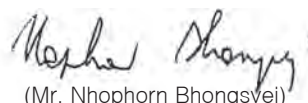
1. Mr. Nophorn	Bhongsvej	Chairman of Good Governance and Risk Management Committee
2. Mr. Tanong	Srichit	Good Governance and Risk Management Committee
3. Mr. Vichai	Kulsomphob	Good Governance and Risk Management Committee
4. Mr. Chuto	Chirakunakorn	Good Governance and Risk Management Committee
5. Mrs. Darunee	Soontorntrumrong	Good Governance and Risk Management Committee

The Good Governance and Risk Management Committee performs duties as assigned by the Board of Directors compliance with the Good Governance and Risk Management Committee charter. The committee is responsible for the Company's good governance and risk management, and supports other operations to achieve their objectives and goals. This also helps create added value to the business and reinforce confidence all shareholders and stakeholders. The Chairman of the committee being an independent director.

In 2016, the Good Governance and Risk Management Committee held meetings to carry out duties as assigned which can be summarized, as below:

1. Reviewing the Company's good corporate governance principles, which consist of corporate governance policies and principles, business ethics, anti-corruption policy, and code of conduct for Company Directors, Executives and Employees. The committee deemed that the Company's principles suited the current situations and corresponded with the Company's operations and in compliance with "the principles of good corporate governance for listed companies 2012" of the Stock Exchange of Thailand and ASEAN CG Scorecard guideline.
2. Promoting and Supporting the Company's compliance with good corporate governance principles and ensuring that shareholders' meetings were held in accordance with AGM Checklist of the Stock Exchange of Thailand. Such compliance led the Company to receive a "Very Good" rating for its corporate governance and an "excellent" recognition for the quality of its AGM 2016 with a full of score 100 for eight consecutive years.
3. Consenting the Practices of Anti-corruption Policy to be adopted by all Directors, Executives and employees, which were in compliance with the Anti-corruption policy of the Company, before submitting it to the Board of Directors for approval.
4. Reviewing the Self-Evaluation Tool for Countering Bribery before being to the Board of Directors approved for use in the application for Thailand's Private Sector Collective Action Coalition against Corruption (CAC) membership. The Company was certified as a CAC member on 14 October 2016.
5. Evaluating, monitoring and reviewing business operation risks, as well as implementing control measures to ensure that such risks have been prevented and managed systematically as well as maintained at an appropriate and acceptable level.
6. Acknowledging, recommending and keeping track of the Company's role beyond legal compliance in regard to social responsibility in order to minimize the impact of the Company's business operations on stakeholders. The Company has focused on conducting 'CSR in Process' activities in a continuous manner. These activities are among the processes to mitigate the operational risks and reduce costs and expenses including the effects of complaints from surrounding communities. Importantly, they also create maximum benefits for society and the environment along with business sustainable growth. In 2016, the Company carried out more than 22 projects concerning Corporate Social Responsibility. Such endeavors led the Company to win the CSR DIW Continuous Award 2016 from the Department of Industrial Works, Ministry of Industry, together with the Green Industry certificate — Level 3 (Green System) from the Ministry of Industry and a certificate of global warming reduction by using CoolMode clothing from Thailand Greenhouse Management Organization (Public Organization).

The Good Governance and Risk Management Committee believes that the Company business operates in accordance with good corporate governance principles. In addition, the Company demonstrates a commitment to ongoing development of good governance, anti-corruption, risk management, and social and environmental responsibility. These developments are the key factors to enhance operational effectiveness that supports the Company to gain trust from all stakeholders and contributes to forming a strong foundation for its long-term, sustainable growth.


(Mr. Nophorn Bhongsvej)

Chairman of the Good Governance and Risk Management Committee

Business Operations

1. The Policy and Overview of The Company's Business Operation

The Company's main businesses can be divided into 3 main types of businesses according to these following details:

Investment in Share Capital

The Company has invested in share capital in various businesses with an objective to add value to the Company in the long term. The Company has invested in the businesses that enhance other businesses undertaken by the companies in the group or in business that will possibly be undertaken in the future due to its profitable potentiality. The Company will therefore get the return in the form of dividends. The Company currently invests in three major lines of businesses which are production, distribution, services and other businesses. As of 31 December 2016, the Company has investments in the shares of 155 companies in total.

Business Lines	Number of Companies	Net Value of Investment Unit : Thousand Baht
1. Production	79	11,924,140
2. Distribution	26	6,687,841
3. Services and Others	50	1,193,031
Total	155	19,805,012

Rental and Services

The Company operates rental and service businesses with the objective of accommodating the growth and enhancing the competitiveness of all companies in Saha Group. The business includes land and building leasing and utility services. The company generates revenue in the form of rental and utility fees as well as electricity and stream services provided to companies in Saha Group Industrial Park in Sriracha. Moreover, the Company has launched a hotel and golf course service by gaining income in the form of golf course fees, food and beverage and others.

Additionally, we serve as the intermediary of applying for international brand licenses and trademarks and transfer the right to use notable foreign brands, such as Guy Laroche, Elle and Absorba to other affiliate companies in Saha Group by gaining an income from royalty fees. For domestic trademarks, the Company has already made contracts with the brand licensors and we allow our affiliates to manufacture and distribute products under those brands by gaining income as trademark fees.

In addition to the above services, the Company also provides the following services to companies in Saha Group: consultation, business planning, management and implementation services, and channels of distribution through activities such as business matching, cooperation with government and private sector to develop products and packaging to meet customer needs.

Industrial Parks

The Company operates its business development for industries to support the expansion of production capacity of the group and to support the government's policy of income distribution in rural areas. However, the Company plans to sell lands to general investors to increase revenues from selling lands. The Company currently operates 4 Industrial Parks in Sriracha District of Chonburi Province, Kabinburi District of Prachinburi Province and Lamphun District of Lamphun Province and Mae Sot District of Tak Province which has managed to become a Special Economic Zone.



2. Vision, Objectives, Target and Operational Strategies

By realizing the importance of the business operation, the Board of Directors has established the Company's Vision and Mission to guide the Company's directors, executives and employees to the same path of success **by reviewing it annually**.

In 2016, the Company has reviewed its current vision, mission, target and business strategies and found that the details of such remain up-to-date and in accordance with the Company's operating policy.

Corporate Vision and Mission

The Board of Directors established the Company's vision, mission and target to visualize the Company's business operation as follows:

Vision

“To be a leading investment company that serves customers with heartfelt service, dedication to ongoing development and social contribution values.”

Mission

- To invest in high-potential business.
- To increase satisfaction of the supporting trades and services.
- To develop industrial parks to an international standard level.
- To incorporate good corporate governance principles, as well as, promote ongoing personnel development in terms of business expertise, moral and ethics, and social and environmental awareness.

Target

To achieve sustainable business growth.

According to the aforementioned Vision, Mission and Target, the Company has established its business strategic plans for 2016-2015 as follows:

- 1. Leading Good Corporate Governance and Sustainable Practices:** The Company is committed to publicizing the principles of Good Corporate Governance, declaring its anti-corruption policy, and establishing the Risk Management Committee and Corporate Social Responsibility Committee for sustainable operations. In accordance with the approval of Anti-Corruption Compliance Policy by Board of Directors and the company is certified as a member of Private Sector Collective Action Coalition against Corruption (CAC) on 14 October 2016.
- 2. Real Estate and Industrial Parks Development:** The Company is committed to developing the quality of its real estate properties and industrial parks to reach global standards with dedication to operating its businesses in a non-polluting and environmentally-friendly manner and to retaining good relationships with local communities. The Company will also expand its development to Mae Kasa Sub-district, Maha Wan Sub-district and Mae Ku Sub-district of Mae Sot District in Tak Province to support its Special Economic Zone in accordance with the government policy.
- 3. Investment:** The Company has operated its investment business methodically by establishing the Investment Working Team to study and provide investment recommendations for Saha Group's affiliates in order to achieve greater results and return on investments.
- 4. Marketing and Service Promotion:** The Company, as the core of Saha Group, has prepared the data center of importers by aiming to seek partnership negotiation, business consultancy, creation of domestic and international marketing opportunity with public sector and business alliance, cooperation with the Tourism Authority of Thailand as well as publicizing and promotion of the Group's service businesses, such as His & Her Outlets, hotel businesses, golf courses and the aviation school.



- 5. Human Resources and Management:** The Company divides its human resources and management plans into:
- **Saha Group Human Resources Development Center**, to value human resources as Human Capital instead of Assets and to develop the Technical and Skills Training as well as to create Motivational Development.
 - **IT Center**, to be the center of electronic commercial management, develop the internal IT system of the Company for management, create and manage the corporate image at the same time and enter to the digital economy.
 - **Finance**, to set up the short-term and long-term financial infrastructure system by aiming for effectiveness and reduction of financial risk.
 - **Accounting**, to strictly comply with the standard of financial reporting and submit the financial statement of the Company through the online system (DBD e-Filing) as promulgated by the Department of Business Development, Ministry of Commerce.
 - **Internal Audit**, to perform audits in accordance with COSO (Committee of Sponsoring Organization of the Treadway Commission) principles.

3. Background and Significant Development

Saha Pathana Inter Holding Public Company Limited (“Company”) was incorporated on 5 April 1972, under the name of Saha Pathana Investment Co., Ltd., with the initial registered capital of 6 million baht. Presently, the Company has a registered capital of 800,000,000 baht with paid-up capital of 494,034,300 baht. The Company’s core businesses are divided into three categories: investment, rental and services and industrial parks.

- | | |
|------|--|
| 1972 | - Increase of registered capital to 10,000,000 baht |
| 1973 | - Increase of registered capital to 40,000,000 baht |
| 1974 | - Establishment of Saha Group Industrial Park Sriracha, Chonburi Province |
| 1977 | - Listing in the Stock Exchange of Thailand (SET) |
| 1978 | - Increase of registered capital to 60,000,000 baht |
| 1983 | - Increase of registered capital to 120,000,000 baht |
| 1984 | - Change of the company name to Saha Pathana Inter Holding Co., Ltd. |
| 1986 | - Increase of registered capital to 240,000,000 baht |
| 1988 | - Increase of registered capital to 350,000,000 baht |
| 1989 | - Establishment of Saha Group Industrial Park Kabinburi and Saha Group Industrial Park Lamphun |
| | - Increase of registered capital to 800,000,000 baht |
| 1994 | - Registration as a public company limited on the 9 th of May |
| 2003 | - Change of the par value of the ordinary shares from 10 baht to 1 baht per share. |
| 2004 | - Relocation the headquarter from No. 2156, New Petchburi Road, Bangkokpi, Huay Kwang, Bangkok 10310 to No. 530 Sathupradit 58, Bang Pongpang, Yannawa, Bangkok 10120 |
| 2007 | - Registration the 4 th branch at No. 196 Moo 11, Wang Dan, Kabinburi, Prachinburi Province to operate golf course business under the name of “Kabinburi Sport Club” |
| 2009 | - Registration the 5 th branch at No. 269 Moo 15, Mae Kasa, Mae Sot, Tak Province due to the business expansion to the area |
| 2014 | - Registration the 6 th branch at No. 1 Moo 6, Surasak Sub-district, Sriracha District, Chonburi Province to operate the shopping mall under the name of “J-Park Sriracha Nihon Mura” |
| | - Establishment of “KBSC Hotel” located in Wang Dan, Kabinburi, Prachinburi Province, which is the only hotel in Prachinburi Province located on a golf course |



- 2016 - According to the Extraordinary General Meeting of Shareholders No.1/2016 on September 20, 2016 approved the Company to issued and offered debentures with aggregated principal amount no exceeding 15,000 million Baht. On February 9, 2017, total of two series, Debenture offering worth a total of Value 2,000 Million Baht ;
- Series 1 due in 2020 Value 1,000 Million Baht, Interest Rate 2.39% per year
- Series 2 due in 2024 Value 1,000 Million Baht, Interest Rate 3.44% per year

The Company has also developed its business in the operations as follows:

Environment

- 1994 - Central wastewater treatment system at Sriracha Industrial Park was issued an honor certificate from the Environmental Club.
- 2002 - Three Saha Group Industrial Parks initially applied the quality management standard (ISO9001:2000) on land development and basic utility services.
- 2003 - On the 26th of September, three Saha Group Industrial Parks were certified “ISO 9001:2000” from the Management System Certification Institute (Thailand) on land development and basic utility services.
- 2006 - The Saha Group Industrial Park, Kabinburi, had a high volume of treated wastewater from the production plants. For sustainable management of treated wastewater, the Company developed the vacant land by constructing an 18-hole golf course which helps utilize the high volume of treated wastewater in long term.
- 2007 - Saha Group Industrial Park Sriracha participated in a campaign to upgrade the standards of industrial entrepreneurs using ISO 14001 Environmental Management System sponsored by the Department of Industrial Works, Ministry of Industry, and the Management System Certification Institute (Thailand).
- 2008 - Saha Group Industrial Park Sriracha was certified “ISO 14001:2004” by TUV Nord (Thailand) Ltd. for the central wastewater treatment system in accordance with the certificate registration No. 44 104 082444, on the 20th of August.
- 2009 - Saha Group Industrial Park Lamphun was certified “ISO 14001:2004” by the Management System Certification Institute (Thailand) for environmental management of the central wastewater treatment system.
- Saha Group Industrial Park Sriracha was issued a certificate by the Ministry of Industry for “Compliance of the Standard for Corporate Social Responsibility (CSR-DIW) of Year 2009”
 - Saha Group Industrial Park Sriracha was certified in the “Total Level of Thai Labor Standard Management (TLS 8001-2546)” by the Department of Labor Welfare and Protection, the Ministry of Labor
 - The central wastewater treatment systems of Saha Group Industrial Park Sriracha and Saha Group Industrial Park - Kabinburi were issued certificates by the Ministry of Industry for “Compliance with Good Environmental Governance Principles”.
 - Three Saha Group Industrial Parks were certified “ISO 9001:2000” by the Management System Certification Institute (Thailand), as well as, “ISO 9001:2008” for land and basic utility service development.
- 2010 - Saha Group Industrial Park Kabinburi was certified “ISO 14001:2004” for the “Central Wastewater Treatment System” by Office of Certification Authority, Thailand Institute of Scientific and Technological Research (TISTR-OCB) and was issued a certificate by the Ministry of Industry for “Compliance of the Standard for Corporate Social Responsibility (CSR-DIW) of Year 2010”.
- 2011 - Saha Group Industrial Park Sriracha was issued a certificate by the Ministry of Industry for the “Central Wastewater Management System” and earned the “Gold Medal” level of accreditation for the “Industrial waste management standard under the “Waste Management Business Enhancement Program of the Fiscal Year 2011”.
- Saha Group Industrial Park Lamphun was issued a certificate by the Ministry of Industry for “Compliance of the Standard for Corporate Social Responsibility (CSR-DIW) of Year 2011”.



- Saha Group Industrial Park Kabinburi was issued a certificate by the Anti-Drug Center of Prachinburi Province for an official recognition as a “White or Drug-Free Industrial Estate of Year 2011”.
 - The Ratchaburi Environment and Energy Research and Development Center conducted Corporate Social Responsibility (CSR) activities in the form of mobile exhibitions about the environment and alternative energy. The alternative energy sources presented include wind, solar, water and biomass providing environmental knowledge, particularly information about waste categorization and waste management for students in nearby schools in the area. After the completion of such environment and energy research, the areas are improved to be the lands for cultivated agricultural products and the office building is improved to be the building for agricultural land management and development corresponding with local environment.
- 2012
- Saha Group Industrial Park was issued a certificate by the Ministry of Industry for “Compliance of the Standard for Corporate Social Responsibility (CSR-DIW) of Year 2012” and “CSR-DIW Continuous Award”.
 - Saha Group Industrial Park Sriracha and Saha Group Industrial Park Lamphun were selected by the Ministry of Industry to join the CSR-DIW Network for “Compliance of the Standards for Corporate Social Responsibility (CSR-DIW Network Center)”.
 - Saha Group Industrial Park Sriracha was issued the “Certificate of Achievement” by the Department of Industrial Works for successful evaluation under the energy management system project (EnMS-DIW) where the central wastewater treatment system is assessed as a part of the ISO 50001:2011 energy management system certification by reducing electricity power usage by 5% compared to electricity expenses in 2011.
 - Saha Group Industrial Park Sriracha, Saha Group Industrial Park Kabinburi and Saha Group Industrial Park Lamphun were consistently certified for quality management in accordance with the “ISO 9001:2008” standard for land development and basic utility service by the Management System Certification Institute (Thailand), Foundation for Industrial Development.
 - Saha Group Industrial Park Sriracha was certified “ISO 14001:2004” for the central wastewater treatment system by Thailand Institute of Scientific and Technological Research (TISTR).
 - The genuine commitment to eco-friendliness of Saha Group Industrial Park Sriracha in Chonburi Province has been recognized with the ‘Green Industrial Park Award’.
 - Saha Group Industrial Park was chosen to be a “Green Industrial Park” by the Department of Industrial Works on the 12th of July.
 - Saha Group Industrial Park Sriracha and Saha Group Industrial Park Kabinburi participated in the “Eco Industrial Complex Project of the Department of Industrial Works” by the Ministry of Industry. The objective of the project was to enhance Thai industry together with all related parties by establishing five aspects including economics, environment, society, physiology and management.
 - Saha Group Industrial Park Lamphun established the mixed-use plantation project titled “Dr. Thiam Chokwatana Sufficiency Economy Project in Lamphun” in order to become learning center of ecological balance between agriculture and eco-industry as well as to transfer knowledge for surrounding communities nearby the industrial park.
- 2013
- Saha Group Industrial Park Sriracha became Thailand’s first industrial group or industrial estate in Thailand who achieved the energy management standard by the “International Organization for Standardization (ISO 50001: 2011)”.
 - Three Saha Group Industrial Parks in Sriracha, Kabinburi and Lamphun were certified “ISO 14001:2008” on a multisite basis by the Office of Certification Body (TISTR), Thailand Institute of Scientific and Technological Research.
 - Saha Group Industrial Park Sriracha, Saha Group Industrial Park Kabinburi, and Saha Group Industrial Park Lamphun successfully increased the amount of recycled water usage in green areas to reduce the volume of wastewater released into public waterways.



- Saha Group Industrial Park Sriracha was awarded the “Outstanding Preservation and Rehabilitation of Rivers Award of Year 2013” by the Ministry of Industry to attest it as the leading company with dedication for social responsibility and environmental awareness in every business operation, particularly the wastewater management policy which ensures the quality of water released to public waterways to achieve the standard required by the Ministry of Industry.
 - Saha Group Industrial Park Sriracha and Saha Group Industrial Park Lamphun were issued certificates by the Ministry of Industry for consistent Compliance of the Standards for Corporate Social Responsibility which aimed to promote the social responsibility of industrial factories and contributed to the continuous and sustainable improvement of the Green Culture Network.
- 2014
- The Company was awarded the “CSR Recognition Award of Year 2014” under the category of “Rising Star” hosted by the Stock Exchange of Thailand to honor the Company’s determination to develop its organization towards sustainability with business operations that achieve environmental and social balance together with good corporate governance. This marked the company’s first participation in the ceremony, where its significant potential in conducting business with social responsibility was clearly shown.
 - Saha Group Industrial Park Sriracha and Saha Group Industrial Park Kabinburi participated in the “Eco Industrial Town Development Project” introduced by the Department of Industrial Works, Ministry of Industry by developing industrial parks while achieving the balance between economic, social and environmental aspects through cooperation from all sectors involved.
 - Saha Group Industrial Park Sriracha was the only industrial group in Thailand selected by Faculty of Engineering, Griffith University, Australia, to join a research project titled “Study of the Benefits from Health and Safety Operation in the Eco Industrial Town Development”.
 - Saha Group Industrial Park Kabinburi participated in the “Project of Development and Promotion of Industrial Water Management” organized by the Industrial Office of Prachinburi Province which aimed to encourage the factories in Prachinburi Province to apply the 3R principles to their water management with the objective of reducing water usage while optimizing their water consumption.
 - Saha Group Industrial Park Kabinburi participated in the “Upgrading Waste Management Entrepreneurs Project of Year 2014” which was organized by the Department of Industrial Works in order to monitor and offer suggestions about waste management.
 - Saha Group Industrial Park Sriracha, Saha Group Industrial Park Kabinburi and Saha Group Industrial Park Lamphun were certified “ISO 9001 : 2008” by the Management System Certification Institute (Thailand), and the multisite environmental management systems “ISO 14001 : 2004” certification by the Office of Certification Body (TISTR). Additionally, Saha Group Industrial Park Sriracha maintained the energy management systems “ISO 50001:2011” on a continuous basis.
 - Saha Group Industrial Park Lamphun received the “CSR-DIW Continuous Awards of Year 2014” organized by the Ministry of Industry on the 21st of October for its determination to develop towards sustainability and green technology which is environmentally-friendly, community-friendly and well-aligned with good corporate governance. The award also unveiled its potentiality to achieve environmental development and social responsibility in a sustainable manner.
 - Saha Group Industrial Park Lamphun was certified by the Ministry of Industry as a “Green Industry - Level 3” for its environmental management system which incorporated monitoring, evaluation and reviewing systems for continuous and sustainable development.
- 2015
- Saha Group Industrial Park Sriracha was certified as a “Green Industry - Level 3” by the Ministry of Industry due to the focus on development together with continuous improvement and entrepreneurship with social responsibility both within and outside the industrial park throughout the supply chain to create sustainability.
 - Saha Group Industrial Park Sriracha participated in a promotional activity to encourage the factories inside Saha Group industrial Park to be certified for Green Industry under the Eco Industrial Development Project



(Pathum Thani Province, Chonburi Province Ayutthaya Province and Saraburi Province) for the fiscal year 2015 by the Ministry of Industry.

- Saha Group Industrial Park Sriracha in cooperation with Kasetsart University and the Certification Institute conducted a study of the qualified waste management system in accordance with academic findings and the law in order to develop the potential for the use of sludge as a fertilizer which could be produced according to the standard required by the Department of Agriculture.
- Saha Group Industrial Park Sriracha, Kabinburi, and Lamphun have obtained ISO 9001: 2008 certificate from the Management System Certification Institute (Thailand), and there was a change in the certification authority to become Thailand Institute of Scientific and Technological Research (TISTR)
- Saha Group Industrial Park Kabinburi participated in the Master Plan Project for Eco-industry Development of Prachinburi Province
- Saha Industrial Park Kabinburi was issued a certificate of participation in the “Project of Promotion and Development of Water Management in Industry” by Industrial Office of Prachinburi to promote the factories located within Prachinburi Province to use 3R principles in the management of water.
- Saha Group Industrial Park Kabinburi was awarded “Gold Medal” as the waste management factory from the “Memorandum Project of Operators’ Waste Management Upgrade Project of Year 2014” by the Department of Industry for its development potential standards and implementation guidelines, standards and best practices for industrial waste management plant.
- Saha Group Industrial Park Kabinburi was issued a certificate for the industrial establishments participating in the activities to improve air quality and water pollution control systems.
- Saha Group Industrial Park Lamphun received a certificate for the industrial entrepreneur that operated in accordance with the Principles of Good Environmental Governance of Year 2015.
- Saha Group Industrial Park Lamphun was certified “Green Industry - Level 3” by the Ministry of Industry for the environmental management system that was assessed and praised for its continued development and sustainability.
- Saha Group Industrial Park Lamphun won the “CSR-DIW Continuous Award of Year 2015” organized by the Ministry of Industry

Management

- 1997 - Organized ‘SAHA GROUP EXPORT’ 98’ with Saha Group’s affiliates by emphasizing the international market
- 1998 - Organized ‘SAHA GROUP EXPORT & TRADE EXHIBITION’ with Saha Group’s affiliates by emphasizing both international and domestic markets, and has continued organizing it annually
- 2002 - The Board of Directors’ Meeting No. 7 (Board# 9) on the 14th of November approved the policy of corporate governance, business ethics, and employee’s code of conduct.
 - Sold the land in the industrial park in Lamphun to the third party, Abbey Crest (Thailand) Co., Ltd. to operate an ornaments business for the first time
- 2003 - Restructured the organization into two large units, the Administration 1 which is responsible for providing supervision and management of the headquarter, and the Administration 2 which is responsible for providing supervision and management of the industrial parks
- 2008 - The Board of Directors appointed Mrs. Darunee Soontorntumrong as Company Secretary on the 12th of May.
 - The Board of Directors approved the Board of Directors Charter, the Audit Committee Charter, the Nomination and Remuneration Committee Charter, the Executive Board Charter and the President Authority and Responsibilities on the 18th of December which were effective from the 19th of December
 - The Company’s shares were listed in the Stock Exchange of Thailand into the scriptless system with Thailand Securities Depository Co., Ltd. (TSD)



- 2009 - Renamed Saha Group Export & Trade Exhibition to Saha Group Fair
- 2010 - Amended the Company Memorandum No.3, “Company Objectives”, by amending No.4 with the addition of four items from 37 to 41 items
- Amended the Company Articles of Association No. 30 and dismissed Articles 18 and 65, resulting in the total number of articles changing from 65 to 63 articles
- 2011 - Established Corporate Development and Management Department, and Corporate Investment Management Department
- 2013 - Amended the Memorandum of Association for Item 6 under “Article 3: Company Objective” and added 1 item, resulting in the total number of objectives changing from 41 to 42 items
- Revised six company regulations about payment, procurement and contract employment including the sale and disposal of assets and extraneous materials
- Revised internal control regulations to reflect the internal audit standard of COSO (Committee of Sponsoring Organization of the Treadway Commission)
- Revised the regulations about performance evaluation and welfare
- Revised the organizational structure into two primary chains of command which are the “Project and Asset Development and Management Chain” and the “Investment and Trading Organization Support Chain”. Another main key chain of command is the Office of the Managing Director in addition to the primary chains
- Revised the authority, duties and responsibilities of President to reflect the nature of management work and current business operation
- Started the operation of “J-Park Sriracha Nihon Mura Shopping Mall” which offers rental retail space for clothing items, restaurants, convenience stores and supermarkets and is located in the eastern seaboard area in Surasak Sub-district, Sriracha District, Chonburi Province
- 2014 - Revised six company regulations about payment, procurement and contract employment including the sale and disposal of assets and extraneous materials
- Revised the authority, duties and responsibilities of President to reflect the nature of management work and the current business operation
- Established 7 annual business plans for the year 2014 which was revised from 7 to 5 plans by the end of the year
- Appointed the Investment Working Team to study and provide suggestions about investment of Saha Group for greater results and return on investments in accordance with Saha Group’s investment policy
- Appointed the Remuneration Working Team to jointly consider employees’ performance and determine the criteria for salary adjustments and annual subsidies in order to ensure equality, clarity, transparency and accountability
- Revised the organizational structure including assessing the company rules, performance evaluation and company regulations / welfare (retirement) and creating the personnel development plan
- Developed the Geographic Information System (GIS) database using the computer system for storing, improving, searching, manipulating, analyzing, and presenting spatial data
- 2015 - Improved six regulations of the Company’s 2015 policy issued for the purchase and sale/disposal of assets and extraneous materials
- Improved the duties and authorities of the President in accordance with the current administration
- Establishment of an Information Technology Center to develop information systems within the company to support the work of the central database of electronic commerce department of Saha Group to aid access to the Digital Economy
- The Board of The Directors appointed a Good Governance and Risk Management Committee
- The Good Governance and Risk Management Committee appointed the working teams responsible for good governance and anti-corruption, risk management, and corporate social responsibility to support the operation of the Good Governance and Risk Management Committee



- 2016
- Review of Operation Manual (Revision #1)
 - Review the Charter of Audit Committee of Saha Pathana Inter-Holding Public Company Limited in 2016 which were effective from December 19, 2008
 - Certified as a member of the Private Sector Collective Action Coalition against Corruption (CAC) on 14 October 2016.

4. Shareholding Structure of the Group Company

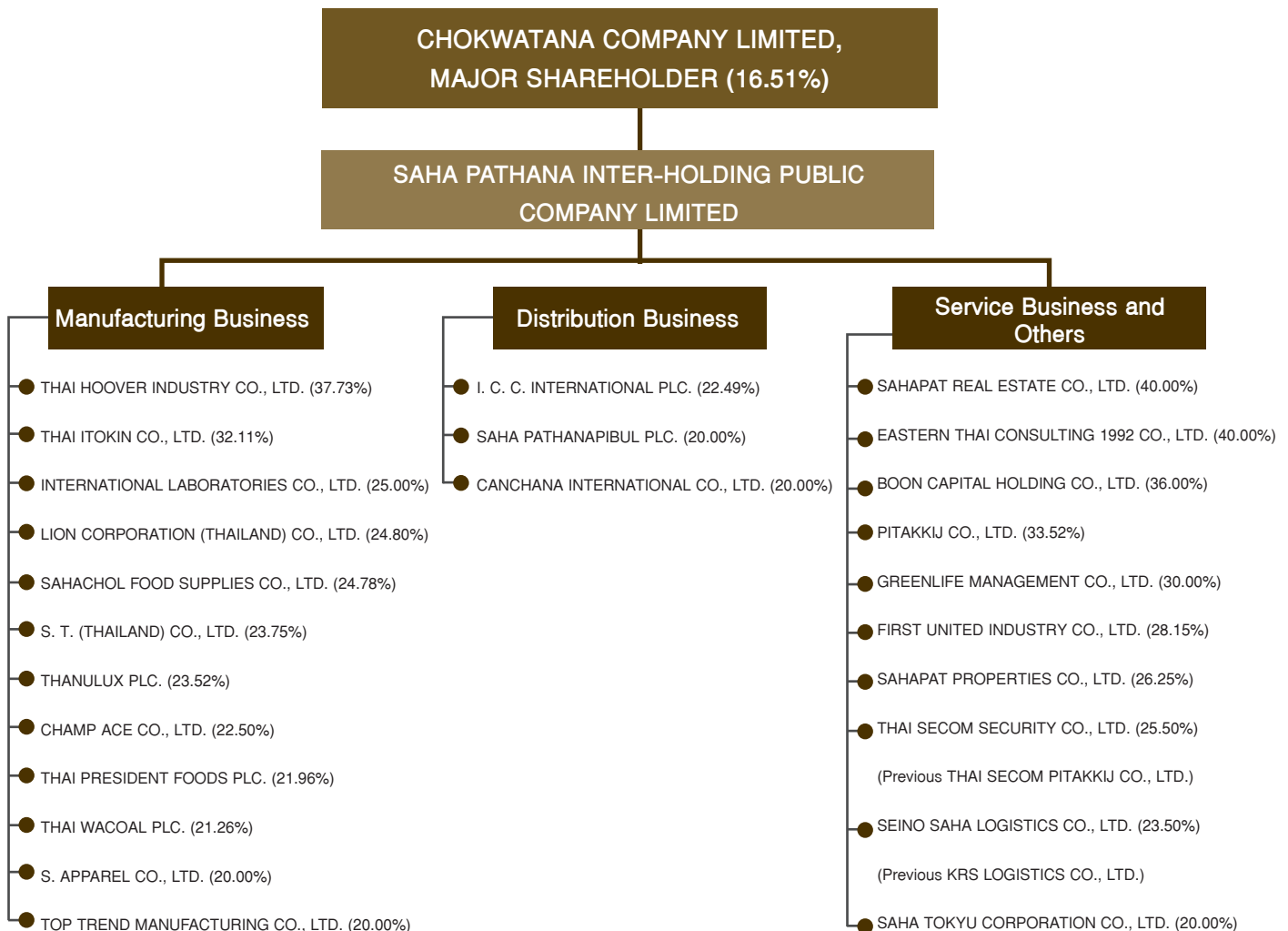
(1) Operation Policy of the Group Company

Saha Pathana Inter Holding Public Company Limited was firstly incorporated on 5 April 1972 under the name of “Saha Pathana Investment Co., Ltd.”, with a registered capital of 6 million baht. The Company currently has the registered capital of 800,000,000 baht with a paid-up capital of 494,034,300 baht. The Company’s core businesses are divided into three categories: Investment, Rental and Service, and Industrial parks. The Company and subsidiaries jointly reviewed the potentiality of investment project and joint investment opportunities by considering the group’s synergy and mutual business benefits. According to the Group’s investment policy, the Company with the most relevant operation or investment value to such a joint venture is required to monitor the operation of the business. Nowadays, the company has an investment team to analyze and follow up on each project. This, therefore helps to identify business concerns and report a timely solution to suggest the corrective action. The operation of individual jointed venture is authorized by the Board of Directors of that particular company venture. The company has also continuously expanded its business lines in manufacturing, distribution, service and others.



(2) As of 31 December 2016, the Company has no shareholding in the subsidiaries; however, 25 associates in total.

The shareholding structure can be divided into the following business lines:



Shareholding Structure

1. In 2016, the Board of Directors and Executives, including their spouses and minor children who collectively hold 2.94% of total shares of the Company which does not exceed 25% of the Company issued and paid-up shares. The Company's free float shareholding is 49.63% which is greater than 25% of issued and paid-up shares.
2. The Company has a cross-shareholding structure. Nevertheless, the cross-shareholding practice is not contradictory to the criteria of Clause 14 of the Announcement of the Equity Market Committee No. Thor.Jor. 28/2551, Subject: Application and Approval of Newly Issued Shares Sales.
3. The Company has not implemented a mechanism for the prevention of takeovers. The company discloses the shareholding structure within the business group and the cross-shareholding practice under "the Investment Structure and Cross-Shareholding Structure" section.
4. As of 29 March 2016, foreign institutional investors hold total 71,985,240 shares or 14.57% and Thai institutional investors hold total 537,570 shares or 0.11%. The total number of shares held by institutional investors is 72,522,810 shares or 14.68%.



5. The Company treats all shareholders equally in term that the Company repurchase the shares. However, there was no share repurchase in 2016.
6. The Company published information about the Company through the system of the Stock Exchange of Thailand and company website (www.spi.co.th). The Company encourages shareholders to attend the shareholders' meeting and the 8th Saha Group's Opportunity Day which was held for shareholders to meet with the analysts, investors and other public individuals, as well as, to exchange their ideas.
7. The Company does not have any agreement with certain shareholders which will have significant impact on the Company or other shareholders.

Cross-Shareholding Structure

The Company has the cross-shareholding as follows:

(1) More than 50% Shareholding

- (a) Other companies hold its shares in the Company with the amount exceeding 50%;
the Company must not hold cross-shareholding in other companies. **-None-**
- (b) The Company holds shares in other companies with the amount exceeding 50%;
the other companies must not hold cross-shareholding in the Company. **-None-**
- (c) The Company holds shares with the amount exceeding 50% between two or more other companies;
any other companies must not hold cross-shareholding to each other. **-None-**

(2) More than 25% Shareholding to 50% Shareholding

- (a) Other companies hold shares in the Company with the amount exceeding 25% but not exceeding 50%;
the Company must not hold cross-shareholding in other companies with the amount exceeding 10%. **-None-**
- (b) The Company holds shares in other companies with the amount exceeding 25% but not exceeding 50%;
the other companies must not hold cross-shareholding in the Company with the amount exceeding 10%. **-None-**

The details of cross-shareholding, as of 31 December 2016, are as follows:

No.	Name	The Company holds	Other companies
		Share in other companies	hold share in the Company
		Proportion of Shareholding %	Proportion of Shareholding %
1.	SAHAPAT REAL ESTATE CO., LTD.	40.00	0.21
2.	EASTERN THAI CONSULTING 1992 CO., LTD.	40.00	-
3.	THAI HOOVER INDUSTRY CO., LTD.	37.73	-
4.	BOON CAPITAL HOLDING CO., LTD.	36.00	-
5.	PITAKKIJ CO., LTD.	33.52	-
6.	THAI ITOKIN CO., LTD.	32.11	-
7.	GREENLIFE MANAGEMENT CO., LTD.	30.00	-
8.	FIRST UNITED INDUSTRY CO., LTD.	28.15	0.59
9.	SAHAPAT PROPERTIES CO., LTD.	26.25	0.07
10.	THAI SECOM SECURITY CO., LTD.	25.50	-



(3) Up to 25% Shareholding

- (a) Other companies hold shares in the Company with the amount not exceeding 25%;
the Company must not hold cross-shareholding in other companies with the amount exceeding 25%. **-None-**
- (b) The Company holds shares in other companies with the amount not exceeding 25%;
the other companies must not hold cross-shareholding in other companies with the amount exceeding 25%. **-None-**

The details of cross-shareholding, as of 31 December 2016, are as follows:

No.	Name	The Company holds	Other companies
		Share in other companies	hold share in the Company
		Proportion of Shareholding %	Proportion of Shareholding %
1.	INTERNATIONAL LABORATORIES CO., LTD.	25.00	0.34
2.	LION CORPORATION (THAILAND) CO., LTD.	24.80	0.51
3.	THANULUX PLC.	23.52	0.97
4.	I. C. C. INTERNATIONAL PLC.	22.49	9.97
5.	THAI PRESIDENT FOODS PLC.	21.96	1.20
6.	THAI WACOAL PLC.	21.26	0.68
7.	SAHA PATHANAPIBUL PLC.	20.00	7.72
8.	NEW CITY (BANGKOK) PLC.	15.50	0.07
9.	S & J INTERNATIONAL ENTERPRISES PLC.	15.35	0.49
10.	FAR EAST DDB PLC.	14.08	0.28
11.	PEOPLE'S GARMENT PLC.	13.78	0.49
12.	O.C.C. PLC.	12.73	0.06
13.	TEXTILE PRESTIGE PLC.	12.03	0.09
14.	BETTER WAY (THAILAND) CO., LTD	11.77	0.50
15.	NEW PLUS KNITTING PLC.	5.33	0.02
16.	SAHA-UNION PLC.	0.30	1.81
17.	LION CORPORATION	0.11	2.02

Note : The Company has adopted the cross-shareholding structure which is not contradictory to criteria Clause 14 of the Announcement of the Equity Market Committee No.ThorJor. 28/2551, Subject: Application and Approval of Newly Issued Shares Sales.

Relationship with the Major Shareholders' Business Group

-None-



5. Nature of Business

The Company divides its operation into three main types of business, which are Share Capital Investment, Rental and Service, and Industrial Park.

(1) Revenue Structure

(Unit : Thousand Baht)

Business Group	Operated By	% Shareholding	Year 2016		Year 2015		Year 2014	
			Amount	%	Amount	%	Amount	%
Share Capital Investment (Other Companies)								
Share of Profit from Investment (Jointed Companies)	Jointed Company	20 - 40	1,401,276	30.75	1,186,547	28.18	1,080,519	25.67
Dividend	The Company	0.03 -19.99	369,273	8.10	244,030	5.80	195,523	4.65
Leasing and Service	The Company		2,425,279	53.22	2,429,453	57.23	2,610,867	62.03
Industrial Park	The Company		271,795	5.96	181,877	4.32	170,888	4.06
Others	The Company		89,749	1.97	168,828	4.47	151,339	3.59
Total			4,557,372	100.00	4,210,735	100.00	4,209,136	100.00

(2) The Operation of Product Lines

The Company's main businesses can be divided into 3 main types of businesses which are Investment in Share Capital, Rental and Services and Industrial Parks according to these following details:

2.1 Investment in Share Capital

2.1.1 Products and Services

The Company has invested in share capital in various businesses with the objective of adding value to the Company in long term. The Company has invested in other businesses that enhance those businesses undertaken by the companies in the group or the business that possibly to be undertaken in the future due to its profit potential. The Company will therefore get the return in the form of dividends. In 2016, the Company has invested in 6 companies which valued a total 259,813,270 baht and divested 2 companies.

As of 31 December 2015, the Company invested in a total of 153 companies in three main business groups as follows:

1. Production
2. Distribution
3. Service and other businesses

Production Business: The Company has joint investments with domestic and international companies. These include investment in the manufacturers of raw materials and consumer products which are currently sold under trademarks held by the Company or the Company's subsidiaries, as well as, the international trademarks licensed by foreign owners.

Some examples are as follows:

- LION CORPORATION (THAILAND) COMPANY LIMITED: Manufacturer of consumer products under Pao, Kodomo, Shogobutsu Monogatari, Systema, Kirei Kirei, Sue Sat and other brands
- THANULUX PUBLIC COMPANY LIMITED: Manufacturer of ready-made clothing and leather products under Arrow, Guy Laroche, Daks and other trademarks
- THAI WACOAL PUBLIC COMPANY LIMITED: Manufacturer of ladies' lingerie and ready-made clothing products under Wacoal, Elle, Enfant, BSC and other trademarks



- THAI PRESIDENT FOODS PUBLIC COMPANY LIMITED: Manufacturer of instant noodles under Mama and other trademarks
- S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED: Manufacturer of cosmetics under BSC and other trademarks

Distribution Business: The Company has invested in consumer product distribution companies and direct sale companies which are mostly joint venture business with Saha Group's subsidiaries. The majority of products distributed are also produced by the Group's subsidiaries as follows:

- SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED: Distributor of consumer products, such as Pao detergent, Mama instant noodles, Systema products, Shogobutsu Monogatari liquid soap, Lapon F dish-washing, Kodomo products, Kirei Kirei, i-Healti Q10, Sue Sat and Mama Ramen instant noodle products
- I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED: Distributor of fashion products, such as Arrow, Lacoste, Guy Laroche, Elle and Daks ready-made clothing items, Wacoal lingerie, Enfant and Absorba children's clothing products, Regal and Naturalizer, Sby, Mizuno and Speedo sportswear and other products under BSC trademark
- BETTER WAY (THAILAND) COMPANY LIMITED: Direct seller of products under Mistine and Faris by Naris trademark
- WORLD SAHA FASHION COMPANY LIMITED: Distributor of Apparels under TAKEOKIKUCHI trademark Additionally, the Company has expanded the investment business by having joint venture companies in various businesses, such as convenience stores, retail shops and drug stores and in the beauty business including consumer products:
- SAHA LAWSON COMPANY LIMITED: Convenience store business operated under 108 and LAWSON 108 shops under Lawson 108 trademark
- TSURUHA (THAILAND) COMPANY LIMITED: Retail and drug store operator selling beauty and healthcare products including consumer products in Thailand and ASEAN countries as Japanese style shops which provide One-Stop Service with various product lines

Service and Other Businesses: The Company has invested in high-potential companies with satisfactory long-term returns which support the operation of Saha Group's subsidiaries. The businesses include service, restaurants and real estate investment and development, such as:

- SAHACOGEN (CHONBURI) PUBLIC COMPANY LIMITED: Producer and distributor of electricity and steam-related services
- FAREAST DDB PUBLIC COMPANY LIMITED: Advertising producer and agency
- EASTERN THAI CONSULTING 1992 COMPANY LIMITED: Provider of environmental services including water and air quality analysis, wastewater treatment system and tap water production
- NIPPON TEI SATO COMPANY LIMITED: Japanese restaurants operator
- SAHA TOKYU CORPORATION COMPANY LIMITED: Real estate development in The HamoniQ Project
- MOBILE LOGISTICS COMPANY LIMITED: Storage, warehousing, distribution and delivery

2.1.2 Marketing and Competition

Marketing: The Company invests in shares of various companies which produce raw materials for use by Saha Group's manufacturing companies as well as finished products for distribution companies. Nowadays, as the market is highly competitive, it is necessary for manufacturers to build stakeholders' satisfaction and create innovation which not only creates and develop new competitive products and services but also respond to social needs with awareness of corporate social responsibility (CSR) as well as the importance of the Green Economy by adding value to products in Green Productivity category. At the same time, manufacturers need to engage in social service oriented marketing activities and be aware of environmental issues. These are what matter to consumers and contribute to their purchase decisions. Therefore, our production arm strives to procure raw materials and implement processes which are environmentally friendly to bring product quality to the level desired by modern day consumers. Additionally, manufacturers must improve production efficiency in order to bring production costs down and managerial flexibility up in order to improve competitiveness and secure market share. Saha Group's companies are at an advantage against competition in terms of variety as well as lower cost. Also, the Group regularly invests in the



research and development of new raw materials. Most companies in Saha Group are granted ISO 9001:2008 certification for their production standards.

In addition to the production, sales channels are another of our key strategies. The products of most companies within our group are distributed through our group distributors, such as Saha Pathanapibul Public Company Limited and I. C. C. International Public Company Limited. The Trends in consumer behavior has dramatically changed and the growth factor technology is the driving force, such as Cloud and Line technology that makes communication is very fast and easily can be assessed. The introduction of such technology changes the needs of consumers

BSC Cosmetology added solutions to the market by increasing the proportion of online channels such as Facebook, a customer database that can continue to be marketed to the other participants. In 2016, the brand also expanded its sales channels through online websites such as www.eThailandBEST.com, which is newly launched in response to customers' buying behavior. Moreover, it joined the online sale of a business partner, as well as an increased communication and merchandising via Line Application, Tarad.com, Bento Website and OKBEE.COM etc. For the growth of ASEAN and AEC opening, BSC COSMETOLOGY and SHEENE cosmetics were the first cosmetics brands of Thailand expanded into the ASEAN Economic Community from Vietnam and the Kingdom of Cambodia, which has geared up for entry into the ASEAN community.

Womenswear: The Group Companies have the potential to make the lingerie market. As a distributor of brands, such as Wacoal, Elle and BSC, etc. to build a dominant position in the market is to make a difference in a comprehensive brand and marketing goals. By increasing the efficiency of the product, appropriate functionality to wear and creating innovation in order to add value of products.

Menswear: The Group Companies are the leading suppliers of men's apparel under brands, such as ARROW, DAKS, GUY LAROCHE, ELLE HOMME, LACOSTE and HAZZYS etc. The distribution channels is the main shopping mall with sales to recommend products and provide after-sales services and channel expansion in the discount department store. The store opened in the shopping center and through other sales channels on TV and E-COMMERCE.

The consumer goods market is still highly competitive as the Company experiences rising numbers of product quantities and rivals in both domestic and overseas markets. However, there are positive factors from household spending that tends to expand consistently, with supportive factors coming from the improvement of production in the agricultural sector and farmers' incomes as well as economic stimulus policies by the government. All these factors have largely contributed to the increasing purchasing power of consumers.

Saha Group's products have placed strong emphasis on quality and reasonable prices along with the expansion of distribution across all channels. The marketing strategies of the Company focus on the selection of market shares that correspond with the positioning of products and services. In 2016, the domestic market of instant noodles was fiercely competitive due to the arrival of more players and growing consumer choices driven by the rise of ready meals and chilled ready products — the substitutes that are also available in the same channels. To spur sales, all forms of marketing and PR strategies were executed, such as advertisements, activities which have been continuously organized nationwide with an emphasis on promotional activities at the point of sales. Importance was attached to maintaining the existing customer base and boosting sales growth. Then, a range of raffle campaigns: "Win a Free Trip in Thailand by TAT with Mama" and "Love Mama and Win a Trip to Korea" were launched. The marketing approach of Mama products was also adjusted by switching to the use of presenters in the advertisements of minced pork, stewed duck and green curry flavors to generate sales growth and add variety to other product flavors. This advertising strategy led all three flavors of the brand to grow compared to last year — 9.1 percent for the minced pork flavor, 16.2 percent for the stewed duck flavor and 12.1 percent for the green curry flavor. With respect to the overseas market, it has been affected by the global economy and experienced a decline in consumer purchasing power. To cope with this situation, a close cooperation with dealers and providing them with marketing promotional budgets were necessary in order to maintain the sales volume as well as the existing market base. Additionally, in 2016, the marketing plan was adjusted by means of turning more attention to AEC markets. This led to the introduction of bakery products into the Cambodian market, the launch of PR and advertising campaigns to build brand awareness, and the promotion of instant noodles products. These marketing steps were taken in collaboration with dealers to boost sales in AEC markets. In addition, the Company continued to provide promotional budget to other markets and repackaged a range of products to make them more suitable for selling in retail stores to increase the sales channels and the sales volume.



Regarding to the direct sales channel, our direct sales channel is managed by Better Way (Thailand) Co., Ltd. with regular adjustment of strategies that have resulted in excellent public awareness of Mistine and the subsequent launch of new products under the Mistine and Faris by Naris brands.

The Company was also engaged in satellite marketing via the Super Channel in keeping with consumers who have gone digital, such as Facebook and Line in order to meet the demand of consumers in new products.

In addition, the Company operates its business under the trademark of Lawson 108 Convenient Store and Tsuruha Store to distribute healthy and beauty products as the Japanese style stores.

Considering that companies under Saha Group are independently managed and competitive against one another, innovations are continually developed by the different companies, resulting in added value and more expansive distribution channels. Nevertheless, the individual companies under the group can synergize to demonstrate our collective potential. The Saha Group Fair, which attracted a very large number of shopping visitors. In 2016, the fair was organized as the 20th event where new products and innovations of the subsidiaries were displayed. Each company showcased their products and services and invited existing and new clients to visit the fair to exchange views and learn more about their requirements. This is a perfect channel for joint ventures and the expansion of domestic and international markets. Saha Group Fair gives all its affiliates the possibility to adapt to fluctuating economic situations and to continuously promote both development of innovative products and marketing activities by highlighting on services and creating added value for clients. In such Fair, products with special prices are also available to purchase so as to express gratitude and to assist Thai people.

Competition: Most products produced and sold by Saha Group of Companies are consumer products, which are all products that are essential to daily life, such as menswear, women's and children's underwear, instant noodles, cosmetics, detergents, leather and so on. With the opening of free trade, as a result, consumers will have more choices. Operators in other countries will have to face competition with imported products. Saha Group products have the advantage of development and innovation and enter into the market as brands that are already known and have an established reputation for quality that can meet the needs of consumers.

Each product category has different competitive environment, for example:

- Cosmetics & Fragrances.

Counter Sales have intensifying competition which continues to increase from the investors, such as in the form of cosmetics flagship store by entering into the world of cosmetics "Sephora (Sephora)" which is a famous beauty products store from around the world and the expansion of discount stores and convenience stores to reach more consumers. To make the transition to a more proactive counter brand using Integrated Marketing Communication (IMC), both for promotion, advertising and marketing new products including using them in different ways to expand the distribution channel and to penetrate the target market more. The recent cosmetics counter brand advertising has changed from the traditional media of television to build brand recognition more broadly, much of the advertising is now done through online channels so customers can quickly see the product and show that they are easily accessible at all times, not only during prime time only. The market has changed the way television advertising is used and it is now considered just the starting channel of communication. Online media can also be used as a channel to track the buying decision. As well as introducing new products Continuous Media Theater in the mall (media and internet) has increased significantly. Cosmetics products have shown to be ranked second in e-commerce, behind clothes. Currently, Thailand is ready for buying and selling transactions online thanks to advanced communication systems based on the full transition from 3G to 4G that allows people to gain easy access to the internet. Such convenience is a key factor of e-commerce that enables customers to find and buy goods quickly and easily. We are, in fact, only at the beginning and yet to see progress of a wide variety of sales strategies via the internet as well as marketing strategies brought forward in all product categories. Activities to stimulate spending have become even more intense, either in terms of frequency or the introduction of product value sets to invite new customers to try the products. In addition, new technologies have been used to create excitement among consumers. Counter Brand cosmetics have offered services using modern equipment such as a skin analyzer, which takes only 3-5 minutes to perform an analysis of customers' skin condition. A skin analyzer is an example of a tool that builds trust with customers and makes their spending worthwhile. Nowadays, the marketing strategies of Counter Brands must involve tactics that can make customers love and feel attached to the brand while keeping it at the top of their minds. Importantly, these strategies must be performed by taking into account social responsibility as a way to add



value to the brand in the eyes of consumers. This is evident as it can be seen that many department stores have shown their efforts to minimize the use of plastic bags, which greatly contributes to global warming, through supported campaigns such as giving extra discounts with no-bag shopping and setting a Bag Free Day. These campaigns urge customers to reduce the use of plastic bags when doing their shopping and provide additional points to shoppers who refuse plastic bags, including offering a cloth bag to be purchased at a special price or as a giveaway to customers.

The Discount Store: A huge change took place in the discount store business in 2016 when a giant player Carrefour announced plans to sell its business. Casino Group, a major shareholder of Big C Supercenter Public Co., Ltd., won the race and subsequently sold all of its shares at the ratio of 58.6 percent of the paid-up capital to “TCC Corporation” or TCC Group. Such a historical purchase led the TCC Group to have a complete range of businesses from upstream to downstream, and become a major retail operator in Thailand as well as in the Socialist Republic of Vietnam. Big C may gain benefits from business expansion overseas especially in CLMV markets. The Socialist Republic of Vietnam in particular is where the store has both traditional and modern distribution channels. Big C currently has different types of stores comprising 125 hypermarkets, 55 branches of Big C Market, 394 branches of Mini Big C and 146 Prew drug stores, making Big C second only to Tesco Lotus.

The aforementioned business selling led to the increasingly ferocious competition in the discount store market from which consumers still enjoy maximum benefits. Additionally, discount stores continue to enhance their brand image through competitive pricing strategies. This however has caused many players to leave the market. The low pricing strategy brings about bargaining power, followed by the demand for benefits in an aggressive way along with other operations that have eventually led their business partners to be burdened with higher costs of sales or marketing. On top of that, the discount store business involves cross-country investments with the potential to expand and open new branches consistently. This includes the opening of convenience stores and supermarkets in a number of local communities to strengthen bargaining power against business partners. Discount stores increased a number of business alliances by collaborating with over 70 operators to provide bill payment services, with a tendency to expand coverage in the future. Regarded as a marketing tool to attract customers to the services provided, discount stores cater to modern day consumer behavior and demand for convenience when shopping and making payments that can be done in one place as a “one-stop shopping or one-stop service” store. In addition to bill payment services, discount stores also look for other alliances, one of which is Thai Ticket Major — an alternative channel that provides bus or concert tickets as well as parcel delivery service and so on. Discount stores thus seize this opportunity to conduct a marketing campaign coupled with selling merchandise, for example, offering discount coupons with bill payments. This is the pull strategy that discount stores have employed to bolster marketing efficiency in conjunction with the plan to offer an integrated online shopping experience in preparation for ferocious competition as well as ever-changing consumer behavior.

The cosmetics market is still growing at a rate of about 3 percent, resulting in an overall value of about 44,000 million baht as the fifth factor women want. Skincare products are worth nearly half the market and the Anti-aging market is strategically important, leading brands around the world market heavily on their social responsibility.

- Ladies Lingerie: The development of innovation and the adoption of new technologies are important to satisfy consumers’ constantly changing demands. The development of products designed to fit a woman’s anatomy Thailand is different at different ages. The requirements differ based on each occasion. Saha Group has adjusted its work to cover the whole factory and sales and now makes products to meet the needs of consumers based on good quality products at great value. The in store systems can maintain existing customers, with Customer Relationship Management (CRM) through loyalty cards His & Her Plus Point in new customers, as well as build the Brand Awareness through various activities. We have added new sales channels such as E-Commerce, TV Shopping to provide consumers with access to product innovation and links to the point of sale in the form of marketing at Omni Channel growth. Saha Group has a total of five brands, such as Wacoal, BSC, and ELLE’s customer base covers the consumer level with a market share of over 60 percent. The Wacoal brand of the company is a strong brand for negotiation and more advantage over the competition.

The textile and clothing market has also expanded in both manufacturing and exporting sectors, especially manufacturing for ASEAN market increasing potential customers from 60 million to 600 million people. In 2017, Saha Group will focus on developing innovation and technology to ergonomically design lingerie for Asian woman, together with good management of the stock balanced with sales and rapid delivery, including a strategy of Omni Channel to meet consumers’ lifestyles in the digital era.



- Men's Apparel: Men's apparel had a low growth rate. This was probably because consumers remained unconfident about the economy in the first three quarters. Manufacturers then focused their attention on integrating innovation into the development of their products and ensured that their quantity and variety were present at the stores to meet the needs of consumers in a sufficient and constant manner. The final quarter, in particular, when there was a great demand for black and white clothes, large manufacturers that had better approaches to access to raw materials than other operators were able to snatch up a large proportion of market share. Most manufacturers ran reduced price promotion strategies to increase sales and to reduce existing stock which almost without doing other marketing strategies. As manufacturers, the Company has had to focus on improving productivity, cost administration, and streamlined management to build competitiveness and the budget for marketing activities to achieve a competitive advantage in the long term. Saha Group companies have an advantage on the competition with the creation of a portfolio of products. The clothing for men range covers a wide range of target groups and create negotiation balance in distribution. Saha Group products are known and respected for its quality and reputation. The development and innovation are supported by the major manufacturers of the country under the control of Saha Group. The factory has been enlarged to support the growth, such as, spinning factory, dyeing factory, decorative factory and textiles manufacturing factory, as well as strong personnel to learn and develop themselves continuously.

The industry is likely to remain stable or slightly growing because consumers will make a conscious effort to dress up however the competition will become more intense due to the number of competitors from other countries, including cheap goods from China to compete in the market. The competitor must analyze the market conditions and consumer behaviors in each area. The innovation in different dimensions, such as marketing media, including seeking products' and targeted customers' strength. This is the significant factor that can help the business alive under the fierce competition. It is important to make strategic adjustments to business survival especially as the competition becomes more intense.

- Consumer Goods: The consumer goods market is a highly competitive market. Most of our products are intended for daily use and can be classified into four main categories: household products, food products, personal-care products and children's products. These include Lipon F dish-washing agent, Pao detergent, Mama instant noodles, Systema products and Kodomo products. Furthermore, new products are developed to reflect the needs of consumers which change over time. Logistics and information technology systems are developed to ensure utmost customer satisfaction. The competition in consumer goods markets in 2016 continued to be fierce (such as the Mama instant noodles market) due to the expansion of ready meals and frozen food products which shares the same distribution channels. Consumer goods markets only grew 1 percent, amounting to approximately 15 billion baht of the market value. Cup noodles products had a growth rate of 6 percent while bag-type instant noodles enjoyed a sales volume close to that of the previous year. Cup noodle products grew by 11 percent in the convenience store channel and 4.8 percent in the supermarket and hypermarket channels compared to the previous year. Mama is still the foremost producer of the pack and cup with a market share of 50 percent, consisting of a 49 percent share of bag-type products and 53 percent share of cup products. However, Saha Group has maintained its leadership position in the market for instant noodles by means of utilizing all types of marketing and public relations strategies, including advertisements, nationwide activities, and promotions at sales continued. To meet the needs of customers better, these are the factors that drive the success of Mama having the sales growth and maintaining the sales in the first rank of the market share. Moreover, Saha Group focuses on creating new campaigns to strengthen brand and the development of new products, which is another important strategy. Since the introduction of new flavors has helped to boost sales and consumers will also have the option of more flavors. In 2017, for the overseas markets, Saha Group planned to develop new products introduced to the market to enhance competitiveness and to sell in key markets such as, the ASEAN Economic Community (AEC), markets in The Middle East and Halal market by means of the development of Halal products under the Mama brand for export and launching new, high-quality products to the market. Vegetables are also put in these products to add not only nutrition but also product value.

In 2016, the global economy experienced several changes caused by the effects of political and economic events — some of which included the 'Brexit' referendum which led United Kingdom to leave the European Union; US presidential election results; energy price fluctuations; and, interest rate hikes of the US Federal Reserve. Nevertheless, the Thai economy in 2016 enjoyed a 3.2 percent growth from the previous year due largely to private sector consumption and public sector investments, expanding 3.1 percent and 9.9 percent respectively. Also attributable to the growth was increasing tourism revenues, which saw an 11.1 percent increase in comparison with the prior year. Thailand's exports showed a clearer sign of recovery in the second half of the year as a result of the economic and industrial reform covering various aspects. In terms of the political sector and the general public, a referendum on the latest draft constitutional helped bring the timeframe and national political process into sharp focus.



The Company recorded a revenue of Baht 4,557 million in 2016, a growth of 8.2 percent, with its utility expenses (electricity and steam) dropping by 0.7 percent. Share of Profit from Investment in Associates by Equity Method rose 14.2 percent while the Dividend Income surged 51.2 percent thanks to the improved operating results of the companies it has invested in. Other revenues contributing to the figure derived from the Consulting and Services Income along with Sales of Real Estate, which rose 2.8 percent and 49.5 percent respectively while Total Expenses declined by 1.3 percent. The Company's cost management and expense control led it to gain a record-breaking profit of Baht 1,682 million - the highest profit ever since its establishment, an impressive 27.7 percent increase from the previous year. The Company was rated at "AA" with "Stable" outlook by TRIS Ratings Co., Ltd. It also became a member of Thailand's Private Sector Collective Action Coalition against Corruption (CAC) on October 14th, 2016 certified by the CAC Council. Additionally, it received an Outstanding Award for Industrial Environmental Management from the Engineering Institute of Thailand under H.M. The King's Patronage. The Company achieved the full score of 100 along with the "Excellent" status for the quality assessment for its 2016 Annual General Meeting of Shareholders for the eighth consecutive year.

The year 2017 is yet another year of great challenges either in terms of economic uncertainties, the economic shift toward the Thailand 4.0 model, or internal adjustments within Saha Group. However, the Company has prepared a number of measures to address such challenges. They include reorganization, financial restructuring through the use of multiple financial instruments, changing the shareholding structure in various businesses, increasing investments in Special Economic Zones, particularly in Mae Sot district, Tak province, and the expansion of trade in CLMV countries. All these plans will be rigorously and consistently carried out with strict adherence and compliance with the Corporate Governance (CG), Collective Action Coalition against Corruption (CAC) and Corporate Social Responsibility (CSR).

2.1.3 Procurement of Products and Services

The Company invests in shares of companies and the businesses which relates to or enhances current business operations. Additionally, the Company is investing in new businesses which we believe are capable of generating worthwhile returns, by searching for high potential partners with new technology and effective business operations. Some partners are suggested by current joint investors, financial institutions and Department of International Trade Promotion, Ministry of Commerce. In case that the Company's business partner is willing to establish factory or business operation in Saha Group Industrial Parks, the Company will provide assistance by suggesting location and securing permits of related government organizations with the aim of assisting the partner to achieve its business goal. In terms of finding a location for business operation, the Company has lands and office buildings inside three Saha Group Industrial Parks available for lease or sale as well as vacant factories for rent at Mae Kasa Sub-district, Mae Sot District, Tak Province, at negotiable prices which will assist the partner to have a potential location for manufacturing products and maximizing its profits in the short term.

2.1.4 Work-in-Process:

-None-

2.2 Rental and Service

2.2.1 Types of Products and Services

The Company operates rental and service business to accommodate growth and enhance the competitiveness of companies in Saha Group. The rental and service businesses can be classified into four categories as follows:

(1) Rental and Services

The industrial parks which are already in operation have lands and buildings for lease; we provide basic utility services as well as maintenance services including wastewater treatment and medical room, etc. Additionally, the Company has expanded its rental and service business to Mae Kasa Sub-district, Mae Sot District, and Tak Province. In 2016, Unique Plastic Industry (Mae Sot) Co., Ltd. — a company under the group of PTT Global Chemical Public Co., Ltd., rented a building for its injection molding plant, and Mae Sot Sakae Lace Co., Ltd. rented a space to construct a plant for lace textile production. Moreover, The expansion of rental service for retailers at J-Park Sriracha Nihon Mura, Surasak Sub-district, Sriracha District, Chonburi Province, have been done by the Company by earning the rental fee and service fee for such utilities. In this regard, the license for electricity distribution and electrical distribution system in Saha Group Industrial Park Sriracha are provided by the Company in order to serve the internal customers according to the electrical fee. In 2016, there were 132 tenants who



rented the land and building, 63 electrical users and 22 steam users.

The Company has also developed an office rental business to meet the needs of customers. The Company receives rental fee as the return of rental service provided.

(2) Business consultation service

The Company provides consultation on business planning, management and new project management to Saha Group's affiliates in exchange for consultation and service fees. There were a total of 77 clients in 2016.

(3) Trademark-related facilitation service

The Company serves as the intermediary for the seeking licenses and the right to use trademarks of notable brands for Saha Group's affiliates. The trademarks under the Company's operation can be divided into two categories:

- **International Trademarks:** The Company has been granted the right for international trademarks and transfers the right to Saha Group's affiliate to use the trademarks for manufacturing and distributing products under the brands. These trademarks include well-known international brands, such as Guy Laroche, Elle and Absorba. The Company gained income in the form of royalty fees. In 2016, there were a total of 12 users for international trademarks.

- **Domestic Trademarks:** The Company registered the trademarks with the Department of Intellectual Property, the Ministry of Commerce, by product categories and transfers the right to use these trademarks to Saha Group's affiliates for manufacturing and distributing products under the brands, such as Kulasatree, Rain Flower, Homecare and others, by having income in the form of trademark income. In 2016, there were a total of 3 users for domestic trademarks.

(4) Golf Course and Hotel Business

Kabinburi District, Prachinburi Province

The Company operates a standard 18-hole golf course sports club together with the hotel in Wang Dan Sub-district, Kabinburi District, Prachinburi Province, which is the only hotel situated within golf course in Prachinburi, and gains income in the form of golf course fees, food and beverages and room rental fees.

Muang Lamphun District, Lamphun Province

The Company established a golf course, Hariphunchai Golf Club, which was developed as 9-hole golf course at Saha Group Industrial Park Lamphun, Muang Lamphun District, Lamphun Province. Moreover, in 2016, a golf course for practice was opened and the Company gains income in the form of golf course fees, food and beverages.

2.2.2 Marketing and Competition

The Company established the Overseas Marketing Unit in addition to the Domestic Marketing Unit to support and attract new foreign investors to invest in Saha Group Industrial Parks. Relevant information is provided to the Board of Investment and made available on the company website at www.spi.co.th. The Company has also arranged a group of experts, specialists and experienced advisors to provide recommendations and guidelines for customers.

In addition, the Company has arranged lands and buildings to facilitate the small and medium enterprises (SMEs) in Saha Group Industrial Park - Sriracha, Kabinburi and Lamphun for lease. Thus, customers are able to start their business operations at once. Regarding the basic utility service, the Company has put its focus on readiness and sufficiency of services, such as high-quality wastewater treatment systems, garbage collection and incinerator service and nursing services. The ISO 9001:2008 quality management system is applied in the area of land and basic utility development. The system provides a basis for continual improvement in quality management. To generate more revenue from rental and service fees, the Company needs to continue building a good image by operating its business under social and environmental responsibilities which is a key marketing strategy to enhance marketing potential, retaining clients with the Company and attracting new investors to invest in the industrial parks. The Company has been consistently improving the environmental circumstances of three Saha Group Industrial Parks with ISO 14001:2004 certification for the central wastewater treatment system by the Management System Certification Institute (Thailand) and the Office of Certification Body under Thailand Institute of Scientific and Technological Research.

According to Saha Group Industrial Park Sriracha, the industrial park has currently limited available areas. The Company, therefore, emphasizes on lands and office building lease by having small and medium-sized companies (SMEs) or warehousing operators as target customers since the industrial park is located near Laemchabang Port.



Competition: Regarding the leasing and service business, the majority of clients are Saha Group affiliate's therefore, the competition is not of a serious concern. In the case that the client is an external party, the Company will carefully select its clients by considering environmental aspects. For leasing business, the Company will consider and manage the area for lease appropriately for both small and large investors. Comparing the lease rates of buildings and factories in Saha Group Industrial Parks with other adjacent industrial areas and estates, Saha Group Industrial Parks have a lower lease rate per square meter and with consistent improvements in services and environment. This have convinced customers to select our sites for their operation. As for our electricity business, the only competitor is the Provincial Electricity Authority. The Company is a holder of an electricity sales permit as a stable supplier providing convenient and efficient services. The steam business is not experiencing any competitive issues as the steam service fee is lower than the cost of steam produced by customer themselves. However, despite having no power plants in the Industrial Parks of Kabinburi and Lamphun, electric power services are provided by a substation of the Provincial Electricity Authority located on the premises. This substation provides sufficient electricity to operators within the industrial parks. Moreover, in 2016, the Company was the first private company in Lamphun Province that launched six badminton courts under the name "Saha Sport Arena" to be a recreational venue for both workers in Saha Industrial Park Lamphun and the general public.

Additionally, the Company has expanded its rental and service business to Mae Kasa Sub-district, Mae Sot District, Tak Province, which is one of the government's special economic areas, as another choice for investors. Moreover, J-Park Sriracha Nihon Mura Shopping Mall started operation on the land of 22-1-14 Rai in the Eastern Seaboard area at Surasak Sub-district, Sriracha District, Chonburi Province, **as the only Japanese tourist attraction in the Eastern region**. The management's design concept is to establish a center for promoting Thailand-Japan cultural exchange as the Company recognizes the importance of the relationship between Thai and Japanese people. The design of the buildings and landscape resembles a traditional Japanese city in Edo period. The location is also another advantage as it is situated in the middle of communities, a housing area and schools. * The company is building a kindergarten Oisca Japanese Kindergarten, which is leased buildings and land. Furthermore, the company has partnered with Tokyu Corporation Ltd. and Ch. Karnchang — Tokyu Construction to establish Saha Tokyu Corporation to develop the first pilot project called "HarmoniQ Residence Sriracha" as a serviced apartment on an area of over 30 rai, opposite J-Park Sriracha Nihon Mura Project, which currently, there are many Japanese customers dwelling in such project. The Company places high value on the importance of safety and healthcare of the aforementioned community. Therefore, in 2016, the Company constructed more buildings for rent, with Thai SECOM Security Co., Ltd. showing its interest in renting the space for its security business. Also, Samitivej Sriracha Hospital, renowned for providing high-standard medical services among the Japanese, was also interested in renting a space for building its 600-square meter polyclinic to offer a wide range of medical services, including minor surgery, x-ray services, dental treatment and wound care. This polyclinic, considered an integrated medical center, is to be completed in April 2017. In addition, the extension plan for nearby areas is now under way. The area extension plan phase 2 will focus on developing a zone to accommodate shops, restaurants and facilities with a bridge being built to connect this zone with the J-Park Sriracha Nihon Mura Project in order to attract the Japanese investors in Sriracha District and surrounding area. Additionally, this area has the potential to be appropriately developed into the center of Japanese. For golf courses and hotel businesses, as Saha Group Industrial Park Kabinburi and Lamphun have a large amount of treated wastewater; there is more efficient use of shared resources and a possibility to use industrial waste as raw materials. As a result, it creates a balance in the dimensions of economy, environment and society and thus leads to sustainable development. At the same time, in order to manage wastewater efficiently and sustainably and to meet the demand for recreational properties that yield a return to some extent, the Company recognizes golf businesses in today's market as a growing industry; it has thus decided to build golf courses and driving ranges to generate additional revenue for the Company. The details are as follows:

1. **Kabinburi Sport Club** located at Wang Dan Sub-district, Kabinburi District, Prachinburi Province, is a standard 18-hole golf course with a unique reputation of being the longest golf course in Thailand. Responding to the needs of the fast growing membership, the Company also opened a hotel, which is the only hotel in Prachinburi located on a golf course. Currently, it has 36 rooms with full amenities, such as a swimming pool, small conference room and restaurant. As most of the customers usually reserve a room and go for a round of golf, the golf course then attracts all types of golfers to try its



services, allowing Kabinburi Sport Club to gain the upper hand over other operators in the nearby industrial parks. The hotel also serves as accommodations for students of Sriracha Aviation School, an aviation company of Sahapat Group.

2. **Hariphunchai Golf Club** located at Tambon Wiang Yong, Amphoe Mueang Lamphun, Lamphun Province, has been developed in the first phase as a 9-hole golf course. It is a mixture between mixed deciduous forest, lotus ponds and paddies that reflects the harmony of nature and the community. The design of each hole pattern is differently distinctive to test a skill and build challenges to golfers with golf holes surrounded by water the golfers can also see Hariphunchai Chedies Doi Suthep an, Doi Inthanon. This is the main draw for golfers, to experience playing in the midst of natural beauty to make them impressive when using the service

Constructing these two golf courses is an incentive for businesses to invest in both industrial parks more easily and also increases the value of the land as well as incomes of the Company and community.

2.2.3 Procurement of Products and Services

The Company provides lands and finished buildings in Saha Group Industrial Parks, including land development outside Saha Group Industrial Parks by constructing finished buildings for rent, such as, office buildings, polyclini and The J-Park Sriracha Nihon Mura project as a shopping mall business in Surasak Sub-district of Sriracha, Chonburi by means of offering the rent for lands, buildings and shops. It aims to serve investors who desire to conduct businesses within the parks, including personnel in accounting, law, foreign affairs and other fields. Copyrights and trademarks of foreign renowned products which are both popular and much sought after for both domestic and international markets are made available by both the company and the affiliates. Their registration or copyright registration will be made by the company to ensure product diversification, which could create revenues from the increasing productivity, as well as creating our own new trademarks generally accepted by markets to reduce copyright costs in production. In addition, the company makes the optimum use of its plain area by constructing a golf course as its new service.

2.2.4 Work-in-Process:

-None-

2.3 Industrial Park Business

2.3.1 Types of Products and Services

The Company engages in the business of developing industrial areas with an initial objective to serve the increasing needs of the industrial space of our own subsidiaries. The idea was also in compliance with government policies that encourage the expansion of industrial areas to up-country regions. The policies aim for the expansion to contribute to sustainable prosperity, improved quality of life, greater social benefits and a better environment. All of the company's three industrial parks in Chonburi, Prachinburi and Lamphun Provinces are managed under good corporate governance and through them, the company earns income from leasing and selling industrial space.

Instead of 'Industrial Estates', we choose to call our principal business '**Industrial Parks**', because we strive to offer peaceful tranquility and desirable greenery in all of our industrial locations. Therefore, in order to ensure client confidence in the services of Saha Group Industrial Park, the Company has introduced the ISO 9001:2008 — a quality management system used specifically for land development and public utilities services has been implemented in Saha Industrial Parks of Sriracha, Kabinburi and Lamphun and the Company continues to improve quality management system

The following are the key objectives in the implementation of ISO system:

1. To use it as a guideline in improving the company's quality management system
2. To ensure greater overall efficiency and effectiveness of the company performance
3. To increase customer satisfaction



The ISO 9001:2008 quality management system was reviewed in 2010 and approval is granted to implement the “Good People, Good Product, Good Society” initiative of Mr. Boonsithi Chokwatana as the quality policy for the service business within Saha Group industrial parks Sriracha, Kabinburi and Lamphun. This is to ensure customer satisfaction and constant development. The policy requires that our staff serves clients quickly, politely and ethically; that the facilities provided are of high quality and adequate; and that improvements are made according to the set objectives. The occupational health, hygiene, safety and environment for the staff and the residents of the surrounding areas are promoted and developed. It is implemented in unison with the ISO 14001:2004 environmental management policy for the beautiful environment within the industrial parks, the proper contribution to society and the allowance of mutual recreation. Employees of all levels are expected to implement the said policies with great efficiency. At present, we have been consistently improving the environmental circumstances of our three, Saha Group Industrial Parks. They are now ISO 14001:2004 certified for the central wastewater treatment system by the Management System Certification Institute (Thailand) and the Office of Certification Body under Thailand Institute of Scientific and Technological Research. The environmental policy is disclosed in the article, **“Corporate Social Responsibility: Environmental Management”**

Our environmental policy is promoted among the staff through ongoing training and reminded by posters affixed in the compound of the company. Departmental or divisional managers must ensure that all of their staff, as well as distributors and contractors acting on behalf of the company, are in full understanding and compliance with the company’s environmental policy.

The energy and global warming situations appear to escalate with time to the level where they become matters of national concern. This is compounded by the inefficient use of energy that must be imported from other countries, causing money outflow. The rising production cost affects the competitiveness of factory operators, particularly those 10,000 Thai-owned small and medium sized industrial factories.

Saha Group Industrial Park Sriracha has engaged in a pilot project to improve energy management efficiency, following by the implementation of the energy management policy. The energy policy of the management has been translated into energy policy for the central wastewater treatment facilities with the aim of continuous energy conservation and development. This policy focuses on the energy-saving efforts of the central wastewater treatment systems. Employees at all levels must implement this policy as strictly as possible in order to achieve the desired efficiency. The Company is currently the first industrial group or estate in Thailand to have been certified for the ISO 50001:2011 standard for energy management by the Management System Certification Institute (MASCI) for the energy usage improvement of the central wastewater treatment performance in the main wastewater treatment system unit at Saha Group Industrial Park Sriracha. The energy policy is disclosed in **Corporate Social Responsibility: Environmental Management.**

Employees are the most invaluable asset and a key to realizing energy management goals. In order to enhance the knowledge and capability of employees on a regular basis, internal and external trainings have been arranged for employees of all levels to ensure systemic development of the company’s energy management. This will allow us to strive forward with optimal energy efficiency, better quality and greater competitiveness. Moreover, the company aspires to be an organization that provides its employees with learning opportunities. This will in return contribute to the company’s sustainable development and its ability to help improve the society to which the company belongs.

In response to the above policy, in 2016, the Company imposed a rigorous control over the use of electric power according to significant treatment units in the central wastewater treatment system of Saha Industrial Park Sriracha. Here, the electric power used must be between 1.02 and 1.18 mega-joules per cubic meter. The Company could control the use of electric power at the specified level while maintaining ongoing energy-related projects, leading to continuity and sustainability of its overall approach to energy conservation.

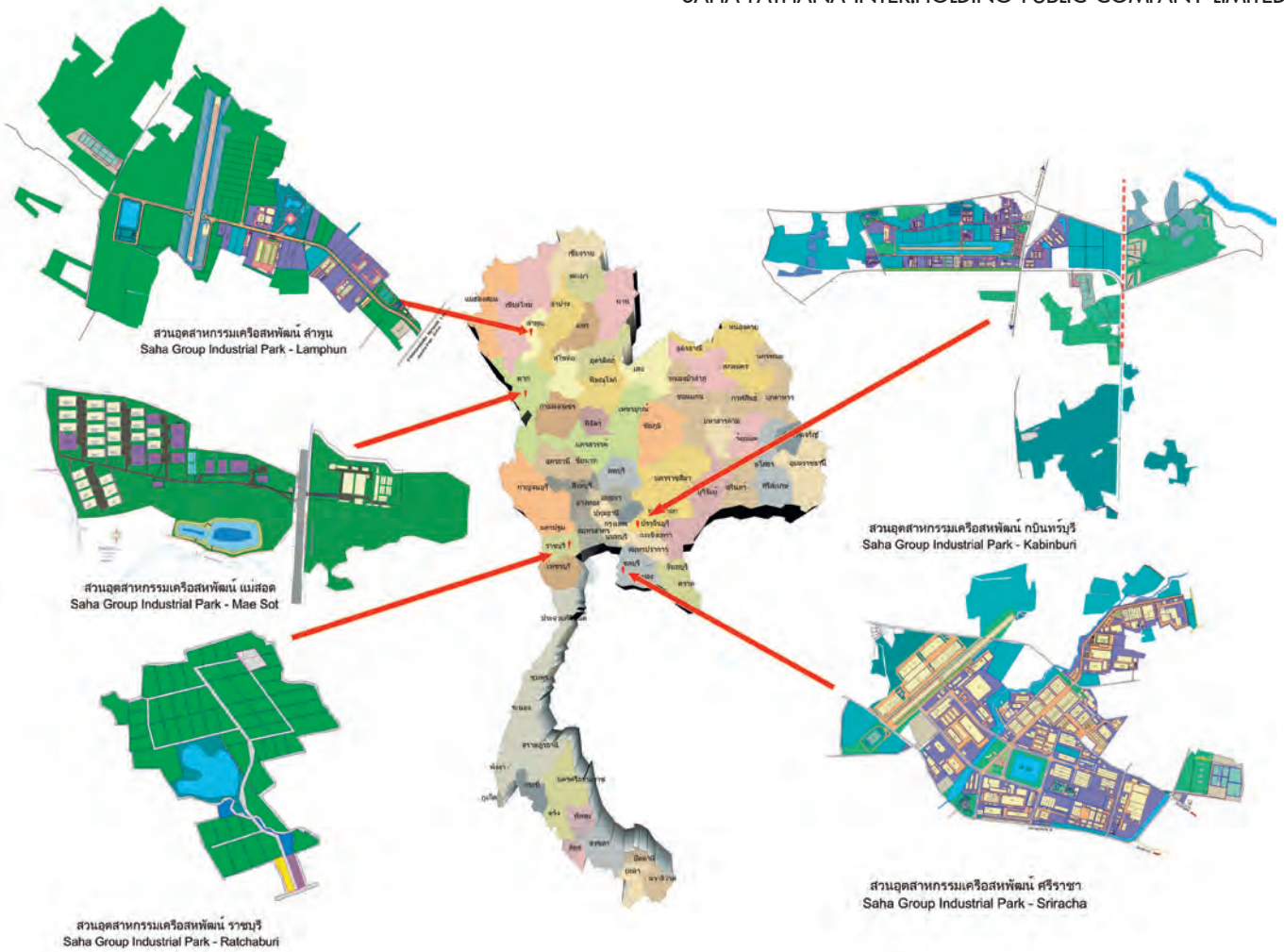


Saha Group Industrial Park consists of joint ventures with or without Saha Group investment. However, the area within the Saha Group Industrial Park Sriracha is getting crowded. The value of land is increased. Therefore, the company has encouraged investors to invest in technology, advanced manufacturing plant in the Saha Group Industrial Park Sriracha. For the factories that require production expansion, they have been encouraged to locate in Saha Group Industrial Park Kabinburi. Currently the Company had developed its internal areas as space for rent/sale within Saha Group Industrial Park Kabinburi. To accommodate the needs of investors, the Company has also developed the internal Saha Lamphun industrial park to accommodate the expansion of the factory to be produced with advanced technologies. For example, PANDORA Production Co., Ltd. is a hand-finished jewelry manufacturer from Denmark. The company's production capacity has rapidly increased to meet constantly increasing customer demand. The Danish company then opted for a 45-rai land plot in Saha Industrial Park Lamphun to be the location for its new plant to produce excellent quality jewelry, continuing the vision of being the "world's favorite and most loved jewelry brand" of the company. The new plant has already started its manufacturing operations. Another example is Le Creuset Manufacturing (Thailand) Co., Ltd. which is ceramic products manufacturer and Research and Development Center in manufacturing and selling kitchenware and all ceramic supplies as well as distributing such products to several places worldwide, which gains high popularity. Its factory is being built and expected to be completed by October 2017.





SAHA PATHANA INTER.HOLDING PUBLIC COMPANY LIMITED



MASTER PLAN

- OCCUPIED
- AVAILABLE
- FUTURE PROJECT
- COMMON AREA





The Company currently has four operating industrial parks as follows

1) Saha Group Industrial Park - Sriracha

Saha Group Industrial Park - Sriracha was established in 1977 in the municipality of Laemchabang Sub-district, located in Moo. 11, Nong-kham Sub-district, and Moo.1, Bueng Sub-district,, Sriracha District, Chonburi Province. It presently covers a space of approximately 1,800 Rai and offers various facilities and infrastructure services as follows:

- The 174 - Megawatt Power Plant capable of providing adequate electricity power backup 24 hours a day. The power plant is operated by Sahacogen (Chonburi) Public Company Limited with an electricity sales license issued by the Energy Regulatory Commission Office, the Ministry of Energy. The excess steam from the generation of electricity is also sold to factories located inside the industrial park.
- The standard centralized wastewater treatment, which was certified by Siam Environment Group in 1994, can treat wastewater according to the standard of the Department of Industrial works. Its capacity could treat daily 12,000 cubic meters of wastewater.
- Air - field with the private license from the Commercial Aviation Department.
- Reservoir with raw water storage capacity of 850,000 cubic meters
- The daily water supply capacity 20,000 cubic meters
- Recreational Park
- Business supplementary service sector, which is the center of selling products from Saha Group under the symbol "Thailand Best", operating by Kabin Pattanakij Co., Ltd.





2) Saha Group Industrial Park - Kabinburi

Saha Group Industrial Park - Kabinburi was established in 1989, located in Nong Si Sub-district and Wang Dan District, Kabinburi District, Prachinburi Province. It presently covers a space of approximately 3,900 Rai and offers various facilities and infrastructure services as follows:

- Reservoir with raw water storage capacity of 1 million cubic meters
- The daily water supply capacity 6,000 cubic meters
- A 50 x 2 - Megawatt Mini Power Plant under the supervision of the Provincial Electricity Authority
- Centralized wastewater treatment system with daily capacity of 16,000 cubic meters
- Air - field with a private license from the Commercial Aviation Department.
- A garbage incinerator with the capacity of 100 kilograms per hour with a permit issued by the Ministry of Industry





3) Saha Group Industrial Park - Lamphun

Saha Group Industrial Park - Lamphun was established in 1989, located in Pasak Sub-district and Wieng Yong Sub-district, Mueng district, Lamphun Province. It presently covers a space of approximately 2,200 Rai and offers various facilities and infrastructure services as follows:

- Reservoir with raw water storage capacity of 1 million cubic meters
- Wastewater treatment with the daily capacity of 6,500 cubic meters
- A 50 x 2 -Megawatt Mini Power Plant under the supervision of the Provincial Electricity Authority
- Air - field with the private license from the Commercial Aviation Department
- A garbage incinerator with the capacity of 50 kilograms per hour with a permit issued by the Ministry of Industry
- Water supply from the artesian well with daily capacity of 4,000 cubic meters
- The daily water supply capacity of 1,100 cubic meters





4) Saha Group Industrial Park - Mae sot

Saha Group Industrial Park — Mae sot was established in 2008, located in Mae Kasa Sub-district, Mae Sot District, Tak Province. It presently covers a space of approximately 131 Rai and offers various facilities and infrastructure services as follows:

- Reservoir with raw water storage capacity of 55,000 cubic meters
- Wastewater treatment with the daily capacity of 400 cubic meters
- A 25 Megawatt Mini Power Plant under the supervision of the Provincial Electricity Authority - Mae Sot 2 (outside the project) and A 50 Megawatt- Mae Sot 1, totaling 75 Megawatt
- Water supply from the artesian well with daily capacity of 120 cubic meters
- The daily water supply capacity of 600 cubic meters



2.3.2 Marketing and Competition

Marketing - The Company has developed the Saha Group Industrial Park starting from selecting the location, project design and layout planning, utility system development, arranging facilities and services including managing the environment to be in a good condition. Selection of the Company to undertake a business in the industrial park is based on the environmental impact so the factory with no environmental impact or the factory with proper prevention of environmental impact will be selected. The factories will be continuously monitored while the factory zoning is arranged for better control focusing on the impact on surrounding communities. The majority of clients have received information of Saha Group Industrial Park from the banks or the financial institutions they are in constant contact with, as well as our local and international partners and joint investors and also from the company's website at www.spi.co.th. We have provided our industrial park profile to the Office of Board of Investment in order to facilitate dissemination of information to foreign investors or entrepreneurs looking to invest in Thailand.

In addition to land or service quality, clients are making decisions based on the operator's positive image and social/environmental responsibility. This is an important marketing strategy and one which helps us to increase marketing capability and attract investors to our industrial parks. We have worked very hard to improve their environment. Certifications and certificates we have received for our efforts are disclosed in "**Background and Development**".

Saha Group Industrial Park Sriracha currently has a relatively limited area, the Company has focused on marketing for the sales/leasing of land to the industrial group with advanced technology and selected industrial customers with advanced machinery and reduce environmental pollution due to there are many communities located nearby the industrial park lot. the Company has supported the factories within Saha Group Industrial Parks in improvement of production by using advanced technologies instead of the original machinery or labor to reduce production costs and reduce environmental impact. Some factories have implemented their production by the use of machines with advanced technology to replace existing equipment. The Company also studies the possibility of reducing costs for resource reduction through Research and development Projects initiated by the wastewater treatment plant and its wastewater re-use within the industrial park as possible with the improvement of wastewater treatment using membrane of the Micro Filtration Flat Sheet. To optimize wastewater treatment and effluent quality to a great extent, the logging filtration membrane RO (Reverse Osmosis) for treatment and final disinfection is applied prior to further use in the Saha Group Industrial Park Sriracha, which will reduce the cost of using resources and emissions into the environment

Competition: Saha Group Industrial Parks were originally conceived as centers for the manufacturing activity of the subsidiaries and the joint ventures of the Company before opening up to accommodate other industrial businesses as well. As a commercial operation, the Company has to compete with other public and private industrial estates in the neighboring areas.

The important tactic for competition is to focus on quality and utility services including facilities in accordance with the requirements of current and future customers through sales / customer service team who will coordinate customer care with executives and managers of the Company.

By providing the One Stop Service, Saha Group Industrial Parks is therefore a new alternative for operators who wish to solve problems in the issues such as labor, environment or looking for areas where the availability of infrastructure, such as electricity, water drainage systems and telecommunications. The Company is also committed to the business development as the Eco Industrial Park that focuses on environmentally friendly management and stakeholders, including communities around the industrial park. Neighboring estates, etc., to create a society that is coupled with business continuity.

Brand Positioning - Defining land qualification requirements, such as special characteristics in terms of competitive advantage. The Company has presented the distinction to be the leader in the security of public infrastructure, such as electricity, water and sewage systems, standard wastewater treatment plant with the optimized use of electricity as its competitive strategies. This is a sustainable approach to energy management. The location of the industrial park Saha also located on an area that is suitable for the transport of goods or products to other industrial estates or ports

The Company has its ability to control the appearance of the Saha Group Industrial Park through the recruitment and selection of factories and companies to base their operations within the Saha Group Industrial Park. Therefore, the areas within the Saha Group Industrial Park has a high price in order to eliminate the factories that are not ready in all aspects. In this regard, the foreign investors are willing to buy the land within the Saha Group Industrial Park as high-priced products. The Company still have customers interested in the product even the price is relatively high. The selling price per rai of land within the Saha Group Industrial Park is higher if compared to the industrial zone and industrial park adjacent region. But the operator has decided to invest in the area because advantage in infrastructure of the Saha Group Industrial Park. The availability and stability of the power system is in place within the park. There is power sub-station of the Electricity Authority in every Saha Group Industrial Park. Additionally, there are the plants produced electricity from natural gas and biomass within the Saha Group Industrial Park Sriracha and Lamphun and adequate water reserve system. The water supply system is also provided by the Provincial Waterworks Authority, as well as the wastewater treatment system.

The Company has adopted the Quality Management System ISO 9001: 2008 for the development of infrastructure and services. The Environmental Management System ISO 14001: 2004 is also used at the Central Wastewater Treatment ie Saha Group Industrial Parks Sriracha, Kabinburi and Lamphun. In 2013, Saha Group Industrial Park Sriracha has a power management system ISO 50001: 2011 certification from the International Organization for Standardization (MASCI) for the use of septic systems as the first industrial estates in Thailand. It also approved the establishment of standards of social responsibility of business, Thailand according to management, labor standards, Thailand (TLS. 8001-2546). In 2011, The Company was granted a diploma from the Ministry of Industry in the central sewage system. A centralized wastewater treatment plant of the Company also recognized as the "Gold Level" of the waste management industry under the "Project to upgrade the operator Waste Management". Saha Group Industrial Park is one of the potential industry to be developed into an Ecological Industry according to the Ecological Industry Development Program Department of Industrial Works. The Company also represents a commitment to compliance and occupational health, environmental safety measures involved in the operation, the emphasis on health promotion and health and the safety of workers, communities and other stakeholders, including protection against security risks in health and environmental impact by focusing on preventing pollution at the source as well as support for the measure implementation. The Saha Group Industrial Park Sriracha has been selected by Faculty of Engineering, Griffith University in Australia for participating the research project entitled "A Study of utility operations, health and safety" in the development of eco-industrial projects. This research project has been later on published widely.

Key advantages offered by Saha Group Industrial Parks

The reasons that clients selected Saha Group Industrial Parks are as follows:

1. Saha Group Industrial Parks are located in high-potential locations with a great possibility of economic growth. They offer logistics convenience with accessibility by land, by air and by sea.

(1) By land

All four Saha Group Industrial Parks i.e. Sriracha, Kabinburi, Lamphun and Mae Sot are all located on main highways, allowing ease of transportation to all other regions.

- **Saha Group Industrial Park Sriracha** is located on Sukhapibarn 8 Road, connecting Highway No. 7 (Bangkok - Pattaya - Rayong Road).



- **Saha Group Industrial Park Kabinburi** is located on Highway No. 33 (Suwansorn Road), connecting with Poipet, Banteay Meanchey, the Kingdom of Cambodia.
- **Saha Group Industrial Park Lamphun** is located on Highway No. 116 (Lamphun - Pahsang bypass road)
- **Saha Group Industrial Park Mae Sot** is located on Highway No. 105, Mae Kasa Subdistrict (Mae Sot District - Mae Ramat District, Tak Province Road)

All industrial parks located in the adjacent areas are educational institutions, banks, hospitals and governmental agencies.

(2) **By air**

- **Saha Group Industrial Park Sriracha** is located only 98 kilometers from Suvarnabhumi Airport and only 59 kilometers from U-tapao Airport.
- **Saha Group Industrial Park Kabinburi** is located only 155 kilometers from Suvarnabhumi Airport and only 195 kilometers from U-tapao Airport.
- **Saha Group Industrial Park Lamphun** is located only 35 kilometers from Chiang Mai Airport.
- **Saha Group Industrial Park Mae Sot** is located only 12 kilometers from Mae Sot Airport.

(3) **By sea**

- **Saha Group Industrial Park Sriracha** is located only 6 kilometers from Laemchabang Deep Sea Port which is the largest port in Thailand connecting all regions in the country.

2. Saha Group industrial parks feature the infrastructure and the facilities necessary to accommodate investment. We provide water for industrial use, as well as a standardized central wastewater treatment system, security service for normal operation and emergency, landscaping, central nurse stations, convenience stores and factory outlets.

3. The Company are financially integrated. All industrial parks in Chonburi, Prachinburi and Lamphun feature land plots, buildings and SME factories for sale and lease to accommodate expansion of investment by ASEAN countries as a result of the AFTA.

4. Saha Group Industrial Parks are operated by the private sector and as such afford flexibility in service and management. We are capable of responding quickly to our clients' needs. The management of the Company recognizes the importance of Green Industry and Eco Industrial Town development to sustainably build a balance between economic, social and environmental aspects.

5. Saha Group Industrial Park Kabinburi and Saha Group Industrial Park Lamphun are located on high plains which qualify as suitable locations. This is a crucial deciding factor for investors who looking to establish an industrial facility. Saha Group Industrial Park Sriracha, on the other hand, is located on a plain along the eastern seaboard. It is possible for water to overflow from the public canals or the reservoirs into the park for a brief period of time, particularly during a period of heavy rain or a flooding situation. A prevention and mitigation plan has already been developed for such emergency situation.

6. All four Saha Group Industrial Parkse are eligible for tax privileges and investment to attract potential investors and create business opportunities for the company, such as:

- Sriracha has been promoted by the Board of Investment to form a cluster Motor vehicles and electronics parts and telecommunications equipment, petrochemical and chemical products that are environmentally friendly, including textile and apparels. Furthermore, Sriracha is a flagship zone under the project of Eastern Economics Corridor Development (EEC) covering areas of three provinces which are Chachoengsao, Chonburi and Rayong so as to promote the development of Eastern special economic zone in potential and effective manner for support the targeted industries group that will play a role in boosting the competitiveness of Thailand in the future as an ASEAN shipping hub, which can connect to the Dawei deep-sea port of the Republic of the Union of Myanmar, Sihanoukville Port of the Kingdom of Cambodia and Vung Tau Port of the Socialist Republic of Vietnam. Sriracha is widely recognized among investors worldwide to have high potential for being one of the country's investment hubs.



- Kabinburi was promoted by the Board of Investment to form a cluster Motor vehicles and parts electronics electronics and telecommunications equipment, including textile and apparel.
- Lamphun is in the region promoted by the Board of Investment for a cluster of agricultural products
- Mae Sot is one of the prospect areas in Special Economic Zones selected by the Board of Investment to receive privileges in the promotion and facilitation of business operations. The entitled businesses are those that benefit the country's economy, including industrial, commercial and service businesses.

7. Saha Group Industrial Park Lamphun is the only industrial area in the northern region which allocates water resources in the area by specially allocating an area for building largest reservoir of crude with a capacity of more than 1 million cubic meters to support the expansion of the industry in the future.

The Disadvantages associated with Saha Group Industrial Parks

- Saha Group Industrial Parks are developed for general business operation. Nevertheless, we have not registered the Free Zone (FZ) with the Customs Department for export businesses to gain relevant tax privileges.

2.3.3 Procurement of Products and Services and Environmental impact

(1) Procurement of Products and Services

The Company has arranged each of Saha Group Industrial Parks' land with consideration on the location, water resource, other public utilities, policy and requirements of the authority, project design and project layout, as well as the study of the environmental impact and determination of the need to expand by the companies in the group. The company has arranged the public utility service properly and sufficiently for the need of the company which are willing to invest in the Industrial Park. Such land development is required to be undertaken step-by-step in accordance with the need to utilize the resources optionally without any disadvantage in the investment.

(2) Environmental Impact

Saha Group Industrial Park is aware of the significance of the control of environmental impact so the development, measures, guidelines and working methods have been undertaken in relation to the environment. A special unit is formed to take responsibility for the collection of test data and research to control and prevent the environmental impacts caused by the operations of Saha Group Industrial Park in accordance with the standards prescribed by the Department of Industrial Works. When there are a number of factories and jobs, the agency of the company has separated itself to set up Eastern Thai Consulting 1992 Co., Ltd. to undertake the work on research, development and supervision of the environment of all three Saha Group Industrial Parks, such as the wastewater treatment, garbage removal, measurement of air and noise quality. The measurement made at all three Saha Group Industrial Parks shows that they have passed the standard. For each industrial standard, the company has arranged the central wastewater treatment system and all factories are required to have the wastewater treatment system initially before the wastewater is disposed to the main system. We have been consistently improving the environmental circumstances of our three Saha Group Industrial Parks. They are currently ISO 14001:2004 certified for the central wastewater treatment system by the Management System Certification Institute (Thailand) and the Office of Certification Body under Thailand Institute of Scientific and Technological Research. Currently, the Company focuses on the importance of central wastewater management from the source of wastewater before overflowing into the central wastewater treatment system, to control and prevent possible damage that could occur in the central wastewater treatment system which is the last treatment unit before flowing to public water source and canals. To implement, the Company established the guideline for wastewater management for the wastewater source factories and have been monitoring the statistics of wastewater from factories in the industrial parks. In case that there is alert found, the Company will conduct a meeting with the factory to discuss and find a solution for the wastewater problem that can have a negative effect on overall systems.



6. The Risk Factors

The operational risks of the Company are classified as follows:

1. Investment Risks

1.1 Share Capital Investment in Other Companies

The Company has invested in companies in a diverse range of industries with shareholding not exceeding 50% of the registered capital of such companies in order to diversify the risks. There are however a number of companies with reciprocal shareholding at a very low proportion of which the Company does not have controlling authority. All companies in Saha group operate freely under the authority of their respective Board of Directors.

The Company has investment plan as one of the Company's annual business plans. We have Investment Working Team to analyze and review the feasibility of investment projects and joint venture opportunities by considering to invest in related businesses or those with synergy. According to the Group's investment policy, the companies in Saha group with similar operation or in the same value chain to such invested company is assigned to monitor the operation of the business. This therefore helps to identify business concern and report such concern to the Company and Saha group companies' shareholders on a timely basis in order to find appropriate solution. Earnings on the investment are received in the form of dividends. Nevertheless, in the case where any company experiences loss, the Company will have to record the depreciation of investment, and will not receive the dividends. The risk, therefore can affect the profit and loss and also the value of assets of the Company to a certain extent.

In 2016, the Company has invested in 155 companies and recorded an impairment loss on investment of 13 companies, amounting to 38.62 million baht.

1.2 Guarantee among Saha group companies

The Company guarantees the credit line for companies in Saha group, newly incorporated companies and joint venture companies. The guarantee for newly incorporated companies is based on the necessity of business operation and the proportion of investment. The risk associated with the guarantee is that, in the case where the Company for which the guarantee is given, is unable to repay the debt to the creditors, the Company might have to be liable for the debt instead. As a result, the Company will experience loss from the operation together with that from the guarantee and the impact on the Company's performance could be significant. Therefore, the Company has established the policy to mitigate such risks by reducing excessive guarantee and if guarantee is required, the Company will guarantee only to a proportionate of shareholding ratio or request a companies in Saha group who responsible for such line of industry guarantee instead. This policy is also to encourage companies in Saha group to operate their businesses efficiency by themselves.

As of 31 December 2016, the Company provided a credit line guarantee for 10 companies in Saha Group, a total amount of 311.90 million baht. The actual credit used was 156.94 million baht. Throughout the past year, there was 2 additional companies, which are Mobile Logistics Co., Ltd. and Transcosmos (Thailand) Co., Ltd.

1.3 Financial Risks

The Company businesses include investment in share capital in other companies, rental and service businesses, and the industrial park business, which are long-term investments. To mitigate risks and ensure sufficient capabilities to run the business, the Company established a plan and find suitable financial instrument to raise sufficient funds. Achieving this will keep the capital cost and the debt-to-equity ratio at an appropriate level while maintaining a strong liquidity profile in the expansion of business. Conservative financial policies have also been implemented prudently to obtain satisfactory outcomes. This has led to confidence in the Company's effective risk management and internal controls, which have been performed under acceptable risks and are suited for rapidly altered circumstances. Factors that were considered included fluctuations in interest rates, fluctuations in exchange rates, and, lack of liquidity.



2. Risks from Rental and Services

2.1 Rental and Services

The Company currently has revenues from property rental and utility services in Saha Group Industrial Parks. To provide the most satisfactory service for customers, the Company has to arrange and manage all the office buildings, factories and facilities to be maintained in good operational condition. In the case that there is any damage to properties, it could affect the revenue of the Company. In order to prevent or reduce such risk, the Company has insured all of its rental property in the amount of 1,807,486,450 baht.

In 2016, the Company has generated 166,140,396.36 baht from property rental and 2,026,172,765.92 baht from utility services.

2.2 Risk from Failing to Renew Trademark Licenses

The Company is the licensee of many well-known foreign product trademarks. The Company agrees that the Companies of Saha Group can use such trademarks, in order to manufacture and sell goods under such trademarks while the Company will be compensated in the form of royalty fees. In case that the Company fails to renew trademark licenses, the Company will lose revenue from royalty fees accordingly. To prevent such a risk happening, the Company has entered into long-term contracts with licensors and strictly adheres to the stated terms and regulations. However, royalty fees are an income source that is not significant to the total income of the Company.

3. Risks from Industrial Park Business

3.1 Environmental and Natural Risk

3.1.1 Occupational Health, Safety and Environmental Risks

With the awareness of the negative effects from business operation and other operations in the industrial park, the Company has strictly complied with all the laws and regulations regarding occupational health, safety and environmental impact, and has successfully completed an Environmental Impact Analysis (EIA) report, which has been presented to the Office of Environmental Policy and Planning. The Company closely monitors all of its operating procedures to ensure that each and every production site in Saha Group Industrial Parks is in line with specified regulations. The Company also strives to ensure that its Saha Group Industrial Parks are safe from any occupational health, safety and environmental problem such as air or water pollution, which may affect surrounding communities. Any problem with local communities could cause a legal dispute which may lead to an undesirable legal action, which could eventually result in extensive expenses in the courts or the termination of business. However, such problems have never occurred in the industrial parks. In addition, the Company has been consistently improving the environmental management system of three Saha Group Industrial Parks to reach international standard, resulting in ISO 14001:2004 multisite certification for the central wastewater treatment system of three Saha Group Industrial Parks by the Office of Certification Body under Thailand Institute of Scientific and Technological Research. Throughout the operational years, Saha Group Industrial Parks have considered the importance of any emergency which has possibility to occur and significantly affect the industrial parks' overall operations. Moreover, in 2015, there was a major fire incident occurred in the factories and power plants within Saha Group Industrial Park Sriracha, whose safety division and the security officials could not control the incident in a timely manner due to coordination, technical and management problems, therefore, there was resulting in damage to the properties of the power plant. In this regard, the Company consequently has strictly conducted the pre-fire emergency plan training session in Saha Group Industrial Parks Sriracha, Kabinburi and Lamphun, to prepare security teams for any emergency incident; for example, the training program for chemical leakage and fire accident with related government experts from local government authorities. Based on the previous incidents and risk assessment of the factories within the industrial park, Saha Group Industrial Park has also recognized the importance of different instruments in eliminating the emergency. Consequently, due to the risk assessment of factories within industrial parks, the Company has prepared foam extinguishers in sufficient quantity and purchased a fire truck ready to control the unexpected situation or



emergency situation. In 2016, the Company purchased ambulances and fire trucks for Saha Group Industrial Park Sriracha in preparation for emergencies. It also arranged two fire trucks to be based at Saha Group Industrial Parks in Lamphun and Mae Sot.

3.1.2 Flood Risk

Saha Group Industrial Park - Lumphun: The industrial park is located in a highland area which has low risk of flood as there is no flowing water source nearby. This is a crucial deciding factor for investors seeking to establish an industrial facility in the industrial parks.

Saha Group Industrial Park - Kabinburi: Prachinburi Province was gravely affected by flood resulting in severe damage in many areas in the province. However, the flood has had no effect on the central wastewater treatment system for communities in Saha Group Industrial Park Kabinburi which is located in a lowest land area. For the central wastewater treatment system for industrial factories in the industrial park, it was designed to be located at a higher level from possible flood levels, referring to the irrigation road between watershed area, agricultural area and residential area by building the system base at the 20-30 centimeters higher level than the average height of irrigation barriers. According to previous floods in the area, there is a possibility that water from outside could enter the central wastewater treatment system. As a result, the Company came up with the permanent solution to prevent such an incident by building the barriers around the system with 70 centimeters in height and the total length of 2,500 meters to mitigate the natural risk of flooding that may be occurred.

Saha Group Industrial Park - Sriracha: The industrial park is located on a coastal plain along the eastern seaboard. It is possible for water to overflow from the public canals or the reservoirs into the industrial park for a short period, particularly during a period of heavy rain or a flooding situation. As for these risks of flood, the prevention and mitigation plan has already been developed for such situation for three Saha Group Industrial Parks. The plan comprises a monitoring team to monitor the water level in a radius of 5 kilometers around Saha Group Industrial Park Sriracha 24 hours. The monitoring levels are divided into three levels which are "Normal Level", "Watching Level" and "Alert Level". In case that the alert level is reached, the factories are advised to follow the emergency plan by following the updated information from the Meteorological Department and to analyze the information including weather map on regular basis. Additionally, the Company conducts the training session of its emergency plan every year. Moreover, Saha Group Industrial Park Sriracha has invested 12-million-baht budget to improve the drainage system by increasing the size of drainage system in order to optimize the drainage capacity to the public water supply areas and solve the flooding problem within the local area, including providing the dredging of drainage systems within the Saha Group Industrial Park Sriracha on annual basis.

Saha Group Industrial Park - Mae Sot: The industrial park is located in a highland area which has low risk of flood as there is no flowing water source nearby. This is a crucial deciding factor for investors seeking to establish an industrial facility in the industrial parks.

In the past year, all Saha Group Industrial Parks were not experienced flooding.

3.1.3 Drought Risk

The current threat of climate change caused by the influence of El Nino phenomenon has resulted in less rain fall leading to an abnormal seasonal distribution. The volume of water in the dams or reservoirs are all relatively low. In addition, hot weather in the dry season causes water loss by evaporation, and leads to a significant decrease in water level. Meanwhile, the demand for water has increased accordingly due to the population increase and the expansion of the economy leading to more usage amongst agriculture, industry, power generation etc. This therefore causes a shortage of water which tends to be more severe in certain areas. However, drought occurring in some seasons is caused if there is not as much rain as predicted in the rainy season. This results in a lack of water retention for the dam or main reservoirs. Currently, the Saha Group Industrial Park Sriracha procures its raw water resources from the Eastern Water Resources Development and Management Public Company Limited, which allocates water from the main reservoir in the Eastern areas of the country; the water is distributed to customers in public, private and industrial sectors. Although there can still be a drought during the rainy



season and the reservoir has certain amount of low retention, the Eastern Water Resources Development and Management Public Company Limited exercises its water resources management in a systematic and sustainable operation by creating a water diversion project. This project manages the diversion of water from the reservoir to any affected areas. There is a high storage volume in the reservoir area of approximately 70 million cubic meters per year which resolves the problem of water shortage in the short and long term in Chonburi and Rayong area. Meanwhile, Saha Group Industrial Park Kabinburi obtains its raw water from natural sources which the storage reservoir is approximately 1 million cubic meters and allocates the water efficiently. Similarly, using groundwater within Saha Group Industrial Park Lamphun and Mae Sot is also a sustainable approach in a water management system. The risks of drought in this area during any season are therefore significantly less. However, the Company has continued to monitor the water supply situation in the area of Saha Group Industrial Park Sriracha, Kabinburi, Lamphun and will continue to closely watch the situation in the future even though the three Industrial Parks have never experienced a water shortage crisis.

3.2 Chemical Risk

Chemical agents are a symbol of technological advancement. It is imperative that, in the course of development, all factories located within Saha Group Industrial Parks use chemicals in their industrial production process, including their daily usage. The correct use of chemicals can lead to a great deal of benefits, whereas, the lack of correct understanding and good preventive measures can result in disastrous situations; for example, hazardous waste contaminants in products and environment and chemical accidents. These incidents result in risk to life, property, and the ecological balance, both in the short and long term.

Several companies within our industrial parks use chemicals in their industrial production process. Therefore, the Company has applied control measures for the handling of all chemicals entering and exiting in Saha Group Industrial Parks in order to mitigate relevant risks. These measures have been effective from 1 December 2012. According to the survey of the industrial parks' business operation that includes factories using chemicals for their production process, the chemical usage could have an effect on various aspects, particularly emergency incidents, such as explosion, leakage, contamination, spreading and other unexpected incidents. These incidents could cause significant damage to individuals, properties and business operation. In addition, the Company has a chemical control policy to strictly control chemicals movement into and out from the industrial parks, resulting in no chemical leakage incident during the past year.

3.3 Risk of Trade Liberalization and Entering ASEAN Economic Community (AEC)

The ASEAN Economic Community (AEC), which was fully established at the beginning of 2016, allowed free trade in goods, services, investments, capital, and skilled labor across Southeast Asia. All products in the ASEAN region can enter Thailand freely and the Company may be affected by the movement of labor, wage issues, as well as tax privileges and high competition both in the domestic and foreign markets.

However, entering ASEAN Economic Community or AEC is considered as a key engine of ASEAN's economic growth, particularly from the expansion of markets in neighboring countries, including Kingdom of Cambodia, Lao People's Democratic Republic, Republic of the Union of Myanmar, and Socialist Republic of Vietnam. Thailand will benefit from such cross-border trading, the introduction of domestic special economic zones and infrastructure investments that help strengthen the connectivity between Thailand's regional economies. These will enable Thailand to gain more benefits from joining AEC.

World economic growth have slow resulted to lower Thai exporting volume However exporting volume between Thai and neighboring countries including Lao People's Democratic Republic, Kingdom of Cambodia, Republic of the Union of Myanmar and Malaysia have been expanding continuously in a past decade.

The Government realized an important of boarder trading. Therefore, they set up the committee's policy, special economic development zone to rule out a plan to develop Special Economic Zone in 10 areas cover Tak, Mukdahan, Sa Kaeo, Trat, Nong Kai, Chang Rai, Nakorn Phanom, Kanchanaburi, Narathiwat and Songkhla in order to strengthen truly relationship with neighboring contries.



In the future, the Government would like to raise Special Economic Zone to be “Economic Gateway” and increase value to boarder trading. Special Economic Zone in boarder zone will be connect to Special Economic Zone in term of cluster because they have the same objective. In which such objective is to strengthen industrial value chain and lead to develop future industry and increase Thai investment proficiency.

The Company, as the investment leader of Saha Group, places a large emphasis on exploring investment opportunities in AEC. The Company has established an investment team especially for foreign countries, set up an information center to educate and provide information to the companies of Saha Group about engaging with the ASEAN community, and organized Saha Group Fair’s Business Matching, found a team to study the current and future investment decisions, and implemented itself as a center of knowledge and performance development for its employees and the companies within Saha Group. The Company, as a veteran industrial park operator, has seen marketing opportunities from AEC from the much enlarged market size. The Company therefore has prepared itself to respond to such situations by planning a strategy to create competitive advantages from its readiness in rental and service businesses and a complete industrial park business such as land development, infrastructure services as well as buildings-for-rent within four industrial parks located in the areas of Sriracha District in Chonburi Province, Kabinburi District in Prachinburi Province, Mueang Lamphun District in Lamphun Province and Mae Sot District in Tak Province. Presently, Tak province is considered a special economic zone established to minimize the gaps related to labor issues including the wage gap while attracting foreign investors into the Sahapat Mae Sot project as a way to support entry into the ASEAN Economic Community (AEC).

4 . Investment Risk of Shareholders

Given low liquidity of stocks, shareholders may stand the risk of not being able to sell their shares immediately at the price they prefer.

7. Legal Dispute

1. The lawsuit that might have an adverse effect on the Company and associated companies’ assets, which exceeds more than 5% of shareholders’ equity on December 31, 2016
-None-
2. The lawsuit that might have a significant effect on the Company and associated companies’ operation which cannot be assessed in numbers
-None-
3. The lawsuit which has not been caused by the Company and associated companies’ ordinary business operation
-None-

Management

1. Securities and Shareholders

1.1 Registered and Paid-up Share Capital

- (1) The registered share capital and paid-up share capital of the Company as of 31 December 2016 are detailed as follows:

Registered Share Capital	:	THB 800,000,000.00
		comprising of 800,000,000 common shares with a par value of THB 1.00
Issued and Paid-up Share Capital	:	THB 494,034,300.00
		comprising of 494,034,300 common shares with a par value of THB 1.00

- (2) Other securities with different rights or conditions from common shares such as preferred share:
- None -
- (3) Other securities which are not categorized as common shares such as debentures, bills of exchange, convertible securities or debt instruments:
- Bills of exchange of 560 Million baht.
- (4) Agreement between major shareholders on matters which affect issuance and offering of securities, or the management of the company, upon the endorsement of the company:
- None -

1.2. Shareholders

- (1) Lists of Major Shareholders

The lists of major shareholders as of 31 December 2016,

Names	No. of Shares	%
1. CHOKWATANA COMPANY LIMITED	81,562,322	16.51
2. I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED	49,241,856	9.97
3. SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED	38,159,873	7.72
4. SMBC NIKKO SECURITIES INC. - CLIENT ACCOUNT	20,220,550	4.09
5. UNI CENTRAL COMPANY LIMITED	20,195,960	4.09
6. MR. WEERAPAT PUNSAK-UDOMSIN	18,835,100	3.81
7. NOMURA SECURITIES CO LTD-CLIENT A/C	17,625,000	3.57
8. I.D.F. COMPANY LIMITED	16,546,216	3.35
9. UNI WEALTH COMPANY LIMITED	13,740,310	2.78
10. MR. SAKORN SUKSRIWONG	10,168,200	2.06
Total	286,295,387	57.95

Remark : Investors may visit the Company's website, www.spi.co.th to view the list of the top ten major shareholders of the company as of book closing date prior to attendance of Annual General Meeting of Shareholders.



The distribution of shares by the number of shareholders per range of shares hold is detailed is as follows:

Period	Year 2016	
	No. of Share Owners	%
1 - 50	140	14.71
51 - 100	53	5.57
101 - 500	88	9.24
501 - 1,000	68	7.14
1,001 - 3,000	103	10.82
3,001 - 5,000	69	7.25
5,000 and more	431	45.27
Total	952	100.00

The distribution of shares by the classification of shareholders per number of shares hold is detailed as follows:

Type	Year 2016	
	No. of Share	%
Limited companies and public companies	311,319,143	63.02
Commercial banks and financial institutions	537,570	0.11
General individuals who are not employees of the company	107,674,487	21.79
Company employees	11,890,230	2.41
Foreign investors	62,612,870	12.67
Total	494,034,300	100.00

- (2) **Shareholders' Agreement** between major shareholders with potential impact on the issuance and offering of securities or on the management of the Company, upon the endorsement of the Company
- None -

1.3 Issuance of other securities

(1) **Convertible Securities**

- None -

(2) **Securities as the Debt Securities**

As at December 31, 2016, the Company had outstanding Bill of Exchange of 560 Million Baht, details as follows

(1) Bill of Exchange of Saha Pathana Inter-Holding Public Company Limited, 150 Million Baht, maturity date on February 9, 2017

Securities Type	:	unsubordinated and unsecured Bill of Exchange
Placement Type	:	Private Placement limited to 10 investors
Bill of Exchange Tenor	:	92 days from issued date
Offering Value	:	150,000,000.- Baht (One Hundred and Fifty Million Baht Only)
Issued Date	:	November 9, 2016
Maturity Date	:	February 9, 2017
Interest Rate	:	Zero Coupon
Repayment	:	Full Repayment on Maturity Date

(2) Bill of Exchange of Saha Pathana Inter-Holding Public Company Limited, 410 Million Baht, maturity date on January 30, 2017

Securities Type	:	unsubordinated and unsecured Bill of Exchange
Placement Type	:	Private Placement limited to 10 investors
Bill of Exchange Tenor	:	34 days from issued date
Offering Value	:	410,000,000.- Baht (Four Hundred and Ten Million Baht Only)
Issued Date	:	December 27, 2016
Maturity Date	:	January 30, 2017
Interest Rate	:	Zero Coupon
Repayment	:	Full Repayment on Maturity Date

As at December 31, 2016, the Company was not outstanding debentures.

1.4 Dividend Payment Policy

- Company

The Company has the policy to pay the minimum dividend at 0.10 baht per share (or 10% of the share value), however, the Company has previously paid its dividends at a higher rate than specified in the policy according to the Company's business operation performance, cash flow and the overall economic situation.

Year	2016	2015	2014	2013	2012
Earning per share	3.41	2.67	2.33	2.63	2.64
Dividend per share*	0.45	0.23	0.23	0.23	0.23
Dividend payout ratio (%)	13.22%	8.61 %	9.87%	8.74%	8.71%
Dividend payout against earning per share (%) (separate financial statements)	28.36%	18.25 %	20.00%	15.72%	19.66%

Remark : * The Board of Directors Meeting No.11 (Board # 23) held on 15 March 2017, a resolution was approved to propose to the General Meeting of Shareholders, which will held on 25 April 2017, for the approval of payment of dividend at the rate of 0.45 baht per share, amounting to baht 222,315,435 and the Board of Directors Meeting No.7 (Board #23) dated 11 November 2016 passed a resolution to pay interim dividends at the rate of 0.10 baht per share, amounting to baht 49,403,430. There is remaining to pay dividend at rate of 0.35 baht per share, amounting to baht 172,912,005

- **Subsidiaries**

- None -



2. Management Structure

The Company's management structure is clearly defined and has a balanced and auditable structure. The Board of Directors has also a clear practice for the granting of authorities between the Board of Directors, Sub-committees and Management. The management structure comprises of the Board of Directors and three Sub-committees to help screen matters of significance, namely, the Audit Committee, Nomination and Remuneration Committee, and Good Governance and Risk Management Committee. The Executives (Management) have their duty to control the management of the Company. Currently, the Executives comprise of, President, First Executive Vice President, the Assistant Vice Presidents and Department Managers. Authority and duties of each committee and those of the President are prescribed in writing in respective charters and the Authority and Responsibilities of the President document which was approved by the Board of Directors meeting. The Company secretary performing certain duties is also required by law and assigned by the Board of Directors.

1. The Board of Directors, The Board of Directors is established to oversee the business in the best interests of the Company and the shareholders. It ensures that laws, policies, objectives, articles of association, resolutions of the Board of Directors and resolutions of the General Meeting of Shareholders. All directors are required to discharge their duties in an accountable, careful, truthful and honest manner as a reasonable entrepreneur would under the same circumstances and with the authority to engage in trading negotiations without any influence from their status as a director. The management structure is clearly defined, balanced and auditable as follows.

1. The Board of Directors has a clear understanding of their role, duties and responsibilities towards the shareholders and they have proven to be capable of carrying out their duties as expected by the Company.

2. Sufficient audit and balance measures are aligned with the structure of the Board of Directors and the Management.

2.1 Board of Directors: There are 18 directors with six directors being the management and 12 being non-management. At each the general meeting of shareholders, one-third of the directors must retire from their post. In a situation where the number of directors cannot be divided by three, the number of directors to retire is to be closest to one-third. Directors who retire from the post may be re-elected.

2.2 Independent Director: There are six independent directors in the Board of Directors. which is consistent with the criteria on ratio of independent directors whereby listed companies are required to have at least one third of all directors but at least there were three people and one female independent director.

2.3 Audit Committee: The Board of Directors appoints three members of company directors who are independent and qualified to serve in Audit Committee, according to the announcement of the Capital Market Supervisory Board. Audit Committee in order to perform duties in accordance with the charters which is of the same nature as those specified in the regulations of the Stock Exchange of Thailand. Two members of the Audit Committee have the knowledge of accounting and finance (1 member of Audit Committee has the knowledge of economics, accounting and finance and 1 member of Audit Committee has the knowledge of accounting and finance) who have knowledge and experience required to review the credibility of the financial statements. All three members are also able to serve other duties as a member of the Audit Committee.

2.4 Nomination and Remuneration Committee: The Board of Directors appoints 3 members of company directors to be the Nomination and Remuneration Committee in order to perform duties in accordance with the charters and support of the Board of Directors operations regarding qualified personnel selection and screening for the position of directors, as well as to determine their benefit and payment criteria.

2.5 Good Governance and Risk Management Committee: The Board of Directors appoints three members of company directors, one Executive and one Company Secretary totaling 5 persons to be the Good Governance and Risk Management Committee in order to perform duties in accordance with the charters and support of the Board of Directors operations regarding good governance, anti-corruption and risk management.

2.6 Authority Granting of Authority between the Board of Directors and Company Management: The Board of Directors has a clear practice for the granting of authority between the Board of Directors and the management. Authority and the duties of the various sub-committees and the President are established in writing in the charter and in the bill of Authority, Duties and Responsibilities of the President. The details of this are disclosed under the “**Corporate Governance: Sub-committee**” section.



Attendance Record of Board of Directors and Committees

In 2016, the attendance record of the Board of Directors and Committees are detailed as follows:

Name	Position	Board of Director Meetings (Total 12 per annum)	Audit Committee Meetings (Total 15 per annum)	Nomination and Remuneration Committee Meetings (Total 4 per annum)	Good Governance and Risk Management Committee Meetings (Total 1 per annum)	45th General Meeting (Total 1 per annum)
1. Mr. Boonsithi Chokwatana	Chairman of the Board	12/12	-	4/4	-	1/1
2. Mr. Boonpakorn Chokvathana	Vice Chairman	12/12	-	-	-	1/1
3. Mrs. Chantra Purnariksha <i>(She has resigned from this position since December 1, 2016)</i>	President	11/11	-	3/3	1/1	1/1
4. Mr. Tanong Srichit <i>(He has served in this position since December 15, 2016)</i>	President	11/12	-	3/4	0/1	1/1
5. Mr. Vichai Kulsomphob	First Executive Vice President	12/12	-	-	0/0 <i>(appointed on 15/12/2016)</i>	1/1
6. Mr. Som Chatusripitak <i>(He has resigned from this position since May 11, 2016)</i>	Director	1/1	-	-	-	1/1
7. Mr. Samreng Manoonpol	Director	12/12	-	-	-	1/1
8. Mr. Manu Leelanuwatana	Director	12/12	-	-	-	1/1
9. Ms. Sirikul Dhanasarnsilp <i>(She has served in this position since June 16, 2016)</i>	Director	6/6	-	0/0 <i>(appointed on 15/12/2016)</i>	-	0/0
10. Mr. Pipat Paniangvait	Director	9/12	-	-	-	1/1
11. Mr. Kamthon Punsak-Udomsin	Director	9/12	-	-	-	1/1
12. Mr. Boonkiet Chokwatana	Director	11/12	-	-	-	1/1
13. Mr. Boonchai Chokwatana	Director	12/12	-	-	-	1/1
14. Mr. Sujarit Patchimnan <i>(He has served in this position since 15 December 2016)</i>	Director	0/0	-	-	-	0/0
15. Mr. Nophorn Bhongsvej	Chairman of Audit Committee and Independent Director	12/12	15/15	-	1/1	1/1
16. Pol.Lt.Gen. Amarin Niemskul	Audit Committee and Independent Director	12/12	14/15	-	-	1/1
17. Mrs. Punnee Worawuthichongsathit <i>(She has served in this position since 25 April 2016)</i>	Audit Committee and Independent Director	7/8	8/9	-	-	0/0
18. Mr. Krish Follett <i>(He has resigned in this position since April 25, 2016)</i>	Audit Committee and Independent Director	4/4	6/6	-	-	1/1
19. Mr. Akira Murakoshi	Independent Director	7/12	-	-	-	1/1
20. Mr. Surachai Danaitangtrakul	Independent Director	11/12	-	-	-	1/1
21. Mr. Sompong Sungrungsan <i>(He has served in this position since September 20, 2016)</i>	Independent Director	3/3	-	-	-	0/0
22. Mrs. Darunee Soontorntumrong	Company Secretary	-	-	-	1/1	1/1
23. Mr. Chuto Chirakunakorn	Assistant Vice President	-	-	-	1/1	0/0

Remark: The qualifications of Independent Directors and Audit Committee are in accordance with the related announcement.

Authorized Directors: Any two of these following eleven directors are jointly sign with the Company's seal.

- | | | |
|--------------------------------|-------------------------------|----------------------------|
| 1. Mr. Boonpakorn Chokvathana | 2. Mr. Boonsithi Chokwatana | 3. Mr. Samrerng Manoonpol |
| 4. Mr. Tanong Srichit | 5. Mr. Vichai Kulsomphob | 6. Mr. Boonchai Chokwatana |
| 7. Mr. Boonkiet Chokwatana | 8. Mr. Manu Leelanuwatana | 9. Mr. Pipat Paniangvait |
| 10. Mr. Kamthon Punsak-Udomsin | 11. Ms. Sirikul Dhanasarnsilp | |

2.2 Executive (Management) comprising;

2.1 Executive Board: The Board of Directors appoints the directors and/or other individuals who are company employees or staff and/or outsiders to the post of members of the Executive Board, have sufficient knowledge and experience to manage matters of the Company well. The Executive Board discharges duties assigned by the Board of Directors in an accountable, careful, truthful and honest manner as a reasonable person would under the same circumstances and with the authority to engage in trading negotiations without any influence from their status as members of the Executive Board. The Executive Board is comprised of at least five members as follows:

	Name	Position	Term
1.	Mr. Boonsithi Chokwatana	Chairman of the Executive Board	May 2016 — May 2017
2.	Mr. Tanong Srichit	Executive Director	May 2016 — May 2017
3.	Mr. Vichai Kulsomphob	Executive Director	May 2016 — May 2017
4.	Mr. Samrerng Manoonpol	Executive Director	May 2016 — May 2017
5.	Mr. Manu Leelanuwatana <i>(He has served in this position since July 21, 2016)</i>	Executive Director	July 2016 — May 2017
6.	Ms. Sirikul Dhanasarnsilp <i>(She has served in this position since July 21, 2016)</i>	Executive Director	July 2016 — May 2017
7.	Mr. Manus Ongsaranakom <i>(He has served in this position since July 21, 2016)</i>	Executive Director	July 2016 — May 2017
8.	Mrs. Chantra Purnariksha <i>(She has resigned from this position since December 1, 2016)</i>	Executive Director	May 2016 — May 2017

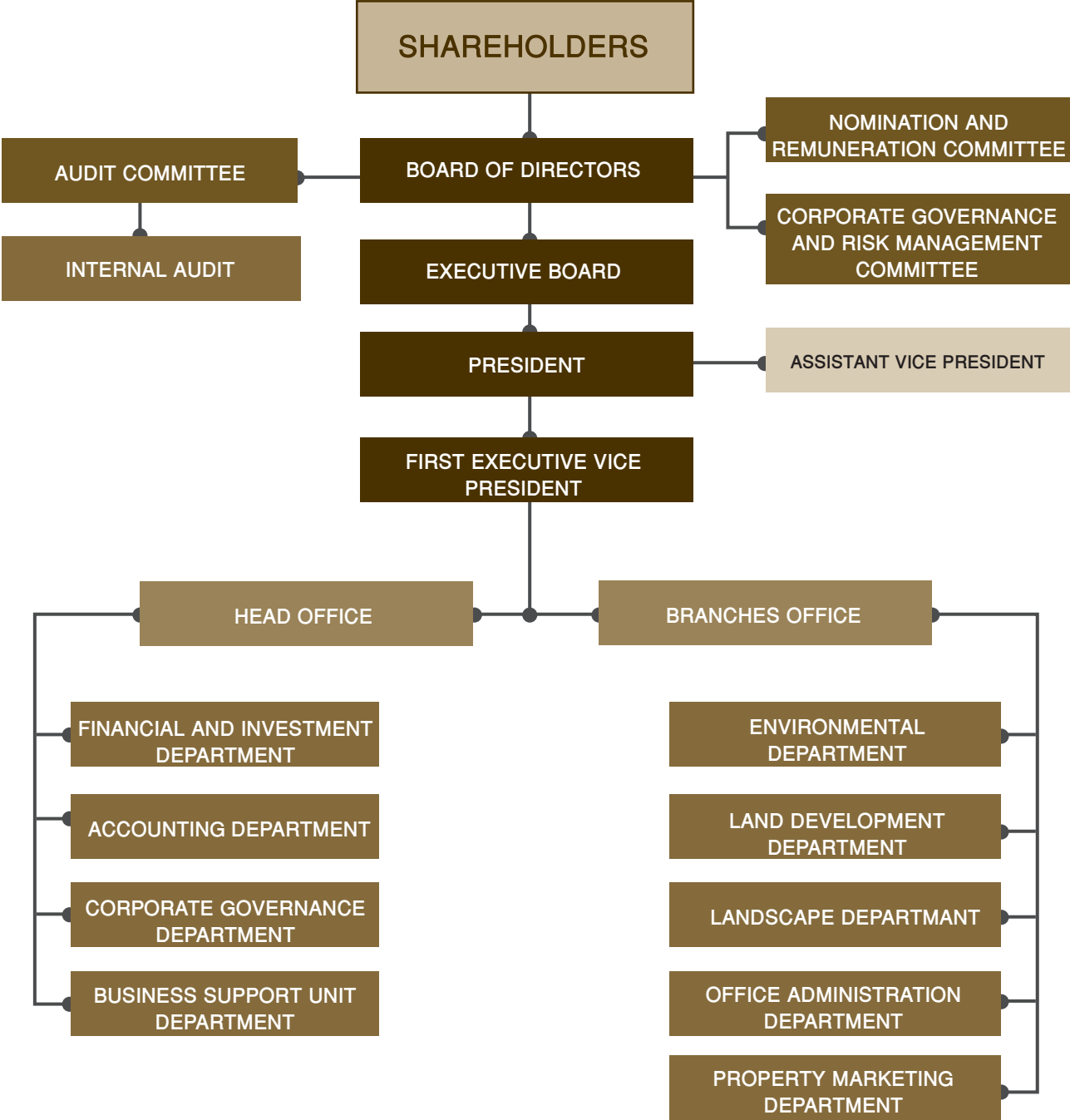
2.2 Executives: The Executives, as of 12 January 2017, there were restructuring and appointing executive position consists of:

	Name	Position
1.	Mr. Tanong Srichit	President
2.	Mr. Vichai Kulsomphob	First Executive Vice President and Chief Financial Officer
3.	Mr. Chuto Chirakunakorn	Assistant Vice President
4.	Mrs. Tasanee Intapura	Office Administration Manager
5.	Mr. Sontaya Tabkhan	Environment Manager
6.	Mr. Tinakorn Bunnag	Land Development Manager
7.	Mr. Watchara Yaemkaew	Landscape Manager
8.	Mr. Amphol Wattanaworaphong	Property Marketing Manager

The above personnel serve as the Executives as defined by the Securities and Exchange Commission.



Company's Organizational Structure



Changes of Directors and Management Ownership of Shares, as of 31 December 2016

Name	Director / Management	Spouse/ Minor Child	Increase/ (Decrease) During the Year	Total Shares	%
1. Mr. Boonsithi Chokwatana	5,854,680	-	-	5,854,680	1.185
2. Mr. Boonpakorn Chokvathana	1,410,020	192,600	-	1,602,620	0.324
3. Mr. Tanong Srichit	115,000	-	-	115,000	0.023
4. Mr. Vichai Kulsomphob	-	305,972	4,200	310,172	0.063
5. Mr. Samrerng Manoonpol	1,488,460	-	-	1,488,460	0.301
6. Mr. Manu Leelanuwatana	-	-	-	-	-
7. Ms. Sirikul Dhanasarnsilp	2,997,720	-	-	2,997,720	0.607
8. Mr. Pipat Paniangvait	8,260	-	-	8,260	0.002
9. Mr. Kamthon Punsak-Udomsin	10,050	-	-	10,050	0.002
10. Mr. Boonkiet Chokwatana	4,723,580	194,880	-	4,918,460	0.996
11. Mr. Boonchai Chokwatana	200,000	-	-	200,000	0.040
12. Mr. Sujarit Patchimnan	-	-	-	-	-
13. Mr. Nophorn Bhongsvej	-	-	-	-	-
14. Pol.Lt.Gen. Amarin Niemskul	-	-	-	-	-
15. Mrs. Punnee Worawuthichongsthit	-	-	-	-	-
16. Mr. Akira Murakoshi	-	-	-	-	-
17. Mr. Surachai Danaitangtrakul	-	-	-	-	-
18. Mr. Sompong Sungrungsan	26,470	5,280	-	31,750	0.006
19. Mr. Manus Ongsaranakom	8,220	-	-	8,220	0.002
20. Mr. Chuto Chirakunakorn	-	-	-	-	-
21. Mrs. Tasanee Intapura	-	-	-	-	-
22. Mr. Sontaya Tabkhan	-	-	-	-	-
23. Mr. Tinakorn Bunnag	-	-	-	-	-
24. Mr. Watchara Yaemkaew	-	-	-	-	-
25. Mr. Amphol Wattanaworaphong	-	-	-	-	-

- Benefits, Shares, and Debentures issued by the Company to the Company's Directors in 2016

-None-

3. Company Secretary: The Board of Directors has appointed Mrs. Darunee Soontorntumrong, as the Company Secretary on 12 May 2008. She graduated with a Bachelor's Degree, majoring in Banking Finance (Second Class Honors), from Ramkhamhaeng University. She also completed training in all of the programs relevant to performing the duties required of the Company Secretary. **A disclosure of her Qualification has been made in Forms 56-1 and 56-2 in the section covering information about the Company's Directors, Executive Management, Authorized Directors and the Company Secretary.** The



Company Secretary is tasked in accordance with the Article 89/15 and Article 89/16 of the Securities and Exchange Act (No. 4) in 2008, which has been effective since 31 August 2008. The Company Secretary is tasked with performing responsibly, carefully, honestly, and truthfully regarding relevant laws, objective, article of association, resolutions of the Board of Directors Meeting and also resolutions of the General Meeting of Shareholders. The scopes of the Company Secretary responsibilities by the law are detailed as follows:

1. Preparing and keeping the following documents:
 - a register of directors;
 - a notice calling a director meeting, minute of the meeting of the board of directors and an annual report of the company;
 - a notice calling a shareholder meeting and minutes of the shareholders meeting;
2. Keeping a report on interest filed by a director or an executive and submitted a copy of report on interest under Section 89/14 to the Chairman of the board of directors and the Chairman of the audit committee within seven business days from the date on which the company has received such report.
3. Performing any other acts as specified in the notification of the Capital Market Supervisory Board.

Additionally, the Company Secretary has the duty to comply with the assignment by the Board of Director, such as:

1. To encourage the corporate governance to comply with standards of good corporate governance, providing advice in this respect to the Company's Board of Directors and Management that is relevant to laws, rules, and regulations and article of association. Furthermore, this includes making note of any significant changes to the Company's Board of Directors.
2. To supervise the activities of the Company's Board of Directors, act as a liaison between the Company's Directors and Management, coordinate to ensure the adherence to relevant laws, regulations, perform any actions necessary to ensure proper compliance. The Secretary shall have the duty to monitor the Board of Directors' compliance with the resolutions the Company's Board of Directors and report findings to the Board of Directors upon the next meeting of the Board and Including monitoring compliance with the resolutions of the shareholders' meeting.
3. To organize meetings for the Board of Directors as well as the General Meeting of Shareholders according to the Company's Articles of Association and other best practices.
4. To record the minutes of the Board of Directors Meetings as well as the General Meeting of Shareholders.
5. To liaise with regulators, such as the Securities and Exchange Commission and the Stock Exchange of Thailand, to ensure discloser and report the information to regulators and public that supervise the legality.
6. To facilitate the communication of shareholder rights to all shareholders, as well as regularly release Company's news.
7. To prepare the Directors' Manual, conduct orientation, and provide necessary advice to newly elected directors.
8. Other duties as assigned.

4. Remuneration for the Board of Directors and Executives

The Nomination and Remuneration Committee evaluates the performance of the total board of directors each year, the company operation as well as their duties, responsibilities, the remuneration budget approved by the General Meeting of Shareholders, the amount paid in the prior year, and also compared with the same level at companies in the same group of business to propose to the board of directors meeting for consideration and propose to the General Meeting of Shareholders for approval.

1. Monetary Remuneration

(A) Remuneration for the Company Directors

The 45th Annual General Meeting of Shareholders, held on 25 April 2016, has approved the total annual remuneration amount for the Board of Directors not to exceed 20 Million Baht. This is not inclusive of remuneration or welfare to which the directors are entitled as a staff or as an employee of the Company, the details of remuneration payment as follows:



1. Directors

- Meeting allowance (paid to attending directors only)

Chairman of the Board of Directors 12,000. - Baht/attendance

Director 10,000. - Baht/attendance

(A total of 1,884,000.- Baht was actually paid in 2016.)

- Professional fee is especially paid to the Chairman, who is not Company's employee or staff. The Nomination and Remuneration Committee allocate and propose to the Board of Directors for approval.

(- None -)

- Annual remuneration is paid to all directors. The Nomination and Remuneration Committee and propose to the Board of Directors for approval.

(A total of 10,330,000.- Baht was actually paid in 2016.)

2. Audit Committee

- Meeting allowance (Quarterly)

Chairman 60,000. - Baht

Director 30,000. - Baht

(A total of 480,000.- Baht was actually paid in 2016.)

3. Nomination and Remuneration Committee

- Meeting allowance (paid to attending directors only)

Chairman 12,000. - Baht/attendance

Director 10,000. - Baht/attendance

(A total of 108,000.- Baht was actually paid in 2016.)

4. Corporate Governance and Risk Management Committee

- Meeting allowance (paid to attending directors only)

Chairman 12,000. - Baht/attendance

Director 10,000. - Baht/attendance

(A total of 22,000.- Baht was actually paid in 2016.)

There is not any benefit. From the General Meeting of Shareholders approval until there is changes. The remuneration payment will not exceed the amount which approved by the General Meeting of Shareholders.

The grand total of 1,824,000 Baht was therefore paid in 2016.

Remuneration of The Board of Directors of Year 2016

Unit: Baht

Name	Meeting Allowance	Director Fee (Only Chairman)	Annual Remuneration (Directors)	Audit Committee	Nomination and Remuneration Committee	Good Governance and Risk Management Committee	Total
1. Mr. Boonsithi Chokwatana	144,000	-	800,000	-	48,000	-	992,000
2. Mr. Boonpakorn Chokvathana	120,000	-	750,000	-	-	-	870,000
3. Mrs. Chantra Purnariksha <i>(She has resigned from this position since December 1, 2016)</i>	110,000	-	440,000	-	30,000	10,000	590,000
4. Mr. Tanong Srichit	110,000	-	750,000	-	30,000	-	890,000
5. Mr. Vichai Kulsompob	120,000	-	750,000	-	-	-	870,000
6. Mr. Som Chatusripitak <i>(He has resigned from this position since May 11, 2016)</i>	10,000	-	-	-	-	-	10,000
7. Mr. Samrerng Manoonpol	120,000	-	750,000	-	-	-	870,000
8. Mr. Manu Leelanuwatana	120,000	-	630,000	-	-	-	750,000
9. Ms. Sirikul Dhanasarnsilp <i>(She has served in this position since June 16, 2016)</i>	60,000	-	630,000	-	-	-	690,000
10. Mr. Pipat Paniangvait	90,000	-	500,000	-	-	-	590,000
11. Mr. Kamthon Punsak-Udomsin	90,000	-	500,000	-	-	-	590,000
12. Mr. Boonkiet Chokwatana	110,000	-	500,000	-	-	-	610,000
13. Mr. Boonchai Chokwatana	120,000	-	500,000	-	-	-	620,000
14. Mr. Nophorn Bhongsvej	120,000	-	500,000	240,000	-	12,000	872,000
15. Pol.Lt.Gen. Amarin Niemsukul	120,000	-	500,000	120,000	-	-	740,000
16. Mrs. Punnee Worawuthichongsthit <i>(She has served in this position since April 25, 2016)</i>	70,000	-	500,000	65,000	-	-	635,000
17. Mr. Krish Follett <i>(He has resigned from this position since April 25, 2016)</i>	40,000	-	-	55,000	-	-	95,000
18. Mr. Akira Murakoshi	70,000	-	500,000	-	-	-	570,000
19. Mr. Surachai Danaitangtrakul	110,000	-	500,000	-	-	-	610,000
20. Mr. Sompong Sangrungsan <i>(He has served in this position since September 20, 2016)</i>	30,000	-	330,000	-	-	-	360,000
Total	1,884,000	-	10,330,000	480,000	108,000	22,000	12,824,000



(B) Remuneration (Executives Board and Executives)

For other management, The Executive will consider according to Company criteria policy and based on the Company performance and their individual performance. In 2016, the remuneration for the Executive Board and first four executives under the President, and all the Executives equivalent to the fourth level, a total of 12 persons, comprising of salaries, meeting attendance fees, bonus and retirement benefit. The total remuneration of 62,806,126.- Baht and the total retirement benefit of 2,040.000 Baht were paid out.

2. Other Remuneration**(A) Other Remuneration for the Board of Director**

-None-

(B) Other Remuneration for the Executives Board and Executives

The Company has established and registered its provident fund, as part of The Provident Fund SCB Permpon 1. As of 31 December 2016, there were Seven Executives who are members of this fund were entitled to an extra payment 8% of their wages from the Company to top up their fund account. The Company has paid 2,471,732.- Baht as the contribution to the fund, the same amount as the payment from the members to the fund. When their membership is terminated, they will receive their money back, as well as, the supporting fund contribution from the Company and other benefits according to terms and conditions of the fund.

5. Personnel

As of 31 December 2016, the Company has a total of 122 employees (exclusive of employees in the positions of Executive Board members and executives). We have paid a total compensation of 123,806,427.25 Baht in the forms of salary, overtime wages, bonus and a total of 2,743,724.01 Baht as retirement benefits.

Over the years, the Company has encouraged employees to consistently improve their knowledge and competency; as well as to spend their money and time wisely, and, to work together in an amicable manner. There have been no labor disputes within the Company as a result.

Other Remuneration

The Company has established and registered its provident fund, as part of The Provident Fund SCB Permpon 1. As of December 31, 2016 there were 114 employees who are members of this fund were paid 8% of their wages and receive the same amount of support from the Company to top up their fund account. The Company has paid 6,646,028.- Baht in contributions to the fund, the same amount as the payment from the members to the fund. When their membership is terminated, they will receive their money back, as well as, the supporting fund contribution from the Company and other benefits according to terms and conditions of the fund.

Personnel Policy

The Company will be achieved through strategic administration, particularly the personnel-related strategy, in order to cope with both the current and future situations, starting with the steps below.

- To review the Company's past incidents and turns them into lessons.
- To perform an analysis on both internal and external environments of the Company.
- To create a new vision and make adjustments to the patterns of working.
- The management has to adjust their attitude towards personnel from regarding them as assets to human capital.
- To perform change management by Chang Agents with a focus on systematic yet flexible operations.
- To attach importance to tacking corruption

Moreover, the Company encourage employees to enhance their knowledge, abilities and skills to further obtain expertise, along with developing their attitudes and traits that can drive the Company forward in a sustainable manner. The Company has engaged in activities regarding personnel development as follows;

1. Human Resource Management

- **Organizational restructuring**, the Company underwent organizational restructuring to increase operational efficiency, which responded to the nature of both existing and future operations of the business. Management competencies were improved to become more flexible in accordance with the Company's business plan. Furthermore, clear career paths were provided to employees using fair and transparent criteria. For 2016, a Chief Financial Officer (CFO) was appointed to oversee, assume responsibility and make decisions on the Company's accounting and finance matters including financing, spending, budgeting and investing.

- **Succession plans**, in order to ensure uninterrupted operation and enhanced efficient, we have established a policy for the succession of employees in different roles with structured levels of positions and a clear direction of personal development. Knowledgeable and competent personnel are identified to meet replacement needs continuously. In case of the Company adjusted position as they arise, resigned or has retired. There are screened on the following qualifications.

- The candidate must be a competent individual within the organization. The person must have the sufficient qualifications according to Company's rule and have the vision, knowledge, skill and experience to match with the Company's culture.

- Multiple employees must be screened for a higher position based on their performance, professional capabilities, vision and the ability to take the organization forwards including the vision.

- Interpersonal relationships, leadership and competencies, about the knowledge, skill, personality and preferable attitude of that personal position.

- Enhancement of knowledge by participation in leadership courses or courses that are related to their duties, and their Individual Development Plan.

- The candidate must be an individual of high moral and ethical standards in conducting business.

- **Performance evaluation**, The Company allows all Executives and employees to participate and express their views on performance evaluation. In addition, the criteria were set for taking these evaluation results into account when considering employee compensation in an appropriate and fair manner to achieve equity, transparency and accountability.

- **Updating welfare regulations**, the Company evaluated and improved operating regulations by establishing a committee to conduct a revision to reduce redundancy in documentation, while also ensuring clarity and practicality. In addition, regulations for employee's retirement were amended to be more appropriate and to truly benefit those who have worked with the Company for a long time.

- **Orientation**, is of great importance as it helps create a first impression for new employees, as well as those rotating to perform new functions. The objective of this process is to introduce general knowledge about the Company such as policies, organizational structure, rules and regulations, welfare, and benefits. In addition to operational guidance, these employees will be informed of our good corporate governance consist of: corporate governance policy, business ethics, Code of Conduct with animation, and anti-corruption policy, which are of paramount importance to the Company. This will enable employees to learn and familiar environment and workplace. As the results, employees confident in performing their task while understanding corporate culture that will benefit their performance at a later stage.

2. Employee Development Policy

The employees are encouraged to develop their career paths according to their knowledge capability and relentless seeking of new knowledge while being ready to confront a wide range of tasks in support of the Company's growth.



They are also empowered to bring the knowledge and experience to be a “Good and Proficient” employee. The Company focuses on creating personnel development activities as follows;

- **Personnel review and selection**, we believe in the significance of the personnel selection process as it can be likened to the first step in any business endeavor. Therefore, we have established efficient, fair, transparent and auditable criteria for the review of competent people who have a positive attitude and whose qualifications correspond with the nature of our operation, and those who enjoy the Company’s organizational culture.

The above process begins from the selection of personnel within the organization with the determination of conditions such as qualifications, educational credentials and work experience. These elements are then reviewed in combination with attitude and personality as determined by the behavioral analysis tool called “DISC”. A competency-oriented interview would then be conducted to contribute to the process. The merit system has been integrated into our personnel review and selection process. This system is based upon four key elements as follows:

- **Competency:** Qualifications of candidates are determined such as educational credentials and work experience.
- **Equality:** This rule of fairness governs that candidates may not be prejudiced by their locality, place of residence, ethnic origin, gender, religious affinity, parents or guarantor.
- **Security:** Personnel at all levels of the Company must have the security they need in order to work with an uplifting spirit. Employees should not be persecuted, punished or suspended in any unreasonable way.
- **Neutrality:** The guiding principle of our personnel management requires that employees in their various positions act with neutrality and fairness. Their mandate is to not engage in any act of partiality.

Additionally, the Company always runs the criminal records check on new recruits in cooperation with the Criminal Records Division, Royal Thai Police to promote anti-corruption.

- **Training and Development**, the Company aims to equip employees with the knowledge and expertise that can be used in their operations. Results gained from the training demand survey are integrated with the company personnel training and development strategic plan to achieve an effective training and development plan. All employees are determined to attend at least three courses of trainings / seminars per year, consisting of one course related to their operation, and two courses of general subjects. In 2016, the trainings provided by the Company were divided into two main areas below.

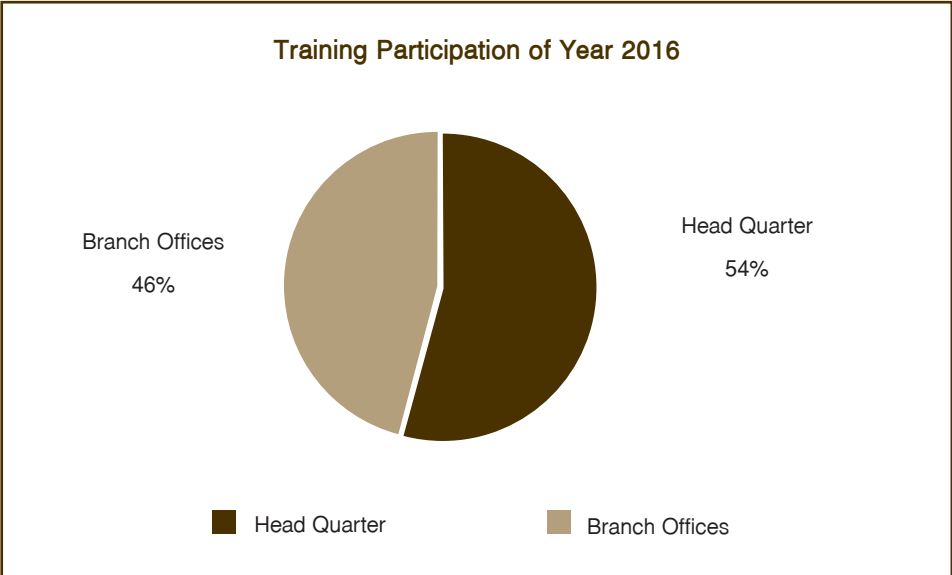
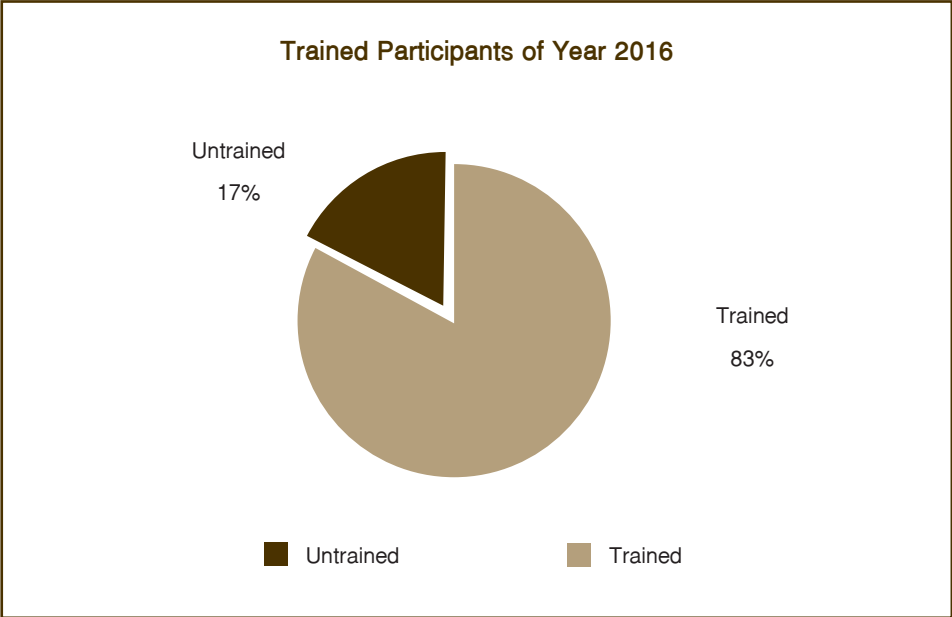
1. Development of the Company’s Employees aims to provide employees with skills and knowledge; the Company arranged for individuals to participate in a range of public trainings held by different organizations, institutions and agencies. Subjects of the trainings included management, accounting and finance, investment, Information Technology, good corporate governance, laws, and personnel development, totaling 76 courses. A total of 111 employees (83% of all employees) participated in the trainings that equaled 1,861 hours in total.

For in-house trainings, the following three courses were offered;

- Business English Program
- Modern Approach for Modern Management
- Better Coaching for Better Performance



The number of employees that attended the training courses are as followings:



2. Development of Executives Board and Executives, all Directors and Executives are encouraged to enhance their knowledge by participating in relevant training courses and seminars by the Thai Institute of Directors Association (IOD), the office of Securities and Exchange Commission, the Stock Exchange of Thailand, and the Thai Listed Company Association. Moreover, our directors and executives meet regularly with their counterparts from other organizations, local and international to exchange their views.

The Directors and Executives of the Company had participated in these following courses organized by the Thai Institute of Directors

1. Director Accreditation Program (DAP)
2. Director Certification Program (DCP)
3. Finance for Non-Finance Director (FND)
4. Audit Committee Program (ACP)
5. Role of Compensation Committee (RCC)
6. Company Secretary Program (CSP)
7. Chartered Director Class (CDC)
8. Improving the Quality of Financial Reporting (QFR)
9. Monitoring the Internal Audit Function (MIA)
10. Monitoring the System of Internal Control and Risk Management (MIR)
11. Monitoring Fraud Risk Management (MFM)
12. Monitoring the Quality of Financial Reporting (MFR)
13. DCP Refresher Course (RE DCP)
14. Role of the Chairman Program (RCP)
15. Role of the Nomination and Governance Committee (RNG)
16. Anti-Corruption for Executive Program (ACEP)
17. Anti-Corruption: The Practical Guide (ACPG)
18. Ethical Leadership Program (ELP)



Name	DAP	DCP	FND	ACP	RCC	CSP	CDC	QFR	MIA	MIR	MFM	MFR	RE DCP	RCP	RNG	ACEP	ACPG	ELP
1. Mr. Boonsithi Chokwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Mr. Boonpakorn Chokvathana	3/2003	68/2005	-	-	7/2008	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Mr. Tanong Sirichit	3/2003	72/2006	9/2004	-	-	-	8/2014	-	-	-	-	-	-	-	-	-	-	-
4. Mr. Vichai Kulsomphob	-	61/2005	-	-	-	18/2006	-	-	-	-	-	-	-	-	-	-	-	-
5. Mr. Samrerng Manoonpol	3/2003	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Mr. Manu Leelanuwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7. Ms Sirikul* Dhanasarnsilp	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8. Mr. Sujarit Patchinman	41/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9. Mr. Pipat Paniangvait	3/2003	39/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10. Mr. Kamthon Punsak-Udomsin	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Mr. Boonkiet Chokwatana	3/2003	41/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12. Mr. Boonchai Chokwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13. Mr. Nophorn Bhongsvvej	38/2005	71/2006	-	12/2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14. POLL.T.GEN Amarin Niemskul	60/2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15. Mrs. Punnee Worawuthichongsthit	2/2003	38/2003	-	2/2004	7/2008	-	3/2008	1/2006	1/2007	2/2008	1/2009	5/2007	2/2009	25/2011	1/2011	10/2014	10/2014	2/2015
16. Mr. Surachai Danaitangtrakul	11/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17. Mr. Sompong Sungrunsan	3/2003	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Remark : * Ms. Sirikul Dhanasarnsilp attended the Board and CEO Assessment 2/2003



The Board of Company of Directors had attended the appropriate courses and programs related to their duties over 75% of the entire Board.

In 2016, the Company Directors attended Audit Committee Forum “New Auditor’s Report : What is it for your?” (IOD).

In 2016, the Company prioritized to joining Thailand’s Private Sector Collective Action Coalition against Corruption (CAC). Executives and employees were offered trainings on courses involving good governance principles and anti-corruption to improve their skills, knowledge and understanding to combat corruption. Such training courses are listed below.

- New Generation Executives Value Integrity
- Corruption Risk Assessment
- Good Governance Principles of Investment for Institutional Investors
- Corporate Governance Code (CG Code)
- Best Practice for Board of Directors of Listed Companies
- Experiences Sharing of CAC Certification Process
- Enhancing Good Corporate Governance based on CGR Scorecard
- A seminar on the quality assessment of the Annual General Meeting of Shareholders for use in the AGM 2017
- Setting up the accounting system — working papers as an anti-corruption measure in the organization
- Attending a seminar on the National Anti-Corruption Strategy Phase 3 (2017-2018) held by the Office of the NACC

• **Site Visits**, this is an effective and worthwhile activity that helps employees increased their competencies and achieve their goals. In 2016, a range of study visits were offered both locally and internationally. The Company organized a number of visits to domestic sites regarding businesses engaged in real estate, trading and investment, public utilities, food and services, and logistics in order to be ready in trade and seek opportunities for joint ventures, as well as to apply their knowledge and to obtain further knowledge to their operations.

• **Relationships Building between Executives and Employees**, the Company has carried out to foster good relationships with staff members. The Company’s policies, plans, operational guidelines and project updates, as well as any problems or potential impacts were in a top-down transferred. Employees were allowed to express their views and help the Company to boost operational efficiency through a range of communication channels and activities, such as a monthly steering committee meeting, monthly employee meeting, and an annual company seminar.





20th Saha Group Fair at Queen Sirikit National Convention Center



8th Analysts and Investors Meet Saha Group at Queen Sirikit National Convention Center



Certified as a member of the Private Sector Collective Action Coalition against Corruption (CAC) on 14 October 2016



Good Corporate Governance

One mission of the Board of Directors is to implement a good corporate governance system which ensures transparency, honesty, accountability, competitiveness, fairness to all relevant parties, with consideration to all stakeholders as well as added value for shareholders. To this end, we observe the good corporate governance principle as promoted by both the Stock Exchange of Thailand and by the sufficiency economy philosophy, which teaches us to feel happy with what we have, to be reasonable, and to be careful. Our operation plans are developed and executed with expertise and great caution. And, most importantly, all executives and employees are encouraged to be honest, dedicated, patient, careful and willing to share. These measures have positioned us very well to accommodate any economic, political, cultural and social change, and, to achieve balanced and sustainable results.

The Board of Directors reviews the Good Corporate Governance Principles of the Company on an annual basis and makes efforts to improve them consistently. The Good Corporate Governance Principles (Revision No. 1) were developed in accordance with the “Principles of Good Corporate Governance for Listed Companies 2012” of the Stock Exchange of Thailand. It was approved by The Board of Directors Meeting No.9 (Board #20) on January 14th, 2014. and **Anti-corruption Policy** was approved by the Board of Directors Meeting No.11(Board #21) on March 12th, 2015. and **Practices of Anti-corruption Policy** was approved by the Board of Directors Meeting No.11(Board #22) on March 14th, 2016. and distributed to directors, executives, and all employees, and disclosed on the Company website (www.spi.co.th), so as to be a practical guide, which comprises:

1. **Corporate Governance policies**
2. **The principles of Corporate Governance are divided in 5 categories:**
 1. **Rights of Shareholders**
 2. **Equitable Treatment of Shareholders**
 3. **Role of Stakeholders**
 4. **Disclosure of transparency**
 5. **Responsibilities of the Board**
3. **Business Ethics of consisting of:**
 1. **Responsibility towards stakeholders**
 2. **Conflict of Interests**
 3. **Receptions, receipts and grants of gifts**
 4. **Combating Dishonest Acts and Corruption**
 5. **Non-infringement of Intellectual Property**
 6. **Non-violation of Human Rights**
 7. **Safety and Occupational Hygiene**
4. **Code of Conduct for Company directors, executives and employees,consisting of:**
 1. **Duties and responsibilities**
 2. **Maintenance of Company Assets**
 3. **Informants and Complaints**
 4. **Interpretations**
5. **Anti-corruption Policy**
6. **Practices of Anti-corruption Policy**

The constant improvement of the Company’s Good Corporate Governance Principles reflects the changes required by current business circumstances and contributes to preparing the Company for increased competition from ASEAN. Such principles serve as a practical guideline for our directors, management and staff who can fulfill their duty to the Company



with good conscience. The Board of Directors deems compliance to be crucial as personnel proceed with their duties. To this end, compliance is monitored continuously. Additionally, it is formed to encourage everybody who is involved, including all stakeholders, to understand and perform properly. Therefore, the policy of Corporate Governance, the Principals of Corporate Governance and the Business ethics of Company directors, executives and employees has been produced into the format of an animation.

In Year 2016, the Company made an improvement to the Good Corporate Governance Manual to make it more up-to-date and suitable for current situations. The newly improved manual is written in both Thai and English, and is used to disseminate, educate and create understanding about good corporate governance and anti-corruption principles among parties involved. As a result, in the year 2016, we have been given positive ratings in the following areas:

- We have achieved a full 100 points for the evaluation of 2016 general meeting of shareholders. This is the eight consecutive year that we have an “excellent” rating which led the Company to receive an award at the Investors’ Choice Awards organized by the Thai Investors Association.
- Certified as a member of the Private Sector Collective Action Coalition against Corruption (CAC)
- In the corporate governance assessment of listed companies in 2016, the Company had an average score of 88%, at the “Excellence” level. The overall average score of listed companies was 78%.

1. Corporate Governance Policies

Corporate Governance Policies

The Company has improved the corporate governance policies as a practice guideline of “Corporate Governance Policies of the 2012 Registered Company” of the Stock Exchange of Thailand. In pursuance thereof, the Board of Directors prescribed the following corporate governance policies as standard practice guidelines for the Company Directors, Executives and all Employees. Details are as follows:

1. Company Directors, Executives and all Employees are fully committed to the application of corporate governance principles, business ethics and further fully committed to the Codes of Conduct for Company Directors, Executives and Employees.
2. Company Directors, Executives and all Employees must perform their duties responsibly, prudently, earnestly and honestly by the relevant laws, Company Articles and Notifications.
3. The action shall be taken to ensure that the Company management structure contains explicit prescriptions of power, duties and the responsibilities of each Company Committees and Executives.
4. An internal control system shall be installed, and risk management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
5. The information shall be disclosed in a sufficient, credible 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 equally.
7. Undertakings shall have regard to the responsibilities of shareholders and stakeholders, communities, society and the environment.
8. There shall be a determination to strive towards business excellence with a commitment to the creation of customer satisfaction by receiving comments and self-assessments to enhance management capabilities and strive to improve continuously and 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 the 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.



5 Categories of the Corporate Governance Principle, consisting of:

1. Rights of Shareholders

1.1 The Board of Directors appreciates and respects the ownership rights of shareholders. No actions shall be taken to violate or infringe the rights of shareholders. 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 fundamental rights of shareholders, access rights to information in a sufficient and timely manner and the right to attend shareholders' meetings to determine the direction of operations and decisions on matters having a significant impact on the Company.

1.2 The Board of Directors provides opportunities for shareholders to propose items to be included in the meeting agenda and submit questions prior to the day of the shareholders' meeting. Rules for the proposal of an agenda item and advance submission of questions have been published on the Company's website.

1.3 The Board of Directors ensures that information pertaining to the date, time, venue and agenda of the meeting are provided together with explanations and reasons supporting each agenda in the meeting notice. The shareholders' meeting venue shall be conveniently accessible.

1.4 The Board of Directors has granted shareholders with the authority to approve the remunerations of Company Directors on a yearly basis as well as to determine the rules for paying remuneration to each Company Committee member.

1.5 The Board of Directors promotes the use of technology in the shareholders' meetings to promote accuracy and speed. Votes are taken for each item on the agenda. Shareholders are given the right to elect Company Directors individually, and ballot papers are used, and independent overseers of the vote count are engaged.

1.6 The Board of Directors publishes shareholders' meeting resolutions along with the voting results for each agenda on the Company's website on the day following the meeting.

1.7 The Board of Directors prepares minutes of the shareholders' meeting. The minutes provide an explanation of the voting procedures, a list of Company Directors, members of the Company Committees and Executives present and absent from the meeting, the voting results in each agenda together with questions and answers. Descriptions which have not been specified in the meeting notice are not added to the agenda. The minutes are published on the Company's website.

According to the Corporate Governance Policies and the Principles of Corporate Governance in **Rights of Shareholders Section**, the Board of Directors appreciates the significance of shareholders and respects their right as owners of the Company. In addition to the right to vote at shareholder meetings, the Good Corporate Governance Principle is designed to offer protection to shareholder rights; to encourage shareholders to exercise their rights, and to ensure that all shareholders are equally and equitably entitled to their basic rights as defined in the Company Regulations and the Business Ethics. Basic rights are as follows:

- Right to purchase, sell or transfer shares as the owner
- Right to the sharing of profit
- Right to receive adequate news and information about the Company
- Right to participate in shareholder meetings in order to express opinions and participate in the decision-making process by voting on matters such as the appointment or removal of Directors; determination of Directors' compensation; appointment of auditors; approval of matters affecting the Company such as dividend payments; prescription and amendment of Company regulations and articles of association; decrease or increase of capital; other special approvals; as well as the right to express opinions and to make inquiries at the shareholder meetings.

In addition to these basic rights, the Board of Directors takes into account the statutory rights of shareholders and ensures that their rights are not violated or subjugated; and, facilitates the application of their rights as follows:

(1.1) Right to be informed All shareholders have an equal right to be notified. Therefore, information is made available to shareholders in English and Thai via the Stock Exchange of Thailand and the Company's website (www.spi.co.th). This is to ensure that the shareholders are well informed of matters such as operational results, related transactions, significant sales and purchases of assets, the names of the ten major shareholders as of the registration book closing date for the purpose of an annual general meeting, shareholders meeting minutes within 14 days after the meeting and other information necessary for their decision-making. Correct and complete information is disclosed in a timely and transparent manner.





(1.2) Right to attend shareholder meetings The Company arranges for an annual General Meeting of Shareholders within four months from the accounting year end date. The date, time, place and format chosen must not be an obstacle to the participation by the shareholders. This is so to ensure that the shareholders can monitor the performance of the Company. In the case where it is necessary to review a particular agenda with potential impact on the benefits of the shareholders, rules or enforceable laws which must be approved by the shareholders, a special shareholders meeting will be convened on a case by case basis. Our shareholder's meetings follow the format described by the AGM checklist.

In 2016, we held the 45th General Meeting of Shareholders on 25 April 2016 at Montien Riverside Hotel at 372 Rama 3 Road, Bang Klo, Bang Kolaem, Bangkok 10120. This hotel is where we regularly hold the annual general meeting to avoid confusion among the shareholders. A map to the meeting location is enclosed with the shareholders meeting notice which clearly details the various agendas. **Where agendas concern Company Directors, matters such as the appointment of Directors and their compensation are separated into different agendas.**

Prior to the day of the meeting

1. The Company gives shareholders the opportunity to be involved in the meetings. Minority Shareholders can submit matters for inclusion as items on the meeting agenda and/or to nominate individuals for the Company Director elections, and also gives shareholders the opportunity to submit questions in advance.

For the 2016 Annual General Meeting of Shareholders, the Company has allowed shareholders to submit matters for inclusion as items on the meeting agenda and/or nominate individuals for the Company director election from December 1st to 30th, 2015. This was announced in Thai and English via the information system of the Stock Exchange of Thailand and on the Company's website (www.spi.co.th) and also gives shareholders the opportunity to submit questions in advance. Nevertheless, no shareholder has come forward with any submission or nomination.

2. The Company announced General Meetings of Shareholders with agendas and supporting details in Thai and English via the information system of the Stock Exchange of Thailand, beginning on 14 March 2016 or 42 days prior to the actual meeting day, for the shareholders to be given an opportunity to attend. This announcement is repeated on the Company's website as well (www.spi.co.th).

3. The Company publishes the meeting notice and supporting documents on the Company's website at www.spi.co.th prior to the actual delivery of such information in printed form in Thai and English to the shareholders. This was carried out on 23 March 2016, more than 30 days before the meeting date to allow Thai and foreign shareholders to access information more quickly and conveniently, as well as to have more time to review pertinent information.

4. A meeting notice with the date, time, location and agenda is sent to the shareholders. Each agenda is clearly marked whether it is for the shareholders acknowledgment or their approval. Facts and rationale, as well as opinions of the Board of Directors on each agenda are provided. This was delivered together with supporting documents which include the annual report, financial statements, the profiles of the Company director candidates, definition of independent Directors, profile of Audit Committee members proposed by the Company as proxies, map to the meeting venue, description of documents and identification evidence to be produced by the shareholders for admittance into the meeting, the section of Company Regulation which concerns shareholders meetings; and, the "B" proxy form. The Company delivered the meeting notice with agendas, facts, rationales and opinions of the Board of Directors on 4 April 2016 or twenty-one days prior to the meeting thus giving shareholders time to review the matters. The announcement was published in a newspaper seven days prior to the meeting and for three consecutive days from 18 - 20 April 2016.

In the case of foreign or institutional shareholders, English translation is provided with the Thai original of meeting notices and supporting documents to **encourage all shareholders and institutional shareholders to take part**. Additionally, shareholders can review all details pertaining to the meeting on the Company's website (www.spi.co.th) and can download the proxy forms, in Thai or English, in the format consistent with the announcement of the Ministry of Commerce. The three types of proxy form are Type A, Type B and Type C. Shareholders can pick one of them.

In 2016, three foreign shareholders have assigned a person to attend the meeting on their behalf while four institutional investor has assigned the Chairman of the Audit Committee, and three institutional investors have assigned the Audit Committee to serve as their proxy.



5. The Company gives shareholders the opportunity to be involved in the meetings. Shareholders can submit matters for inclusion as stated in the meeting notice, which is published on the Company's website (www.spi.co.th) 30 days prior to the meeting day.

On the day of the meeting

1. The Board of Directors appreciates the significance of shareholder meetings. They are responsible to the shareholders by deeming it a duty to participate in the meetings so that the shareholders may inquire about any matters concerning the Company.

For the 45th General Meeting of Shareholders on 25 April 2016, seventeen Directors from seventeen Directors or 100% were present at the meeting. The Chairman of the Board of Directors, the Chairman of the Audit Committee, the Chairmen of the Nomination and Remuneration Committee, the Chairmen of the Good Governance and Risk management Committee were present, as well as management executive, the Chairman of the Executive Board, the President, the Accounting Manager and the Finance Manager were all present. Additionally, two Company's auditors were present and the Company provided two inspectors who were representatives of the Company's auditor who served as witnesses to the vote counting for all agenda matters for the purpose of transparency, as well as compliance with the laws and the Company regulations. The names of Directors, sub-committees and Executives and also the Company's auditors and representatives of the Company's auditor present were recorded in the meeting minutes which are subsequently published **by the details of the 45th General Meeting of Shareholders as published on the Company's website (www.spi.co.th).**

2. The Company practices an equal treatment of all shareholders. Upon the meeting commenced, the Company's secretary announces the number and the ratio of attending shareholders. The Chairman of the Board of Directors declares commencement of the meeting, introduces Company Directors, members of the sub-committees, the Company Secretary, Executives, Auditors and representative of the Company's auditors, then asks the Company Secretary to explain all rules, including those concerning voting and the counting of the votes of the shareholders on each agenda in accordance with the Company Regulation. Attending shareholders are given the chance to inquire, opinion and make suggestions on all agendas. Questions are answered clearly and precisely. For votes, against votes and abstentions are accounted for using the barcode system. The minutes of the meeting are correctly and thoroughly produced. **These are clearly, fully and accurately recorded in the minutes of the 45th General Meeting of Shareholders.**

The particulars of the 45th General Meeting of Shareholders Minutes are disclosed on the Company's website (www.spi.co.th).

3. At the 45th General Meeting of Shareholders on 25 April 2016, the barcode system was used for the purpose of registration and voting for the convenience of the participants. The votes for each agenda are counted using the barcode system arranged by two inspectors from the audit Company to witness the voting of each agenda item for the purpose of transparency, as well as compliance with the laws and the Company regulations. Furthermore, all shareholders and proxies are able to see immediately, on the screen, how many, agree, disagree and abstain votes for each agenda.

Voting for each agenda is done in an open manner. There is a voting card for the shareholders and the proxies for all agendas. Only the vote-against and null-vote cards are collected, except the agenda for the election of individual Directors where the cards will be collected from all shareholders and proxies. Only against votes and/or null votes are counted and subtracted from all votes present to determine the votes for each agenda.

Additionally, before voting for each agenda, if more shareholders join the meeting, the number of shareholders and the number of shares would be notified for each agenda.



In 2016, the numbers of votes of the shareholders for each agenda are detailed as follows:

Agenda	Number of Participants	For Votes		Against Votes		Null Votes	
		Number of Share	%	Number of Share	%	Number of Share	%
1	158	431,540,644	100.00	-	-	-	-
3	158	417,835,444	96.82	13,705,200	3.18	-	-
4	159	431,541,644	100.00	-	-	-	-
5.1.1	160	428,004,944	99.18	3,537,000	0.82	-	-
5.1.2	160	431,541,944	100.00	-	-	-	-
5.1.3	160	431,541,944	100.00	-	-	-	-
5.1.4	160	431,541,944	100.00	-	-	-	-
5.1.5	160	431,541,944	100.00	-	-	-	-
6	160	431,541,944	100.00	-	-	-	-
7	160	431,541,944	100.00	-	-	-	-

The particulars of the 45th General Meeting of Shareholders Minutes are disclosed on the Company's website (www.spi.co.th).

4. The Company conducts the meeting in the order of the agendas, without any switching of the agendas or inclusion of additional agendas other than those specified in the meeting notice. Significant information does not change without prior notice to the shareholders. In addition, shareholders have equal rights to raise questions, express their opinions and make suggestions independently concerning every agenda item.

5. The Company records a video of the shareholders meeting throughout the duration of it. Shareholders can ask to see it via the Company Secretary. The video is also published on the Company's website (www.spi.co.th).

6. Important agendas for shareholder meetings are as follows:

(1) Dividend payment: The Company proposes details pertaining to profit allocation and dividend payout rate together with rationales and supporting information in accordance with the dividend payment policy of the Company. Comparisons are made between the paying dividend and the policy, (Offering to pay 0.23 per share for 0.10 shares) and between the paying dividend of the current year and the paid dividend of the previous year. The Company also sets the record date of the shareholders entitled to dividends along with the book-closing and payment dates.

(2) Directorial election: The Company gives shareholders the rights to vote in the election of individuals Company Directors; and, to nominate individuals for the Company director election. Nominated candidates are reviewed by the Nomination and Remuneration Committee. Nominated candidates for the independent director position must possess the qualifications as required by the Company and the announcement of the Equity Market Committee. The shareholders meeting notice lists the name and a brief profile of each director nominated for election. This includes first name, last name, age, educational background, professional experience, the number of listed and non-listed companies for which they serve as director or executive, positions held in a competitive or relevant business, the holding of Company shares and, the criteria and procedure for the selection of personnel and, the type of Directors proposed. In the case of a re-election, information is also provided to the director's meeting attendance in the previous year and the date on which or the year in which he or she was appointed as a director. **The particulars of which are described in the Letter of Invitation for the 45th General Meeting of Shareholders and on the Company's website (www.spi.co.th).**

(3) Directors' Remuneration: The Company suggests the amount and the form of remuneration to the shareholders meeting for their approval on an annual basis. This is determined by the Nomination and Remuneration Committee and is based on the operational outcome, performance, remuneration limit approved by the shareholders meeting, remuneration paid in the previous year, the benchmark of other companies in the same sector and, the duties and the responsibility of the Company Directors. Policy and criteria for the determination of remuneration for each position of Company director are presented. A summary is provided on the approved remuneration limit, the actual amount paid as well as the form of payment and the exact amount paid to individual Company Directors and members of the Audit Committee and the Nomination and



Remuneration Committee. **A summary is provided of the actual amount approved and the form in which payment is made, as well as the amount paid to the individual of the Board of Directors and members of the Audit Committee and the Nomination and Remuneration. This can be found in the annual information declaration sheet (56-1) and the annual report (56-2), under the “Remuneration for Directors” section.**

(4) Appointment of Auditor and determination of Auditor’s fee : the Audit Committee considered, selected and submitted the candidate for auditors and audit fees by taking into account the independence, operational outcome, the number of years they have been in service, any reason for the changing of auditors, the Audit fee of the current year is compared with the previous year, other service fees incurred from the use of services provided by the audit office which the auditors are associated. The comparison is made with the amount of work and the audit fees of other listed companies of the same size as well and a proposal given to the Board of Directors for further submission to shareholders for approval. The details of these matters can be viewed from **the Letter of Invitation for the 45th General Meeting of Shareholders and on the Company’s website (www.spi.co.th).**

After the day of the meeting

The resolution of the shareholders meeting and the voting results are published in Thai and English via the information system of the Stock Exchange of Thailand within the time frame required and, on the Company’s website at www.spi.co.th on the following business day. The minutes of a General Meeting of Shareholders are prepared factually and in detail in Thai and English for each agenda. Names are provided of the Directors, sub-committee members, executive board members, Chief financial officer, the auditor and the representatives of the auditing Company as witnesses to the votes present, voting and counting practice and, the number of ‘for’ votes, ‘against’ votes and ‘null’ votes for each agenda. There is a record of the inquiries made and the responses provided as well. The minutes are revised by the Legal Department and the Chairman of the Board of Directors in the capacity as the chairperson of the assembly meeting. They are delivered to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, as well as published on the Company’s website at www.spi.co.th in Thai and English within 14 days from the day on which the meeting is held. This allows the shareholders to review information without having to wait for the next meeting. A copy is delivered as well to the Department of Business Development, Ministry of Commerce, within the statutory timeframe. The details of **which are as per the Letter of Invitation for the 45th General Meeting of Shareholders and on the Company’s website (www.spi.co.th).**

2. Equitable Treatment of Shareholders

2.1 The Board of Directors treats all shareholders fairly and equitably. Shares of the same class carry equal voting rights, i.e. one vote per share.

2.2 The Board of Directors encourages shareholders who are unable to attend a meeting in person to grant proxies to attend the meeting and vote on their behalves. The proxy form used allows shareholders to determine voting directions, and, at least, one independent director will be provided as an alternative to the granting of shareholder’s proxy.

2.3 The Board of Directors provides an opportunity for minority shareholders to nominate candidates for election to become Company Directors at the Annual General Meeting of Shareholders.

2.4 The Board of Directors publishes the shareholders’ meeting notice in both Thai and English on the Company’s website at least 30 days in advance of the date of the shareholders’ meeting.

2.5 The Board of Directors encourages all shareholders to exercise their shareholders’ rights. Meeting notices as well as supporting documents are sent to shareholders in advance. An English language version is also prepared for foreign shareholders.

2.6 The Board of Directors pursues a policy to prevent the use of inside information and has implemented measures to prevent the exploitation of inside information for wrongful interests of oneself or of others. Company Directors, Executives and Employees who are in units which expose them to inside information are prohibited from trading in the Company shares in the one month period prior to the public disclosure of financial statements.

2.7 The Board of Directors has directed Company Directors and Executives to declare their interests and the interests of connected persons, to act prudently regarding the management of conflicts of interests and to comply with the rules of the Office of the Securities and Exchange Commission.

According to the “Equal Treatment of Shareholders” section of the Good Corporate Governance Policies and Good Corporate Governance Principles, we treat all shareholders equally and equitably. All shareholders have the equal rights as follows:



(2.1) Exercise of the right to attend the Shareholders Meetings

1. Votes are determined by the number of shares held by the shareholders. One share represents one vote, and there is only one type of Share which is Ordinary Share.

2. For the shareholder meetings, minority shareholders can submit matters for inclusion on the meeting agendas and/or nominate individuals for the Company director election prior to the meeting by the established criteria, channels and time frame. **This is made available in both Thai and English via the channels of the Stock Exchange of Thailand, as well as the Company's website (www.spi.co.th) as well as allowing shareholders to submit questions in advance.**

3. For the 45th General Meeting of Shareholders, held on 25 April 2016, the Company has delivered a notice with supporting documents on 4 April 2016 or twenty-one days prior to the meeting. It included the Annual Report, financial statements, resumes of the persons nominated for election as Directors, definition of independent Directors, information on Directors of audit committee nominated as proxies, the Company regulations in regard to shareholders' meetings, explanation on documents and the evidence to be presented by shareholders while attending the meetings, procedures for attending the meetings, map of the meeting venue, proxy form "B", registration form and the procedure for submitting questions in advance for the Annual General Meeting of Shareholders to review the information before the meeting.

Foreign and institutional shareholders are delivered a complete English language translation of the meeting notice and the supporting documents, together with the Thai original in order to encourage all types of shareholders including institutional shareholders to participate in the meeting. Furthermore, the Thai and English language versions of the meeting notice and the supporting documents are published on the Company's website for at least 30 days prior to the meeting date. They were published on 23 March 2016. This is the same set of information delivered in hard copy and is intended to facilitate better access to information and to ensure Thai and foreign investors have more time to review the information.

4. The Company encourages all shareholders to be involved in the review and to vote actively on important matters of the Company by the meeting agendas. Shareholders who are not able to participate in the meeting on their own may assign another person or a member of the Audit Committee, who is an independent director to attend the meeting on their behalf. Names, addresses and interests of all three members of the Audit Committee are declared in the Letter of Meeting Invitation. Shareholders can view the information on the three members of the Audit Committee in the annual report, enclosed with the meeting notice or on the Company's website (www.spi.co.th).

Shareholders who are not able to participate in the meeting on their own may use the "B" proxy form, enclosed with the meeting notice. This allows shareholders to be involved in the voting. Documents and identification evidence required for the proxy process are described. The proxy process is not associated with any inconveniencing criteria. Alternatively, shareholders can download the proxy form, prepared by the relevant announcement of the Business Development Department, the Ministry of Commerce, from the Company's website (www.spi.co.th). The three versions available are "A", "B" and "C" proxy forms. (The letter is used only by foreign investors who have appointed a custodian in Thailand as a depository and manager of their shares.)

The 45th General Meeting of Shareholders of Year 2016 was held on 25 April 2016.

	Shareholders	Shares	%
Total Registered Shareholders	<u>994</u>	<u>494,034,300</u>	<u>100.00</u>
Attending Shareholders	160	431,541,944	87.35
In Person Attendance	45	26,900,218	5.45
Proxy Attendance	115	404,641,726	81.90
- By Audit Committee	7	54,680,300	11.07
- Other Individual	108	349,961,426	70.83

5. The Company provides duty stamps to the shareholders at no cost for the affixation on the proxy form.

6. The Company fully facilitates shareholders in exercising their right to participate in shareholder meetings and to vote. Shareholders can register for the meeting, at least, two hours in advance. Shareholders joining the meeting after it has begun are given voting rights on agendas which have yet to be reviewed. They are accounted as a part of the quorum from the agenda on which they have voted.



Furthermore, voting on each agenda item will be carried out openly by preparing ballots for shareholders for every agenda item. Ballots will be collected only when any of the shareholders disagrees or abstains from voting. An exception applies to the election of Directors, from which ballots of every shareholder attending the meeting will be signed and collected. Sufficient personnel and technology are provided to facilitate meeting registration and voting on each agenda. A bar code system is used for convenience, timeliness and transparency.

(2.2) Control of Internal Information Usage

Most Directors, Executives and Employees have been with the Company for a long time and **have since become accustomed to the philosophy of Dr. Thiam Chokwatana. They are honest and loyal to the Company in such a way that they would look out for the inappropriate use of Company assets.** Presently, the authority in this area is prescribed in writing and through discussion among the Management.

The Company operates in strict compliance with the good corporate governance principle. Measures concerning the use of internal information are prescribed in writing on **Conflict of Interest in the Company's Code of Ethics** and the section on **Authorities and Responsibilities of the Company's Code of Conduct** as a business ethic for everyone to observe in his or her service to the Company and the shareholders. Employee ethics require that Directors, Executives and Employees perform their duties with great honesty, responsibility, discipline and in good conscience towards themselves and others. They must not use their position to gain benefits for themselves and/or others in an inappropriate way or use Company information or assets in such a way that benefits themselves and/or others. Furthermore, they must not engage in any act which constitutes the encouragement of any individual to engage in a business which is competitive with that of the Company. In 2016, The newly improved manual is written in both Thai and English languages and distributed to Directors, Executives and all Employees. They are published on the Company's website (www.spi.co.th) as well for everyone to observe in his or her performance of duties. The ISO 9001:2008 quality management standard is a principle we also adhere to.

The most severe disciplinary punishment established in the Company regulation is the termination of employment. All Directors, Executives and staff are aware of this and should act accordingly.

(2.3) Supervision of the Company's security trading transaction and report of stockholding

The Company has in place measures for the monitoring of our security trading transactions under the section on **Conflict of Interest in the Company's Code of Ethics** and the section on **Authorities and Responsibilities of the Company's Code of Conduct**. These have prescribed a prohibition for Directors, Executives and staff in possession of insider information from selling or purchasing Company shares within one month before the disclosing of financial statements to the public. Every quarter, the Company Secretary sends a letter of reminder regarding this to Directors, Executives and relevant individuals not to purchase and sell the Company's securities before 24 hours after the disclosure date. Additionally, Directors and Executives, as well as, their spouses and under-aged children are required to report their shareholding. Any transaction must be reported to the Securities and Exchange Commission, with a copy sent to the Company Secretary for subsequent notification of the Board of Directors at the next meeting. One mandatory agenda to be present at all Board of Directors meetings involves the holding of Company shares by Directors and Executives. A shareholding report form is enclosed with the invitation to the meeting. Directors and Executives are well aware that it is their duty to comply. The Company Secretary will circulate a letter to all Directors and Executives of any change in this area, with the relevant announcement of the Securities and Exchange Commission enclosed.

In 2016, the Board of Directors and Executives complied with the policy not to buy and sell the Company's securities during the prohibited period.

Changes in the shareholding of Directors and Executives are summarized in the annual information declaration sheet (Document 56-1) and the annual report (Document 56-2) under the "Changes in shareholding of Directors and Executives" section.

Change of Interest Reporting: Measures are in place to require Directors and Executives to report their change of interest in the Management of our businesses on the following occasions:

1. Upon the first appointment to the directorial or executive position
2. Upon the instance of change in interests
3. Directors and Executives are required to submit their interests report to the Company Secretary, who would,





in turn, deliver a copy to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven days from the day on which the report is received.

The Directors and Executives have complied with the established criteria in 2016.

(2.4) Conflict of Interests Policy

According to the aforementioned practice guidelines, the Company proceeds carefully and rationally concerning conflict of interests and related transactions. We have the Company's best interest, and pricing is consistent with fair trading conditions as if the transactions are those engaged in by members of the general public. Our handling of matters in this area is transparent and consistent with the announcements of the Capital Market Committee. It is established as a good corporate governance policy and an ethical requirement binding upon the Company and shareholders. Information is disclosed to ensure equal access by all.

In order to supervise transactions with any possible conflict of interest or related transactions to ensure compliance with the announcement of the Equity Market Commission and the Stock Exchange of Thailand, In the case of related transactions that are altogether worth more than 1,000,000 Baht must be presented to the Executive Board for consideration before being submitted further to the Audit Committee for consideration. If there is a related transaction which must be declared under the requirements of the Stock Exchange of Thailand, the Company will seek **the approval of the Board of Directors** prior to engaging in such a transaction. The director with interests in any such agenda must leave the meeting room and refrain from voting on that agenda. The decision to engage in such a transaction must take into account the necessity to preserve the benefits of the Company. Upon conclusion of the meeting, that transaction must be disclosed in Thai and English to the Stock Exchange of Thailand and via the Company's website (www.spi.co.th). It must also be published on the Company's website at www.spi.co.th, detailing the name of the related person, the nature of the relation, the determination of price, the transaction value, the party to the agreement, the necessity to engage in such a transaction, the opinion of the Board of Directors and differing opinions (if any). A minute is taken of the meeting for review. It is also summarized in the annual information declaration sheet (56-1) and annual report (56-2). There were two related transactions involving assets or services, as well as four transactions of financial assistance in 2016. These are detailed under **the "related transactions" section and has no related transactions** - or any purchase or sales of assets which are contradictory to or not in compliance with the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

In the case of ordinary related transactions, we require the approval of the use of conventional trading conditions for the transaction between the Company and a director, an executive or a related person on an annual basis at the first Board of Directors meeting after the Annual General Meeting of Shareholders. This is so that new Directors can be informed of the matter. A summary must be provided on a quarterly basis to the Board of Directors and disclosed in the annual information declaration sheet (56-1) and the annual report (56-2) to confirm that the related transactions are carried out in a manner which is fair and consistent with the general conduct of business and trade.

The Company has a controlling procedure for related transactions and limits the financial support it extends to non-subsidiary companies. Rather, it provides loans or loan guarantees based on shareholding proportions and according to the joint venture agreements.

Additionally, the Company ensured that the purchase and sale of assets were carried out by the notification of the Capital Market Supervisory Board concerning the acquisition or disposition of assets.

It should be noted that, for related transactions and acquisition or disposition of assets, Directors and stakeholders are not involved in the decision to ensure transparency and fairness.

3. Role of Stakeholders

3.1 The Board of Directors appreciates and respects the rights of the various stakeholders by having regard to rights under the law or agreement with the Company. Stakeholders are ensured that their rights are protected and that they are treated fairly and equitably. The policy has been prescribed as a guideline for the treatment of each stakeholder group, which has also taken into consideration the community, society and the environment, to promote sustainable development, suppress dishonest acts and corruption, avoid intellectual property infringements and to include giving due respect to human rights.

3.2 The Board of Directors supports the corporate social responsibility reporting, which has been an integral part of the Annual Report.



3.3 The Board of Directors provides channels and procedures for all stakeholder groups to report or file a complaint on any matter which poses a risk of loss to the Company, the accuracy of financial statements or unfair treatment.

3.4 The Board of Directors has prescribed policies or guidelines for protecting Employees or informants of matters which pose a risk of loss to the Company or unfair treatment.

According to Good Governance Policy and Good Corporate Governance Principles under the section on **Roles of Stakeholders**. The Company adheres firmly to our responsibilities, and we have respect for the rights of all interested parties both inside and outside of the Company. We act responsibly towards the communities, the society and the environment are entitled to their rights and that mutual cooperation leads to a sustainable business. Therefore, we have established a policy guideline in the code of business ethics to ensure that the legal rights of all stakeholders will be honored. In the unfortunate event of any inevitable damage, the Company and all interested parties will jointly engage in a discussion to arrive at a solution that benefits all parties involved. We established policies and best practice guidelines related to stakeholders in our business ethics under the section on **Code of Ethics**.

Channels of Stakeholders Involvement

The Company provided channels for all groups of stakeholders to communicate, as well as to make suggestions and report or file complaints about matters that may cause damage to the Company regarding the correctness of the Company's financial reports, internal control systems or any possible violation of the law or business ethics, fraud or misconduct of Company Employees, as well as unfair treatment or an infringement of the rights of stakeholders.

Whistle Blowing or Complaints and Measures for the Protection of Complainants

Those who make a complaint will be protected according to the Company's whistleblower protective measures under the **Code of Conduct for Directors, Executives and Employees and Combating Dishonest Acts Corruption**.

4. Information Disclosure and Transparency Policy

4.1 The Board of Directors oversees that there is proper, transparent and timely disclosure of significant information by the relevant laws and regulations. These disclosures include reports filed by accounting periods and reports of events having an impact on shareholders' interests, as well as the disclosure of other information pursuant to the principles of good corporate governance prescribed by the Stock Exchange of Thailand. Disclosure is made to the extent that the Company's legitimate interests are not prejudiced. Information is published in both Thai and English on the Company's website (www.spi.co.th), disclosure channels of the Stock Exchange of Thailand and other channels which are comprehensively and equitably accessible.

4.2 The Board of Directors has established units or responsible persons to perform investor relations functions to communicate with external persons equitably and fairly.

Adhering to the good corporate governance principle under the section on **Disclosure and Transparency**. The Company complies with the laws, Company regulations and criteria established by the Office of Securities and Exchange Commission and the Stock Exchange of Thailand, by disclosing significant information with regulations and criteria established by the Office of Securities and Exchange Commission and the Stock Exchange of Thailand, by disclosing significant information with effect or possible effect on the price of Company share on the decision of investors, or, on the benefits of the shareholders. This is to keep all shareholders and investors equally well informed of the following important updates.

- (1) Information disseminated by accounting periods: Financial statements, annual disclosure form (56-1) and annual report (56-2)
- (2) Information occasionally disseminated: acquisition and disposal of assets, related transactions, joint ventures, payment or non-payment of dividends, financial assistance, etc.

The aforementioned information is disseminated via the information system of the Stock Exchange of Thailand and submitted in printed form to the Stock Exchange of Thailand within the specified timeframe for subsequent dissemination. The company's website (www.spi.co.th.) contains information in both Thai and English. This information is regularly updated to reflect current developments. Arrangements have been made for meetings with analysts and investors as well. Over the past year, the Company has not violated any rules or regulations set forth by the Securities and Exchange Commission, nor the Stock Exchange of Thailand.

Information disclosed in Annual Statement (Form 56-1) and the Annual Report (Form 56-2). The information appearing in the annual data sheet and annual report is prepared by the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand and, by the 2012 good corporate governance principles to illustrate the transparency of the operation as follows:





(1) **Shareholding Structure:** List of ten major shareholders as of the closing date of shareholder registry for the purpose of the annual general meeting shareholder of and website at www.spi.co.th.

(2) **Shareholding of Directors and Executives:** The Change of Shareholding is disclosed in Management Structure Section under the Company shares transfers of Director and Executives, including their spouse /minor child in the Management Structure, under Change of the Board of Directors' and Executives' Shareholding Section.

(3) **Nature of Business:** The nature of our business in of Industrial Situation and Competition is clearly explained

(4) **Business Structure:** the structure of business is disclosed with the fixing of shareholding ratio clearly in **Revenue Structure Section**.

(5) **Business Risks:** The risks of our operation are disclosed. Explanations are given by their nature, cause, impact, as well as preventive and mitigation measures in the section on **"The Risk Factors"**.

(6) **Financial Status and Performance:** Analysis of financial status, performance and significant changes in the topic of the Explanation and Analysis of the financial position and under the section on **Explanation and Analysis of Financial Status and Operating Performance**.

(7) **Director and Executive Profiles:** Disclosure of a profile of the Directors and Executives, together with an indication of which Directors are independent Directors. The roles and duties of the Board of Directors and subcommittees, the number of meetings held, the number of times each director attended the meeting, the shareholding of Directors, the number of companies for which the Directors serve in the directorial position and the training background of the Directors are disclosed under the section on **The Management Structure and Detailed Information of the Executives and Control Persons and Company Secretary**.

(8) **Remuneration of Company Directors and Executives:** The remuneration for Company Directors and Executives is detailed in terms of both form and amount. The amount paid to each director for their role as Company director and member of the committee is disclosed. More details on this matter can be found in **Remuneration of Board of Directors**, whereas that for Executives appears in the section on **Remuneration of Executive Boards and Executives**

(9) **Number of Meetings of the Company's Board of Directors, various Sub-committees and the attendance of each of the Company's Directors:** A disclosure was made of the number of meetings held by the Board of Directors, various Sub-Committees, as well as the attendance record for each of the Company's Directors. This is made in **the Management Structure section**.

(10) **Development and Training for Directors:** A disclosure of training given for Directors has been specified in **the Management Structure**.

(11) **Board of Directors Performance Evaluation:** The Board of Directors discloses the findings of their self-evaluation publicly. It is the collective opinion of each director on the performance of the entire Board of Directors. Over the past year, the average score is in a good range (80.99%) under the section on **Compliance of Good Governance Principles in Other Matters**.

(12) **Dividend Payment Policy:** The dividend payment policy states that dividends will be at a minimum 0.10 Baht per share. The exact amount will be based on the operational performance, cash flow, and economic conditions of the Company. Dividends are regularly made in excess of this figure.

(13) **Compliance with Corporate Governance Principles:** A disclosure of the Company's policy on 5 Principles of Corporate Governance, Code of Ethics and Code of Conducts has been made in writing and is detailed on the Company's website (www.spi.co.th).

In 2016, the Company reported that operations were conducted according to the Corporate Governance policy, in accordance with the principles of good corporate governance set by the Stock Exchange of Thailand in 2012. This was published in the Annual Statement (Form 56-1), Annual Report (Form 56-2) as well as on the Company's website (www.spi.co.th).

(14) **Corporate Social Responsibility:** A disclosure of the Company's social and environmental policies, as well as the execution of these policies, have been made in the Corporate Social Responsibility Report on Form 56-1 and Form 56-2 under the section on **Corporate Social Responsibility**.

(15) **Internal Control and Audit:** The report of the audit committee, the report of an internal bookkeeping control system of the auditor and, the evaluation of the five areas of internal control system by the Board of Directors, are all revealed

(16) **Report of the Board of Directors' Responsibilities on Financial Statements:** The Board of Directors is responsible for the reliability and the correctness of financial information, upon which the shareholders and the investors base their decisions. The report is signed by the Chairman and the President of the Company as shown in the **Annual Statement (Form 56-1) and Annual Report (56-2)**.



(17) Related or Interrelated Transactions: The Company complies with the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. Clear guidelines have been established to carefully prevent the issue of conflict of interests and to ensure that all transactions are carried out in the best interest of the Company and the shareholders. Related transactions are disclosed to the Stock Exchange of Thailand and on the Company's website (www.spi.co.th) under the section on **Related Translation**.

(18) Significant Related Transactions Required for the Approval of the Board of Directors: The Company's policy for Related transactions has been made in accordance with mandated by the Securities and Exchange Commission as well as the Stock Exchange of Thailand. In the event that related transactions are worth more than 1,000,000 Baht must be presented to the Executive Board for consideration before being submitted further to the Audit Committee for consideration. If there is a related transaction which must be declared under the requirements of the Stock Exchange of Thailand, the Company will seek **the approval of the Board of Directors** before conducting the transactions in order for every director to be well informed of the details. The Company will subsequently notify the Stock Exchange of Thailand of such transactions.

(19) Quarterly Performance Reporting: The Company has prepared reports on operating results on a quarterly basis. In the event that the net profit in the last financial statement differed from that of the same period in the previous year by more than 20%, the Company will disclose a clarification on both the website of the Stock Exchange of Thailand and the Company's website (www.spi.co.th).

(20) Reporting of the Company's Shares Transactions: The Company has listed its restrictions on share transactions in the Corporate Governance Manual of the Code of Ethics and Business Conduct as well as in the Professional Conduct Standards of Directors, Management and all Employees. It prohibits Company Directors, Management and Employees from participating in departments that deals with shares transactions for one month before the public disclosure of financial statements. Directors, management, related individuals, including family members have the responsibility of reporting any changes in the Company's shareholdings. This must be made to the Securities and Exchange Commission and the Stock Exchange of Thailand. Furthermore, this must be reported to the Board of Directors at its next meeting. Disclosures are also made of changes of shareholdings among Directors and Management throughout the year. This disclosure will display the amount of shares held at both the beginning and the end of the year, as well as any transactions of holdings throughout the year. They are made both in the Annual Statement (Form 56-1) and in the Annual Report (Form 56-2) under the section on **Management Structure in Change of Directors' and Executives' Shareholding**.

(21) Company Stakeholder Reporting: The Company has set a number of criteria governing how Company Directors and management must report any interests they have upon initially becoming a Director or a member of management. Furthermore, any changes in their stakeholder positions must be sent to the Secretary of the Company, who will submit a copy of this report to the Chairman of the Board of Directors as well as the Chairman of the Audit Committee. This must be done within seven days of initially receiving such a report.

(22) Auditors: Auditors must maintain independence, credibility and have received approval from the Office of the Securities and Exchange Commission as well as the Stock Exchange of Thailand. In the General Meeting of Shareholders of Year 2016, Mrs. Suvimol Krittayakiern and/or Mrs. Vilairat Rojnuckarin and/or Miss Somjintana Polhirunrat from DIA International Auditing Co., Ltd. was appointed to be the Company's auditors. Fees for these services totaled 1,560,000 Baht. The licensing fees 40,000 Baht was paid to cover the other services.

In 2016, the Company's Financial Statements were certified by external auditors and then sent to the Securities and Exchange Commission as well as the Stock Exchange of Thailand. This submission was made on time for each quarterly report as well as the annual report and **was not made subject to any correction by the Securities and Exchange Commission**.

(23) Corporate Communication: The Company values transparent disclosure of information to the shareholders and investors. Therefore, convenient and equal access of information is ensured with the implementation of various communication channels. The Company discloses the information via the system of the Stock Exchange of Thailand, using the 56-1 and 56-2 templates and via the Company's website (www.spi.co.th). Additionally, we have made efforts to meet with analysts, investors and members of the press; and, to prepare documents which indicate our financial position.

(24) Information Disclosure via the Company's Website (www.spi.co.th): The Company's website www.spi.co.th has been developed specifically as a channel of communication for the dissemination of information and updates concerning the Company, shareholders and investors. The following topics are covered in Thai and English:

- (24.1) Vision, Mission, Goals
- (24.2) The Business Operation
- (24.3) Shareholding Structure





- (24.4) Organization Structure
- (24.5) Business Group Structure
- (24.6) Board of Directors, Executive Board Company Secretary
- (24.7) News
- (24.8) Quarterly and Yearly for Financial Statements
- (24.9) Investor Relation
- (24.10) Form 56-1 and Annual Report, which can be downloaded
- (24.11) Notice of the General Meeting, which can be downloaded
- (24.12) Corporate Governance policy, Five Categories of Corporate Governance Principles, Business Ethics and Business Ethics of Company Directors, Executives and Employees
- (24.13) Anti-corruption Policy and Practices of Anti-corruption Policy
Whistle-blowing and Complainant and public media
- (24.14) Corporate Social Responsibility (CSR)
- (24.15) Company regulations
- (24.16) Charter of the Board of Directors, Subcommittees and the President's authority and responsibilities

(25) Investor Relations: The Company has appointed to its personnel Ms. Ratana Chailertkamoldech, who is responsible for investor relations, Tel: 0-2293-0030 ext. 307 Fax: 0-2293-0040 E-Mail address: rattana@spi.co.th to assist shareholders and investors in this matter.

On June 1st, 2016, the Company and Saha Group of companies in collaboration with the Stock Exchange of Thailand have conducted a 8th event called “**Analysts and Investors Meet Saha Group**” as a part of the **20th Saha Group Fair** at Queen Sirikit National Convention Center. The event gave analysts, investors and members of the press the chance to meet with Company Directors and Executives. The President was present to deliver an overview of the economic and industrial outlook, business operating results, an overview of income and the business plan. Questions from participants were answered, and profile with information on key operational performance was distributed. There was a chance for participants to experience and purchase products and innovations at the 20th Saha Group Fair at special prices as well. The event was well welcome from every participant. Analysts, investors and members of the press were able to develop a better understanding of the operation of Saha Group as a result. The same information was communicated via the channels of the Stock Exchange of Thailand and the Company's website (www.spi.co.th).

5. Board of Directors' Responsibilities

5.1 The Board of Directors has prescribed a structure for the Board of Directors comprising of persons having a diverse range of knowledge, competencies and experiences, without limitation to gender and having the qualifications required by law. At least one Company Director is a Non-Executive Director, who has expertise in the Company's business undertaking. There are also Independent Directors as required under the Notification of the Office of the Securities and Exchange Commission.

5.2 The Board of Directors has provided a definition of an Independent Director, which meets the minimum requirements of the Office of the Securities and Exchange Commission.

5.3 The Board of Directors has appointed Committees to screen key matters prior to submission to the Board of Directors.

5.4 The Board of Directors has issued a charter for each Company Committee by prescribing the tenure and scope of their powers and duties to demarcate clearly the roles, duties and responsibilities of each Company Committee and the management.

5.5 The Board of Directors has a policy which requires the Company Directors and Executives holding Directorial positions in other companies to make a disclosure to the Company Chairman and the Chairman of the Audit Committee.

5.6 The Board of Directors has provided for a Company Secretary to perform duties prescribed by law and is entrusted as such. The qualifications of a Company Secretary should be a person possessing knowledge of law or accounting, or who has completed training related to the performance of Company secretarial duties. Continual training and knowledge development are also provided.

5.7 The Board of Directors has prescribed policies for governance, business ethics and codes of conduct for Company Directors, Executives and Employees to ensure a harmonized approach.



5.8 The Board of Directors has prescribed a Company vision and mission so that the Company Directors, Executives and Employees are encouraged to strive towards the same goal.

5.9 The Board of Directors has a policy of continually promoting and sponsoring the development of knowledge among Company Directors, Executives and Employees.

5.10 The Board of Directors prescribes an annual meeting schedule in advance every year. The determination of the agenda takes into account the fair interests of shareholders and all stakeholders. All Company Directors enjoy independence in the expression of their opinions. A Company Director having an interest in an agenda shall not have the right to vote in such agenda.

5.11 The Board of Directors prescribes a duty of Company Directors to attend all Board Meetings unless there is a necessary cause.

5.12 The Board of Directors has a policy of encouraging senior Executives to attend Board Meetings.

5.13 The Board of Directors provides Non-Executive Directors with opportunities to meet among themselves in the absence of the management when necessary. The Managing Director shall be notified of the meeting outcome.

5.14 The Board of Directors has a policy of promoting the Company Directors' access to additional essential information from the Managing Director, Company Secretary or other assigned Executives within the scope of the certain policies. If necessary, the Board of Directors may obtain independent opinions from advisors or external professionals on the Company's expenses.

5.15 The Board of Directors has implemented measures pertaining to conflicts of interest which are prudent, rational and in compliance with the rules and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

5.16 The Board of Directors prohibits Company Directors and Executives from trading in Company shares in the 1-month period prior to the public disclosure of financial statements.

5.17 The Board of Directors has directed Company Directors and Executives as well as their spouses and children who have not attained the legal age to have the duty to disclose shares holdings and changes in the holdings of the Company shares to the Office of the Securities and Exchange Commission and to submit a copy to the Company Secretary to enable reporting to the Board of Directors in the subsequent Board Meeting.

5.18 The Board of Directors has directed Company Directors and Executives to disclose personal interests and interests of connected persons in accordance with the prescribed rules.

5.19 The Board of Directors has established an internal audit unit as an internal agency accountable to the Audit Committee.

5.20 The Board of Directors requires an annual assessment of the Board of Directors' performance.

5.21 The Board of Directors prepares a report on the responsibilities of the Board of Directors pertaining to the financial statements submitted in the Annual Report.

5.22 The Board of Directors oversees and determines the payment of appropriate remuneration to each committee member pursuant to the powers, duties and responsibilities and draws a comparison to the remuneration levels in the same business sector.

5.23 The Board of Directors has prescribed a succession plan for Employees in various positions in view of their advancement to higher positions.

5.24 The Board of Directors provides an orientation and all assistance for first term Company Directors.

5.25 The Board of Directors has established an internal control system and risk management system.

5.26 The Board of Directors has provided for the monitoring and assessment of corporate governance by establishing a corporate governance committee.

According to the Good Corporate Governance Policy and Good Corporate Governance Principles listed under the topic of **"Responsibilities of the Board of Directors"**, the Board of Directors is to play a major role in the Company's Corporate Governance initiatives. They should proceed responsibly, carefully and honestly with their establishment of **Good Corporate Governance within our organization. Good Corporate Governance Policy, Code of Ethics and Code of Conducts** for Directors, Executives and Employees are established in writing and revised on an annual basis. The Corporate Governance Principles are constantly updated to reflect changing criteria. **The Good Corporate Governance Principles (Revision No. 1) were developed in accordance with the "2012 Good Corporate Governance Principles for Listed Companies" of the Stock Exchange of Thailand with five new categories added. It was approved by the Board of Directors Meeting No.9 (Board#20) on 14 January 2015, replacing the previous version. The Directors, Executives and Employees were provided to replace the previous version.** In 2016, the Company made an improvement to the good corporate governance hard copies up-to-date and suit the current





situations in both Thai and English languages, in order to continue and reinforce the training about good corporate governance and anti-corruption principles among those involved. given to the Directors, Executives and Employees. They are published on the Company's website (www.spi.co.th) as well for everyone to observe in his or her performance of duties. **Directors, Executives and Employees are required to observe this in order that everyone may have a shared goal and that the corporate governance efforts will remain consistent with relevant laws and regulations. This is for the utmost benefit of the Company and shareholders. Implementation is disclosed under the "Stakeholders Roles and Code of Ethics" sections. Additionally, the Board of Directors has approved charters of the various committees and the authority, duties and responsibilities of the Senior Managing Director in writing. These are disclosed using the 56-1 and 56-2 templates under Subcommittee section.**

The Company realizes the importance of a Corporate Governance Code (CG CODE) issued by the Securities and Exchange Commission (SEC). The implementation of the Code within the organization is currently under study.

Throughout the previous year, the Company has not had any incidence of any violation of the regulations of the Office of Securities and Exchange Commission or the Stock Exchange of Thailand.

Code of Ethics Policy consists of:

1. Responsibility Towards Stakeholders

The Company has prepared a written Code of Ethics and Code of Conduct and copies of this manual have been distributed to all Directors, Executives and Employees. It is also disclosed on the Company's website (www.spi.co.th). Directors, Executives and staff are required to observe it when interacting with the Company to stakeholders. The Board of Directors is very enthusiastic about business ethics with an aim to ensure sustainable growth, believing that business is viable only on the foundation of ethical and moral correctness.

(1.1) Shareholders

The Board of Directors performs duties responsibly, prudently, earnestly and honestly in order to generate good returns to shareholders on a continual and sustainable basis. In this regard, the following policies and practice guidelines have been prescribed.

1. The ownership rights of shareholders are equitably and justly respected.
2. Operations are undertaken in accordance with the principles of good corporate governance, which will foster the trust and confidence of shareholders and eventually lead to sustainable growth.
3. The Company's businesses are continually advanced to ensure proper returns to shareholders.
4. Significant information which affects or potentially affects the shareholders' interests shall be disclosed, whether reports made pursuant to the accounting period or situation reports, pursuant to the relevant laws and notifications. However, no action shall be taken to restrict shareholders' access to Company information.
5. A report of the Board of Directors' responsibility with regard to the financial statements in the Annual Report shall be prepared.
6. Minority shareholders shall be given an opportunity to propose matters for inclusion in the meeting agenda and/or to nominate persons for election as Company Directors at the Annual General Meeting of Shareholders.
7. Shareholders are given an opportunity to submit questions relevant to the meeting prior to the shareholders' meeting.
8. Shareholders' meeting notices in both Thai and English are published on the Company's website at least 30 days prior to the date of the shareholders' meeting as information for shareholders and to enable the study of information prior to meetings.
9. A Shareholders meeting shall be facilitated. The date, time, venue and procedure must not pose an obstacle to the shareholders' attendance of the meeting. Shareholders who are not able to attend in person must have the opportunity to grant a proxy to other persons to participate in the meeting and vote on their behalf.
10. Conflicts of interests must be dealt with prudently, rationally and information must be fully disclosed.
11. The Company's interests and assets shall be safeguarded as a reasonable person would safeguard his/her property. Wrongful interests, whether obtained by direct or indirect means, shall be eliminated.

According to the policy and guidelines aforementioned, the Company has the necessary system to assure shareholders of the following: The shareholders will receive fair and appropriate returns in accordance with our dividend payment policy. That related transactions are closely monitored. That measures are in place to prevent any conflict of interests. That internal information is securely protected and its misuse is strictly prohibited. That Company director's, Executives and other personnel - who by duty have access to the Company's internal information are prevented from exploiting it for the benefit of



their own or other individuals. Such Company personnel are also prevented from the trading of the Company's securities in the period of one month before the financial statements are disclosed to the public.

In the year 2016, we paid dividends from our 2015 operational performance at the rate of 0.23 Baht per share or 8.61 % of net profit (18.25 % of the Net profit from Non-consolidated Financial Statements) on 23 May 2016. This rate is higher than that specified in the dividend payment policy of 0.10 Baht per share and contributes to the long-term financial well-being of our shareholders. All shareholders are invited to participate in the 2016 shareholders annual general meeting with the right to vote on all agendas. Additionally, we have reported our performance on a quarterly basis and disclosed significant transactions such as investment and related transactions via the information system of the Stock Exchange of Thailand and on the Company's website (www.spi.co.th).

(1.2) Customers

The Board of Directors realizes that customer satisfaction and confidence are critical factors which contribute to the Company's sustainable success. The following policies and guidelines have been prescribed in this regard:

1. The Company operates the businesses of manufacturing, product distribution and services which are safe for consumers and environmentally friendly.
2. Businesses are operated with a commitment to develop goods and services, to introduce innovations and add value to goods and services in order to continually meet the demands of customers along with the disclosure of necessary information for decision-making without concealment or distortion of facts.
3. Businesses are operated in constant, honest and fair values, and no action is taken that would violate the rights of customers. The confidentiality of customer trade secrets is maintained and not exploited for wrongful personal gains or the achievements of others.
4. The Company does not demand, receive or consent to the direct or indirect receipt of properties or other dishonest benefits from customers.
5. The Company adheres to trade agreements. In the case where adherence is not possible, the customer would be notified in advance in order to jointly find a remedy and prevent loss.
6. The Company provides communication channels to enable customers to file complaints to the Company. Complaints are processed with care and dealt with fairly.

The Company operates its business on the basis of integrity and fairness. Clients are provided with the correct information and quick and efficient services. Furthermore, the Company has developed and improved existing systems and services in all Saha Group Industrial Parks, which have enabled them to achieve certifications by various agencies, the details of **which can be viewed in the section on Background and Development.**

The certifications and the certificates have explicitly given clients more confidence and convince them to take up space inside of the industrial parks. Further, **a customer satisfaction survey is conducted annually in June.** From the 2016 customer satisfaction survey conducted at the Saha Group Industrial Park Sriracha, most customers were concerned about the traffic, which required road construction and the building of motorways, along with a large number of toll gates in the area of Laem Chabang city. Such a large construction project, together with the increasing number of vehicles and daily traffic density, has worsened the traffic during peak hours. The Company has surveyed the risk points that may cause the accident and install the traffic signs, flashing lights and signal lights traffic in order to reduce the possible risk with the budget of 5 million Baht to solve this problem for the customers. In recent years, the Company allocated areas for green spaces and planted large trees to add shade and reduce the temperature within the industrial park. The Company also established the **Proprty Marketing Department** in order to provide information to the customers and the customers can make any enquiry regarding more information, comments and compliant to: Mr. Amphol Wattanawornpong, Manager of **Proprty Marketing** Division, at Tel: (038) 480-444, Email: amphol@spi.co.th or visiting the Company's website: (www.spi.co.th). After receiving complaints or suggestions, the person in charge will give some recommendations to the Meeting of **Steering Committee** in order to mutually find solutions and corrective actions and assign the related agency to clarify the actual operation and feedback to the complainants. Additionally, the Company has paid more attention and monitor both related internal and external recommendation toward the Company's operation. For any internal complaints, the employees may suggest and give some recommendation to the Company through, such as Project Meeting, the Company's web page and complaints box at Human Resources Department, Project Site.





In 2016, external persons used the Company's website to contact the Company via the "Contact us" section; all of them enquired about Saha Group's products (leasing and service) and other details of J-Park Sriracha Nihon Mura. Moreover, none of the complaints related to the operation have not yet received by the industrial parks.

(1.3) Partners

The Board of Directors treats trading partners equitably and takes into account mutual interests by prescribing to 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. Business partners are treated on the basis of fair competition, equality and mutual respect.

2. The confidentiality of secrets or communications with trading partners is 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.

The following actions have been taken based on the above policy and guidelines: The Company employs partners, and we strive to maintain positive and understanding relationships with them. We provide trading partners with the correct information and exchange with them knowledge which contributes to the creation of added value for the products and the services. Under no circumstances do we demand or accept other assets or benefits beyond those specified in the trade agreements.

There has been no incidence of failure to honor the contract we have with any trading partners in 2016.

(1.4) Competitors

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

1. The Company shall conduct its businesses within the rules of fair competition with due regard to business ethics and trade competition laws of various countries in which the Company operates.

2. The Company will not damage the reputation of its business competitors.

The following actions have been taken based on the above policy and guidelines: We operate strictly in good faith on the basis of fair competition and within the boundary of the law. We view competitors as an element that contributes to the enhancement of our strengths and potential. There has been no dispute with any competitor throughout the history of our operation.

(1.5) Creditors

The Board of Directors is committed to undertaking business operations in a principled and disciplined manner in order to build the trust of creditors by prescribing the following policies and guidelines.

1. All creditor groups shall be treated equitably and fairly.

2. Contracts and terms will be strictly adhered to.

3. Operations will be administered to ensure the confidence of creditors in the Company's financial standing and credit rating.

4. Financial standings shall be accurately and timely disclosed.

5. In the event of an inability to comply with a particular term, the creditor will be forthwith notified in advance in order to enable a joint solution for remedy and loss prevention.

Our creditors can be classified as follows:



Business Creditors

We comply with the conditions we have with our creditors, and all due amounts were paid in full when they were due regardless of the economic situation. This is done via the Smart Banking system. Creditors are asked to submit their invoices on the 1st to the 7th of every month. Payment is then made to them on the 26th of the same month or the next business day if the 26th falls on a holiday.

Loan Creditors

The Company strictly adheres to the terms and conditions of its loan creditors and always makes due payments for the loan and the interest on time and according to the terms and conditions agreed upon. This ensures that all the loans to the Company are Clean Loans.

(1.6) Employees

The Board of Directors regards Employees as a valuable resource and a key factor in the Company's success. The following policies and guidelines have been prescribed in this regard.

1. Human dignity and the fundamental rights of Employees are respected at work. Employee data or confidential information is not disclosed or transmitted to third parties or unrelated persons.
2. Employees are treated in accordance with the provisions of law, regulations and articles governing the Company's operations.
3. Employment equality is promoted. There is no discrimination on the grounds of gender, skin color, race, religion, age, disability or another status that is not directly related to the works.
4. Training and knowledge exchange are sponsored and promoted to encourage learning and skill development throughout employment; The Company seeks to strengthen career security and offer opportunities for advancements pursuant to each person's potential.
5. Employee participation in the determination of the Company's direction and development are promoted.
6. Fair compensation is offered depending upon knowledge, skill, duties, responsibilities and performance.
7. Appropriate welfare and benefits are given to Employees, e.g. medical expenses, provident fund and a savings cooperative.
8. Channels are provided for Employees to communicate suggestions and complaints pertaining to work. These suggestions are considered and remedies will be determined in the interest of all parties and with regard to good working relations.
9. Facilities necessary for work operations are provided and working conditions are maintained with due regard to health, safety and occupational hygiene as a means of promoting and raising the quality of lives of Employees.
10. Employees of all levels are encouraged to participate in social responsibility activities.

The Company provides various benefits to ensure its Employees' welfare. In addition to basic welfare, including welfare assistance to staff members who experience disasters such as fire, storm, or floods; accidents; and illnesses, as well as financial support in the event of the death of their parent, spouse, or children. Other types of benefits are also provided, such as:

- Infirmery: An infirmery facility is available to provide Employees with preliminary medical treatment, to provide first aid, care for illness and to offer health advice from certified physicians and nurses.
- Medical check-up: Employees are entitled to medical checkups and for qualified staff to correctly assess their circumstances and to engage in preventive measures with regard to their health. Activities are organized annually to encourage Employees to be aware of health care and for them to learn to protect themselves. These activities include influenza vaccination, cervical cancer screening. Additionally, a hand hygiene gel was provided adequately and thoroughly in different areas of the Company, while hygienic face masks were also given to ill staff members.
- Provident fund for long-term savings and financial security to Employees' future is organized by the Company, provided that every employee is required to contribute 8% of his or her monthly salary to the fund and, as an incentive the Company will make the same contribution to add to his or her fund for future use.
- Saha Group Employees' Savings Co-operative to encourage Employees to learn about the savings principles of the Co-operative.
- Retirement Bonus: Upon retirement, Employees will be paid a pension bonus to be used in their post-retirement life.
- Group Assurance is provided by the Company as the group insurance plan in the case of death to an employee





- Health Insurance Group to lighten the financial burden and cover the costs of medical treatment is included in the Company's benefits due to illness or injury, both inpatient and outpatient.
- Housing loans are provided as a welfare by the Company due to the Company has formed a relationship with a number of banks to develop a housing loan welfare project aiming to help ease Employees' debt burdens.
- Company uniforms are provided to all Employees and to demonstrate the unity of the Saha Group.
- Training and seminars a wide range of training sessions and seminars were organized both in and outside the Company so that Employees can continuously improve their knowledge, abilities and skills, which can then be further applied to improve their operational performance.
- Other facilities within our industrial parks include leisure parks, sports grounds, aerobic grounds, golf driving ranges and a golf course.

Saha Group Industrial Park Sriracha was certified at the level of Total for the Thai Labor Standard Management (TLS 8001-2546) by the Department of Labor Welfare and Protection, the Ministry of Labor. This is a sign that we have complied with the social responsibility standard of Thai businesses.

Communication Channels for Employees

The **Welfare Committee** was established with the aim of being an intermediary between Employees and the Company concerning welfare benefits. Employees were allowed to participate in the management of welfare in a thorough manner. In addition to the **whistleblowing channel** for stakeholders as mentioned above, a communication channel is also offered to Employees to file complaints or report any problems with supervisors via a comment box, which goes directly to the Internal Audit Division, or by post to P.O. BOX 3, Sathu Pradit Post Office, Bangkok 10124 or E-mail Address : CAC@spi.co.th

(1.7) Community and Society

The Board of Directors operates the businesses with due regard for the duties and responsibilities owed to the nation, community and society as well as local traditions in order to maintain a desirable society and participation. In this regard, the following policies and guidelines have been prescribed.

1. A business which could lead to a deterioration of society shall not be undertaken and the rights of others in the community and society shall not be violated.
2. The consciousness of responsibilities towards the community and society as a whole shall be instilled continuously for the benefit of the Company and all levels of Employees.
3. Measures shall be provided for the prevention and remedy of any negative impact on the community and society as a consequence of the Company's operations.
4. The preservation of local culture and traditions shall be promoted.
5. Cooperation shall be entered into with various agencies for the development of communities.
6. Activities that benefit the public shall be sponsored.
7. Incomes shall be generated, and the community economy shall be promoted through the employment of community members and the use of community products.
8. Good relations shall be fostered between the Company and the community and society on the basis of propriety, transparency and fairness.

Upon these policies and guidelines, the Company has **promoted the organization of activities related to community development** by planting conscious seeds of community and social responsibility into its organization, with continuous acts of monitoring its activities to prevent any negative impact on the community; supporting and helping the community to create mutual benefits and happiness; and promoting activities that are beneficial to community and society as a whole. These activities cover many areas, such as education and career development. For example, the Company, with the cooperation of government agencies, has utilized the areas inside the industrial parks as a training center for traffic safety and a driver's license testing facility. In addition, the Company has also organized events such as a PAP test, Red Cross blood donations, a sports event between Executives from the Company's factories and members of the communities, an annual seminar, events regarding education funds, workshops, community garbage management and waste recycling, etc. For those activities mentioned and other events, the Company has received good cooperation from the communities surrounding Saha Group Industrial parks. More details can be found in the **Corporate Social Responsibility Section** and on Company's website (www.spi.co.th).

The Company has appointed Mrs. Omsin Phansin, HR Consultant, to handle Community Relations. He can be reached by phone at (038) 480-444 or by e-mail: omsin@spi.co.th.



(1.8) Environment

The Board of Directors undertakes businesses with due regard for responsibilities to the environment. In this regard, the following policies and guidelines have been prescribed.

1. Businesses shall be undertaken in accordance with laws, regulations and policies on the environment with due regard for the impact on natural resources and the environment and regular revisions and assessments of the performance results shall be undertaken.
2. Organizational culture and consciousness of Employees at all levels shall be promoted to encourage cooperation and responsibility for the efficient and sustainable management of the environment and utilization of resources.
3. Knowledge promotion and environmental training shall be extended to Employees.
4. An Environmental management system shall be promoted, from the economical use of resources to the sustainable treatment and rehabilitation, replacement, monitoring and prevention of impact on natural resources.
5. There is a system for selection of trade partners in the value chain who undertake businesses in an environmentally friendly manner.
6. Environmentally friendly technology is developed and used whenever possible.

The following actions have been taken based on the above policy and guidelines. We operate with an awareness of any potential impact on the environment and natural resources. The Company believes that quality work and efficient performance are the results of happy personnel so the **“Industrial Park”** has been created to be a big house of family members of several tens of thousands of people which are fully equipped with facilities. The aim is for everyone to work happily with a warm lifestyle under the philosophy of **building something more than an “Industrial zone”** where the environment is developed with a warm atmosphere. Every tree has been fully cared for with proper attention to ensure that the industrial park is for everybody under the umbrella of the **Industrial Park**. Moreover, Eastern Thai Consulting 1992 Co., Ltd. has been contracted to do the research, develop and control the environment continuously, in terms of quality of air, water, noise and garbage. All three industrial parks have been measured, and all of them have performed better than the standard in all aspects.

Efficient Use of Resources

A performance of the Company's environmental activities is detailed below.

1. After treatment, industrial wastewater is used for watering trees in the green areas of our industrial areas. Amounts of >30%, 40% and >90% of wastewater were treated and used for this purpose in our respective factory areas in Sriracha, Kabinburi and Lamphun. The results have been conclusive. It is easy to see the great benefits in the green areas of our industrial areas in Lamphun due to the increased watering efficiencies. This has included the cultivation of vegetable plants as well as various other programs. The environment has improved, and costs for water have decreased in a positive way for our green areas.

2. Company and the Faculty of Agriculture, Kasetsart University, have been researching on the use of wastewater sludge to produce fertilizer with the standards of the Department of Agriculture to handle with wastewater sludge within Saha Group Industrial Parks Sriracha.

Based on the principle of Waste Minimization, such practice helps reduce waste generation and benefits both the wastewater treatment system where sludge is formed and the environment in terms of cost reduction in water treatment. After the completion of a research project on organic fertilizer composting using wastewater sludge, two fertilizer formulas were achieved: a sludge-coconut coir pith compost and a sludge-hyacinth compost. As a result, all compositions mixed well in both formulas with no odour emitting from the compost. Other aspects of the study include the correct ratios for different types of plants and factors involving in the composting process as well as changes in wastewater sludge. Furthermore a test was performed on the influence that any factors have on nutrient ratios of organic fertilizers.

3. In an effort to increase the quality of life for its communities, Employees and the surrounding environment, Saha Group Industrial Parks in Sriracha, Kabinburi and Lamphun conduct data related to the quality of air and treated wastewater. Furthermore, noise pollution and the quality of water of surrounding canals is monitored both before as well as after they leave Saha Group Industrial Parks. This is performed in compliance with waste management criterion at least 1-2 times per year or 1 time per month. All data recorded is provided to the relevant agencies in local government, the Department of Industrial Works and the Department of Pollution Control

4. The Project for Sustainable Agriculture by Dr. Thiam (Lamphun) has been allocated green areas of Saha Group Industrial Parks for rice cultivation and animal husbandry. A focus has been placed on using energy conservation methods





in these activities to reduce their effects on the environment. Furthermore, these green activities do not include the use of synthetic chemicals and follow environmental conservation protocols, helping to restore the environment and act as a source of agricultural-related knowledge for their surrounding communities. **For more details, please read the section on Corporate Social Responsibility Section.**

Environmental Awareness and Training

The Company recognizes the importance of environmental preservation. The majority of the problems that affect the environment are caused by Employees who do not understand how their actions can have negative effects on the environment. For Employees whose work causes environmental concern, either directly or indirectly, environmental awareness training has been provided. A summary of the training syllabus is below:

1. Sustainable Energy & Technology
2. Algae bloom monitoring and protection in water resources
3. ISO 14001 : 2015 Introduction and Requirements
4. Colour Reduction Treatment for Pulp and Paper Wastewater
5. Oil recovery from contaminated water
6. Eco Industrial Town
7. A capacity building program for water pollution control system operators who supervise the operations of wastewater treatment systems.
8. A project to enhance knowledge and understanding of environmental law on the industrial sector for green industry development.

(1.9) Public Sector

The Board of Directors undertakes businesses in compliance with the rules and regulations enacted by the State. In this regard, the following policies and guidelines have been prescribed.

1. To study and understand the laws governing operations acquired and not to undertake any activities that would be inconsistent with the law.
2. To properly act when conducting transactions with an official or agency of the State.
3. To create good relations between the Company and the public sector within proper boundaries.
4. To comply with the relevant laws and business traditions in particular country or locality.

According to the above policy and guidelines, the Company has made its tax remittances in an accurate, complete and timely manner in accordance with all related laws.

2. Conflict of Interest

The Board of Directors has the policy to deal with conflict of interest and prescribes the guidelines as follows:

1. The conflict of interest or related transactions must be undertaken prudently, fairly and rationally. There is a transparent system for approving transactions which primarily takes into account the Company's interests. The Interested Company Directors have no right to vote and must make a full disclosure in accordance with the rules of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
2. The Company's interests shall be upheld subject to legality. No action shall be taken that would produce a conflict with the Company's interests, and no benefits or privileges will be given to any person.
3. Company Directors and Executives must disclose personal interests and the interests of related persons in accordance with the prescribed rules.
4. Company Directors, Executives and Employees who acquire inside information are prohibited from trading in Company shares in the 1-month period prior to public disclosure of financial statements.
5. Company Directors, Executives as well as their spouses and children who have not yet attained legal age shall have a duty to report Company securities holdings and changes in such holdings to the Board of Directors at the subsequent Board Meeting.
6. Company information or secrecy acquired or acknowledged, shall not be disclosed or transmitted to third parties or unrelated persons.



7. Disclosure shall be made by authorized Company Employees. Classes of secrecy may be prescribed in accordance with the significance of the information. Disclosure shall be made within the assigned scope of duties and responsibilities.

According to the aforementioned practice guidelines, the Company carefully and rationally deals with the conflict of interests and related transactions. The Company's best interest and pricing are consistent with fair trading conditions as if the transactions are those engaged in by members of the general public. Our handling of matters in this area is transparent and consistent with the announcement of the Capital Market Committee. It is established as a good corporate governance policy and an ethical requirement binding upon the Company and shareholders. Information is disclosed to ensure equal access by all.

In order to supervise transactions with a possible conflict of interest or related transactions to ensure compliance with the announcement of the Equity Market Commission and the Stock Exchange of Thailand, any transactions worth more than 1,000,000 Baht must be presented to the Executive Board for consideration before being submitted further to the Audit Committee for consideration. If there is a related transaction which must be declared under the requirements of the Stock Exchange of Thailand, the Company will seek **the approval of the Board of Directors** prior to engaging in such a transaction. The director with interests in any such agenda must leave the meeting room and refrain from voting on that agenda. The decision to engage in such a transaction must take into account the necessity to preserve the benefits of the Company. Upon conclusion of the meeting, that transaction must be disclosed in Thai and English to the Stock Exchange of Thailand. It must also be published on the Company's website (www.spi.co.th), detailing the name of the related person, the nature of the relation, the determination of price, the transaction value, the party to the agreement, the necessity to engage in such a transaction, the opinion of the Board of Directors and any differing opinions (if any). A minute is taken of the meeting for review. It is also summarized in the annual information declaration sheet (56-1) and annual report (56-2). There were two related transactions involving assets or services, as well as four transactions of financial assistance in 2016. These are detailed under the section on **Related Transactions**, and there were **-no related transactions-** or any purchase or sales of assets which is contradictory to or not in compliance with the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

3. Meals, Receipts and Gifts

The Board of Directors aspires to undertake the Company's businesses in line with the fair competition. Nevertheless, meals, receipts and gifts or attendance at receptions in accordance with traditions and practices to maintain good relations are necessary and desirable. In this regard, the following guidelines have been prescribed.

1. Gifts, presents or meals which may influence a decision must be prohibited. If necessity according to the tradition, the value in excess of normal circumstances, a report shall be filed with the respective supervisors.

2. In the case of an assignment or authorization by a supervisor to assist with an external agency, money, objects or gifts may be received in accordance with the applicable rules or standards prescribed by such an agency, e.g. gifts, presents or lucky draws.

3. In the case where an agent, contractual party, partner or any other person wishes to grant a gift, token or reception to the Company, prior authorization must be obtained from the Company.

4. Expenses pertaining to these matters shall be maintained within a reasonable budget.

Due to the above policy, the Company set regulations in regard to expense reimbursement, including the receiving and giving of gifts in the travel expenses regulations.

Last year, the Company operated in compliance with the specified guidelines and regulations.

4. Anti-Fraud and Anti-Corruption

The company is determined to operate business with transparency, fairness and social responsibility. The Board of Directors thus appreciates the importance of corporate governance to ensure that the Company's operations are carried out in a transparent, fair and accountable manner with corruption being a major hindrance to achieving this goal.

The Company signed a declaration of intent to join the Collective Action Coalition against Corruption (CAC) and became a certified CAC member on 14 October 2016.





Furthermore, the company organizes the Risk Management System and Internal Control System efficiently and effectively, as well as, the prevention of corruption. and monitoring process is performed by the Internal Audit Department on an ongoing basis while the Audit Committee has a duty to verify the internal control system and monitor the internal audit result. In case of corruption, the Internal Audit Department will report directly to the Audit Committee which the Audit Committee will further report to the Board of Directors respectively.

The Company began its operation in anti-corruption by determining the operational guidelines in the Code of Ethics in 2014, and **the Board of Directors had the resolution to sign for the Collective Action Coalition of the private sector in anti-corruption.** This is to show the cooperation of the private sector in the implementation of anti-corruption under the international framework. On 12 March 2015, the Board of Directors Meeting No.11 (Board#21) had the resolution to approve **Anti-Corruption Policy of Saha Pathana Inter-Holding Public Company Limited** according to these following details

Anti-Corruption Policy

Saha Pathana Inter-Holding Public Company Limited

The Board of Directors of Saha Pathana Inter-Holding Company Limited has approved the resolution to sign a Declaration of Intent of Collective Action Coalition against Corruption enacted by Thai Private Sector on 14 January 2014. In order to be **in compliance with the Company's Corporate Governance** as well as corroborate its aims and Corporate Social Responsibility as a whole, **the Company follows the policy relevant to laws countering corruption by prohibiting the Company Directors, Executives and Employees from accepting or supporting every type of corruption both in a direct and indirect manner,** The policy is detailed as follows;

1. The Company will not be a party to pay bribes. In the 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 their duties in accordance with relevant laws, notifications and regulations by preparing a 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 it to violate any laws. Moreover, it is illegal to use positions and/or duties to use the Company's data to seek benefits for themselves or others.
4. Setting the system to report financial status transparently and accurately, providing an efficient and effective internal control system and controlling a 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 the operation in order to adjust to business changes, laws and regulations.
6. Opening a channel for reporting any suspicious activities and ensuring that such reporters receive protection.

Based on the aforementioned Company's policy, the Company operates its business based on the accuracy and transparency, **prohibition of bribery for business advantage,** law compliance, honesty, morality, supervision of a company's assets, responsibility, discipline and a good attitude to others and oneself. The Company's employees shall not use their positions to seek benefits to self/others or wrongfully and not receive any other benefits relating to the operation of the Company. This policy is for all Employees to comply with and that **the Employees shall not strictly make a success of their job by corruption or bribery. If it is found that the policy is violated and deemed as a severe mistake, the maximum disciplinary penalty is dismissal or termination of employment.** The Board of Directors, Management and Employees shall comply with this policy.

In 2016, the Board of Directors Meeting No.3 (Board#22) held on 4 August 2015, the Board of Directors had its **resolution to appoint the Good Governance and Risk Management Committee to perform the duties as specified in the Charters** to support the duties and responsibilities of the Board of Directors in good governance and risk management in order to achieve the objectives target with transparency, accountability and appropriate risk management. The Good Governance and Risk Management Committee has appointed **the Good Governance and Anti-corruption Team** to the implementation of the plans



and practices of good governance and anti-corruption. The company has good management, transparency, accountability and internal control systems are adequate and appropriate with a general consideration of stakeholders to create balance and sustainability. **The Good Governance and Anti-corruption team has prepared a draft of Anti-corruption Policy as the guideline of Anti-corruption Policy** and submitted to the Good Governance and Risk Management prior to the approval of the Board of Directors. On 14 March 2016, the Board of Directors Meeting No. 11 (Board#22) approved the practices of the Anti-corruption Policy, and the Company has respectively communicated with the Directors, Executives and all Employees and disclosed on the website of the Company (www.spi.co.th) as follows:

**Practices of Anti-corruption Policy
Saha Pathana Inter-Holding Public Company Limited**

No. 1

The Company considers the corruption, bribery and misconduct and malpractice as a serious threat to the nation in security, social and economic practices. When the Collective Action Coalition of Thailand's Private Sector Collective Action Coalition Against Corruption has invited the Company to sign the Declaration of Intention for Collective Action Coalition of Thailand's private sector in anti-corruption. According to the resolution of the Board of Directors Meeting No. 9 (Board#20) held on 14 January 2014, the Company approved the signing of such a declaration. On 12 March 2015, the Board of Directors Meeting No. 11 (Board#21) approved the Anti-corruption Policy.

The Company has established the practices of the Anti - Policy in order to be the operational guidelines as follows;

1. Definitions and Forms of Corruption

Definitions

Any terms used in this practice of this Policy shall have the following meaning unless otherwise specified.

“**The corrupt**” means:

1. The exercise of authority acquired by the duty to seek benefits for themselves or others.
2. The bribery, whether it is in any form by offering the promise, granting, receiving or claim benefits to motivate people to act either illegally or contrary to good morals or undermine the trust.

Unless the laws, regulations, notifications, rules, local traditions or trading conventions are permitted.

“**Political Contributions**” means any financial support to lend or donate equipment and advertising to promote or support a political party, any purchase of tickets to raise funds or financial or material donation to the organizations that have a close relationship with the political parties, including time devoting.

Forms of Corruption

1. Political Support

1.1 The Company adheres to the democratic system under the King as the Head of State and neutral political policy. The Company will not support or commit any act interested in any one political party.

1.2 If the Company wishes to provide political support in order to promote democracy, such support must not violate the applicable laws or may not align with the expectation to be treated as a special reward. Any support shall be performed in accordance with the regulations of “Disbursement” by specifying the recipients, objectives, particulars, amount of money, the date of disbursement, including all supporting documents and proposed to the approval consideration according to the authority of the company.

1.3 Employees have the freedom to participate in political activity under the provisions of the law. However, the Employees shall not use the status of an employee or the properties, equipment, or devices of the Company for political benefits. If the Employee wishes to participate in such activity, the Employees shall act in any appropriate way that may not cause any misunderstanding that the Company has provided support to or in favor of any political party.

2. Charitable Contribution The Company shall have the right to participate in charitable contribution, either in the form of financial assistance or other forms as part of social activities, to promote and reinforce a positive image for the company without any aim of the business in return. The guidelines for charitable contribution are detailed as follows:





2.1 The Company shall act carefully to ensure that the donations will not be used as a way to avoid bribery and be conducted in a transparent manner and in accordance with applicable law.

2.2 The Company shall conduct such charitable contribution in accordance with the regulations of charity expenses or donations by specifying the name of the recipient and objectives of the donation. The document of all expenses or charitable donations shall be submitted to the Human Resources Department, including the opinion and purpose to the appropriate authorities of the Company according to the limit of donation.

3. Being The Sponsor The Company may take on many forms to promote the Company's business, brand, and reputation, such as support for educational activities, art, culture, etc. The practices are described as follows;

3.1 The Company shall act carefully to ensure that such being the sponsor will not be used as a way to avoid bribery and be conducted in a transparent manner and in accordance with applicable law.

3.2 The Company shall conduct such charitable contribution in accordance with the regulations of "Disbursement" by specifying the recipients, objectives, particulars, amount of money, the date of disbursement, including all supporting documents and proposed to the approval consideration according to the authority of the company.

4. Gift, Souvenir, and Entertainment The expenses relating to gift, souvenir shall comply with the Code of Ethics of the Company.

4.1 The Employees may give/receive any gifts, souvenir and entertainment to/from any person under the following conditions:

(1) If such action adheres to the practices of the Business of Ethics, Regulation, and related laws.

(2) If such action is performed on behalf of the Company, not on behalf of the Board of Directors, management and employees and to the public.

(3) If it is a gift in the form of cash or cash equivalents, such as gift cards or vouchers.

(4) If it is deemed as the appropriate situation, such as festivals, upon normal tradition.

4.2 The Employees may receive any traditional souvenir with a value of not more than 3,000 Baht. For any souvenir valued over 3,000 Baht, the report should be made to the supervisor respectively.

5. Conflict of interest The Company has supervised a transaction with a conflict of interest, according to the Principles of Good Corporate Governance, Business of Ethics, and the announcement of the Capital Market Commission and The Stock Exchange of Thailand.

6. Business Relationships and Procurement with Public or Private Sector The Company's operations and contact with the public or private sector need to be transparent, honest and be conducted in accordance with the procedures of procurement and related laws. The Employees shall not give or receive any bribes in all kinds of business.

2. Responsibilities

2.1 The Board of Directors shall be responsible for policy establishment and supervision of effective anti-corruption to ensure that the Management has focused on anti-corruption and to instill a corporate culture.

2.2 The Audit Committee shall be responsible for the review of financial and accounting reports, internal control system, internal audit system, risk management system, and possible corruption risk, including supervision and review of anti-corruption measures to ensure that such measures are appropriate and effective and meet the international standards.

2.3 Good Governance and Risk Management Committee shall be responsible for supervision and adequate support in good governance, Risk Management, and anti-corruption and review of corporate governance measures, risk management and anti-corruption, including reporting to the Board of Directors.

2.4 The Executive Board and Executives shall be responsible for the system establishment and promotion and support of anti-corruption policy in order to communicate to the Employees and related stakeholders, including a review of the appropriateness of the systems and measures to comply with the change of business, laws, regulations of the Company, operational regulations, rules, announcement and other measures (if any).

3. Practices

3.1 The Company should not take any action which encourages or causes any bribery or malpractice to be undertaken whether directly or indirectly.



Directors, Executives and Employees must not be ignored or neglected if they may expose any action of corruption to be associated with the company. Employees must notify supervisors or the person in charge to inform of any suspicious action and to cooperate in the investigation. If they have any doubts or questions, they should consult with their superiors or the person designated as responsible for monitoring compliance with the business ethics policy.

3.2 The Company shall cooperate and provide support to organizations, public or private that are in opposition to corruption or that supports misconduct or fraud against someone acting illegally.

3.3 The Company shall not support any political party or commit an act of devotion to one political party. If you wish to support a political party or to promote democracy, such support must not be contrary to the law or to act with the expectation to be treated as a special reward.

3.4 No receipts or grants of gifts, tokens or receptions which may influence a decision shall be made. If there is a necessity to receive or grant a gift, token or reception in accordance with tradition to a value in excess of normal circumstances. Details are in **Forms of Corruptions no. 4 Gift, Souvenir, and Entertainment.**

3.5 The Company's Directors, Management and Employees should seek to understand and comply with policies set down as against corrupt practices.

3.6 Whistle-blowing and Complainant

Any stakeholder or Employee, who attempts to act on behalf of the Company or was involved in bribery or corruption, either directly or indirectly, shall be deemed to have committed a fraudulent offense against the rules, regulations, and company policies. Failure to follow the Code of Conduct of set out for Directors, Management and Employees may be reported to the company to act upon the complaint allowing for the accused to be treated fairly in practice.

3.6.1 The channels of complaint, practices are as follows;

1. Direct verbal complaints or complaints in writing.
 - Internal Audit Manager, Tel: 0-293-0030, Ext. 510
 - HR Manager Tel. 0-293-0030 Ext. 400
 - Company Secretary Tel. 0-293-0030 Ext. 300
 - Accounting Manager Tel. 0-293-0030 Ext. 509

2. Via the E-mail Address: cac@spi.co.th

3. Feedback Box

4. Mail to PO Box. 3, Satupradit Post Office, Bangkok 10124

5. In case the complainant chooses not to reveal his name, they should provide details or facts with sufficient evidence to show that there are reasonable grounds to believe that any person is involved in bribery or corruption.

The Company will keep the relevant information confidential and take into account the safety of the complainant unless it must be disclosed as required by law.

False Accusation

If any complaint is found to be in bad faith or if the whistleblower decides not to testify or to provide any information that proves the acts did occur, then as a result, the complaining party will be deemed to have caused damage. If the company's employees are disciplined due to their actions and according to regulations regarding the operation and / or prosecution, if a third party is involved in the action and the company has been deemed to be damaged. The Company reserves the right to legal proceedings against the person.

3.6.2 Criteria and consideration of complaints. Or the whereabouts of offenders

1. Details of the complaint or the whereabouts of offenders must be true and such that they are clear enough to ascertain the facts in order to continue with the complaint.

2. The information received will be treated as confidential. A complainant may choose to remain anonymous if he/she deems that disclosure could lead to insecurity or loss concerns.





3. The complainant or the act of reporting a crime is deemed to be intended in good faith and will be treated with care and fairness. Whether it is from an employees or a third party.

4. The period of implementation of the complaints shall depend on the complexity of the matter and the sufficiency of the evidence given by the complainant including the documents and the statement of the complainant.

5. Those who are involved with the process to investigate will collect all possible relevant information while at the same time remaining confidential. Measures are in place for the protection of complainants who are employees, including those who cooperate in the investigation of facts.

3.6.3 Related Parties

1. The report refers to a complaint or to report a crime.
2. The complaint refers to a person under Clause 3.6.1 first.

3.7 Investigation Audit

3.7.1 The investigators will investigate and gather facts or assign designated individuals or entities acting on behalf of the trustees.

3.7.2 Those investigators or receiving complaints can invite employees to give information or to send any documents relating to the investigation

3.7.3 Where a decision is made on the evidence of a complaint the recipient of the complaint shall report to senior management in order for them to report to the good governance and risk management Committee. The Audit Committee and The Board of Directors.

Should the investigation decide the complaint to be valid. There should be a ruling of any disciplinary action by the HR Department, who can offer an opinion on the matter together with senior management for action.

In the case of complaints, causing damage to anyone it is proposed to mitigate the damage to the victim's rights and in order to be fair.

3.8 Whistleblowing Protection Measures

The information shall confidential limited to only those with the responsibility to investigate the complaint or who shall be deemed to comply with measures to protect the complainant as defined in the Code of directors, management and employees.

3.9 Protection of Employees

Measures have been prescribed for the protection of complainants who are employees, including those who cooperate in the investigation of facts. These persons will be protected from unfair treatment as a consequence of the complaint.

3.10 Human Resources

The Company will adopt a strict regime to guard against any corruption on the part of the personnel management or those involved in the recruitment, selection, training, personnel evaluation, remuneration and promotion of employees. The supervisors at all levels are expected to understand and communicate to the staff their responsibilities and supervision practices to ensure efficiency in order to guard against corruption.

3.11 Training and Communication

3.11.1 The Company will provide education and training on anti-corruption functions regularly. Through various channels, such as Orientation courses, Training seminars, post, etc. in order to realize policies against corrupt behavior and the risk of involvement in corruption, as well as how to report a case of or report sightings of suspected corrupt. Know and understand the consequences of a policy violation.

3.11.2 The Company communicates policy against corruption applicable to the Company, subsidiaries, associated companies, directors, executives, employees, shareholders, customers, partners, and stakeholder groups and any related business or representatives of that business by ensuring everybody knows the proper channel.



3.12 Information Record and Storage

The company operates in accordance with the policy of the company and is committed to maintaining a standardized legal computer system and communication system. This information is based on the importance of creating an effective system of control. Company Directors, Executives and employees are under a duty and responsibility efficiently maintain Company assets and assets under the care of the Company, appropriate to the risks of information systems and computer systems.

To achieve such a commitment, the company has implemented the standards and procedures described below.

1. Define the responsibility of the user and administrative information systems, and computer systems.
2. To conduct a risk Assessment and employ risk control systems to suit the environment and when or if the environment changes.
3. Create a system to protect computer information systems and its related personnel
4. Create a system data protection to protect the information, and avoid anybody editing the information illegally whether it is done by accident or with intention

3.13 Audit process and internal controls.

The Company provides for an annual review process via the internal audit department of the company. The company is independent and does not limit the scope of the auditors in their performance, and they will also include a review/audit of The CPA quarterly and annually according to the regulations of the relevant authorities.

The Audit Committee will review the internal controls to ensure that the business operations are appropriate and comply with Company policies, laws and regulations applicable to the business.

3.14 Penalties

The Company will discipline those who violate or ignore the policy against corruption and anti-corruption practices, and will be punished by the law (if any).

Implementation of Anti-corruption Policy and Measures

The Company has undertaken to provide assurance policies against corruption as follows:

1. Good Governance and Risk Management Appointment This has served as a charter to support the duties and responsibilities of the Board of Directors in terms of good governance and risk management and **Good Governance and Risk Management Committee appointed Good Governance, and Anti-Corruption Committee** has been installed together with the implementation of the plans and practices of good governance and anti-corruption by prohibiting to accept or support every type of corruption and responsibility towards stakeholders.

2. Good Governance and Anti-Corruption Team has employed a review the risk assessment to involve corruption on an annual basis in practice and to prepare measures to act against corruption

3. Review of Good Corporate Governance Manual (The newly improved manual) The Company has reviewed its principles of corporate governance. To make it more up-to-date and suitable for current situations according with the principles of corporate governance of the companies listed in 2012. The newly improved manual is written in both Thai and English, and is used to disseminate, educate and create understanding about good corporate governance and anti-corruption principles among parties involved to promote understanding for directors, executives and employees, including in the form of a videotape, broadcast media (Animation) and on the website of the company to uphold the operations principles

4. Review of the Company's regulations as guideline for directors, executives and employees to comply with such regulations in order to prevent corruption.

5. Internal Control By Internal Audit Division, The Internal Audit Division, shall audit the operational and the practices to ensure the compliance with relevant regulations and **COSO guidelines**. Additionally, **the Audit Committee** shall be responsible to review the internal control system and review the anti-corruption measures. In the case of any incident of corruption is found, the Internal Audit Department shall report directly to the Audit Committee, and the Audit Committee shall report to the Board of Directors.





6. Communicate and publicize Resistance Anti-corruption Policy and Practices and related regulations including the corporate penalty practices to the Directors, Executives, and Employees at all levels to inside and outside personnel and Company personnel through various channels such as company website, intranet system etc.

7. Promote and support to organize training about resistance to corruption for company directors, management and employees. Provide training and understanding about resistance against corruption to new employees during Orientation

Resistance Against Corruption Training Topics

- The integrity of executives in the new era
- The risk assessment to involve corruption
- Investment Governance Code Institutional Investor (I Code)
- Experiences Sharing of CAC Certification Process
- CGR Workshop : Enhancing Good Corporate Governance based on CGR Scorecard
- The self -assessment of AGM Checklist for the year 2017
- Inside management information for executive
- How can practice the newly securities and exchange act
- Working Papers for measures to act against corruption in company
- Participation in special seminar“International Anti - Corruption Day 2016”
- Special lecture on the “Corporate Governance Code”
- Thailand’s Private Sector Collective Action against Corruption (CAC)
- Training “Corporate Governance Code for director of listed company for Sustainable participation”
- Participation in the National Anti - Corruption Strategy PHASE 3 (2017-2021) by the NACC Office.

8. Communicates to business partners to informed and comply and to refrain from giving gifts to the Executives and Employees of the Company during New Year or any other occasions.

9. The Complaint Channels, Investigation, and Disclosure Protection The informant will be protected and kept confidential. The investigation team and the informant shall be covered by the established measures.

In 2016, the Company did not see any fault as important content about fraud and corruption and any operation which does not conform to the law or related requirement as well as no violation of ethics in the business operation.

5. Non-infringement of Intellectual Property

The Board of Directors pursues a policy of non-infringement of intellectual property by prescribing the following guidelines.

1. Business undertakings shall be consistent with laws, regulations and contractual obligations governing intellectual property rights.

2. Intellectual property works of the Company shall be maintained. Such intellectual properties shall not be used or allowed to be used by others without authorization.

3. The intellectual property rights of others shall be respected. The works of others shall not be infringed or applied to personal use except where a license has been obtained or a fee paid to the owner of the work.

4. Intellectual property of creative works produced by Employees shall vest in the Company. Upon termination of employment, such intellectual property works must be returned to the Company regardless of the form in which it is stored.

According to the above policies and guidelines, the Company maintains a policy not to involve itself in activities related to intellectual property infringement, use of imitation products, or the unlicensed use of the intellectual properties of others.



1. Trademark management of the Company is divided into two areas:

1.1 Foreign Trademarks: The Company has been licensed to use the trademarks of various well-known brand products from overseas. It acts according to related agreements with the affiliates for products like Guy Laroche and Elle, which receive royalties for their use.

1.2 Domestic Trademarks: The Company is the registered owner of various trademarks through the Department of Intellectual Property, Ministry of Commerce. It has entered into agreements with the affiliates to license the use of different trademarks such as Kullastre, Rain Flower and receives trademark income for the licensing of such trademarks.

Furthermore, the Company, together with its affiliates, encourages and supports its Employees to submit their innovations to the Company Chairman Awards. This ceremony is held to recognize and reward Employees for their innovations, motivating them to engage in creative innovation at work at all times.

2. Software Usage. The Company mandates that all software used in Company operations be properly licensed. Commitment has been made by senior management and Employees of all levels not to engage in the piracy of intellectual property. As such, below is a list of guidelines set to govern employee activities on our computer network:

2.1 Employees will not use the computer network for the following purposes:

- To conduct in any activities that are against the law, or that would result in losses for other individuals.
- To act contrary to the public order or the moral values of Thai people.
- To act in a manner that might infringe on the intellectual property of the organization or others
- To access the information of another individual without the consent of information's owner.
- To transmit or receive information that may cause damage towards the organization. This would include the transmission of chain letters, or any unlawful transmission of information that was received from other individuals outside the organization

2.2 To ensure the overall safety of the computer networks, Employees are required to follow the following guidelines:

- Not to install any pirated software.
- Not to install any software that can be used on our computer network without prior approval.
- Not to install any computer software or accessories on the organization's computers on behalf of another individual or behalf of another user on the organization's network.
- Each employee shall turn their computer off at the end of the day, or if it is expected it will not be in use for over an hour. An exception made is when the computer needs to be operated as a server running 24 hours a day.
- Must perform a virus scan of any information or programs that are introduced to the organization's computers from an outside source. If any infection is found, it must be eradicated as quickly as possible.
- Regularly delete unnecessary files from computer systems to maximize the efficiency of computer memory.
- Co-operate with all supervisors and caretakers of the computer network, helping them ensure the safety of each employee's computer as well as the network at large. This includes using computers according to all advice given by the network administrator and caretakers as well.
- Be careful in the use and maintenance of the network and its computers.
- Refrain from accessing other areas of the network without receiving prior approval.
- Return all of the organization's computer-related resources promptly. This includes any information or copies of information, keys, identification cards, security cards, etc. This needs to be done within seven days of termination of employment.



- 2.3 The Company will not be responsible for any employee who acts in violation to laws set forth by the Computer Crimes Act 2007, which causes or may cause any loss to the organization or any other individuals. Furthermore, the Company will determine the appropriate disciplinary action for any employee who commits any violation.

In the past year, the Company did not find any cases of intellectual property infringement.

6. Non-violation of Human Rights

The Board of Directors respects human rights. In this regard, the following policies and guidelines have been prescribed.

1. There shall be no activities or support of activities which violate human rights.
2. Employees are provided with knowledge and understanding of human rights which are applied to their work operations.
3. There are no limitations to independence or differences in ideology, gender, race, religion, politics or other matters. The expression of opinions which could cause conflicts or divisions should be avoided.
4. Channels shall be provided for Employees or persons who believe that their personal rights have been violated or that they have been treated unfairly to file a complaint with the Company. Such complaints shall be given attention and processed fairly.

There is no record of Non-violation of the Human Rights

7. Safety and Occupational Hygiene

The Board of Directors attaches importance to safety and occupational hygiene. In this regard, the following guidelines have been prescribed.

1. Business undertakings shall comply with laws, regulations and policies on safety, occupational hygiene and working environment with due regard to the safety of life and properties as well as to the impact on the health of Employees, trading partners and stakeholders. Regular monitoring and safety assessments must be conducted.
2. Occupational safety shall be promoted. Work regulations, procedures and standards are prescribed to ensure risk safety is consistent the working environment and safe work procedures are improved. Tools and equipment for safety protection are also provided to Employees.
3. Preparations are made for emergency events. An emergency plan has been devised and regular drills and improvements are carried out. This is to prevent and minimize any loss of lives or properties of the Company, Employees, trading partners and related persons.
4. A safe working culture has been built for the entire organization to ensure sustainable safe work operations.

In connection with the policy, the Company organized a 5S activity to promote safety measures, such as developing a chemical spill emergency plan that is on par with international standards and monitoring and maintaining lighting and fire alarm systems to ensure their good working condition. The Company also provides knowledge on the prevention of disasters, while clarifying guidelines according to new laws regarding fire evacuation and firefighting. Employees were shown how to use a fire extinguisher in a correct, safe and efficient way. Furthermore, non-toxic fire extinguishers using clean substances were installed at different areas throughout the Company.

Code of Conduct for Company Directors, Executives and Employees

1. Formal Responsibilities

The Board of Directors appreciates the importance of good governance. Continual undertakings are implemented to ensure that Company Directors, Executives and Employees are aware and comply with standards under the framework of the Code of Conduct and conduct oneself honestly, cautiously and prudently for the greatest benefit of the Company and all related parties. As a consequence, the following Code of Conduct has been prescribed.



Company Directors and Executives

1. Duties shall be performed responsibly, prudently, honestly and in good faith in compliance with the law, Company Articles and relevant notifications.
2. Duties shall be performed to the utmost of ability in order to generate the greatest returns to the Company. This includes attendance at all meetings, except where there is an unavoidable necessity.
3. Duties shall be performed impartially. In a Board Meeting, Company Directors and Executives shall not vote on matters which they have interests.
4. Conflicts of interests shall be administered prudently and reasonably, in adherence to the Company's interests, to ensure transparent management of operations.
5. The acquisition or disposal of assets of the Company, Company Directors and Executives, including their spouses and children who have not attained legal age, shall comply with the relevant rules and disclosure shall be made to the Board Meeting at the subsequent meeting.
6. Company Directors and Executives are prohibited from buying or selling Company shares in the 1-month period prior to the public disclosure of financial statements.
7. Company Directors and Executives must disclose personal interests and those of related persons in accordance with the prescribed rules.
8. There shall be regular appraisals of the Board of Directors' performance every year.

Employees

1. Employees must support and cooperate in the Company's activities on a regular basis. Assigned tasks must be performed to the best of ability in order to ensure good results and advancement of the Company and Employees.
2. Employees must comply with the relevant law, policies, terms of employment, regulations and notifications.
3. Persons contacting the Company must be treated courteously, hospitable and provided with excellent service in order to preserve the Company's image and reputation.
4. Trade secrets must be kept and any of the Company's confidential information must not be disclosed to third parties.
5. Loans should not be obtained from customers, persons connected to customers or business counterparts of the Company, except for loans obtained from a bank or financial institution.
6. Lawful orders of supervisors should be complied with.
7. There should be a commitment to teamwork, mutual assistance, harmony and mutual respect for the benefit of the Company and other Employees.
8. Co-workers must be treated generously and with good human relations. No groundless allegations should be made against others. Credit should not be claimed for the works of others.
9. Duties should be performed with determination, in earnest and honesty and the roles and responsibilities in the Company shall not be abused for the purpose of acquiring wrongful benefits for oneself or others.
10. Duties shall be performed responsibly, cautiously and without neglect in such a manner which could cause a loss of works or properties of the Company.
11. Employees should conduct themselves as good citizens who comply with the Constitution and relevant laws. Political rights shall be exercised appropriately. Employees shall also avoid involvement in any activity which is unlawful or inconsistent with public order or the good morals of the people.

2. Maintenance of Company Assets

Company Directors, Executives and Employees are under a duty and responsibility to efficiently maintain Company assets and assets under the care of the Company. In this regard, the following guidelines have been prescribed.

1. Assets shall be used for business operations and not used for personal gains or the gains of third parties.
2. Interests shall be protected and assets shall be cared for to prevent loss, damage or wrongful use pursuant to the standards of a reasonable man caring for one's property. Direct or indirect wrongful exploitation of benefits shall be eliminated.
3. Sufficient insurance protection from losses shall be obtained for assets.





4. The use of computers to harass, infringe, spy, corrupt another person's personal data or fabricate evidence which could lead to data theft shall be prohibited. An information security system consistent with international standards shall be installed.

5. E-mails and internet access provided shall be used for business purposes. They shall be used cautiously and not prejudice the Company's reputation.

6. Passwords for access to the Company's data shall be kept secret and shall not be disclosed to unauthorized persons.

7. The Company's intellectual property works shall not be reproduced, adapted or used for personal benefit or the benefit of others without authorization from the Company.

8. The supervisor shall be reported to of any finding of rights infringement or acts which could lead to a rights infringement or any act which could potentially lead to a dispute relating to the Company's intellectual property.

9. The safekeeping of important documents of the Company shall be overseen to ensure full compliance with the relevant laws and regulations. Upon the lapse of the safekeeping period, the relevant employee must oversee that the documents are destroyed by appropriate means.

3. Informants and Complaints

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.

The Company will hear and process all complaints impartially, transparently and fairly. Systematic and just measures for the protection of complainants are provided. Information provided by the complainant is kept confidential in the Company.

Measures for the Protection of Complainants

1. A complainant may choose to remain anonymous if he/she deems that disclosure could lead to insecurity or loss concerns.

2. The Company will keep relevant information secret and take into account the safety of the complainant. Measures have been prescribed for the protection of complainants who are employees, including those who cooperate in the investigation of facts. These persons will be protected from unfair treatment as a consequence of the complaint, e.g. disturbances during work, reassignment or termination of employment.

4. Interpretations

A supervisor shall be under a duty to take responsibility and give advice to subordinates to ensure knowledge and understanding as well as compliance with the prescribed Code of Conduct. If the Code of Conduct does not provide for any instance, or if there remains a question which renders performance not possible or that a decision cannot be made, the matter shall be consulted with the respectively higher level superior. In the case of a conflict, the decision of the Managing Director, Executive Board and Board of Directors shall be final.

2. Subcommittees

The Company's management structure comprises of the Board of Directors and three subcommittees to help supervise the critical issues of Directors, the Audit Committee, the Nomination and Remuneration Committee and the Good Governance and Risk Management Committee. In January 2017, the Company underwent organizational restructuring along with an adjustment of Executives' positions. Therefore, the Executive Board (the management), which is the unit in charge of the Company business management, would henceforth consist of the Executive Board, President, First Executive Vice President, Executive Vice President. Authority and duties of each committee and those of the President are prescribed in writing in respective charters and the Authority and Responsibilities of the President document which was approved by Board of Directors with the Company Secretary performing the duties required by the laws and assigned by the Board of Directors.

2.1 The Board of Directors has a high level of responsibility in overseeing and ensuring good corporate governance to maximize the Company's and its shareholders' benefits based on the Company's policies, objectives, rules, regulations, the Board of Directors' resolutions, resolutions from the shareholders' meetings and law. The Board of Directors shall possess



the qualities of accountability, careful discretion and integrity such as reasonable business people would do under the same business situations. It shall also use its trade bargaining power without exploiting the power from being a member of the Board of Directors. The Board of Directors is comprised of persons who have knowledge, capabilities and experience from relevant backgrounds. Moreover, the members must understand their roles and responsibilities as the Company's Directors and in the context of the Company's businesses. The details are shown below:

(1) The balance of Authority: The Board of Directors must be comprised of a minimum of five individuals. The required qualifications for each director are as follows:

- (1) An individual of juristic age
- (2) Must not be bankrupt, incompetent or quasi-incompetent
- (3) Must have never been imprisoned by a final verdict in connection with a fraudulent act
- (4) Must have never been handed punishment or removed from an organization or a government office in connection with a fraudulent act

The Board of Directors comprises of 18 Directors:

- | | | |
|-----------------------------|----|------------------|
| - Executive Directors | 6 | persons |
| - Non - Executive Directors | 12 | persons (66.67%) |

of the twelve non-executive Directors, six are independent Directors; Three of the six independent Directors are the Audit Committees and one female independent director. This is consistent with the independent Directors' ratio criterion which requires that a listed Company must have one-third of the Directors or, at least, three Directors being independent Directors. All Directors have the intention to perform their duties as assigned and trusted by the Board of Director and Shareholders and independent in giving their opinion, consideration and approval upon the maximum benefits of the Company.

(2) Directorial term: Directors serve the term specified in the articles of association of the Company. They may be reelected upon the completion of a term. The Nomination and Remuneration Committee screens qualified candidates to ensure that all Directors are adequately knowledgeable and experienced and possess expertise in various fields that suit the Company's business operations before nominating them to the Board of Directors for their consideration and expertise of the board

(3) A serving of term by investment, the number of companies for which the Directors serve; the age of Directors; and the number of terms allowed: We have not established requirements relating to the serving of term by investment, the number of companies for which the Directors serve, the age of Directors and number of terms allowed. This is because we believe that the ability to manage the business and the expertise of each director are not dependent upon their age or the number of companies for which they serve. Directors can remain in office for as long as they are committed to their duties as Company Directors and trusted by the Board of Directors and the shareholders.

The Company has announced the composition of its Board of Directors, including who will serve as Independent Directors. This includes their history, experience, share held in the Company and **the date and year that the Director assumed their position.** The Company has no Independent Director, who has served longer than nine years with no independent Directors serving as a director for more than five listed companies and has detailed the information of each of the Company's Directors in Forms 56-1 and 56-2. Presently, two Directors take the position of director of more than five listed companies. This gives confidence that the performance of these Directors will not be affected by their outside connections, as these 1 Director have indicated, they will be devoting the necessary time to conduct their duties for the Company, making sure they attend each meeting and create the greatest benefit possible for the Company at all times.

(4) The Aggregation or Separation of Positions: The Chairman of the Board, Chairman of Executive Board and President, are three separate positions occupied by three different individuals. Each of these three positions has separate responsibilities and should be considered independent of each other, with a clear separation of duties. The Chairman of the Board serves as an Independent Director, maintaining independence from the Company management. The Chairman provides leadership in the setting of policy and oversight of management. Furthermore, the Chairman is responsible for presiding over Board of Directors' meetings so that Directors may express their opinions freely, as well as make sure that Shareholders are able to raise any questions they feel are important at the General Shareholders Meeting. The Chairman of the Executive Board leads the operation and prepares operational plans which are consistent with the established policies while the President is independent, supervises the management to ensure compliance with the operational plans and the policies. Further, the Board of Directors Charter, the Executive Charter and, the President Authority and Responsibilities have all been clearly written. The authority is clearly compartmentalized for regulatory transparency.





(5) Company Directors and senior management should never have been an employee or shareholder of any of the Company's outside audit companies.

(6) Among the Board of Directors, no Independent Director shall serve as Director of more than 5 listed companies.

(7) Among the Board of Directors, there shall be at least 6 of 12 non-executive Directors that have experience relevant to the Company's operations.

In the past year:

- The Company did not take any serious actions against the rules and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- The Company did not commit any fraudulent activities or unethical practices.
- There was no resignation of any of the non-executive Directors with regard to the corporate governance of the Company.
- There were no incidents that led to the Company earning notoriety due to the Board of Directors' failure to perform their duties.

Authority of The Board of Directors

1. To appoint, remove and authorize consultants to the Board of Directors, to committees and/or other individuals
2. To approve loans of the amount greater than the authority of the Executive Board, to companies with a business relationship to the Company as shareholders, or to companies with a trading relationship or other companies
3. To approve guarantee of loans of the amount greater than the authority of the Executive Board, to companies with a business relationship with the Company as shareholders, or to companies with a trading relationship or other companies
4. To approve engagement in a legal act, that is a financial transaction of an amount greater than the authority of the Executive Board
5. To approve acceptance or deny 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 modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, deteriorated or out of date, which is of the amount greater than the authority of the Executive Board
9. To approve modification, change of price and destruction of raw materials and/or remaining inventories which are deteriorated or out of date, which is of the amount greater than the authority of the Executive Board
10. To approve compromise or settlement of dispute by arbitration, complaint, filing of lawsuits and/or any legal proceeding on behalf of the Company on matters which are not/or normal business course with an amount exceeding the authority of the Executive Board
11. 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
12. To approve incorporation, merger or dissolution of subsidiaries
13. To authorize the management, managerial Employees of the Company, or any other individual to act on their behalf
14. To invite members of the Management, Executives, or relevant Employees to provide explanations, opinions or documents as necessary
15. To consult with specialists or Company consultants (if any) or hire third-party consultants or specialists if necessary at the expense of the Company
16. To appoint and remove a Company Secretary

Remark : According to the resolution of the Board of Directors Meeting No.10 (Board #23) on February 10, 2017 approved the newly Board of Directors Charter which is effective on February 14, 2017 onwards. For more information please visit Company's website (www.spi.co.th).



Duties and Responsibilities

1. To establish directions, goals and business policies of the Company
2. To approve plans and annual budgets; 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, written in order for Company Directors, Executives and Employees to observe as guideline in the conduct of the business
4. To arrange for a sufficient internal control system in order to ensure that transactions are approved by authorized individuals, reviewed and recorded accounting reports; and, to implement systems preventing inappropriate use of Company assets
5. Transactions with a possible conflict of interests must be carefully reviewed, with a definite guideline to ensure the interests of both the Company and the shareholders. Individuals with interests may not be involved in the decision-making process. They must observe the requirements of the proper procedure and disclosure of transactions with regard to any possible conflict of interests.
6. To approve the reviewed and/or audited financial reports, that has previously 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 meetings upon a 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 and the share registration book closure date must be one day after the record date. This is in order to compile a list of names under Section 225 of the Securities and Exchange Act, which will 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 documents, 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 engage in any other action, which is beyond the authority of the Executive Board, or which the Board of Directors deems appropriate

Authority, duty, and responsibility scope of the Chairman

1. Take responsibility as the leader of The Board of Directors in monitoring and supervising the operations of The Board of Directors and various committees.
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.





2.2 Audit Committee The Board of Directors has appointed three Directors as members of the Audit Committee with one female independent director in accordance with the announcement of the Capital Market Supervisory Board to provide assistance to the Good Corporate Governance of the Board of Directors, particularly in the area of financial reporting, internal control and anti-corruption risk compliance with laws and regulations. Members of the Audit Committee are as below:

Name (Date of Appointment an Audit Committee)	Position	Term
1. Mr. Nophorn Bhongsvej - May 13 th , 2011	Chairman of Audit Committee With expertise in the areas of economic and accounting and finance	May 2016 - May 2017
2. POL.LT.GEN. Amarin Niemskul - May 15 th , 2007	Audit Committee	May 2016 - May 2017
3. Mrs. Punnee Worawuthichongsathit - April 25 th , 2016	Audit Committee With expertise in the areas of accounting and finance	May 2016 - May 2017

Authorities of The Audit Committee

1. To cooperate with the Auditor, Board of Director, and Internal Audit Division in order to create the same level of understanding
2. To invite Executives, members of the management, internal audit unit, or relevant Employees to provide explanations, opinions or documents as necessary. The Audit Committee also has the authority to access corporate documents of all levels
3. To inquire of relevant individuals and matters within the extent of authority and duties of the Audit Committee
4. To consult with specialists or Company consultants (if any), or hire third-party consultants or specialists, if necessary, at the expense of the Company

Duties and Responsibilities

1. To review correct and sufficient financial reporting of the company with reviewing the important accounting policy of the Company and disclose the date according to the International Financial Reporting Standards.
2. To review availability of appropriate and effective internal control and internal audit systems
3. To review the procedure in compliance with the Anti-corruption Policy
4. To consider the independence of the internal audit unit and, to consent on consideration of appointment, transfer and termination of the head of internal control unit
5. To approve the audit plan and to follow up the procedure in compliance with the internal audit unit plan.
6. To review that the company complies with the laws on securities and stock exchange, the Stock Exchange of Thailand regulations and laws relating to the business of the company
7. To consider, and nominate independent individuals as company auditors; to propose the compensation for such individuals; to obtain the General Meeting of Shareholders for appointment and to engage in a meeting with auditors without the presence of members of the management at least once a year
8. To review related transactions or transactions with possible conflict of interests to ensure compliance with the laws and regulations of the Stock Exchange of Thailand and notifications of Capital Market Commission , in order to ascertain that such transactions are reasonable and in the best interests of the company



9. To prepare the report of the Audit Committee for disclosure in the annual report of the company. The report must be signed by the Chairman of Audit Committee and contains the following information as a minimum:
 - (A) The opinion on correctness, completeness and credibility of the financial reports of the company
 - (B) The opinion on sufficiency of the internal control system of the company
 - (C) The opinion on compliance with the laws on securities and stock exchange, Stock Exchange of Thailand, regulations and laws relating to the business of the company
 - (D) The opinion on suitability of the auditors.
 - (E) The opinion on transactions with possible conflict of interests.
 - (F) The number of Audit Committee meetings and the attendance of each member.
 - (G) The overall opinion or observation regarding the Audit Committee performance of duties under this charter.
 - (H) Other matters which the Audit Committee believes that shareholders and investors should be aware of that are within the extent of duties and responsibilities assigned by the Board of Directors.
10. In the case where the Audit Committee finds or suspects any of the following matters, which may have significant effect on the financial status and the operation of the company, the Audit Committee must report to the Board of Directors for suitable remedy within a timeframe deemed appropriate by the Audit Committee:
 - (A) Transactions with conflict of interests.
 - (B) Corruption, fraud, irregularity or significant defect of the internal control system.
 - (C) Violation of the laws on securities and stock exchange, Stock Exchange of Thailand, regulations and laws relating to the business of the company.

In the case where the Board of Directors or the responsible executives do not remedy the matter within the timeframe specified by the Audit Committee, a member of the Audit Committee may report such a transaction or action to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.
11. To encourage the company to have an efficient risk management system and follow up on it.
12. To ensure the company has whistle-blowing and complaint channels related to transaction on inappropriate financial statements, corruption or any issue with procedure of protection and information secret of complainants including independent investigation and appropriated follow up.
13. To ensure the company has a management system with the Good Corporate Governance principles.
14. To review, update and revise the Audit Committee Charter and propose to the Board of Directors for approval.
15. To provide a self-assessment at least once a year.
16. To engage in any other action as assigned by the Board of Directors at the agreement of The Audit Committee under the authority of company regulations and the laws.

The Audit Committee is directly responsible to the Board of Directors for the performance of duties above while the Board of Directors is directly responsible for actions of the Company to third parties.

In the year 2016, the Audit Committee was comprised of 3 individuals. Two of these hold a high level of expertise in regards to financial accounting. A total of 15 meetings of the Audit Committee were held, in which all three members attended, representing more than 75% attendance rate. Furthermore, a **“Report of the Audit Committee” was disclosed in Forms 56-1 and 56-2** and included the following details:

- (1) Disclosure of the number of meetings throughout the year held by the Audit Committee
- (2) An assessment and review of the internal controls and risk management systems.
- (3) A review of all Connected Transaction Reports
- (4) Appointment of auditors, as well as a determination of their fees.
- (5) A review of financial reports.
- (6) Details of oversight to ensure adherence to all related policies, laws, rules and regulations as set forth by the government.
- (7) A general overview of the operations of the Audit Committee.



2.3 Nomination and Remuneration Committee The Board of Directors has appointed three Directors as members of Nomination and Remuneration Committee to provide assistance to the Good Corporate Governance of the Board of Directors.

Nomination To select and screen qualified individuals to be installed in the directorial positions of the Company to ensure that the process is thoroughly transparent.

Remuneration To determine the criteria and format of compensation paid to the Directors in order to ensure that it is fair and transparent. Members of Nomination and Remuneration Committee are as below:

Name (Date of Appointment a Nomination and Remuneration Committee)	Position	Term
1. Mr. Boonsithi Chokwatana - May 14th, 2007	Chairman of Nomination and Remuneration Committee	May 2016 - May 2017
2. Mr. Tanong Srichit - May 15th, 2008	Nomination and Remuneration Committee	May 2016 - May 2017
3. Miss Sirikul Dhanasarnsilp - Dec 15th, 2016	Nomination and Remuneration Committee	December 2016 — May 2017
4. Mrs. Chantra Purnariksha (She has resigned from her position of the Board of Directors on Dec. 1, 2016)	Nomination and Remuneration Committee	May 2016 — May 2017

Authority

1. To invite members of the management or relevant Employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or Company consultants (if any) or hire third-party consultants or specialists if necessary at the expense of the Company

Duties and Responsibilities

Nomination

1. To identify and screen individuals who are qualified to serve as Company Directors
2. To review the background of selected individuals to ensure that they are qualified by their knowledge, competence, experience and expertise in accordance with Company regulations and relevant laws
3. To provide selection opinions or recommendations for the consideration of the Board of Directors
4. To nominate selected individuals to the Board of Directors for consideration
5. To revise the Nomination and Remuneration Committee Charter, when needed and propose it to the Board of Directors for their approval
6. To engage in any other action as assigned by the Board of Directors

Remuneration

1. To evaluate the performance of the Board of Directors each year
2. To determine the remuneration of Company Directors on the basis of the operational performance of the Company, the amount of remuneration approved at the previous shareholders meeting and the amount paid in the prior year; and, to propose the determined amount to the Board of Directors for their consideration and to the shareholders meeting for approval
3. To determine the remuneration for Company Directors on the basis of performance, as well as, duties and responsibilities, this will not be in excess of the amount approved by the shareholders; and to propose the determined amount to the Board of Directors for approval



4. To determine the remuneration for members of the Nomination and Remuneration Committee (those who are not Company Directors) on the basis of performance as well as duties and responsibilities; and, to propose the determined amount to the Board of Directors for approval
5. To revise the Nomination and Remuneration Committee Charter and propose it to the Board of Directors for approval
6. To engage in any other action as assigned by the Board of Directors

2.4 Good Governance and Risk Management Committee The Board of Directors shall appoint the three company directors and two management and the Company Secretary to be the Good Governance and Risk Management Committee to support functions, duties and responsibilities of the Board of Directors. The Good Governance and Risk Management Committee shall help support the various activities to achieve the objectives and targets set in order to add the value of confidence to the shareholders and all related stakeholders. The lists of Good Governance and Risk Management Committee are detailed as follows:

Name	Position	Term
1. Mr. Nophorn Bhongsvej - August 4, 2015	Chairman of Good Governance and Risk Management	May 2016 — May 2017
2. Mr. Tanong Srichit - August 4, 2015	Good Governance and Risk Management	May 2016 — May 2017
3. Mr. Vichai Kulsomphob - December 15, 2016	Good Governance and Risk Management	Dec 2016 — May 2017
4. Mr. Chuto Chirakunakorn - August 4, 2015	Good Governance and Risk Management	May 2016 — May 2017
5. Mrs. Darunee Soontorntrumong - August 4, 2015	Good Governance and Risk Management	May 2016 — May 2017
6. Mrs. Chantra Purnariksha (She has resigned from her position of the Board of Directors on Dec. 1, 2016)	Good Governance and Risk Management	May 2016 — May 2017

Duties and Responsibilities

1. To have the authority to call for any related Management or Employees of the Company for an explanation, giving their opinion, meeting attendance or document submission as deemed necessary.
2. To consult with the experts or consultants with the Company (if any) or hire the external consultant or experts at the expense of the Company if necessary.
3. To have the authority to appoint the working team in order to implement in good governance and risk management across the organization.

Authorities

Good Governance

1. To review and update the Good Corporate Governance, Good Principles of Good Corporate Governance, Code of Ethics, and Code of Conducts for Executives and Employees, Anti-corruption Policy and Procedure in order to be in line with the changes in related business, regulations, announcement, rules, and laws.
2. To set the operational guidelines in accordance with the Principles of Good Governance, Anti-corruption, and to monitor, supervise, and assess the operation.





3. To promote and support the Board of Directors, Executives, and Employees to comply with the Principles of Good Governance and Anti-corruption.
4. To review the Charters of Good Governance and Risk Management Committee and propose to the Board of Directors for approval.
5. To perform any operation as assigned by the Board of Directors.

Risk Management

1. To clearly and continuously determine the policy and targets, plan, assess the risk, and provide the risk management system of the Company in order to deal with any significant risk and report to the Board of Director
2. To promote and encourage cooperation in risk management at all levels in the organization.
3. To monitor, supervise, and assess the performance in order to have appropriate and effective risk management by paying attention to all possible warning signs and irregularities.
4. To continuously develop effective risk management throughout the organization.
5. To review and amend the Charters of Good Governance and Risk Management Committees and propose to the Board of Directors for approval.
6. To perform any operation as assigned by the Board of Directors.

2.5 Executive Board The Board of Directors appoints the directors and/or other individuals who are Company employees or staff and/or outsiders to the post of a member of the Executive Board, provided that the said individuals have sufficient knowledge and experience to manage matters of the Company well. The Executive Board discharges duties assigned by the Board of Directors in an accountable, careful, truthful and honest manner as a reasonable person would under the same circumstances and with the authority to engage in trading negotiations without any influence from their status as a member of the Executive Board. The Executive Board is comprised of at least five members as follows:

Name	Position	Term
1. Mr. Boonsithi Chokwatana	Chairman of the Executive Board	May 2016 — May 2017
2. Mr. Tanong Srichit	Executive Director	May 2016 — May 2017
3. Mr. Vichai Kulsompob	Executive Director	May 2016 — May 2017
4. Mr. Samrerng Manoonpol	Executive Director	May 2016 — May 2017
5. Mr. Manu Leelanuwatana (Being as Director in July 21th, 2016)	Executive Director	July 2016 — May 2017
6. Miss Sirikul Dhanasarnsilp (Being as Director in July 21th, 2016)	Executive Director	July 2016 — May 2017
7. Mr. Manus Ongsaranakom (Being as Director in July 21th, 2016)	Executive Director	July 2016 — May 2017
8. Mrs. Chantra Purnariksha (She has resigned from her position of the Board of Directors on Dec. 1, 2016)	Executive Director	May 2016 — May 2017

Authorities

1. To appoint, discharge, transfer, evaluate and determine compensation and welfare of Employees of different levels.
2. To appoint and discharge any other working committee to carry out actions necessary for the management of the Company.
3. To issue regulations and announcements on the 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 companies related to the Company as shareholders, trading parties or other companies, provided that the amount not exceed 20 million Baht.
5. To approve a guarantee of loans for companies related to the Company as shareholders, trading parties or other companies, provided that the amount not exceed 20 million Baht.
6. To approve engagement in non-financial juristic actions provided that the amount not exceed 20 million Baht.
7. To approve acceptance or to deny loans provided that the amount not exceed 20 million Baht.
8. To approve the investment, the sale of investment capital in ordinary shares and/or any other securities provided that the amount not exceed 20 million Baht.
9. To approve sourcing and investment in fixed assets, provided that the amount not exceed 20 million Baht.
10. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, deteriorated or out of date, provided that the book value not exceed 20 million Baht.
11. To approve the 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 not exceed 20 million Baht.
12. To approve compromise or settlement of dispute by arbitration, complaint, filing of lawsuits and/or any legal proceeding on behalf of the Company on matters which are not normal business course of the value not exceeding 2 million Baht and/or the amount must not exceed 20 million Baht in such case of a normal business course.
13. To authorize Executives of the Company or other individuals to act on their behalf.
14. To invite members of the management or relevant Employees to provide explanations, opinions or documents as necessary.
15. To consult with specialists or Company consultants (if any) or hire third-party consultants or specialists if necessary at the expense of the Company.
16. To stipulate any other regulations as deemed appropriate.

Remark : According to the resolution of the Board of Directors Meeting No.10 (Board #23) on February 10, 2017 approved the newly Executive Board Charter which is effective on February 14, 2017 onwards. For more information please visit the Company's website (www.spi.co.th).

Duties and Responsibilities

1. To propose goals, policies, operational plans and annual budgets to the Board of Directors.
2. To manage the business of the Company in accordance with the directions, goals and business policies of the Company.
3. To enhance the competitiveness of the Company and encourage continuous innovation.
4. To ensure that the operation of the Company is consistent with the laws, Company objectives and regulations, shareholders meeting resolutions, Board of Directors resolutions and relevant regulations.
5. Members of the Executive Board may distribute responsibilities among themselves, provided that the Executive Board be kept informed of the progress of the matter each member oversees.
6. To arrange for financial statements to be prepared in order for the auditors to audit and/or review prior to a proposal to the Audit Committee and the Board of Directors respectively.
7. To review matters to be proposed to the Board of Directors for approval.
8. To revise the Executive Board Charter and propose it to the Board of Directors for approval.
9. To engage in any other action as assigned by the Board of Directors.





Meeting Attendance of the Executive Board in 2016

The Executive Board convenes in meetings with other members of the management once a month.

These meetings are scheduled in advance throughout the year as follows:

Name		No. of Attendance
1.	Mr. Boonsithi Chokwatana	12/12
2.	Mr. Tanong Srichit	8/12
3.	Mr. Vichai Kulsomphob	10/12
4.	Mr. Samrerng Manoonpol	12/12
5.	Mr. Manu Leelanuwatana (Being as Director in July 21th, 2016)	5/5
6.	Miss Sirikul Dhanasarnsilp (Being as Director in July 21th, 2016)	5/5
7.	Mr. Manus Ongsaranakom (Being as Director in July 21th, 2016)	5/5
8.	Mrs. Chantra Purnariksha (She has resigned from her position of the Board of Directors on Dec. 1, 2016)	11/11

2.6 Executives The Executives, as of January 12, 2017, There is a company's structure organization which appointed the Executive position consists of:

Name		Position
1.	Mr. Tanong Srichit	President
2.	Mr. Vichai Kulsomphob	First Executive Vice President and Chief Financial Officer
3.	Mr. Chuto Chirakunakorn	Assistant Vice President
4.	Mrs. Tasanee Intapura	Office Administration Manager
5.	Mr. Sontaya Tabkhan	Environment Manager
6.	Mr. Tinakorn Bunnag	Land Development Manager
7.	Mr. Watchara Yaemkaew	Landscape Manager
8.	Mr. Amphol Wattanaworaphong	Property Marketing Manager

The above personnel serves as the Executives as defined by the Securities and Exchange Commission.

Authority and Responsibilities of the President

The Board of Directors shall appoint the President with authority and responsibilities as follows:

1. To manage the business of the company in accordance with the policies, the laws, the objectives, the company regulations, the shareholders meeting resolutions, the Board of Directors resolutions, the Executive Board resolutions and relevant regulations.
2. To authorize any necessary and appropriate action to accomplish the deeds under Clause 1, and, in the case of any significant matter, the President needs to report to and/or notify the Board of Directors and/or the Executive Board of the matter.
3. To manage, put, remove, transfer, reward, issue disciplinary measures against, or issue compensation and



welfare for employees, provided that such actions not interfere with the authority of the Executive Board.

4. To prescribe regulations for the operation of the company, which are not contradictory to any policy, regulation, requirement, order or resolution of the Board of Directors and/or the Executive Board.
5. The President has the authority to procure or invest in fixed assets for an amount not exceeding 500,000 Baht on each occasion.
 - In the case where the amount is in excess of 500,000 Baht but does not exceed 1,000,000 Baht, the President must sign in conjunction with one Executive Director or First Senior First Executive Vice President or the First Executive Vice President.
6. The President has the authority to offer investment in ordinary shares and/or any other securities by the Company for the amount not exceeding 500,000 Baht on each occasion.
 - In the case where the amount is in excess of 500,000 Baht but does not exceed 1,000,000 Baht, the President must sign in conjunction with one Executive Director or the First Senior First Executive Vice President or the First Executive Vice President.
7. Possess the approval authority for all legal contracts except for the contracts related to payments that will be approved based on a credit limit of not more than 500,000 Baht at a time.
 - In the case where the amount is in excess of 500,000 Baht but does not exceed 1,000,000 Baht, the President must sign in conjunction with one Executive Director or First Senior First Executive Vice President or the First Executive Vice President.
8. To authorize and/or assign another individual or other individuals to perform certain tasks on behalf of the President
9. The above authority of the President cannot be exercised in the case where the President is a stakeholder or has a conflict of interests in any manner with the company.
10. In the case that there is any doubt or uncertainty regarding the exercise of any of the above authority, the matter is to be presented to the Board of Directors for their consideration.
11. To engage in any other action as assigned by the Board of Directors and/or the Executive Board.

Remark : According to the resolution of the Board of Directors Meeting No.10 (Board #23) on February 10, 2017 approved the newly Authority and Responsibilities of the President Charter which is effective on February 14, 2017 onwards. For more information please visit the Company's website (www.spi.co.th).

Authorities and Responsibilities of Other Key Executives

1. To ensure that the company operation is in compliance with policies, laws, objectives, company regulations, Executive Board resolutions, Board of Directors resolutions and shareholders meeting resolutions in a responsible, cautious and honest manner
2. To observe the good corporate governance principle established by the Board of Directors
3. To engage in other duties as assigned by the President, the Executive Board and the Board of Directors

3. Nomination and Appointment of Company Directors and Executives

3.1 Independent Directors

The Independent Directors shall be responsible for the nomination and selection of individuals who are qualified by law as well as various other restrictions set forth by the Company. Furthermore, such individuals must not be lacking in the trustworthiness necessary to perform the duties consistent with a publicly-traded company. Such restrictions have been set forth by the Securities and Exchange Commission and cover the areas of knowledge, abilities, experience, required expertise, and moral vision necessary. Individuals must conduct themselves in a fair manner and be able to express their opinions freely. When selecting independent directors, the individuals under consideration must meet criteria as defined by the Company's Independent Directors before having their names submitted to the Company's Board of Directors. Consideration will also be





made by shareholder vote.

“Independent Director” means the individual fully qualified and able to act as an independent party outside the influence of management or large shareholders. The Company’s definition of “Independent Director” follows an announcement made by the Securities and Exchange Commission as follows:

(1) Not to hold shares with voting rights larger than a 1% stake of the Company, its subsidiaries, partner companies, major shareholders, or controlling agencies. This includes any shares held by persons related to the Independent Director.

(2) Not be or have ever been a director with a management authority, an employee, a staff member, a consultant with a regular salary, or an individual with an administrative power of the Company, its subsidiaries nor joint ventures. An Independent Director is also required not to be a major shareholder with an administrative power of the Company, except if he or she has been no longer involved with such position for more than two years on the day he or she is appointed as an Independent Director. However, such restrictions under this Clause do not prohibit an Independent Director from being a civil servant or a consultant of a civil service agency which may be a major shareholder or a party with an administrative power within the Company.

(3) Not related by blood or law as father, mother, spouse, sibling or child, spouse of son or daughter of executives, major shareholders, individuals with the authority to control the company or candidates for the position of an executive or an individual with the authority to control the company or an associate.

(4) Not having or having had a business relationship with the company, the parent company, the subsidiaries, the associates major shareholder, or control person of the company in such a manner that his or her exercise of independent discretion may be obstructed. Further, the individual must not be or have been a significant shareholder, control person of a party with business relationship with the company, the parent company, the subsidiaries, the associates, the major shareholders or the parties with control person of the company, with the exception of the case where the individual has retired from such a position for a minimum of two years prior to the date of appointment as an independent director.

The business relationship as described in paragraph one is inclusive of normal trading transactions for the conduct of business; lease or letting of immovable; transactions relating to assets or service; provision or acceptance of financial assistance through acceptance or provision of loans and guarantees, including other similar practices which result in the company or the party to the agreement being under an obligation of debt towards the other party for an amount from three percent of the net tangible assets of the company or from twenty million Baht, whichever is lower. The calculation of such debt obligation is to be as per the method for the calculation of connected transaction value of the Announcement of the Capital Market Committee on Related Transaction Criteria with exceptions. Nevertheless, the consideration of such debt obligation should be accumulative of debt obligation arising within the period of one year prior to the day of business relationship with the same person.

(5) Not serving or having served as an auditor of the company, the parent company, the subsidiaries, the associates, the major shareholders, or a control person of the company; and, not a significant shareholder, nor a control person of or a partner of the auditing office where the auditor of the company, the parent company, the subsidiaries, the associates, the major shareholders or the control person of the company, with the exception of the case where the individual has retired from such a position for a minimum of two years prior to the date of appointment as an independent director.

(6) Not serving or having served as a professional service provider including a legal or financial consultant who is or has been paid over two million Baht per year in service fee by the company, the parent company, the subsidiaries, the associates, the major shareholders or a control person of the company. Not a significant shareholder, a party with the capacity to control or a partner of the said professional service provider, with the exception of the case where the individual has retired from such a position for a minimum of two years prior to the date of appointment as an Independent Director.

(7) Must not be a director appointed to represent a director of the company, a major shareholder or a shareholder who is related to a major shareholder.

(8) Not engaged in a business which is of the same nature as, or in competition with, that of the company or the subsidiaries. Not a significant partner of a partnership or a director with involvement in the administration, nor an employee, a staff member, a consultant with a regular salary, nor a shareholder with more than one percent of all shares with voting rights of another company which is engaged in a business of the same nature as, or in competition with, that of the company or the subsidiaries.

(9) Not of any other quality which affects the ability to opine freely on the operation of the company.



After having been appointed as an independent director following the qualifications specified in Clauses (1) through (9) above, the independent director may be assigned by the Board of Directors to make decisions on the operation of the company, the parent company, the associates, the major shareholders or the control persons of the company in the manner of a collective decision.

Throughout the previous financial year, the independent directors had no business relationship or professional service provider or a person who has been appointed as an independent director has or has had no a business relationship or not providing professional services in excess of the guidelines stipulated in the Notification of the Capital Market Supervisory Board on the approval and permission of offering of newly issued shares.

3.2 Nomination of Company Directors and Executives

The Nomination and Remuneration Committee shall screen the qualified individuals for nomination to the Board of Directors as a director to fill vacant posts for a subsequent proposal to the shareholders meeting, with the exception of the case where the post became vacant due to a reason other than completion of the term. The Committee must perform its duties in accordance with company regulations. In the case where the post is that of an Independent Director, **the nominated individual** must possess all qualifications required by The Office of the Securities and Exchange Commission.

It is also important to note that minor shareholders also have the right to nominate individuals to be elected as directors, at the shareholders annual general meeting in accordance with the prescribed criteria which can be viewed on the company website at www.spi.co.th.

1. Board of Directors

Composition and Election According to the Articles of Association, Chapter 3 'Board of Directors', Clause 18 and Charters, the shareholders meeting determines the number of desired directors, but it shall not be fewer than five. The individuals to be appointed as directors must not have prohibited characteristics as specified by the law or company regulations, or must not be described as inappropriate or untrustworthy to manage a business the shares of which are held by the public, as per regulations specified by the Securities and Exchange Commission.

At least half of all directors must reside in the Kingdom of Thailand. The number of independent directors and Audit Committee must be in accordance with the announcement of the Capital Market Supervisory Board.

Directorial Election Procedure According to the Articles of Association, Chapter 3, 'The Board of Directors', Clause 20, the shareholders meeting is to elect directors in accordance with the following criteria and procedure:

- (1) A shareholder shall have one vote for one share.
- (2) Each shareholder must exercise all of the votes he or she has under Clause (1) 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.
- (3) The persons having the highest number of votes to the lower number of votes in the order shall be elected as the directors equal to the number of directors to be elected by the Shareholders' Meeting in such election. Where the number of votes for the candidate's in descending order are equal which would otherwise cause the number of directors to be elected by the Shareholders' Meeting to be exceeded in such election, the Chairman shall have a casting vote.

Term of Service

(A) Term Completion: In accordance with Articles of Association Chapter 3, 'Board of Directors' No. 21 and the Company Charters, one-third of the directors have to retire from the post at each annual general meeting. In the case where the number of directors cannot be divided by three, the number of directors to retire is to be closest to one-third. During the first two years after the company's registration, a lottery draw needs to be cast among company directors to identify the one-third directors who have to retire at each annual general meeting. After the first two years, the lottery draw is no longer needed as the longest-serving directors are asked to retire. Directors who retire from the post may be re-elected

(B) Non-Term Completion

1. In accordance with Articles of Association Chapter 3, 'Board of Directors', Clause 22 and Clause 24, the Directors shall be discharged from the post (in a case other than completion of term) under the following circumstances:

- 1.1 Death
- 1.2 Resignation
- 1.3 Lack of required qualifications or having a prohibited character as specified by the law or company





regulations

1.4 Being described as inappropriate or untrustworthy to manage a business the shares of which are held by the public, as per regulations specified by the Securities and Exchange Commission

1.5 Removal from office at the resolution of a shareholders meeting

1.6 Removal by court order

When a post of a director becomes vacant due to a reason other than completion of the term, and the remaining term is more than two months, the Board of Directors is to select a qualified individual who is free of any prohibited characteristics as a replacement at the next Board of Directors meeting. The replacement member is to serve for only the remaining term of the substituted Director.

2. According to Articles of Association, Chapter 3 'Board of Directors', Clause 25, the shareholders meeting may pass a resolution removing any director prematurely with at least three-fourths of the votes of present and eligible shareholders who have in total the number of shares of at least half of the shares held by present and eligible shareholders.

The Company has not fixed the maximum term for Directors as we believe that the ability to manage the business and the expertise of each director are not dependent upon their age. Directors can remain in office for as long as they are committed to their duties as company directors and trusted by the Board of Directors and the shareholders. However, it is the authority of shareholders to elect individuals as directors to establish policies and act on their behalf.

2. Audit Committee

Composition and Appointment: The Audit Committee shall consist of at least three individuals. All individuals shall be company directors who are qualified as members of the Audit Committee as per the following Capital Market Supervisory Board requirements:

1. Having been appointed by the Board of Directors or at a shareholders meeting
2. Being an independent director
3. Not having been assigned by the Board of Directors to make decisions concerning the operation of the parent company, a subsidiary, an affiliate, a subsidiary of the same level or a juristic person with any possible conflict of interests
4. Not being a director of the parent company, a subsidiary, a subsidiary of the same level which is a listed company
5. Having sufficient knowledge and experience to perform duties as a member of the Audit Committee.

Provided that at least one member of the Audit Committee has sufficient knowledge and experience to review the credibility of financial statements.

In the case where a change of Audit Committee member qualifications is made by the Capital Market Supervisory Board, the above qualifications must be changed to reflect accordingly.

Term of Service

(A) Term Completion: In accordance with the charter, it serves a term of one year from the day on which a resolution is passed for the appointment. Once a term is completed, and a replacement Audit Committee has not been appointed by the Board of Directors or a shareholders meeting, the outgoing Audit Committee must continue to serve until a replacement Audit Committee is appointed. An appointment must be completed within two months from the day on which the outgoing Audit Committee completes their term. The member of the Audit Committee, who has completed a term, may be reappointed.

(B) Non-Term Completion: In accordance with the Company Charter, audit committee members are to retire from the post (in a case other than completion of term) under the following circumstances:

1. Death
2. Resignation
3. Termination of the post as a company director
4. Premature removal from office at the resolution of the Board of Directors
5. Disqualification as pronounced by the Capital Market Supervisory Board

In the case where a position in the Audit Committee becomes vacant due to a reason other than completion of the term and where the remaining term is longer than two months, the Board of Directors



or the shareholders meeting shall appoint a properly qualified individual to replace the vacant post at the next meeting. The replacement member is to serve for only the remaining term of the substituted member.

The Company has not fixed the maximum number of the Audit Committee, depending on the consideration of the Board of Directors.

3. Nomination and Remuneration Committee

Composition and Appointment: According to the Company Charter, the Nomination and Remuneration Committee shall consist of at least three individuals. The Board of Directors is to appoint company directors and/or other individuals to the posts. The appointees must have sufficient knowledge and experience to nominate company directors and determine their remuneration.

Term of Service

(A) Term Completion: According to the Company Charter, it serves a term of one year from the day on which a resolution is passed for the appointment. When a term is completed, and a replacement Nomination and Remuneration Committee has not been appointed by the Board of Directors, the outgoing Nomination and Remuneration Committee must continue to serve until a replacement Nomination, and Remuneration Committee is appointed. An appointment must be completed within two months from the day on which the outgoing Nomination and Remuneration Committee completes their term. Members of the Nomination and Remuneration Committee who have completed a term may be reappointed.

(B) Non-Term Completion: In accordance with the Charter, nomination and remuneration committee are to retire from the post (in a case other than completion of term) under the following circumstances:

1. Death
2. Resignation
3. Removal from office at the resolution of the Board of Directors

In the case where a position in the Nomination and Remuneration Committee becomes vacant due to a reason other than completion of the term and where the remaining term is longer than two months, the Board of Directors shall appoint a suitably qualified individual to replace the vacant post at the next meeting. The replacement member is to serve for only the remaining term of the substituted member.

The Company has not fixed the maximum number of the Nomination and Remuneration Committee, depending on the consideration of the Board of Directors.

4. Good Governance and Risk Management Committee

Composition and Appointment: According to the Company Charter, the Good Governance and Risk Management Committee shall consist of at least three individuals. The Board of Directors is to appoint the Company Directors and/or other individuals (i.e. staff or employees of the company and/or third parties) to the posts. The appointees must have sufficient knowledge and experience to manage the business of the company well.

Term of Service

(A) Term Completion: According to the Company Charter, the Good Governance and Risk Management Committee serves a term of one year from the day on which a resolution is passed for the appointment. When a term is completed, and the new Good Governance and Risk Management Committee has not been appointed by the Board of Directors, the outgoing Good Governance and Risk Management Committee must continue to serve until a replacement Good Governance, and Risk Management Committee is appointed. An appointment must be completed within two months from the day on which the outgoing Good Governance and Risk Management Committee completes their term. The member of the Good Governance and Risk Management Committee who have completed a term may be reappointed.

(B) Non-Term Completion: According to the Company Charter, the Executive Board shall leave the post (in a case other than completion of term) under the following circumstances:

1. Death
2. Resignation
3. Removal from office at the resolution of the Board of Directors



In the case where a position in the Good Governance and Risk Management Committee becomes vacant due to a reason other than completion of the term and where the remaining term is longer than two months, the Board of Directors shall appoint a suitably qualified individual to replace the vacant post at the next meeting. The replacement member is to serve for only the remaining term of the substituted member.

The Company has not fixed the maximum number of the Good Governance and Risk Management Committee, depending on the consideration of the Board of Directors.

5. **Executive Board**

Composition and Appointment: According to the Company Charter, the Executive Board shall consist of at least five individuals. The Board of Directors is to appoint company directors and/or other individuals (i.e. staff or employees of the company and/or third parties) to the posts. The appointees must have sufficient knowledge and experience to manage the business of the company well.

Term of Service

(A) Term Completion: According to the Company Charter, the Executive Board serves a term of one year from the day on which a resolution is passed for the appointment. When a term is completed, and a replacement Executive Board has not been appointed by the Board of Directors, the outgoing Executive Board must continue to serve until a replacement Executive Board is appointed. An appointment must be completed within two months from the day on which the outgoing Executive Board completes their term. Members of the Executive Board who have completed a term may be reappointed.

(B) Non-Term Completion In accordance with the Charter, executive board members are to retire the post (in a case other than completion of term) under the following circumstances:

1. Death
2. Resignation
3. Being described as inappropriate or untrustworthy to manage a business the shares of which is held by the public, as per regulations specified by Capital Market Supervisory Board
4. Removal from office at the resolution of the Board of Directors

In the case where a position in the Executive Board becomes vacant due to a reason other than completion of term and where the remaining term is longer than two months, the Board of Directors shall appoint a suitably qualified individual to replace the vacant post at the next meeting. The replacement member is to serve for only the remaining term of the member whom he/she replaces.

6. **Appointment of President, First Executives Vice President and Assistant Executives Vice President:**

The aforementioned personnel shall be appointed at Board of Directors meetings in consideration of knowledge, capability, experience, and Company's operation.

7. Appointment of Other Executives: The management is responsible for the appointment of other executives in accordance with the Company Regulations. Competent and appropriate employees are considered as candidates.

4. **Corporate Governance of Subsidiaries and Jointed Venture**

The Company has no subsidiaries but jointed venture. The Company considers the potential of the investment and will jointly invest with other companies. Saha Group has a team of senior management members which considers the Companies business, knowledge skills and expertise of directors or executives to represent the group as a joint venture or contractual joint venture. They have a responsibility to ensure the best interests of the joint venture that the Company has no control over. Administrative power is up to the board of the company.



5. Control of Internal Data Usage

The Company has performed in accordance with good corporate governance in Article: Control of Internal Data Usage, which determines in writing of the **Code of Ethics, “Conflict of Interests and Code of Conduct for the Company Directors, Executives, and Employees.** These require that directors, executives, and employees perform their duties with great honesty, responsibility, discipline and in good conscience towards themselves and others. They must not use their position to gain benefits for themselves and/or others in an inappropriate way or use company information or assets in such a way that benefits themselves and/or others. Further, they must not engage in any act which constitutes the encouragement of any individual to engage in a business which is competitive with that of the Company, including regulations on the purchase and sales of Company’s securities. The Company Directors, Executives, and Employees responsible for the internal data of the Company are prohibited to buy/sell the Company’s securities in a period of one month prior to public disclosure. Every quarter, the Company Secretary has delivered the notification letter to the Company Directors, Executives, and other related persons for a prohibited period of purchase/sales of shares until another 24 hours passed since the information disclosed publicly.

In addition, the Board of Directors and Executives, including spouses and minor children are obliged to report on their holding shares to The Securities and Exchange Commission and the Board of Directors at the next meeting. The Company also sets guidelines for the Board of Directors and Executives to report the transactions that may be related to the interest of the Board of Directors, Executives, and related persons at the first positioning date and after any change of information are made. The Company Secretary will submit the copies of change of interest report to the Chairman of the Board and Chairman of the Audit Committee within seven days from the date of report receipt.

The Policies on Good Corporate Governance, Five Principles of Good Corporate Governance, Code of Ethics, and Code of Conduct for the Executives and the Employees are handed out to Company Directors, Executives, and Employees, including a disclosure on the Company’s website (www.spi.co.th) to be used as their operational guidelines and principles.

Moreover, the most severe disciplinary punishment established by the Company is the termination of employment. All directors, executives and staff are aware of this and act accordingly. Most directors, executives and employees have been with the Company for a long time. They are honest and loyal to the Company in such a way that they would look out for the inappropriate use of a company asset. Presently, authority in this area is prescribed in writing and through discussion among the Management.

6. Auditor’s Fee

6.1 Audit Fee

The Audit Committee considered to select and proposed to appoint DIA INTERNATIONAL AUDIT CO.LTD., to be the Company’s Auditor for the previous financial year and determined the remuneration of the auditor’s fee as follows:

1. Review of the financial statement for 1st, 2nd, 3rd, 4th quarters	600,000.-	บาท
2. Audit fee for the year ended 31 December 2015	710,000.-	บาท
3. Service fee for review of the work by other auditors	<u>250,000.-</u>	บาท
Total	<u>1,560,000.-</u>	บาท

6.2 Non-Audit Fee

The Company paid for other services fee to the Company’s Auditor, DIA INTERNATIONAL AUDIT CO.LTD., during the previous financial year as follows:

Review Fee (Royalty Income)	40,000.-	Baht
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Other service fee to be paid in advance due to the uncompleted service for the previous financial year:

-None-





7. Compliance with Other Principles of Good Corporate Governance

The Company seeks to comply with good Principles of Good Corporate Governance and acts as for companies listed on the Stock Exchange of Thailand on matters other than the matters disclosed above as follows:

Directors' Orientation and Handbook

Newly appointed directors are introduced at the Board of Directors meeting. They are given the business policy, the director's manual and the annual report for the purpose of reference. The director's manual has been revised and distributed to all directors and executives for their use. It contains information on the followings:

1. Comparison of the company's regulations, The Public Company Act, Securities and Exchange Act and Good Principles of Good Corporate Governance on topics concerning the performance of directors and executives such as the Board of Directors meeting, the Board of Directors duties and responsibilities, validity of the Board of Directors actions, and, directorial elections.
2. Charters of each subcommittee
3. Good Principles of Good Corporate Governance including Code of Ethics and Code of Conduct

Board of Directors' Self-Evaluation

The Board of Directors arranged for an assessment to be done on its effectiveness during 2015. This represented a series of opinions of each of the Directors towards the overall workings of the Board. Individual scores were given for a variety of different areas, and the averages of these scores were used to rank each area according to how well they performed. These scores are taken each year for historical comparison to better help the Board understand the issues and obstacles it faces. In 2016, it was found that the effectiveness of the Board of Directors increased to a level of 80.99%. These findings were then reported to the Board of Directors. There are evaluations in 13 main topics as follows;

1. Board of Directors' satisfaction in the results of Board of Directors work overall, corporate operation results and problems solving of the management team.
2. Board of Directors' understanding of duties and roles, company business and company strategy.
3. A good relationship between Board of Directors and Management Team.
4. President's role is clearly set.
5. The process of working evaluation of President is suitable.
6. Affiliated companies and subcommittee work efficiently.
7. Board of Directors allocates time to consider the following clauses sufficiently and suitably; company's policies and directions, corporate operation results and company's solution to solve the working problems, if it did not meet the target.
8. Board of Directors has self-arrangement prior to every meeting.
9. Board of Directors is able to express opinions freely.
10. Board of Directors expresses opinions fairly
11. Chairman gives an opportunity and supports every Director to express opinions freely.
12. Board of Directors believes that investors have confidence in the Board of Directors.
13. Company Corporate Governance is acceptable among employees.

Report on the Company Board of Directors' Responsibilities to Financial Statements

The Board recognizes the responsibility, reliability and accuracy of financial information for the consideration of shareholders or investors. The Company has prepared the responsibility of the Board of Directors to the Financial Report, which will be signed by the Chairman and the President stated in the **Annual Statement (Form 56-1) and Annual Report (Form 56-2)**.



Board of Directors Meetings

The Board of Directors places great importance on their meetings, and it is regarded as an important obligation for them to participate in such meetings to acknowledge and decide upon any important matters affecting the business operations of the Company. In 2016, there was a total of 12 Board of Directors meetings - the timings of which were pre-determined and notified to concerned individuals in advance. The Company Secretary would deliver a notice to the directors, informing them of the agendas including matters for acknowledgement and matters for consideration, and, minutes of the previous meeting, together with relevant documents in order that the directors may review the matters at the statutorily required timeframe as specified in the relevant laws and company regulations - which is at least 7 days, or 5 working days prior to the date of each meeting. The Form 59-2 is enclosed as well to remind directors to report any change in their holding of company shares during the past month. The Chairman of the Board of Directors and the President would jointly determine the agendas and all directors are allowed to submit matters for inclusion as Board of Directors meeting agendas through the Company Secretary. Additional information can be sought from the President and the Company Secretary.

At the Board of Directors meetings, the Chairman of the Board of Directors serves as the chairman of the meeting and conducts it in such a manner, as to comply with the agenda as follows:

Consequential Matter: This is a report to monitor the performance of the previous board meeting.

Agendas to be informed: This agenda includes important matters that took place during the past month, such as the operation report on how well the operation team has performed according to the Board of Directors' agreed procedures, the report on the business performance during the past month, or the report on shares transfers of the company directors to show any directors, spouse, or under-aged children shareholding change.

Agendas to be considered: Agendas proposed to the Board of Directors for their agreement or approval. Directors with vested interests in the matter must leave the room and refrain from voting on the agenda. The Chairman of the Board of Directors allows and encourages all directors to voice their opinion freely. Directors can discuss and opine openly. The chairman of the meeting compiles the information shared and conducts the meeting by the discussion of each agenda and concludes within an appropriate time. Decisions are made on the majority vote with one director equaling one vote. In the case of a tie, the chairman of the meeting is to cast the final deciding vote.

Apart from executives who are also company directors, sometimes, the Board of Directors' meetings may be attended by other executives who are directly involved with any particular matter being discussed.

At the end of each meeting, the company secretary is responsible for preparing the meeting minutes in writing and preparing them ready for any future review. Moreover, if necessary, a separate meeting can also be conducted between company directors who are not executives of the company and to inform the Board of Directors.

The Board of Directors offer the non-executive directors the chance to attend the meeting themselves and subsequently report to the Board of Directors.

In 2016, there were 12 Board of Directors meetings. The meeting attendance for each company is disclosed under **Management structure**. The directors participated in the meetings for more than 75% of all this year's meeting.



Internal Control and Risk Management

1. The Company Board of Directors opinions on the Company's Internal Control Systems in respects of the sufficiency and appropriateness

The Board of Directors No.11 (Board #23) was held on 15 March 2017. **There were a total of six independent directors in attendance; three of them were also members of the Audit Committee.** During this meeting, the members of the Board assessed the effectiveness and proficiency of the Company's Internal Control systems during 2016. This assessment used an appraisal form that has been provided by the Securities and Exchange Commission, utilizing a COSO Concept that served as the basis for a new framework. Information was provided by members of the management. The Audit Committee was the body that oversaw the assessment process. It was found that the Company's operations were conducted according to its objectives, and no major infractions or violations have occurred and follow relevant laws. The meeting summarized that internal control system of the Company assessment of five different areas, **it was determined by the Company Board of Directors that all internal control systems of the Company have been sufficient and appropriate in accordance with its current operations.** The audit department which consists of the Company personnel, has also been sufficiently provided in conducting its duties on a regular basic according to the internal audit plan with independent manner and directly presented its reports to the Audit Committee. Furthermore, it has been able to support any duties of Audit Committee in order to comply with the systems in an efficient manner, as outlined below;

Internal Control

The Company attaches importance to the internal control system which fosters an environment that caters for the effective implementation of the system. The company vision, mission, goals and a clear, measurable business plan are determined based on the principle of integrity while taking into account fairness to the employees, customers, business partners and competitors; and responsibility toward shareholders, communities, society and the environment. The internal control system also serves as a guideline for the Executives and employees, and has undergone reviews on a regular basis.

The Company has established an organizational structure and charter for each of its committees. Authorities and responsibilities have separately assigned to the President and Executives so that they can operate effectively. Additionally, it has been set corporate governance policies, 5 chapters of principles of good corporate governance, business ethics and a code of conduct for Company Directors, Executive and Employees, which in writing as well as in video and communicated them as guidelines for the business operations. All duties are to be performed with integrity and so as not to pose a conflict of interests with the Company and also anti corruption that the Company's reputation will not be damaged and any losses may be avoided which supported the internal control system is more effective. The audit department operates systematically under the supervision of the Audit Committee to ensure that Company's assets are being used properly. This includes monitoring and assessment of operations to ensure they are in line with good corporate governance. In the event of any breach in compliance, the Company can levy punitive and corrective measures in an appropriate and timely manner according to the code of conduct and any related laws.

The Company has clearly separated the duties of the Board of Directors from the Executives by reserving the specific authorities for only the Board of Directors. Additionally, the Company has determined its outstanding operational targets to be used as guidelines of the operation for both Executives and employees of the Company.

The Company's reporting structure is also in placed in order to determine the appropriate authority and responsibility to achieve the objectives under the supervision of the Board of Directors.

Personnel policy, the Company has a set of policies and procedures that oversee the recruitment of staff. These policies assist in installing integrity and ethics in the employees from their induction and during their orientation period. The Company conducts training plan and personnel development on regular basic and continuously for personnel development to fully understand employee capabilities and to assure they are able to conduct their duties.

Risk Assessment

The Board of Directors and Executives realize the importance of risk management and take preventive measures to reduce and avoid the effects of undesirable incidents that may affect the Company's objectives, as well as its goals and



strategies. The Company has instilled risk consciousness in its personnel at all levels to ensure that they are aware of risks and to further achieve sustainable risk management. The Board of Directors therefore assigned the Good Governance and Risk Management Committee to work in support of its duties and responsibilities relating to the Company's good governance and risk management. In this regard, the Good Governance Committee appointed the Risk Management Working Team to assess risks that influence the Company's business operations and audit department, which operates under the Audit Committee, to continuously keep track of risk management results and ensure that they remain at an acceptable level. Furthermore, Executives at all levels are to take part in risk management and communicate such matters to employees in order for them to be aware of and strictly adhere to risk management practices as part of the organizational culture.

The Company adheres to the principles of Generally Accepted Accounting Standards, which are appropriate to business conditions at such time. Disclosures of financial information are made in a full and accurate manner, reflecting the operational activities of the Company. Assessments are made to consider the possibility of corrupt practices. Reviews of the Company's objectives are conducted on a monthly basis. The reasonability of providing incentives or rewards for staff members is considered to ensure that it does not encourage inappropriate actions.

Furthermore, the Audit Committee holds meetings with the Board of Directors or Executives to discuss corrupt practices and implementing standards to prevent or solve any such fraud. The Company communicates its anti-corruption policies and practices to every staff member in order that they will understand and comply with such policies. These policies and practices expressly prohibit the bribery or any other action that would be contrary to the business interests of the Company.

In addition, the Company evaluates possible changes to its business model and corporate leadership. The Board of Directors meetings are held on a monthly basis to ensure that measures are in place to deal with any changing which may have an effect on the operations of the Company, its internal control systems, or financial reporting.

Operational Control

The Company possesses control measures to help reduce risks that would otherwise adversely affect its ability to achieve Company's objectives by providing various internal controls in an appropriate manner; for instance, the measures, which are designed to provide safeguards and monitor flood risk in the areas of industrial parks. There also are regulations relating to finance, procurement and general management in writing, which clearly defines the scope and financial authority of management at each level. Segregation of duties is implemented by dividing responsibilities into three areas: approval authority, accounting and IT information protection and responsibility, and supervision and safeguarding of assets. This assists in increasing accountability and the monitoring of operations within the Company, as required by various related laws and regulations. Systematic safety controls use cutting-edge technologies that align with international standards. Furthermore, information regarding major shareholders, Company's directors, executives, and other important individuals is compiled for monitoring and reviewing purposes in evaluating related transactions and conflicts of interest. Information is constantly being kept up to date. In the event the Company enters into a long term agreement or a binding contract, close monitoring will be conducted to ensure that all conditions are strictly followed.

In the event that a related transaction of 1 million baht or more needs to be conducted with major shareholders, Company's director or executives, this must be consented by the Executive Board and re-consented by the Audit Committee before being considered by the Board of Directors. Any transaction that is required to be disclosed to the Stock Exchange of Thailand is subject to the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission and shall be presented to the Board of Directors for approval. In the event that an approval decision needs to be made by a related stakeholder, a policy is in place to prevent conflicts of interest so as to protect the Company's benefits against the exploitation since the best interests of the Company are of the utmost concern. A quarterly summary report of normal business transactions will be presented to the Board of Directors for acknowledgement.

The Company defines duties and responsibilities in implementing its policies and procedures by management and employees. These policies are to be implemented in a timely manner and by individuals that have a strong ability and understanding of them. The audit department will provide monitoring of implementation to ensure that it is conducted in a correct manner. Furthermore, the Company will continuously review its policies and processes to ensure that they are always relevant to its operations.





Information Technology and Communication Systems

The Company understands the importance of information and communication systems. These systems can assist in providing a line of communications throughout the Company, particularly between members of management and their employees. Excellence in communications can make work processes more efficient and assist in decision making. Accounting records are stored in a thorough manner, placed into categories and meet Thai Financial Reporting Standards (TFRS). Communication of financial information or other pertinent information that is accurate and current information is made to related person. Storage systems have been set up to provide increased accountability. Furthermore, a suitable system for information security safeguards has established. It is important for the Company to be able to access all relevant information when resolutions are needed to be made. This includes the storage of meeting minutes that have been recorded in a thorough manner. These minutes, which can be investigated, include the opinions and suggestions of Company directors, any questions or remarks made by Company directors (if any), and any resolutions passed.

The Company maintains a communication system that utilizes both internal and external channels in an efficient and appropriate manner which this system assists in the internal controls. The Company also maintains a communication channel to receive complaints or reports of fraud or corruption. The identity of the complainants is always kept confidential.

In addition, a disaster recovery site was set up to work as a backup site for a short period of time and to handle emergency situations caused by disasters. The Company also initiated a disaster recovery plan together with the data backup and traffic log file in an integrated manner.

Monitoring System

Progress made on the Company's targets is reviewed regularly. In the event that the Company's targets are not met, are viewed and analysis is made on the difference to help understand how to formulate business strategies for the future according to the current business environment. Tracking mechanisms are employed for monitoring and evaluating the implementation of good corporate governance, ensuring that internal controls are working appropriately and completely. An audit department is responsible for ensuring that the internal control system is sufficient and appropriate in accordance with the annual audit plan. A report of their findings is made directly to the Audit Committee. On a quarterly basis, the Audit Committee submits a summary of these reports and its performances to address problems and solutions which are already implemented by the audit department. In the event that a major issue is discovered, it shall be immediately reported to the Audit Committee and management teams, as well as the Board of Directors together with its solutions. Progress on correcting this issue must be reported within a reasonable time to the Board of Directors and Audit Committee so they can assist in overcoming the said issue.

2. The Audit Committee Opinions

The Company Board of Directors believes that the Company's internal control systems are adequately effective. The Company's Audit Committee also concurs with this opinion. (For more details, see the Report of the Audit Committee). Furthermore, auditors have reported no conflicting observations on internal controls.

3. Head of Internal Audit and Head of Operational Supervision

The Board of Directors has established the Internal Audit Unit. The Company has appointed Mr. Pirom Tongjing as Manager of the Internal Audit, which is the head of internal audit. He graduated with a Bachelor of Accounting and was provided with training relevant to internal audit operations, such as the Risk Management Course, Good Governance to Sustainable Development Course, Utilizing audit working papers as an anti-corruption measure in the organization, New Generation Executives Value Integrity, Corruption Risk Assessment, A special lecture titled "Public Consultation on the 'Corporate Governance Code (CG Code)', and Thailand's Private Sector Collective Action Coalition against Corruption. He also has a proper understanding of the activities and businesses of the Company. As such, he has been deemed fit for this position, which shall directly report to the Audit Committee. The Internal Audit Unit is tasked with the duties listed below:



1. To develop an annual internal audit plan to correspond with relevant professional standards.
2. To establish procedures, practices, and methodologies for the Internal Audit Unit.
3. To ensure consistency with the audit plan.
4. To evaluate audit performance.
5. To present internal audit findings to the Audit Committee.
6. To serve as Secretary to the Audit Committee.
7. To coordinate with all employees, including certified auditors.

Any performance review, appointment, or removal of the head of the Internal Audit Unit must be approved by the Audit Committee.

The Company has not yet appointed the Head of Compliance team.

Head of Internal Audit Unit Profile

Name	: Mr. Pirom Tongjing
Age	: 56 years
Nationality	: Thai
Education	: A Bachelor's degree of Accounting, Ramkumhaeng University
Position	: Manager of the Internal Audit Department As head of Internal Audit
Years of tenure	: 9 years (being an internal audit manager since December 18 th , 2008)
Training	: - Utilizing audit working papers as an anti-corruption measure in the organization, - New Generation Executives Value Integrity, - Corruption Risk Assessment, - A special lecture titled "Public Consultation on the 'Corporate Governance Code (CG Code)' - Thailand's Private Sector Collective Action Coalition against Corruption

Experiences

- May 20, 1999 - Present	Secretary and Internal Audit
- December 18, 2008 - Present	Manager of the Internal Audit Department As head of Internal Audit

Although, the Company has not yet appointed the head and department of supervisory team, the Company has assigned the head of each department to be responsible for work in his or her line so as to ensure that work performances shall comply with any related laws, rules, regulations, and provisions.

4. Internal Accountant

The Company's accountant, in accordance with the Accounting Act B.E. 2543, is Ms. Kesara Sumkanjanaruk. She serves in the role of Accounting Manager. She graduated with a Bachelor Degree in Accounting from Srinakharinwirot University. She is assigned to prepare the financial statements and assure the disclosure of the Company's information is accurate, with the proper accountant qualifications.



บริษัท สอบบัญชี ดี ไอ เอ อินเตอร์เนชั่นแนล จำกัด
D I A INTERNATIONAL AUDIT CO., LTD.

A Member Of
Moore Stephens
International Limited

MS

Ref: ADO. 1703003

March 16th, 2017

Re: Accounting Internal Control System Report
Attn: The Board of Directors,
Saha Pathana Inter-Holding Public Company Limited

With reference to the D I A International Audit Co., Ltd. has audited of the financial statements of Saha Pathana Inter-Holding Public Company Limited for the year ending December 31st, 2016 and also reported on March 15th, 2017, we would like to inform you that the audit was carried out in accordance with generally accepted auditing standards in order to express opinions if and to what extent these financial statements correctly indicate the financial status or the performance of the Company, we have studied and assessed the efficiency of the accounting internal control of the Company as we deemed it necessary for a compact and appropriate audit. We have not detected any significant deficiency of the accounting internal control system which may have an effect on our opinion of the financial statements as of December 31st, 2016.

The management of Saha Pathana Inter-Holding Public Company Limited is responsible for the implementation of an accounting internal control system and for the strict adherence to this system. Estimation and discretion are required to this end, taking into account the expected benefits and the costs to be incurred by the use of this control system. This internal control system provides reasonable assurance to the management.

Nevertheless, we would like to declare that we did not inspect every single transaction. A test method was used instead. Additionally, the accounting internal control system efficiency evaluation and study was carried out with the sole purpose of the above audit. Therefore, it may not be able to determine all deficiencies present in the internal control system of the Company.

We would like to thank the staff for the cooperation they have given during the auditing process.

Sincerely yours,

(Miss Somjintana Pholhirunrat)

C.P.A. (Thailand) Registration No. 5599



Related Transactions

Measures for Approval of Related Transactions: The Company will propose the related transactions which excess 1,000,000 Baht to the consented by the Executive Board and re-consented by the Audit Committee before being considered by the Board of Directors. If the said related transactions require to be disclosed in accordance with the rules of the Security Exchange of Thailand, the Company will comply with such rules and **propose to the Company Board of Directors for consideration.** Any director with vested interest shall leave the meeting room and abstain from voting on such matter. The consideration of the related transactions shall consider the reasonability and the necessity of the transaction for the benefit according to the announcement of the Capital Market Regulatory Board and the Stock Exchange of the Company. In case of varied comment occurred, it will be noted in the minutes. After the meeting, the Company has stated its resolution and proceeded Thailand before enacting the transactions. The transactions will be disclosed to the Stock Exchange of Thailand in both Thai and English languages and shall be published in the Company's website (www.spi.co.th)

Additionally, the Board approves principles that allow the Management to engage in ordinary business transactions or support ordinary businesses that have general trade agreements in the same manner that reasonable person would treat his partners in the same situation. Such manner must be performed without the influence of the status as directors of the Company, the management or involved individuals. The principles must be approved on an annual basis while any related transaction must be summarized quarterly and report to the Board of Directors. The summary has been disclosed in 56-1 and 56-2 forms.

Related Transactions Trends: Most business transactions of the Company are conducted among the Saha Group companies. Such transactions are ordinary commercial business undertakings under general trade agreements. The Company instigated measures to regulate the related transactions to ensure compliance with the rules and regulations of the Capital Market Regulatory Board and the Stock Exchange of Thailand. **In 2016, there were Related Transactions as follows;**

1. Shares Purchasing/Selling

According to the resolution of the Board of Directors Meeting No. 1 (Board #23) on May 11, 2016, the Board of Directors approved to waive the right to buy 118,933 common shares @ Baht 100.- per share, amounting to Baht 11,893,300.- to Mr. Boonkiet Chokwatana

The related person, Mr. Boonsithi Chokwatana, as the Company Director.

2. Land Purchasing

According to the resolution of the Board of Directors Meeting No. 6 (Board #23) on October 18, 2016, the Board of Directors approved to buy and get the right transferring land 4 plots at Mae Kasa Sub-district, Mae Sot District, Tak Province from Sinparadorn Co., Ltd., total area about 131 Rai 2 Ngan 48 Sqr-Va, amounting to Baht 80,000,000.-, price is lower than evaluation price of independent appraiser but higher than evaluation price of the Land Department.

The related persons, Mr. Boonsithi Chokwatana, Mr. Samrerng Manoonpol and Mr. Boonkiet Chokwatana as the Company Directors and major shareholders of Sinparadorn Co., Ltd.



3. Financial Support Guarantee/Loan

1. According to the resolution of the Board of Directors Meeting No. 10 (Board #22) on February 10, 2016, the Board of Directors approved to assist the credit guarantee to Tsuruha (Thailand) Co., Ltd., according to the shareholding ratio at 15% of registered capital. These transactions were guarantees to Sumitomo Mitsui Banking Corporation for the amount of Baht 30,910,000.-, started March 1, 2016 to February 28, 2017.

The related person, Mr. Boonchai Chokwatana, as the Company Director and Chairman of Executive Board and President of Saha Pathanapibul Public Company Limited, is the Major Shareholders of Tsuruha (Thailand) Co., Ltd.

2. According to the resolution of the Board of Directors Meeting No. 11 (Board #23) on March 14, 2016, the Board of Directors approved to assist the credit guarantee to Transcosmos (Thailand) Co., Ltd., according to the shareholding ratio at 9% of registered capital. These transactions were guarantees to Transcosmos Inc. for the amount of Baht 9,000,000.-, which is 1 year guarantee, start from March 16, 2016.

The related person, Mr. Boonchai Chokwatana, as the Company Director and Chairman of Executive Board and President of Saha Pathanapibul Public Company Limited, is the Major Shareholders of Transcosmos (Thailand) Co., Ltd.

3. According to the resolution of the Board of Directors Meeting No. 12 (Board #22) on April 21, 2016, the Board of Directors approved to assist to guarantee obligation for issuing Letter of Guarantee (L/G), Letter of Credit and Trust Receipt (L/C, T/R) to Saha Chol Food Supplies Co., Ltd., for 15 Million Baht. This is an existing guarantee which decreased from 25 Million Baht to 15 Million Baht.

The related persons, Mr. Boonsithi Chokwatana, as the Company Director and major shareholder of Saha Chol Food Supplies Co., Ltd., and Mr. Boonchai Chokwatana, as the Company Director and Chairman of Executive Board and President of Saha Pathanapibul (Public) Co., Ltd., are the Major Shareholders of Saha Chol Food Supplies Co., Ltd.

4. According to the resolution of the Board of Directors Meeting No. 5 (Board #23) on September 15, 2016, the Board of Directors approved to assist the credit guarantee to Saha Tokyu Corporation Co., Ltd. according to the shareholding ratio at 20% of registered capital. This transaction was guarantee to Tokyu Corporation (Japan) for the amount of 140,000,000 baht which extended credit term from Bank of Ayudhya Public Company Limited of credit facility totaling 700 for another 6 months, during October 1, 2015 to March 31, 2016 which Tokyu Corporation (Japan) was a guarantor for the full amount.

The related person, Mr. Boonchai Chokwatana, Director, Chairman of Executives and President of Saha Pathanapibul Public Company Limited, the major Shareholder of Saha Tokyu Corporation Co., Ltd.

As of 31 December 2016, the Company had assisted the credit guarantee to 10 companies of Saha Group with the total credit of 311.90 Million Baht, and actual assisted credit of 156.94 Million Baht.

In 2016, the company had a guarantee income of Baht 0.75 Million from 6 companies through the guarantee fee charged at 0.5 - 1% of the guaranteed amount and the Company will collect the fee from the companies which have the consulting fee at 0.5% and from the Companies which have no consulting fee at 1% and will not collect the fee from the foreign joint venture companies because there is a guarantee according to the investment proportion and in accordance with the joint venture agreement, Now the Company has started to negotiate with the foreign joint venture companies to collect increased of the guarantee fees. The transactions are as follows;



(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	SAHACHOL FOOD SUPPLIES CO., LTD.	C	372,369.98
2	THAI ITOKIN CO., LTD.	B	25,068.49
3	OSOTH INTER LABORATORIES CO., LTD.	B	100,274.04
4	PITAKKIJ CO., LTD.	B	160,438.44
5	SAHA TOKYU CORPORATION CO., LTD.	B	56,033.00
6	TRANSCOSMOS (THAILAND) CO., LTD.	B	31,253.44
TOTAL			745,437.39

4. Electrical and Steam Income

In 2016, the company incurred the electrical and steam incomes from 17 related companies for a total amount of Baht 381.76 million. Most of the sale and purchase transactions are made under the long-term contracts with contract term of 15 years. The electrical charge of the company is computed at the price not over the charge of the Provincial Electricity Authority while the steam will be charge at the price not lower than that purchased from Sahacogen (Cholburi) Public Company Limited. The transactions with value over Baht 500,000.00 equal to 99.94% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	KABIN PATTHANAKIJ CO.,LTD.	B	4,846,746.04
2	TOP TREND MANUFACTURING CO., LTD.	B	57,353,173.53
3	TEXTILE PRESTIGE PLC.	B	43,972,099.15
4	THAI CUBIC TECHNOLOGY CO., LTD.	B	6,975,726.49
5	FIRST UNITED INDUSTRY CO., LTD.	A,B	6,964,849.44
6	RACHA UCHINO CO., LTD.	B	32,778,985.95
7	LION CORPORATION (THAILAND) LTD.	B	124,806,553.10
8	SAHACHOL FOOD SUPPLIES CO., LTD.	C	7,489,403.16
9	SAHA PATHANAPIBUL PLC.	A,B	1,751,210.50
10	EASTERN THAI CONSULTING 1992 CO., LTD.	B	2,622,811.82
11	S & J INTERNATIONAL ENTERPRISE PLC.	B	45,551,673.01
12	OSOTH INTER LABORATORIES CO., LTD.	B	14,470,438.05
13	PITAKKIJ CO., LTD.	B	1,186,155.08
14	BANGKOK TOKYO SOCKS CO.,LTD.	A,B	22,096,637.77
15	EXACT Q CO., LTD. (formaly named INTERNATIONAL CURITY FOOTWARE CO., LTD.)	B	7,186,617.95
16	WBLP COMPANY LIMITED CO.,LTD.	B	1,477,092.30
17	OTHER COMPANIES		226,335.10
TOTAL			381,756,508.44



5. Royalty Income

The company has entered into an agreement to allow the related companies to use the trademark with the average contract term of 1-3 years and the remuneration to the company is 3.50-8.30% of the total net sales. In 2016 the company incurred the royalty income of Baht 71.93 million from 6 related companies. The transactions with value over Baht 500,000.00 equal to 99.87% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	THANULUX PLC.	B	36,210,175.97
2	RACHA UCHINO CO., LTD.	B	2,360,264.05
3	I.C.C. INTERNATIONAL PLC.	B	25,108,894.44
4	PEOPLE'S GARMENT PLC.	B	3,264,130.79
5	PATTAYA MANUFACTURING CO., LTD.	B	4,894,211.29
6	OTHER COMPANIES		93,856.70
TOTAL			71,931,533.24

6. Consulting Fee

In 2016, the company incurred the consulting fee of Baht 8.22 million from 17 related companies while the consulting fee is prepared with respect to the service scope. The transactions with value over Baht 500,000.00 equal to 65.65% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	FIRST UNITED INDUSTRY CO., LTD.	A,B	600,000.00
2	LION CORPORATION (THAILAND) LTD.	B	1,800,000.00
3	INTERNATIONAL LABORATORIES CO., LTD.	B	1,200,000.00
4	I.C.C. INTERNATIONAL PLC.	B	1,800,000.00
5	OTHER COMPANIES		2,825,250.00
TOTAL			8,225,250.00

7. Immovable Rental Income

The company has entered into an immovable rental agreement with related companies with the average contract term of 1-3 years and the rental income is based on the location and the investment cost of the company. In 2016, the company incurred the immovable rental income of Baht 65.39 million from 26 related companies. The transactions with value over Baht 500,000.00 equal to 97.71% are as follows



(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	KABIN PATTHANAKIJ CO.,LTD.	B	2,994,240.00
2	TOP TREND MANUFACTURING CO., LTD.	B	2,570,686.56
3	TEXTILE PRESTIGE PLC.	B	823,684.80
4	THAI CUBIC TECHNOLOGY CO., LTD.	B	2,660,160.00
5	FIRST UNITED INDUSTRY CO., LTD.	A,B	29,084,700.00
6	RACHA UCHINO CO., LTD.	B	736,080.00
7	SRIRACHA AVIATION CO.,LTD.	B	3,000,000.00
8	EASTERN THAI CONSULTING 1992 CO., LTD.	B	568,643.28
9	S & J INTERNATIONAL ENTERPRISE PLC.	B	7,200,624.00
10	H & B INTERTEX CO., LTD.	B	3,137,200.00
11	SSDC (TIGERTEX) CO. ,LTD.	B	1,027,584.00
12	TSURUHA (THAILAND) CO.,LTD,	B	777,600.00
13	MODERN TECHNOLOGY CO.,LTD.	B	6,000,000.00
14	BNC MAESOD CO.,LTD	B	1,010,880.00
15	THAI SECOM SECURITY CO., LTD. (formaly named THAI SECOM PITAKKIJ CO., LTD.)		1,200,000.00
16	LION CORPORATION (THAILAND) LTD.	B	1,101,600.00
17	OTHER COMPANIES		1,497,165.00
	TOTAL		65,390,847.64

8. Water Income

In 2016, the company incurred the water income of Baht 32.03 million from 39 related companies while the water charge is computed at the price not over the water charge of the Provincial Water Authority. The transactions with value over Baht 500,000.00 equal to 90.40% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	TOP TREND MANUFACTURING CO., LTD.	B	1,523,568.00
2	TEXTILE PRESTIGE PLC.	B	746,576.00
3	THANULUX PLC.	B	975,160.00
4	RACHA UCHINO CO., LTD.	B	7,016,064.00
5	LION CORPORATION (THAILAND) LTD.	B	997,800.48
6	SAHACOGEN GREEN CO.,LTD.	B	2,256,595.00
7	SAHACHOL FOOD SUPPLIES CO., LTD.	C	780,880.00
8	S & J INTERNATIONAL ENTERPRISE PLC.	B	4,304,496.00
9	SSDC (TIGERTEX) CO.,LTD.	B	4,781,580.00
10	OSOTH INTER LABORATORIES CO., LTD.	B	1,073,928.00
11	BANGKOK TOKYO SOCKS CO.,LTD.	A,B	1,051,584.00
12	EXACT Q CO., LTD. (formaly named INTERNATIONAL CURITY FOOTWARE CO., LTD.)	B	911,808.00
13	EASTERN THAI CONSULTING 1992 CO., LTD.	B	1,374,528.00
14	THAI CUBIC TECHNOLOGY CO., LTD.	B	637,704.00
15	MODERN TECHNOLOGY CO.,LTD.	B	526,880.00
16	OTHER COMPANIES		3,076,211.65
	TOTAL		32,035,363.13



9. Waste Water Income

In 2016, the company incurred the waste water income of Baht 17.66 million from 31 related companies while the service charge is based on the nature, amount, duration and cost of the service with details. The transactions with value over Baht 500,000.00 equal to 81.43% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	THANULUX PLC.	B	733,568.80
2	RACHA UCHINO CO., LTD.	B	701,526.40
3	SAHACOGEN (CHONBURI) PLC.	B	4,339,468.16
4	S & J INTERNATIONAL ENTERPRISE PLC.	B	2,419,429.32
5	SSDC (TIGERTEX) CO., LTD.	B	5,576,457.00
6	TOP TREND MANUFACTURING CO., LTD.	B	609,427.20
7	OTHER COMPANIES		3,278,389.78
	TOTAL		17,658,266.66

10. Trade Exhibition Income

In 2016, the company incurred the trade exhibition income of Baht 40.73 million from 43 related companies while the service charge is based on the nature, amount, duration and cost of the service with details. The transactions with value over Baht 500,000.00 equal to 91.86% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	KABIN PATTHANAKIJ CO.,LTD.	B	1,876,051.41
2	TEXTILE PRESTIGE PLC.	B	660,000.00
3	THANULUX PLC.	B	3,909,280.00
4	NEWCITY (BANKOK) PLC.	B	986,300.00
5	PEOPLE'S GARMENT PLC.	B	2,014,000.00
6	PRESIDENT BAKERY PLC.	B	815,000.00
7	RACHA UCHINO CO., LTD.	B	713,000.00
8	LION CORPORATION (THAILAND) LTD.	B	930,000.00
9	SAHA PATHANAPIBUL PLC.	A,B	1,766,500.00
10	O.C.C. PLC.	B,C	1,289,300.00
11	I.C.C. INTERNATIONAL PLC.	B	20,278,720.00
12	PATTAYA MANUFACTURING CO., LTD.	A,B	831,000.00
13	WIEN INTERNATIONAL CO., LTD.		1,343,800.00
14	OTHER COMPANIES		3,316,285.00
	TOTAL		40,729,236.41

11. Service Center & Public Utility Income

In 2016, the company incurred the service center & public utility income of Baht 39.88 million from 39 related companies while The service charge is based on the nature, amount, duration and cost of the service with details .The transactions with value over Baht 500,000.00 equal to 91.17% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	KABIN PATTHANAKIJ CO.,LTD.	B	4,313,760.00
2	THANULUX PLC.	B	704,741.40
3	FIRST UNITED INDUSTRY CO.,LTD.	A,B	563,344.80
4	RACHA UCHINO CO., LTD.	B	1,037,472.00
5	LION CORPORATION (THAILAND) LTD.	B	3,790,722.96
6	S & J INTERNATIONAL ENTERPRISE PLC.	B	10,836,972.00
7	H & B INTERTEX CO., LTD.	B	603,600.00
8	PITAKKIJ CO., LTD.	B	1,226,910.42
9	TSURUHA (THAILAND) CO.,LTD,	B	3,123,378.98
10	BNC MAESOD CO.,LTD	B	1,052,880.00
11	THAI CUBIC TECHNOLOGY CO., LTD.	B	5,354,400.00
12	THAI AIZAWA PITAKKIT CO., LTD.	B	1,618,733.89
13	SAHA LAWSON CO., LTD.	B	630,417.15
14	O.C.C. PLC.	B,C	512,000.79
15	I.C.C. INTERNATIONAL PLC.	B	995,641.04
16	OTHER COMPANIES		3,519,999.01
TOTAL			39,884,974.44

12. Other Service Income

In 2016, the company had other service income of Baht 89.50 million from related companies. The service charge is based on the nature, amount, duration and cost of the service with details as follows

(UNIT : BAHT)

	INCOME	Financial statements in which the equity method is applied and Separated Financial statements
1.	Sales Real Estate	73,000,000.00
2.	Service Income	10,605,045.25
3.	Medical Service Income	511,402.97
4.	Trademark Income	962,352.74
5.	Leasehold Income	60,166.00
6.	Other Income	4,361,571.79
TOTAL		89,500,538.75



13. Cost of Electricity and Steam

The company has entered into a sale/purchase contract, 15 year contract term, with a related company, Sahacogen (Cholburi) Public Company Limited. The payment does not exceed the price made by the Provincial Electricity Authority. In 2016, the company incurred the service cost of electricity and steam as follows

(UNIT : BAHT)

		Financial statements in which the equity method is applied and Separated Financial statements
1.	Cost of Electricity	1,441,854,519.87
2.	Cost of Steam	270,074,339.46
TOTAL		1,711,928,859.33

14. Electrical and Electrical Water Filtration

In 2016, the company incurred the electrical charge paid to 2 related companies, which have stipulated the price not over the rate charged by the Provincial Electricity Authority, for a total amount of Baht 10.87 million with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	I.C.C. INTERNATIONAL PLC.	B	1,067,394.24
2	SAHACOGEN (CHONBURI) PLC.	B	9,803,144.13
TOTAL			10,870,538.37

15. Security Expenses

In 2016, the company incurred the security service charge with a related company with consideration on the number of security guards, duration and space for the service with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	PTK MULTI SERVICE CO., LTD.	B	13,648,832.76
2	PITAKKIJ SECURITY CO.,LTD.	B	13,354,126.14
TOTAL			27,002,958.90

16. Waste Water Treatment

In 2016, the company paid the total water treatment charge of Baht 22.89 million to 1 related companies according to the contract and the amount of supplies actually used at the market price with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	EASTERN THAI CONSULTING 1992 CO., LTD.	B	22,891,227.40

17. Rental Fee

In 2016, the company incurred the total rental of Baht 4.52 million to 5 related companies. The remuneration under the contract is based on the rental charge of other landlords with consideration on the location, condition and utility of the property with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	THAI SECOM SECURITY CO., LTD.	B	27,541.80
2	I.C.C. INTERNATIONAL PLC.	B	2,472,000.00
3	SINPARADORN CO., LTD.	A,B	1,320,000.00
4	SAHAPAT PROPERTIES CO., LTD.	A,B	585,000.00
5	PITAKKIJ CO., LTD.	B	112,724.50
TOTAL			4,517,266.30

18. Construction Cost and purchase investment properties

In 2016, the company paid the total construction cost and investment properties of Baht 81.10 million to 3 related companies. The remuneration is based on the style, size, construction materials and decorative techniques of the building in comparison with the price of other bidders with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	PITAKKIJ CO.LTD.	B	77,533,276.93
2	EASTERN THAI CONSULTING 1992 CO., LTD.	B	3,227,929.50
3	PTK MULTI SERVICE CO., LTD.	B	409,405.54
TOTAL			81,170,611.97

19. Exhibition Expenses

In 2016, the company incurred the total exhibition expenses of Baht 3.28 million with 15 related companies. The remuneration is based on the nature of work, location, volume of work and length of service with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	PTK MULTI SERVICE CO., LTD.	B	652,423.00
2	PITAKKIJ SECURITY CO.,LTD.	B	578,030.48
3	KABIN PATTHANAKIJ CO.,LTD.	B	860,858.39
4	OTHER COMPANIES		1,187,012.76
TOTAL			3,278,324.63



20. Other Expenses

In 2016, the company incurred the other expenses of Baht 172.74 million with 21 related companies with the price compared with those of other service providers in the same manner. The transactions with value over Baht 500,000.00 equal to 98.80% of the total other expenses are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Financial statements in which the equity method is applied and Separated Financial statements
1	PITAKKIJ CO. LTD.	B	4,564,967.29
2	PTK MULTI SERVICE CO., LTD.	B	93,481,749.69
3	SRIRACHA AVIATION CO., LTD.	B	2,568,000.00
4	EASTERN THAI CONSULTING 1992 CO., LTD.	B	61,832,790.19
5	SAHA PATHANAPIBUL PLC.	A,B	3,204,440.47
6	KABIN PATTHANAKIJ CO.,LTD.	B	2,269,195.87
7	TREASURE HILLS CO.LTD.	B	661,971.00
8	ENVIRONMENTAL TECHNOLOGY CONSULTANT CO.LTD.	B	2,085,670.72
9	OTHER COMPANIES		2,074,517.56
TOTAL			172,743,302.79

As most of the connected transactions with related companies have been conducted under the normal course of business to facilitate the business operation of the companies in the group such as sale or purchase of electricity in the industrial park, business advisory service, trademark service provided. Thus, the approval process for the transactions has been in accordance with the normal business practice of the company. However, the connected transactions which are not the normal business conduct, the company has complied with the notification of the Stock Exchange of Thailand on Disclosure and Practice of the listed companies on the connected transactions, B.E. 2546.

The policy on connected transactions of the company for the normal business transactions with the related companies has a tendency to grow but for the loans, the company has a policy to reduce the loans provided to companies in the group consistently. Besides, its policy is to reduce the guarantee amount which is in excess of necessity and to reduce the guarantee amount provided to the companies in the group. In addition, the companies in the group which are responsible for monitoring such business line will be designated as a guarantor.

NOTE: RELATIONSHIP

- A DIRECTOR/EXECUTIVE AS MD
- B DIRECTOR/EXECUTIVE AND RELATED PERSON AS A MAJOR SHAREHOLDER
- C DIRECTOR/EXECUTIVE AS A MAJOR SHAREHOLDER
- D CLOSED RELATIVE OF DIRECTOR/EXECUTIVE AS A MAJOR SHAREHOLDER



Explanation and analysis of financial position and operating performance of the management

Operating results

(1) Performance of the major income

The company earns total revenue of Baht 4,557 million in 2016, increase of Baht 346 million or 8%. Total expenses is Baht 2,864 million, decrease of Baht 38 million or 1%. Net profit from operating performance is Baht 1,682 million, increase of Baht 365 million or 28%, result of increasing from performance of each business as follow.

1. Revenue from Investments business and others

Investments : the company has profit from investment in associated companies by using equity method Baht 1,444 million increased of Baht 180 million or 14% . For dividend income Baht 369 million increase of Baht 125 million or 51%. The Saha Group has joined the government and private trade fair project, so the group continued to remain profitable. While others company paid dividend from the previous year business performance as a result of receive dividend increasing in 2016.

Others income : In 2016, others income is Baht 47 million decrease Baht 44 million or 48% , most of the increasing comes from Reversible of contingent liabilities from gurantees and Investment properties Baht 65 million in 2015.

2. Revenue from rent and service business

The company has total of Baht 2,426 million from rent and service business income in 2016, decreasing of Baht 5 million or 0.21%, most of the decreasing from electricity and steam in come but does not exceed the price made by the Provincial Electricity Authority, while other services increased of Baht 11 million or 3%.

3. Revenue from industrial park business

The company has the real estate for sale amount Baht 271 million in 2016, increase of Baht 89 million, or 49%, the company recognizes revenue from sale of land when transferring the land to buyer.

Table compare for revenues

(Unit : Million Baht)

Item	2016	2015	2014	% increase (decrease)	
				2016/2015	2015/2014
Investments business and others	1,860	1,599	1,427	16	12
Rent and service business	2,426	2,430	2,611	0	(7)
Industrial park business	271	182	171	49	6
Total 3 businesses	4,557	4,211	4,209	8	0

(2) Analysis of the expenses

The company has cost of goods sold and cost of services Baht 2,248 million, increase of Baht 54 million, or 2%, most of the decreasing from cost of Public utility. The company has management cost is better. Cost of sales of real estate increased of Baht 42 million or 200% and impairment loss decreased of Baht 57 million or 60%. The company recorded impairment loss on disposal on investment in 2015,while the finance cost is Baht 44 million decrease of Baht 2 million or 4%.





Table compare for expenses

(Unit : Million Baht)

Item	2016	2015	2014	% increase (decrease)	
				2016/2015	2015/2014
Cost of sale and service	2,248	2,194	2,426	2	(10)
Administrative expenses	491	490	476	0	3
Loss from investment by equity method	43	77	47	(44)	64
Impairment loss of securities and assets	38	95	57	(60)	67
Finance costs	44	46	58	(4)	(21)
Total expenses	2,864	2,902	3,064	(1)	(5)

Financial position

(1) Assets

As at December 31, 2016, the company has total assets Baht 25,016 million, increase Baht 1,928 million or 8%, consisting of investments 79%, real estate for sale 11%, property, plant and equipment 5% of total assets, respectively. Most of the increasing is investments in associated companies as increase of profit from investment under the equity method is applied and investment properties is increasing for the expansion in the future.

Assets Details

Current assets is Baht 306 Million decrease of Baht 228 million or 43% , resulting from decreasing of cash and cash equivalents Baht 233 million or 69%, while the account receivable and loans to affiliate are increasing Baht 5 million or 3%.

The investments in share capital is Baht 19,805 million, increase of Baht 1,881 million or 10%, most from the investment in associated companies by using equity method and long term investments increase Baht 1,581 million, the investment available for sale increase Baht 300 million.

The real estate for sale and investment properties are Baht 3,410 million, increase of Baht 322 million or 10%, result from the company buy land for the expansion in the future.

Property, plant and equipment is Baht 1,232 million, increase of Baht 53 million or 5% .

Other non-current assets is Baht 89 million, decrease of Baht 23 million or 21%. The company has received a rebate for withholding income tax from Revenue department.

(2) Liabilities and source of fund for investments

The total liabilities as of December 31, 2016 are Baht 2,638 million decrease of Baht 92 million or 3%, most from trade and other payables and loans from financial institutions and current portion of long - term debt Baht 1,113 million increased Baht 478 million or 75%. Non-current liabilities Baht 1,525 million, decrease of Baht 570 million or 27 % , most from the decreasing of long-term loan Baht 600 million.

In 2016, the company pays dividend amount Baht 163 million or 12% of the net profit from the preceding year. In 2016, the company has pays interim dividend as a result of pays dividend increasing.

The debt to equity ratio is 0.12 times, close to the preceding year. The interest coverage ratio is 24.74 times, compared with the preceding year of 20.71 times. Result from the cash flow from operating activities is increasing, while the interest expenses is decreasing.



As of December 31, 2016, the real estate for sale, investment properties, property, plant and equipment are recognized at cost Baht 4,643 million. They are real estate in the Industrial Park that located at 3 major provinces, Chonburi, Prachinburi and Lamphun which are near to downtown and main highway, the community, convenient for transport and there are Air field with the private license from the Commercial Aviation Department. Every industrial park, there is more than 20% green area, which is suitable for establishment of manufacturing plants. The book value of the assets is much lower than the market value. Thus, the quality of the asset suitably facilitates the business operation. Land sale has been made with proper payment within the payment schedule of contract. Therefore, the company has no risk on business operation.

(3) Liquidity

The company's liquidity is improved by receiving net cash from operating activities and from financing activities Baht 972 million combined with cash at beginning balance Baht 337 million which is sufficient for using of cash flow from investing and financing activities Baht 1,205 million, in 2016 cash and cash equivalence at the end of period was Baht 104 million.

As of December 31, 2016, The Company had overdue debts worth a total Baht 3 million with the full amount of allowance for doubtful being determined. However, with the debt collection process being followed, these unpaid debts are expected to be gradually settled within 2017.

For the liquidity ratio is closed at 0.27 times, while the liquidity ratio of its cash flow is 1.11 times. Because the company also improves development procedures continuously such as minimizing the amount of corporate guarantees to eliminate business risks. The company's industrial park are also developed continuously to be fully facilities and good environment. The company is still regarded as satisfactory with improved overall operation performance.





Table of financial ratios

Description	For the year ended December 31,		
	2016	2015	2014
Liquidity Ratios			
Current Ratio (Time)	0.27	0.84	0.44
Quick Ratio (Time)	0.27	0.84	0.44
Liquidity of Cash flow from Operation (Time)	1.11	1.16	0.66
Account Receivable Turnover (Time)	13.72	11.70	12.93
Average Collection Period (day)	26	31	28
Account Payable Turnover (Time)	7.61	7.44	9.45
Average Payment Period (day)	47	48	38
Cash Cycle (day)	(21)	(17)	(10)
Profitability Ratios			
Gross Profit Margin (%)	48.39	42.62	38.39
Net Profit Margin (%)	36.91	31.28	27.32
Return On Equity (ROE) (%)	7.52	6.47	5.94
Efficiency Ratios			
Return on Total Assets (%)	7.04	5.82	5.47
Return on Fixed Assets (%)	19.01	16.01	14.91
Total Assets Turnover (Time)	0.19	0.19	0.20
Financial Policy Ratios			
Debt-Equity Ratio (Time)	0.12	0.13	0.13
Time Interest Earned (Time)	24.74	20.71	15.35
Leverage Ratio (Time)	1.59	0.79	0.67
Dividend Payout Ratio (%)	n.a.	9.93	8.62
Data per share			
Book Value per share (Baht)	45.30	41.21	39.17
Net Profit per share (Baht)	3.41	2.67	2.33
Dividend per share (Baht)	n.a.	0.23	0.23



Factors influencing Future Business Operation

Currently, the government and the private sector have developed various operating plans and strategies in order to achieve Thailand 4.0, which will enhance Thailand's economic and social development as well as better standard of living among Thai people. With such objective, the government supports the investment in special economic zones bringing about an increase in domestic investment while providing additional benefits for investors in each area. The increase in investment helps raise the employment level both Thai and foreign labors, increase domestic consumption and accelerate the amount of exports by 2%-3%. According to Office of the National Economic and Social Development Board, it estimates that the rate would grow at 2.4% while Ministry of Commerce expects the growth rate at 2.5%-3%. As a result, in 2017, the Company and Saha Group's companies would continue to have satisfactory business performance. Moreover, the Company and every companies in Saha Group would further focus on developing production capacity, initiating new innovation and expanding new distribution channels for products and services. All Saha Group's products and services are maintained with high quality, having increasing demands among consumers. During these years, the Company and Saha Group's companies operate its business with good intention to create better business performance.

In 2017, the Company intends to continuously develop its business in order to expand the businesses and achieve sustainability of the business operation as a leader in the field of investment among Saha Group's companies. The Company has a plan to revise investment strategies to reach highest return as well as expand its real estate business. The objective of real estate business expansion is to meet increasing needs from investors, increase the capability in rental business and improve its service business to offer highest benefits for customers in Saha Group Industrial Parks. With these strategies, the Company would be able to appropriate its profits to all shareholders in long-term.





Report On The Board Of Directors's Responsibility For Financial Statements

The Board of Directors duly recognized their obligations and responsibilities in their status as the directors of SET listed company, with regard to the compilation of financial statements for Saha Pathana Inter-Holding Public Company Limited. The financial statements were prepared in accordance with Thai Financial Reporting Standards (TFRS), based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimates. Furthermore, adequate significant information was disclosed per the notes to the financial statements, together with necessary clarification and analysis regarding the financial positions and performances by the company, so as to contribute to the interests of the shareholders and general investors. Moreover, the financial statements were duly audited and verified by independent certified public accountants.

At the same time, the Board of Directors had exercised efforts to promote good governance practice, and to establish risk management system and internal control system in an efficient and effective manner. These practices were intended 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, 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 practice, the risk management system, as well as the internal control system already in place, were well adequate and sufficient, reasonably providing sufficient confidence to all the concerned parties that, the financial statements of the company ending December 31, 2016, were prepared and presented in substantial context, in an accurate and reliable manner in accordance with Thai Financial Reporting Standards.

(Mr. Boonsithi Chokwatana)

Chairman

(Mr. Tanong Srichit)

President



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED

Qualified Opinion

I have audited the accompanying financial statements in which the equity method is applied and separate financial statements of SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED ("COMPANY"), which comprise the statements of financial position in which the equity method is applied and separate statements of financial position as at December 31, 2016, and the related statements of comprehensive income in which equity method is applied and separate statements of comprehensive income, statements of changes in shareholders' equity in which equity method is applied and separate statements of changes in shareholders' equity and statements of cash flows in which equity method is applied and separate statement of cash flows for the year then ended, and notes to the financial statements in which equity method is applied and separate, including note of summary of significant accounting policies.

In my opinion, except for the effects as might arise from the matter as described in the Basis for Qualified Opinion paragraph, the accompanying financial statements in which the equity method is applied and separate financial statements present fairly, in all material respects, the financial position in which the equity is applied and separate financial position of SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED as at December 31, 2016, and its financial performance for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Qualified Opinion

As stated in notes 7 to financial statements, as at December 31, 2016, the Company recorded investments in 19 associates of 26 associates from the financial statements audited by the other auditors of 15 associates equal to 16.27% of total assets and had share of profit of investment equal to 14.34% of net profit and recorded investments in 4 associates from the unaudited financial statements equal to 0.59% of total assets and had share of loss equal to 0.57% of net profit. I was unable to apply the other auditing procedures to satisfy as to such transaction. In addition, 20 associates are Non-Publicly Accountable Entities therefore, they applied the Financial Reporting Standards for Non-Publicly Accountable Entities which did not comply with the accounting policies as the same of the Company and the Company has not obtained the additional information from those associates in the preparation of financial statements as if those associates applied the same accounting policies. The Management of the Company has no a power in commanding those associates and I was unable to apply the other auditing procedures to satisfy myself to such transaction.

As at December 31, 2015, the Company recorded investments in 18 associates of 25 associates from the financial statements audited by the other auditors of 13 associates equal to 8.18% of total assets and had share of profit of investment equal to 8.57% of net profit and recorded investments in 5 associates from the unaudited financial statements equal to 1.08% of total assets and had share of loss equal to 3.84% of net profit. In addition, 20 are Non-Publicly Accountable Entities therefore, they applied the Financial Reporting Standards for Non-Publicly Accountable Entities which did not comply with the accounting policies as the same of the Company and the Company has not obtained the additional information from those associates in the preparation of financial statements as if those associates applied the applied the same accounting polities. The Management of the Company has no a power in commanding those associates and I was unable to apply the other auditing procedures to satisfy myself as to such transaction. My opinion presented on the financial statements for the year ended December 31, 2015, expressed a qualify in that matter. Accordingly, my opinion on the current financial statements also expressed a qualify in the same matter which may be have the impacts on the comparative figures of the current and previous period.





I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those which standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity method is applied and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements in which the equity method is applied and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Except for the matters stated in the Basis for Qualified Opinion, I have material to add the following matters and are therefore the key audit matters to communicate in my report.

Valuation of long-term investments

As stated in notes 7, 8 and 9 to financial statements, the Company has investments in associates and other long-term investment in various companies. The Company has significant risks relating to investment valuation especially considering provision for impairment of investment. The Management has considered the expected return from investment including the past performance, the Management has made significant judgment for taking consideration the adequacy of provision for impairment of investment for presenting appropriate value.

I have obtained an assurance relating to value of long-term investment, by included;

- Obtained an understanding and assessed the procedures for indication of impairment of investment.
- Considered the profitability from investment of the Company such as performance, historical financial information in the past including other information to assess the adequacy of provision for impairment of investment.
- Testing mathematical accuracy.
- Assessed the adequacy of disclosure of information in accordance with related financial reporting standards.

Business transaction with related parties

As stated in notes 30 to financial statements, the Company has material amount of business transaction with several related parties in the financial statements which comprise trade accounts receivable, trade accounts payable, revenues from sales and other trading transactions. The Company has determined the methodology for gathering information in order to correctly record and completely disclose related transactions in notes to financial statements conformity with the pricing policy as determined.



I have obtained an assurance in respect of business transactions with related parties, by included;

- Obtained an understanding of the gathering information control system and indication of related persons and parties as disclosed.
- Considered the determination of reasonable pricing policy with related parties approved by the suitable authorized person.
- Sampling the inter-company confirmation letter requirement
- Performed analytical review the significant of irregular transactions
- Sample tested trading transactions incurred during the year compared with the pricing policy of the Company and compare the same related transactions with related parties as deal with other parties.
- Checked supporting documents the recording of selling, purchasing, receipt and payment transactions by considering the adequacy and suitability of such documents.
- Checked the accounting record and reclassification including the completeness of disclosure of information with related parties

Other Information

Management is responsible for the other information. The other information comprises information in the annual report of the Company, but does not include the financial statements in which the equity method is applied and separate financial statements and my auditor's report thereon, which is expected to be made available to me after that date.

My opinion on the financial statements in which the equity method is applied and separate financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements in which the equity method is applied and separate financial statements, my responsibility is to read the other information identified above 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 Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements in which the Equity method is Applied and Separate Financial Statements

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

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

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





Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity method is applied and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements in which the equity method is applied and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements in which the equity method is applied and separate financial statements, including the disclosures, and whether the financial statements in which the equity method is applied and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the associates to express an opinion on the financial statements in which the equity method is applied and separate financial statement. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

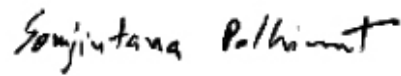


I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

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

D I A INTERNATIONAL AUDIT CO., LTD.



(Miss Somjintana Polhirunrat)

C.P.A. (Thailand)

Registration No. 5599

March 15, 2017





STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2016

(Unit : Baht)

Assets	Note	Financial statements in which the equity method is applied		Separate financial statements	
		December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Current assets					
Cash and cash equivalents	4	104,135,961.05	337,526,130.91	104,135,961.05	337,526,130.91
Trade and other receivables - related parties	5	172,457,582.50	165,732,522.09	172,457,582.50	165,732,522.09
Trade and other receivables - others	6	26,650,480.85	28,553,917.45	26,650,480.85	28,553,917.45
Inventories		2,429,344.53	2,221,117.97	2,429,344.53	2,221,117.97
Total current assets		305,673,368.93	534,033,688.42	305,673,368.93	534,033,688.42
Non-current assets					
Investments in associates					
By using equity method	7	15,027,767,484.41	13,638,773,794.45	0.00	0.00
By using cost method	7	0.00	0.00	2,203,091,277.95	1,979,359,849.95
Investments in related parties					
Available-for-sale investment	8	3,219,255,465.88	2,847,600,459.26	3,219,255,465.88	2,847,600,459.26
Other long-term investments	8	1,404,181,106.78	1,211,888,507.65	1,404,181,106.78	1,211,888,507.65
Other long-term investments					
Available-for-sale investment	9	111,990,349.50	183,651,021.50	111,990,349.50	183,651,021.50
Other long-term investments	9	41,817,560.63	41,820,500.30	41,817,560.63	41,820,500.30
Real estate under to buy and to sell contract		621,770.34	59,354,515.94	621,770.34	59,354,515.94
Real estate for sale	10	631,516,632.56	721,997,967.14	631,516,632.56	721,997,967.14
Investment properties	11	2,778,974,000.51	2,365,808,250.18	2,778,974,000.51	2,365,808,250.18
Property, plant and equipment	12	1,232,178,391.67	1,178,607,217.87	1,232,178,391.67	1,178,607,217.87
Intangible assests	13	10,523,743.94	11,129,016.19	10,523,743.94	11,129,016.19
Deferred tax assets	23	161,959,498.50	181,018,266.37	180,691,484.33	197,700,252.20
Other non-current assets					
Deposit for land	14	42,527,100.00	42,527,100.00	42,527,100.00	42,527,100.00
Withholding tax		42,209,354.35	61,636,628.04	42,209,354.35	61,636,628.04
Others		4,504,292.77	7,974,453.79	4,504,292.77	7,974,453.79
Total other non-current assets		89,240,747.12	112,138,181.83	89,240,747.12	112,138,181.83
Total non-current assets		24,710,026,751.84	22,553,787,698.68	11,904,082,531.21	10,911,055,740.01
Total assets		25,015,700,120.77	23,087,821,387.10	12,209,755,900.14	11,445,089,428.43

Notes to financial statements are parts of these financial statements



STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2016

Liabilities and shareholders' equity	Note	Financial statements in which the equity method is applied		Separate financial statements	
		December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Current liabilities					
Bank overdrafts and loans from financial institutions	15	560,000,000.00	0.00	560,000,000.00	0.00
Trade and other payables		252,722,589.23	335,451,349.23	252,722,589.23	335,451,349.23
Current portion of long - term debt	16	300,000,000.00	300,000,000.00	300,000,000.00	300,000,000.00
Total current liabilities		<u>1,112,722,589.23</u>	<u>635,451,349.23</u>	<u>1,112,722,589.23</u>	<u>635,451,349.23</u>
Non-current liabilities					
Investments payable		599,700.00	599,700.00	599,700.00	599,700.00
Amount received in advance		24,517,959.95	32,873,406.40	24,517,959.95	32,873,406.40
Deposits		86,461,857.48	83,156,746.83	86,461,857.48	83,156,746.83
Long-term loans	16	900,000,000.00	1,500,000,000.00	900,000,000.00	1,500,000,000.00
Contingent liabilities from guarantees	17	4,574,409.75	4,574,409.75	4,574,409.75	4,574,409.75
Employee benefit obligations	18	56,488,351.17	72,437,395.00	56,488,351.17	72,437,395.00
Deferred tax liabilities	23	452,758,510.58	401,480,022.86	452,758,510.58	401,480,022.86
Total non-current liabilities		<u>1,525,400,788.93</u>	<u>2,095,121,680.84</u>	<u>1,525,400,788.93</u>	<u>2,095,121,680.84</u>
Total liabilities		<u>2,638,123,378.16</u>	<u>2,730,573,030.07</u>	<u>2,638,123,378.16</u>	<u>2,730,573,030.07</u>
Shareholders' equity					
Share capital					
Authorized share capital					
800,000,000 common shares of Baht 1 each		800,000,000.00	800,000,000.00	800,000,000.00	800,000,000.00
Issued and paid-up share capital					
494,034,300 common shares of Baht 1 each		494,034,300.00	494,034,300.00	494,034,300.00	494,034,300.00
Premium on share capital		1,041,357,580.00	1,041,357,580.00	1,041,357,580.00	1,041,357,580.00
Premium on treasury stock of associates		6,151,888.73	6,151,888.73	0.00	0.00
Premium on share-based payment reserve of associates		0.00	0.00	0.00	0.00
Retained earnings					
Appropriated					
Legal reserve	21	80,000,000.00	80,000,000.00	80,000,000.00	80,000,000.00
General reserve	22	280,000,000.00	280,000,000.00	280,000,000.00	280,000,000.00
Unappropriated		16,682,579,339.57	15,177,778,024.67	5,865,564,295.97	5,248,443,640.05
Other components of equity		3,793,453,634.31	3,277,926,563.63	1,810,676,346.01	1,570,680,878.31
Total shareholders' equity		<u>22,377,576,742.61</u>	<u>20,357,248,357.03</u>	<u>9,571,632,521.98</u>	<u>8,714,516,398.36</u>
Total liabilities and shareholders' equity		<u>25,015,700,120.77</u>	<u>23,087,821,387.10</u>	<u>12,209,755,900.14</u>	<u>11,445,089,428.43</u>

Notes to financial statements are parts of these financial statements





STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2016

(Unit : Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2016	2015	2016	2015
Revenues					
Facility income		2,026,172,765.92	2,041,378,271.71	2,026,172,765.92	2,041,378,271.71
Sales of real estate		271,795,750.00	181,877,075.39	271,795,750.00	181,877,075.39
Consulting and services income		399,105,982.64	388,074,856.52	399,105,982.64	388,074,856.52
Share of profit from investment in associates by equity method		1,444,029,446.77	1,264,082,801.66	0.00	0.00
Dividend income		369,273,163.02	244,029,749.18	878,588,763.32	762,093,733.18
Other income					
Gain on disposal of assets		4,202,676.67	56,305.41	4,202,676.67	56,305.41
Gain on investment		4,413,310.33	6,421,439.50	4,413,310.33	6,421,439.50
Reversible impairment loss of investment		21,000,000.00	3,242,209.46	26,250,000.00	3,242,209.46
Reversible impairment loss of assets		0.00	56,728,971.88	0.00	56,728,971.88
Reversible loss on guarantee		0.00	8,349,863.00	0.00	8,349,863.00
Gain on exchange rate		390,102.84	275,130.65	390,102.84	275,130.65
Interest income		1,036,798.65	3,727,835.59	1,036,798.65	3,727,835.59
Doubtful account (reversal)		1,255,250.01	0.00	1,255,250.01	0.00
Others		14,697,151.90	12,490,323.98	14,697,151.90	12,490,323.98
Total revenues		4,557,372,398.75	4,210,734,833.93	3,627,908,552.28	3,464,716,016.27
Expenses					
Cost of facility		1,844,538,975.89	1,863,202,712.16	1,844,538,975.89	1,863,202,712.16
Cost of sales of real estate		63,360,955.67	20,671,424.46	63,360,955.67	20,671,424.46
Cost of services		328,689,861.02	305,745,579.85	328,689,861.02	305,745,579.85
Share of loss on investment in associates by equity method		42,753,230.95	77,536,386.98	0.00	0.00
Administrative expenses		490,863,029.59	493,136,098.93	490,863,029.59	493,136,098.93
Other expenses					
Loss on exchange rate		64,298.73	526,170.70	64,298.73	526,170.70
Loss on disposal of investment		9,334,583.45	0.00	9,334,583.45	0.00
Impairment loss of investments		38,622,851.42	85,821,207.75	54,122,851.42	117,823,022.00
Impairment loss of assets		0.00	8,939,741.82	0.00	8,939,741.82
Loss on disused of assets		1,819,141.02	0.00	0.00	0.00
Finance costs		43,771,256.92	46,689,211.75	43,771,256.92	46,689,211.75
Total expenses		2,863,818,184.66	2,902,268,534.40	2,834,745,812.69	2,856,733,961.67
Profit (loss) before income tax		1,693,554,214.09	1,308,466,299.53	793,162,739.59	607,982,054.60
Income tax	23	(11,282,863.87)	8,621,084.43	(9,232,863.87)	15,021,447.28
Profit (loss) for the year		1,682,271,350.22	1,317,087,383.96	783,929,875.72	623,003,501.88

Notes to financial statements are parts of these financial statements



STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2016

(Unit : Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2016	2015	2016	2015
Other comprehensive income :-					
Items that may be reclassified subsequently to profit or loss					
Gain (loss) on re-measuring of available for sale investments (net of tax)		239,995,467.70	(143,160,031.20)	239,995,467.70	(143,160,031.20)
Gain (loss) on re-measuring of available for sale investments - associates (net of tax)		279,483,315.57	(96,486,867.61)	0.00	0.00
Exchange differences on translating financial statements of associates		(3,951,712.59)	3,228,199.92	0.00	0.00
Items that will not be reclassified subsequently to profit or loss					
Actuarial gain (loss) on defined employee benefit plan (net of tax)		(3,777,900.80)	12,954,624.80	(3,777,900.80)	12,954,624.80
Actuarial gain (loss) on defined employee benefit plan - associates		(10,660,815.52)	37,716,076.64	0.00	0.00
Other comprehensive income (expense) for the year		<u>501,088,354.36</u>	<u>(185,747,997.45)</u>	<u>236,217,566.90</u>	<u>(130,205,406.40)</u>
Total comprehensive income for the year		<u>2,183,359,704.58</u>	<u>1,131,339,386.51</u>	<u>1,020,147,442.62</u>	<u>492,798,095.48</u>
Basic earnings per share		3.41	2.67	1.59	1.26

Notes to financial statements are parts of these financial statements



STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2016

FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED

(Unit : Baht)

	Other components of equity										Grand Total	
	Retained earnings					Gain on re-measuring investment of associates						Total
	Issued and paid-up share capital	Premium on share capital (Discount)	Premium on treasury stock of associates	Premium on share-based payment reserve of associates	Appropriated	Unappropriated	Gain on re-measuring investment of available-for-sale investment	Investment of associates	Gain on re-measuring investment of available-for-sale investment	Premium on changes Exchange differences on translating financial statements of associates		
Balance as at January 1, 2015	494,034,300.00	1,041,357,580.00	6,151,888.73	13,932,199.96	80,000,000.00	13,923,647,828.27	1,713,840,909.51	1,773,203,051.76	20,239,179.29	7,223,135.64	3,514,516,276.20	19,353,640,073.16
Dividend paid				(13,932,199.96)		(113,627,889.00)						(113,627,889.00)
Reserve for premium on share-based payment												
Premium on changes in percentage of investment									(171,013.68)			(171,013.68)
Total comprehensive income for the year												
Net profit						1,317,087,383.96						1,317,087,383.96
Other comprehensive income (expense)						50,670,701.44	(143,160,031.20)	(96,456,867.61)		3,228,199.92	(236,418,696.89)	(185,747,997.45)
Balance as at December 31, 2015	494,034,300.00	1,041,357,580.00	6,151,888.73	0.00	80,000,000.00	15,177,778,024.67	1,570,680,878.31	1,676,716,184.15	20,068,165.61	10,461,335.56	3,277,926,563.63	20,357,248,357.03
Balance as at January 1, 2016	494,034,300.00	1,041,357,580.00	6,151,888.73	0.00	80,000,000.00	15,177,778,024.67	1,570,680,878.31	1,676,716,184.15	20,068,165.61	10,461,335.56	3,277,926,563.63	20,357,248,357.03
Dividend paid												
Total comprehensive income for the year												
Net profit						1,682,271,350.22						1,682,271,350.22
Other comprehensive income (expense)						(14,438,716.32)	239,995,467.70	279,483,315.57		(3,951,712.59)	515,527,070.68	501,088,354.36
Balance as at December 31, 2016	494,034,300.00	1,041,357,580.00	6,151,888.73	0.00	80,000,000.00	16,682,578,339.57	1,810,676,346.01	1,956,199,498.72	20,068,165.61	6,509,622.97	3,793,453,634.31	22,377,576,742.61

Notes to financial statements are parts of these financial statements



STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2016

		SEPARATE FINANCIAL STATEMENTS						(Unit : Baht)	
		Issued and paid-up share capital	Premium (Discount) on share capital	Retained earnings		Other components of equity		Total	
Legal reserve	General reserve			Unappropriated	Gain on re-measuring of available-for-sales investment				
Note									
	Balance as at January 1, 2015	494,034,300.00	1,041,357,580.00	80,000,000.00	280,000,000.00	4,726,113,402.37	1,713,840,909.51	8,335,346,191.88	
	Dividend paid					(113,627,889.00)		(113,627,889.00)	
	Total comprehensive income for the year								
	Net profit					623,003,501.88		623,003,501.88	
	Other comprehensive income (expense)					12,954,624.80	(143,160,031.20)	(130,205,406.40)	
	Balance as at December 31, 2015	494,034,300.00	1,041,357,580.00	80,000,000.00	280,000,000.00	5,248,443,640.05	1,570,680,878.31	8,714,516,398.36	
	Balance as at January 1, 2016	494,034,300.00	1,041,357,580.00	80,000,000.00	280,000,000.00	5,248,443,640.05	1,570,680,878.31	8,714,516,398.36	
	Dividend paid					(163,031,319.00)		(163,031,319.00)	
	Total comprehensive income for the year								
	Net profit					783,929,875.72		783,929,875.72	
	Other comprehensive income (expense)					(3,777,900.80)	239,995,467.70	236,217,566.90	
	Balance as at December 31, 2016	494,034,300.00	1,041,357,580.00	80,000,000.00	280,000,000.00	5,865,564,295.97	1,810,676,346.01	9,571,632,521.98	

Notes to financial statements are parts of these financial statements

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2016

(Unit : Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operation activities				
Profit before income tax	1,693,554,214.09	1,308,466,299.53	793,162,739.59	607,982,054.60
Add Adjustments to reconcile net profit (loss) to cash receipt (disbursement) from operating activities :				
Depreciation and amortization	179,722,829.68	172,677,195.98	179,722,829.68	172,677,195.98
Finance costs	43,771,256.92	46,689,211.75	43,771,256.92	46,689,211.75
Actuarial gain on defined employee benefit plan	4,555,831.00	4,645,548.00	4,555,831.00	4,645,548.00
Share of (profit) from investment by equity method	(1,444,029,446.77)	(1,264,082,801.66)	0.00	0.00
Share of loss from investment by equity method	42,753,230.95	77,536,386.98	0.00	0.00
Dividend received from investment	509,315,600.30	518,063,984.00	0.00	0.00
Reversible impairment loss of investment	(21,000,000.00)	(3,242,209.46)	(26,250,000.00)	(3,242,209.46)
Reversible impairment loss on investment properties	0.00	(56,728,971.88)	0.00	(56,728,971.88)
Reversible loss on guarantee	0.00	(8,349,863.00)	0.00	(8,349,863.00)
Impairment loss on investment	38,622,851.42	85,821,207.75	54,122,851.42	117,823,022.00
Impairment loss of real estate for sale	0.00	8,939,741.82	0.00	8,939,741.82
(Gain) loss on sales of investment	4,921,273.12	(6,421,439.50)	4,921,273.12	(6,421,439.50)
(Gain) loss on investment	1,819,141.02	0.00	0.00	0.00
(Gain) loss on sales of assets	(4,202,676.67)	(56,305.41)	(4,202,676.67)	(56,305.41)
Doubtful accounts	227,979.22	3,502,918.81	227,979.22	3,502,918.81
Doubtful account (reversal)	(1,255,250.01)	0.00	(1,255,250.01)	0.00
Profit (Loss) from operations before change in operating assets and liabilities	1,048,776,834.27	887,460,903.71	1,048,776,834.27	887,460,903.71
(Increase) Decrease of change in operating assets				
Inventories	(208,226.56)	(320,385.97)	(208,226.56)	(320,385.97)
Short - term loans to related parties	0.00	30,000,000.00	0.00	30,000,000.00
Real estate for sale	(125,991.17)	(100,005,625.00)	(125,991.17)	(100,005,625.00)
Real estate under to buy and to sell contract	61,858,173.72	18,616,240.16	61,858,173.72	18,616,240.16
Intangible assets	(946,894.17)	(532,880.39)	(946,894.17)	(532,880.39)
Trade and other receivables - related parties	(4,575,347.03)	52,903,008.56	(4,575,347.03)	52,903,008.56
Trade and other receivables - other companies	780,994.01	2,041,230.14	780,994.01	2,041,230.14
Other non-current assets	44,065,984.04	(2,643.21)	44,065,984.04	(2,643.21)
Increase (Decrease) of change in operating liabilities				
Trade and other payables	(80,015,828.49)	83,180,383.84	(80,015,828.49)	83,180,383.84
Unearned revenue	(8,355,446.45)	(46,522,646.45)	(8,355,446.45)	(46,522,646.45)
Deposits	3,305,110.65	5,609,509.87	3,305,110.65	5,609,509.87
Employee benefits obligation	(25,227,250.83)	(12,371,383.00)	(25,227,250.83)	(12,371,383.00)

Notes to financial statements are parts of these financial statements



STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2016

(Unit : Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	2016	2015	2016	2015
Cash generated (paid) from operation	1,039,332,111.99	920,055,712.26	1,039,332,111.99	920,055,712.26
Interest paid	(46,484,188.43)	(47,605,387.03)	(46,484,188.43)	(47,605,387.03)
Income tax paid	(21,204,505.50)	(21,000,519.90)	(21,204,505.50)	(21,000,519.90)
Net cash received by (used in) operating activities	971,643,418.06	851,449,805.33	971,643,418.06	851,449,805.33
Cash flows from investing activities				
Purchase of securities	(491,166,212.00)	(424,984,658.85)	(491,166,212.00)	(424,984,658.85)
Disposal of securities	42,351,000.00	105,911,539.50	42,351,000.00	105,911,539.50
Purchase of property, plant and equipment	(106,579,911.76)	(106,636,490.71)	(106,579,911.76)	(106,636,490.71)
Disposal of vehicles and office equipment	4,236,170.23	56,308.41	4,236,170.23	56,308.41
Investment properties	(450,843,315.39)	(309,124,718.78)	(450,843,315.39)	(309,124,718.78)
Net cash received by (used in) investing activities	(1,002,002,268.92)	(734,778,020.43)	(1,002,002,268.92)	(734,778,020.43)
Cash flows from financing activities				
Increase (Decrease) in overdrafts and loans from financial institutions	560,000,000.00	(213,400,000.00)	560,000,000.00	(213,400,000.00)
Dividend paid	(163,031,319.00)	(113,627,889.00)	(163,031,319.00)	(113,627,889.00)
Increase (Decrease) in long - term loans	(600,000,000.00)	466,680,000.00	(600,000,000.00)	466,680,000.00
Net cash received by (used in) financing activities	(203,031,319.00)	139,652,111.00	(203,031,319.00)	139,652,111.00
Net increase (decrease) in cash and cash equivalents	(233,390,169.86)	256,323,895.90	(233,390,169.86)	256,323,895.90
Cash and cash equivalents at the beginning of the year	337,526,130.91	81,202,235.01	337,526,130.91	81,202,235.01
Cash and cash equivalents at the end of the year	104,135,961.05	337,526,130.91	104,135,961.05	337,526,130.91

Notes to financial statements are parts of these financial statements



NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

1. GENERAL INFORMATION

1.1 Saha Pathana Inter-Holding Public Company Limited was registered as a public company limited on May 9, 1994 with registration No. 0107537001340 which is located at

530 Soi Sathupradit 58, Bangpongpan, Yannawa, Bangkok with 6 branches as follows :

Branch 1 Located at 999 Moo 11, Sukhapiban 8 Road, Tambon Nong-Kham, Amphur Sriracha, Cholburi Province

Branch 2 Located at 1 Moo 5, Suwannasorn Road, Tambon Non-si, Amphur Kabinburi, Prachinburi Province

Branch 3 Located at 189 Moo 15, By-Pass Lamphun-Pasang Road, Amphur Mueng, Lamphun Province

Branch 4 Located at 196 Moo 11, Tambon Wangdan, Amphur Kabinburi, Prachinburi Province

Branch 5 Located at 269 Moo 15, Tambon Maekasa, Amphur Maesot, Tak Province

Branch 6 Located at 1 Moo 6, Tambon Surasak, Amphur Sriracha, Cholburi Province

1.2 The Company operates in business of investment, rental and services, industrial park (real estate business) and Company operates in goods distribution business.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Financial Statements preparation

The financial statements have been prepared in conformity with Thai Financial Reporting Standards, enunciated under the Accounting Professions Act B.E. 2547 and presented in accordance with the notification of Department of Business Development, the Ministry of Commerce dated September 28, 2011, regarding the condensed form should be included in the financial statements B.E. 2554 and the regulation of the Securities and Exchange Commission regarding the preparation and presentation of the financial reporting under the Securities and Exchange Act B.E. 2535.

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

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.

2.2 Thai Financial reporting standards (TFRSs) that became effective in the current year

The Federation of Accounting Professions issued accounting standards, financial reporting standards, standing interpretations and financial reporting interpretations which are expected to be effective for the financial statements beginning on or after January 1, 2016 as detailed below :



2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

2.2 Thai Financial reporting standards (TFRSs) that became effective in the current year (Continued)

<u>Accounting Standards</u>	<u>Contents</u>
TAS 1 (Revised 2015)	Presentation of Financial Statements
TAS 2 (Revised 2015)	Inventories
TAS 7 (Revised 2015)	Statement of Cash Flows
TAS 8 (Revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2015)	Events After the Reporting Period
TAS 11 (Revised 2015)	Construction Contracts
TAS 12 (Revised 2015)	Income Taxes
TAS 16 (Revised 2015)	Property, Plant and Equipment
TAS 17 (Revised 2015)	Leases
TAS 18 (Revised 2015)	Revenue
TAS 19 (Revised 2015)	Employee Benefits
TAS 20 (Revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2015)	Borrowing Costs
TAS 24 (Revised 2015)	Related Party Disclosures
TAS 26 (Revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2015)	Separate Financial Statements
TAS 28 (Revised 2015)	Investments in Associates and Joint Venture
TAS 29 (Revised 2015)	Financial Reporting in Hyperinflationary Economics
TAS 33 (Revised 2015)	Earnings per Share
TAS 34 (Revised 2015)	Interim Financial Reporting
TAS 36 (Revised 2015)	Impairment of Assets
TAS 37 (Revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2015)	Intangible Assets
TAS 40 (Revised 2015)	Investment Property
TAS 41	Agriculture



2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

2.2 Thai Financial reporting standards (TFRSs) that became effective in the current year (Continued)

<u>Financial Reporting Standards</u>	<u>Contents</u>
TFRS 2 (Revised 2015)	Share-Based Payments
TFRS 3 (Revised 2015)	Business Combinations
TFRS 4 (Revised 2015)	Insurance Contracts
TFRS 5 (Revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2015)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2015)	Operating Segments
TFRS 10 (Revised 2015)	Consolidated Financial Statements
TFRS 11 (Revised 2015)	Joint Arrangements
TFRS 12 (Revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2015)	Fair Value Measurement
<u>Standing Interpretations Committee</u>	
TSIC 10 (Revised 2015)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (Revised 2015)	Operating Leases - Incentives
TSIC 25 (Revised 2015)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (Revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (Revised 2015)	Service Concession Arrangements: Disclosures
TSIC 31 (Revised 2015)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2015)	Intangible Assets - Web Site Costs
<u>Financial Reporting Interpretations Committee</u>	
TFRIC 1 (Revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (Revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2015)	Applying the Restatement Approach under TAS 29 (Revised 2015) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2015)	Interim Financial Reporting and Impairment



2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

2.2 Thai Financial reporting standards (TFRSs) that became effective in the current year (Continued)

<u>Financial Reporting Interpretations Committee</u>	<u>Contents</u>
TFRIC 12 (Revised 2015)	Service Concession Arrangements
TFRIC 13 (Revised 2015)	Customer Loyalty Programmers
TFRIC 14 (Revised 2015)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction for TAS 19 (Revised 2015) Employee Benefits
TFRIC 15 (Revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2015)	Distributions of Non — cash Assets to Owners
TFRIC 18 (Revised 2015)	Transfers of Assets from Customers
TFRIC 20 (Revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies

The above accounting standards, financial reporting standards, standing interpretations committee, financial reporting interpretations and accounting guideline committee will have no significant impact on these financial statements.

2.3 Thai Financial Reporting Standards that have been issued but are not yet effective

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs), which are effective for the financial statements for the periods beginning on or after January 1, 2017 onwards, as follows:

<u>Accounting Standards</u>	<u>Contents</u>
TAS 1 (Revised 2016)	Presentation of Financial Statements
TAS 2 (Revised 2016)	Inventories
TAS 7 (Revised 2016)	Statement of Cash Flows
TAS 8 (Revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2016)	Events After the Reporting Period
TAS 11 (Revised 2016)	Construction Contracts
TAS 12 (Revised 2016)	Income Taxes
TAS 16 (Revised 2016)	Property, Plant and Equipment
TAS 17 (Revised 2016)	Leases
TAS 18 (Revised 2016)	Revenue
TAS 19 (Revised 2016)	Employee Benefits





2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

2.3 Thai Financial Reporting Standards that have been issued but are not yet effective (Continued)

<u>Accounting Standards</u>	<u>Contents</u>
TAS 20 (Revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2016)	Borrowing Costs
TAS 24 (Revised 2016)	Related Party Disclosures
TAS 26 (Revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2016)	Separate Financial Statements
TAS 28 (Revised 2016)	Investments in Associates and Joint Venture
TAS 29 (Revised 2016)	Financial Reporting in Hyperinflationary Economics
TAS 33 (Revised 2016)	Earnings per Share
TAS 34 (Revised 2016)	Interim Financial Reporting
TAS 36 (Revised 2016)	Impairment of Assets
TAS 37 (Revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38(Revised 2016)	Intangible Assets
TAS 40 (Revised 2016)	Investment Property
TAS 41 (Revised 2016)	Agriculture
TAS 104 (Revised 2016)	Accounting for Troubled Debt Restructuring
TAS 105 (Revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (Revised 2016)	Financial Instruments Disclosure and Presentation.
 <u>Financial Reporting Standards</u>	
TFRS 2 (Revised 2016)	Share-Based Payments
TFRS 4 (Revised 2016)	Insurance Contracts
TFRS 5 (Revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2016)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2016)	Operating Segments
TFRS 10 (Revised 2016)	Consolidated Financial Statements
TFRS 11 (Revised 2016)	Joint Arrangements
TFRS 12 (Revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2016)	Fair Value Measurement



2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

2.3 Thai Financial Reporting Standards that have been issued but are not yet effective (Continued)

<u>Standing Interpretations Committee</u>	<u>Contents</u>
TSIC 10 (Revised 2016)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (Revised 2016)	Operating Leases - Incentives
TSIC 25 (Revised 2016)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (Revised 2016)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (Revised 2016)	Service Concession Arrangements: Disclosures
TSIC 31 (Revised 2016)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2016)	Intangible Assets - Web Site Costs
 <u>Financial Reporting Interpretations Committee</u>	
TFRIC 1 (Revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2016)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (Revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2016)	Applying the Restatement Approach under TAS 29 (Revised 2016) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2016)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2016)	Service Concession Arrangements
TFRIC 13 (Revised 2016)	Customer Loyalty Programmers
TFRIC 14 (Revised 2016)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction for TAS 19 (Revised 2016) Employee Benefits
TFRIC 15 (Revised 2016)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2016)	Distributions of Non — cash Assets to Owners
TFRIC 18 (Revised 2016)	Transfers of Assets from Customers
TFRIC 20 (Revised 2016)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (Revised 2016)	Levies

The Company and subsidiaries have no plan to adopt and apply such financial reporting standards before effective date and has expected that there is no material impact to financial statements in the effective period.



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues and expenses are recognized on an accrual basis.

3.2 Revenues from services are recognized as income when the services are rendered to the customers.

3.3 Revenue from sales of real estate is recognized as income when the significant risks and rewards of ownership have been transferred to the buyer.

3.4 Revenue from sales of goods is recognized when the goods are delivered after deduction with goods return and sales discount.

3.5 The Company recognized dividend as income in total whenever the declaration is made.

3.6 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposit at bank with 3 months maturity.

3.7 Allowance for doubtful accounts

The Company provided allowance for doubtful accounts equal to the estimated uncollectable receivable based on the review of current status of each receivable.

3.8 Inventory Valuation

Inventories are valued at the lower of cost or net realizable value. Cost is determined on weighted average method.

3.9 Investment in associates

Investment in associates is investment in an enterprise in which the investor has significant influence but no the power to participate in the financial and operating policy decisions of the investment and is not in control over those policies. Investment in associates are carried at net cost of provision for impairment of investment in the separate financial statements and included share of profit or loss of associates under the equity method in the financial statements in which the equity method is applied and recognized share of loss of associates from the investment reported at nil, except the extent that group of company has incurred obligations to satisfy obligations of associates.

3.10 Investment in equity securities

Long-term investments in marketable securities available for sales are stated at fair value. The difference of carrying value and fair value are separately shown as unrealized gain (loss) from change in value of investment in shareholders' equity unit such investments were sold. The change in such value is recorded in statements of income.

Long-term investments in foreign marketable securities available for sales are stated at fair value, converting into Baht by using exchange rate as at the end of the period. The difference of carrying value and fair value are separately shown as gain (loss) from change in value of investment in shareholders' equity unit such investments were sold. The change in such value is recognized in statements of income.

Long-term investments in non marketable securities which are held as general investment, are stated at cost less provision for impairment of investment.

Long-term investments in foreign non marketable securities which are held as general investment, are stated at cost less provision for impairment of investment, converting into Baht by using the exchange rate as at the transaction date.

Cost of long-term investments sold during the year is determined by the weighted average method.



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Investment Properties

Investment properties are properties held to earn rental or for capital appreciation or both, which are not held for sale in the ordinary course of business or in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and provision for impairment loss of assets (if any). Depreciation for investment properties is calculated on a straight-line basis for 20 - 34 years.

3.12 Property, plant and equipment

Property, plant equipment are recorded at cost. Cost consist of cost of acquisition, dismantlement, removal and restoration less accumulated depreciation and provision for impairment (if any).

Depreciation is determined separately for each significant part of assets.

Building and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets as follows :

Building and construction	20 - 34 years
Facilities system	10 years
Road and sidewalk	15 - 25 years
Other assets	5 years

3.13 Cost of land development

Cost of land development are stated at cost which including expenses and interest for the project are shown in land development cost.

3.14 Provision for impairment of assets

Provision for impairment of assets represented the carrying amount of an asset exceeds its recoverable value, the Company will recognize as impairment loss in the statements of comprehensive income for the period. The Company will reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment which is shown in statements of comprehensive income.

3.15 Transactions in Foreign Currencies

The Company records its transactions in foreign currencies converting into Thai Baht by using the exchange rates ruling on the transaction dates.

Assets and liabilities in foreign currencies as at the end of the year are converted into Thai Baht by using the exchange rates ruling on the same day prescribed by the Bank of Thailand.

Gain or loss on exchange rates are taken into statement of comprehensive income.

3.16 Leasehold right

Leasehold right is stated at net cost from amortization on a period of the lease.

3.17 Intangible Assets

Intangible assets consist of computer program is amortized within the period of 10 years. Other deferred expenses are amortized within the period of 5 years.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.18 Income Tax

Income Tax

Income tax expense for the period comprises current tax and deferred tax.

Current Tax

Current tax 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.

Deferred Tax

Deferred tax is provided on temporary differences between their carrying amounts at the end of each reporting period and the tax bases of assets and liabilities by using the tax rates enacted at the end of the reporting period. The Company recognizes deferred tax liabilities for all taxable temporary differences while they recognize 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 utilized.

At each reporting date, the Company review and reduce 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 utilized.

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

3.19 Basic earnings per share

Earning (Loss) per share presented in the statements of comprehensive income is the basic earnings (loss) per share which is determined by dividing the net profit (loss) for the year by the number of common share outstanding at the end of the period.

3.20 Related persons and parties

Related persons and parties are persons and enterprise that related with group of companies and the Company through shareholding or common shareholders or co-director. The related transaction is determined on the normal course of business.

Related persons and parties are presented in notes to financial statements No. 5, 7, 8, 28 and 30.

3.21 Provisions

The Company recognized a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Company settles the obligation. The amount recognized should not exceed the amount of the provision.



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.22 Employee benefits

3.22.1 Provident fund

The Company has established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Company and employees made contribution into such provident fund. The Company's contribution payment to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

3.22.2 Employment Benefits

The Company provides for post-employment benefits, payable to employees under the Thai Labour Law. The present value of employee benefit liabilities recognized in the financial statements is estimated on an actuarial basis using Projected Unit Credit Method, calculated by the actuary. The calculation was made by utilizing various assumptions about future events. The Company is responsible for the selection of appropriate assumptions.

Actuarial gain or loss on defined post-employment benefit plans will be recognized in other comprehensive income immediately.

3.23 Operating Segments

Operating Segments is presenting the perspective of administrators to segment reporting. The data segments based on internal data reported to the authorities maximum operational decisions of the company regularly.

Changes in presentation and disclosure of segment information has no significant impact on the ever-present segment information in the financial statements of the Company and no effect on the assets, liabilities, earnings per share of the Company.

3.24 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of financial reporting standards, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as selling prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.24 Measurement of fair values (Continued)

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognized transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.25 Significant accounting judgements and estimates

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

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of equity investments

The Group treats available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

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.

Intangible assets

The initial recognition and measurement of intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.25 Significant accounting judgements and estimates (Continued)

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plans and other long-term employee benefit plans are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded at the end of reporting period.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, deposit at bank and financial institution.

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Cash on hand	1,289,654.88	1,453,506.27
Current accounts	1,563,567.18	1,350,033.76
Savings deposit	101,282,738.99	334,722,590.88
Total	<u>104,135,961.05</u>	<u>337,526,130.91</u>

5. TRADE AND OTHER RECEIVABLES - RELATED PARTIES

Trade and other receivables - related parties as at December 31, 2016 and 2015, are as follows :

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Trade accounts receivable - related parties	172,457,582.50	166,070,527.97
(Less) Allowance for doubtful accounts	0.00	(338,005.88)
Total trade and other receivables - related parties	<u>172,457,582.50</u>	<u>165,732,522.09</u>





5. TRADE AND OTHER RECEIVABLES - RELATED PARTIES (CONTINUED)

Trade accounts receivable - related parties which reclassified by aging as at December 31, 2016 and 2015, are as follows :

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Undue	163,711,933.43	157,760,272.33
From 1 month to 3 months	8,599,299.68	7,760,665.68
Over 3 months to 6 months	25,535.60	211,584.08
Over 6 months to 12 months	21,630.00	11,778.79
Over 12 months	99,183.79	326,227.09
Total	172,457,582.50	166,070,527.97
(Less) Allowance for doubtful accounts	0.00	(338,005.88)
Trade accounts receivable - related parties	172,457,582.50	165,732,522.09

6. TRADE AND OTHER RECEIVABLES - OTHERS

Trade and other receivables - others as at December 31, 2016 and 2015, are as follows :

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Trade accounts receivable - others	23,717,627.27	26,757,791.25
Other receivables	2,932,853.58	1,796,126.20
Total trade and other receivables - others	26,650,480.85	28,553,917.45

Other receivables which reclassified by aging as at December 31, 2016 and 2015, are as follows :

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Undue	21,422,321.24	25,549,208.19
From 1 month to 3 months	752,231.93	1,552,081.00
Over 3 months to 6 months	1,978,371.19	928,420.45
Over 6 months to 12 months	318,248.50	1,128,965.36
Over 12 months	3,242,102.43	2,284,029.18
Total	27,713,275.29	31,442,704.18
(Less) Allowance for doubtful accounts	(3,995,648.02)	(4,684,912.93)
Other receivables	23,717,627.27	26,757,791.25



7. INVESTMENTS IN ASSOCIATES

7.1 Investments in associates - using by equity method

No.	Company names	Type of business	Relationship	Paid-up capital		Percentage of investment		Financial statements in which the equity method is applied		Separate financial statements - cost method		Dividend	
				2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
				(Thousand Baht)	(Baht)	(%)	(Baht)	(Baht)	(Baht)	(Baht)	(Baht)	(Baht)	(Baht)
1	I.C.C. INTERNATIONAL P.L.C.	Consumer products	A, B, E, F	290,634	290,634	22.49	3,654,021,352.40	3,427,012,447.45	702,907,481.99	702,907,481.99	68,621,322.00	67,443,222.00	
2	THAI PRESIDENT FOODS PLC.	Instant noodle and biscuits	A, B, E, F	180,000	180,000	21.96	3,432,954,717.15	3,027,960,656.44	90,310,095.47	90,310,095.47	187,323,686.80	148,203,075.00	
3	SAHA PATHANAPIBUL PLC.	Consumer products	A, B, E, F	330,000	330,000	20.00	2,504,617,147.66	2,292,481,526.88	319,800,476.00	319,800,476.00	72,600,071.50	65,794,465.00	
4	THAI WIACORAL PLC.	Lingerie	A, B, E, F	120,000	120,000	21.26	1,144,839,092.66	1,095,161,846.05	63,545,155.00	63,545,155.00	28,063,750.00	61,230,000.00	
5	THANULUX PLC.	Garment	A, B, E, F	120,000	120,000	23.52	803,225,676.80	769,501,754.19	28,688,920.22	28,688,920.22	21,165,615.00	23,987,897.00	
6	INTERNATIONAL LABORATORIES CORP., LTD.	Cosmetics	A, B, E, F	120,000	120,000	25.00	901,120,118.67	873,718,072.59	165,000,000.00	165,000,000.00	24,000,000.00	30,000,000.00	
7	THE LION CORPORATION (THAILAND) CO., LTD.	Detergent	A, B, E, F	300,000	300,000	24.80	880,726,656.93	774,771,849.77	74,400,000.00	74,400,000.00	79,236,000.00	88,634,000.00	
8	THAI HOOVER INDUSTRY CO., LTD.	Plastic products	A, B, E, F	60,000	60,000	37.73	627,420,666.49	549,157,252.25	22,639,600.00	22,639,600.00	19,243,660.00	16,979,700.00	
9	THAI SECOM SECURITY CO., LTD. (formally named THAI SECOM PITAKKIU CO., LTD.)	Security system	A, B, E	378,934	-	25.50	222,524,694.82	-	196,965,026.00	-	-	-	
10	SAHAPAT REAL ESTATE CO., LTD.	Property developer	A, B, E, F	250,000	250,000	40.00	163,534,683.89	118,049,298.88	100,000,000.00	100,000,000.00	1,000,000.00	3,000,000.00	
11	FIRST UNITED INDUSTRY CO., LTD.	Investment	A, B, E, F	40,000	40,000	28.15	124,495,661.15	112,029,581.59	11,258,200.00	11,258,200.00	3,377,460.00	2,814,550.00	
12	TOP TREND MANUFACTURING CO., LTD.	Plastic products	A, B, E, F	120,000	120,000	20.00	115,630,802.89	112,118,383.90	47,625,000.00	47,625,000.00	-	1,680,000.00	
13	BOON CAPITAL HOLDING CO., LTD.	Investment	A, B	270,000	270,000	36.00	97,005,316.02	97,007,432.32	97,199,990.00	97,199,990.00	-	-	
14	SAHACHOL FOOD SUPPLIES CO., LTD.	Agriculture products	A, B, C, E, F	345,000	200,000	24.78	67,410,379.08	13,278,020.53	148,407,884.00	77,791,484.00	-	-	
15	SAHA TOKYU CORPORATION CO., LTD.	Housing service	A, B, C, E	332,000	332,000	20.00	86,637,227.40	64,348,817.93	86,400,000.00	66,400,000.00	-	-	
16	PITAKKIU CO., LTD.	Service	A, B, C, E, F	20,000	20,000	33.52	60,363,824.20	65,746,995.08	6,704,000.00	6,704,000.00	335,200.00	670,400.00	
17	ST (THAILAND) CO., LTD.	Rubber glove	A, B, C, E, F	142,000	142,000	23.75	52,004,740.50	48,922,499.70	33,725,000.00	33,725,000.00	505,875.00	505,875.00	
18	CHAMP ACE CO., LTD.	Garment	A, B, E, F	40,000	40,000	22.50	28,056,009.24	58,090,969.95	9,000,000.00	9,000,000.00	-	450,000.00	
19	EASTERN THAI CONSULTING 1992 CO., LTD.	Environment	A, B, E	20,000	20,000	40.00	25,246,647.61	24,010,149.40	10,000,000.00	10,000,000.00	800,000.00	800,000.00	
20	SEINO SAHA LOGISTICS CO., LTD.	Logistic	A, B, E	20,000	20,000	23.50	22,767,200.11	27,848,164.86	17,285,646.74	17,285,646.74	940,000.00	980,000.00	
21	THAI ITOKIN CO., LTD.	Garment	A, B, C, E	111,250	111,250	32.11	12,353,023.27	27,900,000.00	58,152,029.69	58,152,029.69	-	-	
22	GREEN LIFE MANAGEMENT CO., LTD.	Service apartment	A, B, E	10,000	10,000	30.00	10,702,689.37	12,011,116.42	11,049,900.00	11,049,900.00	1,200,000.00	2,400,000.00	
23	CANGANA INTERNATIONAL CO., LTD.	Selling merchandise	A, B, F	KHR 2,000,000	KHR 2,000,000	20.00	6,894,743.58	5,520,529.60	3,236,800.00	3,236,800.00	-	-	
24	S. APPAREL CO., LTD.	Garment	A, E, F	36,000	36,000	20.00	3,214,412.52	4,793,035.32	7,200,000.00	7,200,000.00	-	-	
25	SAHAPAT PROPERTIES CO., LTD.	Investment	A, B, E, F	20,000	20,000	26.25	-	-	5,250,000.00	5,250,000.00	525,000.00	1,575,000.00	
26	T.U.C ELASTIC CO., LTD.	Power net	A, B, E, F	-	160,000	-	-	37,333,393.35	-	33,600,000.00	372,960.00	20,916,000.00	
	Total						15,027,767,484.41	13,638,773,794.45	2,296,751,207.11	2,062,769,779.11	509,315,600.30	518,063,984.00	
	(Less) Provision for impairment loss						-	-	(93,659,929.16)	(83,409,929.16)	-	-	
	Total investment in associates						15,027,767,484.41	13,638,773,794.45	2,203,091,277.95	1,979,359,849.95	509,315,600.30	518,063,984.00	



7. INVESTMENTS IN ASSOCIATES (CONTINUED)

As at December 31, 2016 and 2015, the Company recorded investments in 26 and 25 associates as follows :

Investments in public company limited

As at December 31, 2016 and 2015, the Company recorded investments and share of profit in 1 associate from the audited financial statements of a public company which had investment value amount of Baht 2,504.62 million and Baht 2,292.48 million equal to 10.01% and 9.93% of total assets and had share of profit amount of Baht 274.77 million and Baht 279.58 million equal to 16.33% and 21.23% of net profit of each year respectively.

As at December 31, 2016 and 2015, the Company recorded investments and share of profit in 4 public companies limited from the financial statements audited by the other auditors which had investment value amount of Baht 9,035.04 million and Baht 8,319.64 million equal to 36.12% and 36.03% of total assets and had share of profit amount of Baht 800.92 million and Baht 687.61 million equal to 47.61% and 52.21% of net profit of each year respectively.

Investments in company limited

As at December 31, 2016 and 2015, the Company recorded investments and share of profit in 1 associate from the audited financial statements which had investment value amount of Baht 880.73 million and Baht 774.77 million equal to 3.52% and 3.36% of total assets and had share of profit amount of Baht 181.23 million equal and Baht 158.48 million equal to 10.77% and 12.03% of net profit respectively.

As at December 31, 2016 and 2015, and the Company recorded investments and share of profit in 20 and 19 associates from the financial statements audited by the other auditors which 16 and 14 associates had investment value amount of Baht 2,460.03 million and Baht 2,001.50 million equal to 9.83 % and 8.67% of total assets and share of profit from investments amount of Baht 153.94 million and Baht 111.40 million equal to 9.15% and 8.46% of net profit of each year, and investments in 4 and 5 associates were recorded from the management's financial statements, were not audited by the auditors which had the amount of Baht 147.32 million and Baht 250.39 million equal to 0.59% and 1.08% of total assets and share of profit from investments amount of Baht 9.58 million and Baht 50.52 million equal to 0.57% and 3.84% of net profit of each year respectively.

In addition, 20 are Non-Publicly Accountable Entities therefore, they applied the Financial Reporting Standards for Non-Publicly Accountable Entities which did not comply with the accounting policies as the same of the Company and the Company has not obtained the additional information from those associates in the preparation of financial statements as if those associates applied the applied the same accounting polies. The Management of the Company has no a power in commanding those associates.

7.2 Supplemental information of associates

During the year, the Company has additionally invested in Thai Secom Security Co., Ltd. (formerly named Thai Secom Pitakkit Co., Ltd.) for the proportion of investment from 15.00% to 25.50% and also representative in the Board of the Company's directors. As a sult, the Company has a significant influence in such company, therefore, investments in related parties-other long-term investment were reclassified as investments in associate as stated in note 8.

Fair value of investment in associates (only associates in which the equity securities can be traded in the SET, is calculated from the bid price as at the statement of financial position date of the Stock Exchange of Thailand). The details are as follows :

Fair value of investments in associates consist of :

Associates	(Unit : Baht)	
	December 31, 2016	December 31, 2015
THAI PRESIDENT FOODS PLC.	7,568,237,030.00	6,125,727,100.00
SAHA PATHANAPIBUL PLC.	2,920,502,876.25	2,409,002,372.50
I.C.C. INTERNATIONAL PLC.	2,336,392,630.00	2,483,438,320.00
THAI WACOAL PLC.	1,205,465,625.00	1,282,003,125.00
THANULUX PLC.	640,612,614.00	677,299,680.00
Total	14,671,210,775.25	12,977,470,597.50



8. INVESTMENTS IN RELATED PARTIES

8.1 Investments in securities available-for-sales

No.	Company names	Type of business	Relationship	Paid - up share capital		Percentage of investment		Cost method		Dividend	
				(Thousand Baht)		(%)		(Baht)		(Baht)	
				2016	2015	2016	2015	2016	2015	2016	2015
1	SAHACOGEN (CHONBURI) PLC.	Electric current	A, B, E	955,000	955,000	15.57	15.57	264,227,129.37	264,227,129.37	14,869,703.00	26,765,465.40
2	BANGKOK RUBBER PLC.	Sport shoes	A, E	1,634,572	1,634,572	4.48	4.48	197,844,509.73	197,844,509.73	-	-
3	PAN ASIA FOOTWEAR PLC.	Sport shoes	A, B, E	275,400	275,400	5.65	5.65	195,978,047.96	195,978,047.96	622,528.60	-
4	S&J INTERNATIONAL ENTERPRISE PLC.	Cosmetic	A, B, E, F	149,930	149,930	15.35	15.35	130,042,427.82	130,042,427.82	23,016,071.00	19,563,660.35
5	LION CORPORATION (JAPAN)	Detergent	A, E	¥34,433	¥34,433	0.11	0.11	92,656,195.00	92,656,195.00	977,233.73	856,800.63
6	SINGER THAILAND PLC.	Distributor	A, B, E	270,000	-	2.09	-	76,720,760.76	-	1,691,160.00	-
7	PEOPLES GARMENT PLC.	Women's wear	A, B, E, F	96,000	96,000	13.78	13.78	56,886,983.49	56,886,983.49	-	14,154,672.62
8	NEW CITY (BANGKOK) PLC.	Consumer products	A, B, E, F	149,510	149,510	15.50	15.50	43,120,478.00	43,120,478.00	463,547.60	927,095.20
9	PRESIDENT BAKERY PLC.	Bakery	A, B, E, F	450,000	450,000	2.82	2.82	38,008,800.00	38,008,800.00	19,891,272.00	16,217,088.00
10	BOUTIQUE NEWCITY PLC.	Women's wear	A, E, F	120,000	120,000	8.53	8.53	34,040,231.12	34,040,231.12	-	512,000.00
11	FAR EAST DDB PLC.	Advertising	A, B, E, F	75,000	75,000	14.08	14.08	29,154,287.52	29,154,287.52	6,334,200.00	5,278,500.00
12	PRESIDENT RICE PRODUCT PLC.	Rice products	A, E, F	149,704	149,704	3.01	3.01	28,800,000.00	28,800,000.00	9,180,000.00	8,640,000.00
13	TEXTILE PRESTIGE PLC.	Embroidery	A, B, E	108,000	108,000	12.03	12.03	12,993,750.00	12,993,750.00	20,790,000.00	7,146,562.50
14	O.C.C PLC.	Consumer products	A, B, E, F	60,000	60,000	12.73	12.73	12,215,983.30	12,215,983.30	5,344,500.00	5,726,250.00
15	NEW PLUS KNITTING PLC.3	Hose products	A, E, F	100,000	100,000	5.33	5.33	11,199,960.00	11,199,960.00	106,666.40	79,999.80
Total								1,223,889,544.07	1,147,168,783.31	103,286,882.33	105,868,094.50
Add Unrealized gain from adjust fair value								2,193,210,431.54	1,898,276,185.68	-	-
(Less) Provision for impairment loss								(197,844,509.73)	(197,844,509.73)	-	-
Total investment in securities available-for-sales - related parties								3,219,255,465.88	2,847,600,459.26	103,286,882.33	105,868,094.50

During the year, the Company has reclassified investment in Singer Thailand Public Company Limited for corresponding with the relationship from other long-term investment-available-for-sale to investment in related parties-available-for-sale as stated in note 9.

8.2 General investments

No.	Company names	Type of business	Relationship	Paid - up share capital		Percentage of investment		Cost method		Dividend	
				(Thousand Baht)		(%)		(Baht)		(Baht)	
				2016	2015	2016	2015	2016	2015	2016	2015
16	A TECH TEXTILES CO., LTD.	Lingeries products	A	1,000,000	-	19.00	-	190,000,000.00	-	-	-
17	ERAWAN TEXTILE CO., LTD.	String, weave	A, B, E	621,463	621,463	16.04	16.04	126,256,111.36	126,256,111.36	-	-
18	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	Fiber manufacturing	A, B, E	2,110,000	1,600,000	6.78	5.75	104,759,900.00	92,009,900.00	-	-
19	SAHA LAWSON CO., LTD.	Retail Shop	A, B, E, F	1,087,000	937,000	9.00	9.00	97,830,000.00	84,330,000.00	-	-
20	THAI ASAHI KASEI SPANDEX CO., LTD.	Spandex	A, E	1,350,000	1,350,000	6.00	6.00	81,000,000.00	81,000,000.00	9,234,000.00	4,659,306.68
21	SSDC (TIGERTEX) CO., LTD.	Dying Embroidered	A, B, E	324,000	324,000	19.71	19.71	76,609,202.82	76,609,202.82	2,873,326.50	1,915,551.00
22	BANGKOK ATHLETIC CO., LTD.	Sport ware	A, E, F	200,000	200,000	18.16	18.16	69,561,939.58	69,561,939.58	-	-
23	TSURUHA (THAILAND) CO., LTD.	Drug Store	A, B, C, E, F	250,000	200,000	15.00	15.00	60,000,000.00	30,000,000.00	-	-
24	PAN LAND CO., LTD.	Land development	A, B, F	300,000	300,000	19.33	19.33	58,000,000.00	58,000,000.00	-	-
25	G TECH MATERIAL CO., LLD.	Lingeries products	A	300,000	-	19.00	-	57,000,000.00	-	-	-
26	OSOTH INTER LABORATORIES CO., LTD.	Medicines	A, B, C, E	600,000	600,000	9.00	9.00	54,937,500.00	54,937,500.00	-	-
27	CARBON MAGIC (THAILAND) CO., LTD.	Cars Composite	A, B, E	590,000	590,000	8.33	8.33	49,167,000.00	49,167,000.00	-	-
28	THAI SAMSUNG ASSURANCE CO., LTD.	Insurance	A, B, E	2,000,000	2,000,000	2.42	2.42	47,123,280.00	47,123,280.00	-	-
29	BNC REAL ESTATE CO., LTD.	Property	A, B	240,000	240,000	16.67	16.67	40,000,000.00	40,000,000.00	-	-
30	UNITED UTILITY CO., LTD.	Investment	A, B, E, F	350,000	350,000	9.24	9.24	39,574,300.00	39,574,300.00	3,235,690.00	3,235,690.00
31	THAI SAMSUNG ELECTRONICS CO., LTD.	Electrical appliances	A, B, E	1,200,000	1,200,000	3.00	3.00	36,000,000.00	36,000,000.00	10,800,000.00	10,800,000.00
32	GENERAL GLASS CO., LTD.	Glass	A, B, E, F	145,000	145,000	15.00	15.00	34,339,805.49	34,339,805.49	-	-
33	THAI PRESIDENT FOODS (Hungary) Kft.	Instant noodle	A	HUF 2,350,000	HUF 2,350,000	10.00	10.00	32,182,363.55	32,182,363.55	-	-
34	MOBILE LOGISTIC CO., LTD.	Logistic	A, B, C, E	300,000	300,000	9.00	9.00	27,000,000.00	27,000,000.00	-	-

8. INVESTMENTS IN RELATED PARTIES (CONTINUED)

No.	Company names	Type of business	Relationship	Paid - up share capital		Percentage of investment		Cost method		Dividend	
				(Thousand Baht)		(%)		(Baht)		(Baht)	
				2016	2015	2016	2015	2016	2015	2016	2015
35	BANGKOK TOKYO SOCKS CO., LTD.	Socks	A, B, E	143,220	143,220	19.55	19.55	26,764,312.50	26,764,312.50	-	280,000.00
36	KEWPIE (THAILAND) CO., LTD.	Sauce	A, B, E, F	260,000	260,000	10.00	10.00	26,000,000.00	26,000,000.00	4,680,000.00	4,160,000.00
37	THAI SHIKIBO CO., LTD.	Spinning	A, B, E	237,500	237,500	10.00	10.00	23,760,000.00	23,760,000.00	950,400.00	1,900,800.00
38	SAHA RATTANA NAKORN CO., LTD.	Industrial Project	A	180,000	180,000	12.50	12.50	22,500,000.00	22,500,000.00	-	-
39	THAI GUNZE CO., LTD.	Men's inner	A, B, E	180,000	180,000	11.00	11.00	19,800,000.00	19,800,000.00	-	-
40	THAI ARAI CO., LTD.	Motorcycle	A, B, E	126,000	126,000	14.75	14.75	19,202,504.36	19,202,504.36	442,500.00	-
41	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	Auto part	A, E, F	120,000	120,000	15.60	15.60	18,720,000.00	18,720,000.00	3,744,000.00	3,744,000.00
42	DAIRY THAI CO., LTD.	Milk	A, B	67,125	67,125	9.13	9.13	17,550,000.00	17,550,000.00	-	-
43	SAHA SEHWA CO., LTD.	Plastic	A, B, E	145,000	145,000	10.52	10.52	15,250,000.00	15,250,000.00	-	-
44	THAI TAKEDA LACE CO., LTD.	Product lace	A, B, E	127,000	127,000	8.78	8.78	15,053,034.16	15,053,034.16	1,672,500.00	1,672,500.00
45	THAI KOBASHI CO., LTD.	Box	A, E, F	100,000	100,000	15.00	15.00	15,000,000.00	15,000,000.00	-	-
46	J&P (THAILAND) CO., LTD.	Investment	A, B	132,500	150,000	9.00	9.00	11,925,000.00	13,500,000.00	-	-
47	OTSUKA SAHA ASIA RESEARCH CO., LTD.	Goods research and development	A, B	80,000	80,000	16.33	16.33	13,066,600.00	13,066,600.00	-	-
48	JANOME (THAILAND) CO., LTD.	Sewing machine	A, B, E	97,400	97,400	9.00	9.00	12,416,490.00	12,416,490.00	2,191,500.00	2,191,500.00
49	MOLTEN (THAILAND) CO., LTD.	Ball	A, E, F	100,000	100,000	12.00	12.00	12,000,000.00	12,000,000.00	1,200,000.00	2,400,000.00
50	BETTER WAY (THAILAND) CO., LTD.	Direct sale	A, B, E, F	100,000	80,000	11.77	11.97	11,773,620.00	9,572,050.00	86,148,450.00	57,432,300.00
51	THAI LOTTE CO., LTD.	Grewing gum	A, E	3,013,000	3,013,000	0.37	0.37	11,000,000.00	11,000,000.00	-	-
52	SHISEIDO PROFESSIONAL (THAILAND) CO., LTD.	Beauty Service Center	A, B, E	70,000	70,000	15.00	15.00	10,500,000.00	10,500,000.00	1,808,100.00	1,653,750.00
53	RACHA UCHINO CO., LTD.	Cotton towels	A, B, E	1,215,000	1,215,000	12.41	12.41	10,080,960.00	10,080,960.00	150,828.00	150,828.00
54	SUN 108 CO., LTD.	Logistic	A, B, E, F	100,000	100,000	10.00	10.00	10,000,000.00	10,000,000.00	1,000,000.00	1,000,000.00
55	TREASURE HILLS CO., LTD.	Golf course	A, B, E, F	200,000	200,000	6.00	6.00	10,000,000.00	10,000,000.00	-	-
56	KALLOL THAI PRESIDENT FOODS (DB)	Food processing	A	TAKA 730,000	TAKA 730,000	3.75	3.75	9,420,105.03	9,420,105.03	-	-
57	K.P. SOFT CO., LTD.	Computer Service	A, F	120,000	120,000	4.00	4.00	9,200,000.00	9,200,000.00	-	-
58	FUJIX INTERNATIONAL CO., LTD.	String	A	100,000	100,000	9.00	9.00	9,000,000.00	9,000,000.00	-	-
59	TIGER DISTRIBUTION AND LOGISTICS CO., LTD.	Distributor and logistic	A, B, C, E, F	20,000	20,000	15.00	15.00	8,427,000.00	8,427,000.00	2,250,000.00	1,500,000.00
60	PT. DYNIC TEXTILE PRESTIGE	Air bag	A, C	USD 5,000	USD 5,000	5.00	5.00	8,151,350.00	8,151,350.00	-	-
61	SAHA NUM TEXTILES CO.,LTD.	Textiles	A, B	36,000	36,000	18.00	18.00	7,747,488.00	7,747,488.00	-	-
62	H&B INTERTEX CO., LTD.	Cloth toy Products	A, B, E, F	40,000	40,000	19.00	19.00	7,600,000.00	7,600,000.00	380,000.00	608,000.00
63	WORLD SAHA FASHOIN CO.,LTD	Manufacturer and distributor men'apparel	A, F	50,000	-	15.00	-	7,500,000.00	-	-	-
64	INTERNATIONAL LEATHER FASHION CO., LTD.	Leather shoes	A, B, E, F	50,000	50,000	14.00	14.00	7,000,000.00	7,000,000.00	700,000.00	560,000.00
65	RATCHASRIMA SHOPPING COMPLEX CO., LTD.	Shopping center	A, B	350,000	350,000	2.00	2.00	7,000,000.00	7,000,000.00	-	-
66	SAHA UBOL NAKORN CO., LTD.	Industrial Park	A	7,813	7,813	19.50	19.50	6,998,437.50	6,998,437.50	-	-
67	TRANSCOSMOS (THAILAND) CO., LTD.	Consultant	A, C, F	70,000	70,000	9.00	9.00	6,300,000.00	6,300,000.00	-	-
68	TOTAL WAY IMAGE CO., LTD.	Leather	A, E, F	20,000	20,000	19.50	19.50	6,246,583.44	6,246,583.44	467,976.00	389,980.00
69	THAI STAFLEX CO., LTD.	Woven lining	A, B, E	60,000	60,000	10.00	10.00	6,000,000.00	6,000,000.00	360,000.00	480,000.00
70	THAI MONSTER CO., LTD.	Garment	A, E, F	20,000	20,000	19.50	19.50	5,906,141.75	5,906,141.75	-	-
71	PT. TRINITY LUXTRO APPAREL	Garment merchandise	A	USD 1,200	USD 1,200	15.00	15.00	5,861,700.00	5,861,700.00	-	-
72	K.COMMERCIAL & CONSTRUCTION CO., LTD.	Construction	A, B, F	50,000	50,000	10.00	10.00	5,150,406.14	5,150,406.14	-	500,000.00
73	SIAM AUTOBACS CO., LTD.	Car accessories	A	39,900	39,900	12.53	12.53	5,000,000.00	5,000,000.00	-	-
74	PATTAYA MANUFACTURING CO., LTD.	Lingeries	A, B, E	30,000	30,000	16.00	16.00	4,922,582.50	4,922,582.50	1,920,000.00	1,920,000.00
75	MORGAN DE TOI (THAILAND) CO., LTD.	Garment	A, E, F	40,000	40,000	12.00	12.00	4,800,000.00	4,800,000.00	-	-
76	AMIS DU MONDE SARL	Export merchandise	A	EUR 1,200	EUR 1,200	9.00	9.00	4,658,140.00	4,658,140.00	-	-
77	TOYO TEXTILE THAI CO., LTD	Sock	A, B, E	30,000	30,000	15.00	15.00	4,500,000.00	4,500,000.00	-	-



8. INVESTMENTS IN RELATED PARTIES (CONTINUED)

No.	Company names	Type of business	Relationship	Paid - up share capital		Percentage of investment		Cost method		Dividend	
				(Thousand Baht)		(%)		(Baht)		(Baht)	
				2016	2015	2016	2015	2016	2015	2016	2015
78	EASTERN RUBBER CO., LTD.	Sole	A, B, F	30,000	30,000	15.00	15.00	4,500,000.00	4,500,000.00	-	-
79	BNC MAESOT CO., LTD.	Sock	A, B, E	60,000	60,000	7.50	7.50	4,500,000.00	4,500,000.00	-	-
80	THAI CUBIC TECHNOLOGY CO., LTD.	Cubic Printing	A, B, E, F	40,000	40,000	10.00	10.00	4,000,000.00	4,000,000.00	400,000.00	800,000.00
81	MAESOT SAKAE LACE CO., LTD.	Product Lace	A	50,000	-	8.00	-	3,999,900.00	-	-	-
82	WIEN INTERNATIONAL CO., LTD.	Direct sale	A, B, E	30,000	30,000	12.00	12.00	3,600,000.00	3,600,000.00	-	-
83	NIPPON TEI SATO CO., LTD.	Restaurant	A, B, E	60,000	60,000	6.00	6.00	3,600,000.00	3,600,000.00	-	-
84	PENS MARKETING AND DISTRIBUTION CO., LTD.	Consumer Products	A, E, F	100,000	100,000	3.50	3.50	3,500,000.00	3,500,000.00	-	-
85	MCT HOLDING CO., LTD.	Investment	A, B, E	100,000	100,000	3.50	3.50	3,500,000.00	3,500,000.00	105,000.00	105,000.00
86	THAI TAKAYA CO., LTD.	Garment	A, E, F	30,000	30,000	10.00	10.00	3,000,000.00	3,000,000.00	450,000.00	-
87	VALUE ADDED TEXTILE CO., LTD.	Clothes	A, E	16,500	16,500	6.00	6.00	3,000,000.00	3,000,000.00	-	-
88	SRIRACHA AVEATION CO., LTD.	Logistic	A, B, E, F	55,000	55,000	5.45	5.45	3,000,000.00	3,000,000.00	-	-
89	SRIRACHA TRANSPORT CO., LTD.	Transportation	A, B, E, F	10,000	10,000	18.00	18.00	2,952,357.50	2,952,357.50	90,000.00	-
90	THAI NAXIS CO., LTD.	Label	A, B, E	20,000	20,000	3.38	3.38	2,700,000.00	2,700,000.00	189,000.00	135,000.00
91	WASEDA EDUCATION (THAILAND) CO., LTD.	School	A, B, E	31,360	44,800	7.14	7.14	2,240,000.00	3,200,000.00	-	-
92	K.T.Y INDUSTRY CO., LTD.	Spinning, Dyeing	A, B, E	28,000	28,000	9.00	9.00	2,521,000.00	2,521,000.00	378,150.00	378,150.00
93	INTERNATIONAL COMMERCIAL COORDINATION LTD. (H.K)	Distributor	A, B, F	HK\$ 2,000	HK\$ 2,000	18.00	18.00	2,161,197.26	2,161,197.26	-	-
94	THAI TOHMADO CO.,LTD.	Window frame	A, E	20,000	20,000	10.00	10.00	2,000,000.00	2,000,000.00	100,000.00	400,000.00
95	THAI BUNKA FASHION CO., LTD.	School	A, B, E, F	25,000	25,000	8.00	8.00	2,000,000.00	2,000,000.00	-	-
96	KENMIN FOOD (THAILAND) CO., LTD.	Rice Noodle	A, E	30,000	30,000	6.67	6.67	2,000,000.00	2,000,000.00	680,000.00	300,000.00
97	BOONRAVEE CO., LTD.	Service	A, F	20,000	20,000	10.00	10.00	2,000,000.00	2,000,000.00	-	-
98	KYOSHUN CO., LTD.	Trading	A	Y 30,000	Y 30,000	18.33	18.33	1,997,600.00	1,997,600.00	-	-
99	TIGER MK LOGISTICS (MYANMAR)	Transportation	A	USD 300	USD 300	18.00	18.00	1,781,720.00	1,781,720.00	-	-
100	THAI SPORT GARMENT CO., LTD.	Garment	A, B, E, F	10,000	10,000	15.00	15.00	1,500,000.00	1,500,000.00	1,500,000.00	750,000.00
101	U.C.C. UESHIMA COFFEE (TH) CO., LTD.	Coffee can	A, B, E	15,000	15,000	10.00	10.00	1,500,000.00	1,500,000.00	-	-
102	THE MALL RATCHASIMA CO., LTD.	Department Store	A, B	50,000	50,000	2.00	2.00	1,000,000.00	1,000,000.00	-	-
103	M B T S BROKING SERVICE CO., LTD.	Broker	A, E, F	5,000	5,000	19.99	19.99	999,500.00	999,500.00	2,398,800.00	2,398,800.00
104	HWATOR (THAILAND) CO., LTD.	Medical service	A	12,000	12,000	4.75	4.75	570,000.00	570,000.00	-	-
105	UNILEASE CO., LTD.	Leasing	A, F	30,000	30,000	1.67	1.67	500,000.00	500,000.00	-	-
106	THAI FLYING MAINTENANCE CO., LTD.	Maintenance Airplane	A	2,000	2,000	15.00	15.00	300,000.00	300,000.00	-	-
107	ARUSU MYANMAR CO., LTD.	Interior Decoration	A	USD 100	-	9.00	-	313,370.00	-	-	-
108	SAMPAN TRAMITR CO., LTD.	Consumer Products	A, E, F	5,000	5,000	5.42	5.42	270,800.00	270,800.00	13,540.00	13,540.00
109	THAI SECOM SECURITY CO., LTD. (formaly named THAI SECOM PITAKKIJ CO., LTD.)	Security system	A, B, E	-	378,857	-	15.00	-	94,680,056.00	110,076,992.59	9,375,003.30
110	THAI KAMAYA CO., LTD.	Cosmetic product	A, E	-	100,000	-	12.80	-	14,528,000.00	-	-
111	ADVANCE MICRO TECH CO., LTD.	Electronic parts	A	-	60,000	-	5.00	-	3,000,000.00	-	-
	Total							1,832,601,302.94	1,630,079,518.94	252,590,753.09	117,809,698.98
	(Less) Provision for impairment loss							(428,420,196.16)	(418,191,011.29)	-	-
	Total general investment - related parties							1,404,181,106.78	1,211,888,507.65	252,590,753.09	117,809,698.98
	Total investment - related parties							4,623,436,572.66	4,059,488,966.91	355,877,635.42	223,677,793.48

During the year, the Company has additionally invested in Thai Secom Security Co., Ltd. (formerly named Thai Secom Pitakkit Co., Ltd.) for the proportion of investment from 15.00% to 25.50% and also representative in the Board of the Company's directors. As a sult, the Company has a significant influence in such company, therefore, investments in related parties-other long-term investment were reclassified as investments in associate as stated in note 7.

Note : Relationship

A Shareholding by the Company/common shareholding

B Directorship

C Guaranteed by the Company

D Loan given by the Company

E Inter - company trading

F Shareholders or directors are intimate of the Company's directors





9. OTHER LONG-TERM INVESTMENTS

9.1 Investments in securities available-for-sales

		Other companies							
No.	Company names	Paid - up share capital (Thousand Baht)		Percentage of investment (%)		Cost method (Baht)		Dividend (Baht)	
		2016	2015	2016	2015	2016	2015	2016	2015
1	SINGER THAILAND PLC.	-	270,000	-	2.09	-	76,720,760.76	-	-
2	NATION MULTIMEDIA GROUP PLC.	2,155,959	2,151,926	0.49	0.49	21,819,138.54	21,819,138.54	594,441.00	369,874.40
3	SAHA UNION PLC.	3,000,000	3,000,000	0.30	0.30	16,727,150.00	16,727,150.00	1,368,585.00	1,596,682.50
4	AMATA VN PLC.	467,500	467,500	0.82	0.82	3,010,800.00	3,010,800.00	1,152,900.00	-
5	THAI TORE TEXTILEMILLED PLC.	60,000	60,000	0.50	0.50	265,320.00	265,320.00	60,000.00	75,000.00
6	UNION PIONEER PLC.	75,000	75,000	0.03	0.03	32,940.00	32,940.00	10,584.00	7,236.00
	Total					41,855,348.54	118,576,109.30	3,186,510.00	2,048,792.90
	Add Unrealized gain (loss) from adjust fair value					70,135,000.96	65,074,912.20	-	-
	Total investment in securities available-for-sales - other companies					111,990,349.50	183,651,021.50	3,186,510.00	2,048,792.90

During the period, the Company has reclassified investment in Singer Thailand Public Company Limited for corresponding with the relationship from other long-term investment-available-for-sale to investment in related parties-available-for-sale as stated in note 8.

9.2 General investment

		Other companies							
No.	Company names	Paid - up share capital (Thousand Baht)		Percentage of investment (%)		Cost method (Baht)		Dividend (Baht)	
		2016	2015	2016	2015	2016	2015	2016	2015
7	DAI SO SUNGKEAW (THAILAND) CO., LTD.	280,000	280,000	6.45	6.45	18,052,630.00	18,052,630.00	1,299,789.36	649,894.68
8	THAI OZUKA CO., LTD.	35,000	35,000	4.00	4.00	8,400,000.00	8,400,000.00	2,674,840.00	2,223,760.00
9	IMPERIAL TECHNOLOGY MANAGEMENT SERVICE CO., LTD.	3,549,400	3,549,400	0.18	0.18	6,250,000.00	6,250,000.00	-	-
10	SUNLOTS ENTERPRISE (THAILAND) PLC.	130,000	130,000	3.85	3.85	5,000,000.00	5,000,000.00	-	-
11	SIAM DCM CO., LTD.	82,500	82,500	1.52	1.52	5,000,000.00	5,000,000.00	-	-
12	SAHA SEREN CO., LTD.	780,000	780,000	0.58	0.58	4,500,000.00	4,500,000.00	3,970,588.24	747,794.12
13	THAI MEDICAL CENTER PLC.	200,539	200,539	0.002	0.002	4,100,000.00	4,100,000.00	2,000.00	-
14	BANGKOK CLUB CO., LTD.	450,000	450,000	0.44	0.44	3,000,000.00	3,000,000.00	-	-
15	AMATA CITY CO., LTD.	450,000	450,000	0.67	0.67	3,000,000.00	3,000,000.00	1,800,000.00	2,700,000.00
16	NOBLE PLACE CO., LTD.	296,250	296,250	0.08	0.08	1,500,000.00	1,500,000.00	-	-
17	NUBOON CO., LTD.	35,000	35,000	3.83	3.83	1,340,000.00	1,340,000.00	361,800.00	402,000.00
18	THAI HERBAL PRODUCTS CO., LTD.	80,000	80,000	1.50	1.50	1,200,000.00	1,200,000.00	-	120,000.00
19	SIAM I - LOGISTICS CO., LTD.	15,000	15,000	7.00	7.00	1,050,000.00	1,050,000.00	-	-
20	PRACHARAT RAKSAMAKKHEE (THAILAND) CO., LTD.	100,000	-	1.00	-	1,000,000.00	-	-	-
21	KHON KAEN VITHES SUKSA CO., LTD.	60,000	60,000	1.67	1.67	1,000,000.00	1,000,000.00	100,000.00	100,000.00



9. OTHER LONG-TERM INVESTMENTS (CONTINUED)

9.2 General investment (Continued)

Other companies (Continued)									
No.	Company names	Paid - up share capital (Thousand Baht)		Percentage of investment (%)		Cost method (Baht)		Dividend (Baht)	
		2016	2015	2016	2015	2016	2015	2016	2015
22	SIAM COMMERCIAL FACTORING PLC.	18,000	18,000	3.78	3.78	680,000.00	680,000.00	-	-
23	WINSOR PARK AND GOLF CLUB CO., LTD.	320,325	320,325	0.02	0.02	520,000.00	520,000.00	-	-
24	HIRAISEIMITSU (THAILAND) CO., LTD.	-	200,000	-	0.98	-	1,950,000.00	-	-
25	SIAM TREE DEVELOPMENT CO., LTD.x	-	-	-	-	-	-	-	11,359,714.00
	Total					65,592,630.00	66,542,630.00	10,209,017.60	18,303,162.80
	(Less) Provision for impairment loss					(23,775,069.37)	(24,722,129.70)	-	-
	Total general investment - other companies					41,817,560.63	41,820,500.30	10,209,017.60	18,303,162.80
	Total investment - other companies					153,807,910.13	225,471,521.80	13,395,527.60	20,351,955.70

10. REAL ESTATE FOR SALE

(Unit : Baht)

Financial statements in which the equity method is applied and separate financial statements		
	2016	2015
Real estate for sale - Sriracha	300,222,319.04	346,948,275.27
Real estate for sale - Lumpoon	271,855,130.78	280,312,192.68
Real estate for sale - Kabinburi	68,378,924.56	103,677,241.01
Total	640,456,374.38	730,937,708.96
Less Provision for impairment loss	(8,939,741.82)	(8,939,741.82)
Net	631,516,632.56	721,997,967.14

During the year, the Company has reclassified assets to be conformed to their type of operations by transferring to investment properties amount of Baht 50.34 million and property, plant and equipment amount of Baht 39.87 million.

11. INVESTMENT PROPERTIES

11.1 Investment properties - other land shown in financial statements as at December 31, 2016 and 2015, are details as follows :

(Unit : Baht)

Financial statements in which the equity method is applied and separate financial statement						
	2016			2015		
	Land	Development	Total	Land	Development	Total
Maesot	307,960,500.00	5,455,125.78	313,415,625.78	282,390,000.00	5,455,125.78	287,845,125.78
Sriracha	279,042,640.87	6,791,124.56	285,833,765.43	279,042,640.87	6,337,290.43	285,379,931.30
Retchaburi	64,565,160.44	12,641,516.27	77,206,676.71	64,565,160.44	12,641,516.27	77,206,676.71
Lopburi	4,028,000.00	0.00	4,028,000.00	4,028,000.00	0.00	4,028,000.00
Chainat	2,825,500.00	0.00	2,825,500.00	2,825,500.00	0.00	2,825,500.00
Total	658,421,801.31	24,887,766.61	683,309,567.92	632,851,301.31	24,433,932.48	657,285,233.79

Fair value of investment properties - other lands as at December 31, 2016 and 2015, which were appraised by the independent appraiser amounted to Baht 1,453.43 million and Baht 1,427.41 million respectively.



11. INVESTMENT PROPERTIES (CONTINUED)

11.2 Investment properties - lease shown in financial statements as at December 31, 2016 and 2015, are details as follows :

(Unit : Baht)

Financial statements in which the equity method is applied and separate financial statement				
	Land and land development	Construction	Assets under construction	Total
Cost				
As at December 31, 2015	991,500,817.74	1,045,868,120.38	8,447,203.81	2,045,816,141.93
Purchase	197,563,460.58	185,235,199.94	42,020,320.74	424,818,981.26
Transfer	15,931,929.44	46,835,412.50	(46,723,912.50)	16,043,429.44
Disposal or amortization	(30,600.00)	(2,969,400.00)	(200,312.05)	(3,200,312.05)
As at December 31, 2016	1,204,965,607.76	1,274,969,332.82	3,543,300.00	2,483,478,240.58
Accumulated depreciation				
As at December 31, 2015	0.00	272,167,890.99	0.00	272,167,890.99
Depreciation /write-off	0.00	50,990,337.33	0.00	50,990,337.33
Disposal/write-off	0.00	(469,654.88)	0.00	(469,654.88)
As at December 31, 2016	0.00	322,688,573.44	0.00	322,688,573.44
Provision for impairment				
As at December 31, 2015	65,125,234.55	0.00	0.00	65,125,234.55
Reverse	0.00	0.00	0.00	0.00
As at December 31, 2016	65,125,234.55	0.00	0.00	65,125,234.55
Net book value				
As at December 31, 2015	926,375,583.19	773,700,229.39	8,447,203.81	1,708,523,016.39
As at December 31, 2016	1,139,840,373.21	952,280,759.38	3,543,300.00	2,095,664,432.59

Depreciation for the years ended December 31, 2016 and 2015, amounted to Baht 50.99 million and Baht 46.13 million respectively.

Fair value of investment properties - for rent as at December 31, 2016, which were appraised by the independent appraiser amounted to Baht 4,372.71 million.

During the year, the Company has reclassified assets to be conformed to their type of operations by transferring from investment properties amount of Baht 50.34 million and transferring to property, plant and equipment amount of Baht 34.30 million.

(Unit : Baht)

Financial statements in which the equity method is applied and separate financial statements		
	2016	2015
Investment properties - other land (net)	683,309,567.92	657,285,233.79
Investment properties - lease (net)	2,095,664,432.59	1,708,523,016.39
Total investment properties	2,778,974,000.51	2,365,808,250.18



11. INVESTMENT PROPERTIES (CONTINUED)

The significant amount recognized in statements of comprehensive income of the Company from investment properties for the years ended December 31, 2016 and 2015, are as follows :

(Unit : Baht)		
	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Revenues		
Rental	171,837,736.52	172,714,503.00
Service	134,626,535.04	140,287,263.49
Total revenues	306,464,271.56	313,001,766.49
Directly operating expense which incurred rental and service income		
Cost of service	90,627,206.25	88,386,939.05
Depreciation of construction	50,990,337.33	46,132,938.53
Total directly operating expenses	141,617,543.58	134,519,877.58

12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment shown in financial statements as at December 31, 2016 and 2015, as follows :

(Unit : Baht)							
	Land	Construction	Vehicles	Equipment	Office equipment and others	Work in progress	Total
Cost							
As at December 31, 2015	223,025,343.78	1,480,082,594.19	202,866,440.02	108,208,455.04	578,678,121.60	25,137,196.46	2,617,998,151.09
Acquisition	173,240.78	14,531,845.52	18,699,670.44	9,272,477.74	16,675,484.79	47,227,192.49	106,579,911.76
Transfer	74,280,625.36	60,738,801.06	0.00	900,000.00	4,879,104.10	(66,629,405.16)	74,169,125.36
Disposal or amortization	0.00	0.00	(14,991,260.00)	0.00	(1,925,343.45)	0.00	(16,916,603.45)
As at December 31, 2016	297,479,209.92	1,555,353,240.77	206,574,850.46	118,380,932.78	598,307,367.04	5,734,983.79	2,781,830,584.76
Accumulated depreciation							
As at December 31, 2015	0.00	729,286,053.87	143,964,525.58	88,311,227.09	477,829,126.68	0.00	1,439,390,933.22
Depreciation	0.00	61,652,603.59	20,963,876.35	9,195,396.73	35,332,493.09	0.00	127,144,369.76
Disposal	0.00	0.00	(14,957,940.43)	0.00	(1,925,169.46)	0.00	(16,883,109.89)
As at December 31, 2016	0.00	790,938,657.46	149,970,461.50	97,506,623.82	511,236,450.31	0.00	1,549,652,193.09
Net book value							
As at December 31, 2015	223,025,343.78	750,796,540.32	58,901,914.44	19,897,227.95	100,848,994.92	25,137,196.46	1,178,607,217.87
As at December 31, 2016	297,479,209.92	764,414,583.31	56,604,388.96	20,874,308.96	87,070,916.73	5,734,983.79	1,232,178,391.67

Depreciation for the years ended December 31, 2016 and 2015, amount of Baht 127.14 million and Baht 124.69 million, respectively.

During the year, the Company has reclassified assets to be conformed by type of operations by transfer from real estate for sale amount of Baht 39.87 million and investment properties amount of Baht 34.30 million.



12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(Unit : Baht)

	Land	Construction	Vehicles	Equipment	Office equipment and others	Work in progress	Total
Cost							
As at December 31, 2014	227,908,928.53	1,423,891,077.10	184,165,668.02	105,994,323.62	553,684,263.05	22,875,274.85	2,518,519,535.17
Acquisition	56,603.00	6,458,262.63	18,720,772.00	2,214,131.42	16,952,641.80	62,544,079.86	106,946,490.71
Transfer	(4,940,187.75)	49,733,254.46	0.00	0.00	8,304,351.02	(59,972,158.25)	(6,874,740.52)
Disposal or amortization	0.00	0.00	(20,000.00)	0.00	(263,134.27)	(310,000.00)	(593,134.27)
As at December 31, 2015	223,025,343.78	1,480,082,594.19	202,866,440.02	108,208,455.04	578,678,121.60	25,137,196.46	2,617,998,151.09
Accumulated depreciation							
As at December 31, 2014	0.00	671,040,474.75	118,518,575.75	79,347,319.48	446,079,600.63	0.00	1,314,985,970.61
Depreciation	0.00	58,245,579.12	25,465,948.83	8,963,907.61	32,012,658.32	0.00	124,688,093.88
Disposal	0.00	0.00	(19,999.00)	0.00	(263,132.27)	0.00	(283,131.27)
As at December 31, 2015	0.00	729,286,053.87	143,964,525.58	88,311,227.09	477,829,126.68	0.00	1,439,390,933.22
Net book value							
As at December 31, 2014	227,908,928.53	752,850,602.35	65,647,092.27	26,647,004.14	107,604,662.42	22,875,274.85	1,203,533,564.56
As at December 31, 2015	223,025,343.78	750,796,540.32	58,901,914.44	19,897,227.95	100,848,994.92	25,137,196.46	1,178,607,217.87

13. INTANGIBLE ASSETS

(Unit : Baht)

	Computer software
Cost	
As at December 31, 2014	30,415,405.22
Acquisition	532,880.39
As at December 31, 2015	30,948,285.61
Acquisition	946,894.17
As at December 31, 2016	31,895,179.78
Accumulated amortization expenses	
As at December 31, 2014	18,098,285.23
Amortization	1,720,984.19
As at December 31, 2015	19,819,269.42
Amortization	1,552,166.42
As at December 31, 2016	21,371,435.84
Net book value	
As at December 31, 2015	11,129,016.19
As at December 31, 2016	10,523,743.94

Amortization expenses for the years ended December 31, 2016 and 2015, amount of Baht 1,552,166.42 and Baht 1,720,984.19 respectively.

14. DEPOSIT FOR LAND

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Deposit for land - Nort Park Project	60,753,000.00	60,753,000.00
Less Provision for impairment loss	(18,225,900.00)	(18,225,900.00)
Net	42,527,100.00	42,527,100.00



14. DEPOSIT FOR LAND (CONTINUED)

The Company has entered into the contract to buy and to sell of land in Nort Park Project with Nort Park Real estate Company Limited for the area of 2 rai 1 Ngan and 20.5 square wah in the amount of Baht 60,753,000.00. The Company has fully paid for land under such contract. The Company will be received the transfer of land ownership whenever the building construction is completed (within 54 months from the contract date).

The Company has not proceeded the construction of building to be conformed to the contract, may incur loss amount of Baht 18,225,900.00 which was recorded as provision for impairment loss.

15. BANK OVERDRAFTS AND LOANS FROM FINANCIAL INSTITUTIONS

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Loans from banks	560,000,000.00	0.00
Total	560,000,000.00	0.00

15.1 Bank Overdrafts

As at December 31, 2016 and 2015, the Company has overdrafts facilities with 8 banks amount of Baht 180 million at the interest rate of MOR-the fixed additional rate per annum under agreement.

15.2 Loans from banks

As at December 31, 2016 and 2015, the Company has loans from 6 local banks and financial institutions amount of Baht 3,740 million and loans 2 foreign banks amount of Baht 700 million at the interest rate of MOR-the fixed additional rate per annum under agreement.

16. LONG-TERM LOANS

The Company has long term loans with banks as follows :

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Long-term loans	1,200,000,000.00	1,800,000,000.00
Less Current portion of long-term debt	(300,000,000.00)	(300,000,000.00)
Long-term loans	900,000,000.00	1,500,000,000.00

16.1 In 2015, the Company has loans from a commercial bank amount of Baht 1,000.00 million by making the first repayment under agreement amount of Baht 100.00 million within November 11, 2016. The remaining is repayable every six months through 9 installments of Baht 100.00 million each. The agreement is terminated on May 11, 2021, (interest at rate of BIBOR+ the fixed additional rate per annum under agreement, interest is payable on a monthly basis).

16.2 In 2014, the Company has loans from 2 commercial banks amount of Baht 1,000.00 million by making the first repayment under agreement amount of Baht 50.00 million and Baht 50.00 million respectively within January 19, 2015 and February 16, 2015, respectively. The remaining is repayable every six months through 9 installments of Baht 50.00 million and Baht 50.00 million, respectively. The agreement is terminated on July 17, 2019 and August 15, 2019, respectively (interest at rate of BIBOR+ the fixed additional rate per annum under agreement, interest is payable on a monthly basis). In 2016, the Company has repaid the principal and interest to a commercial bank in full.



17. CONTINGENT LIABILITIES ON GUARANTEE

As at December 31, 2016 and 2015, the Company has contingent liabilities on guarantee loans of 1 related party in the amount of Baht 4.57 million.

18. EMPLOYEE BENEFITS OBLIGATION

The Company paid post-employment benefits, retirement benefits and pensions in accordance with Labor Protection Act B.E. 2541. Employee is entitled the retirement benefits and other long-term benefits based on right and length of service. Changes in present value of employee benefits obligation project

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Employee benefit obligations as at January 1	72,437,395.00	96,356,511.00
Current cost of services and interest	4,555,831.00	4,645,548.00
Employee benefit paid	(25,227,250.83)	(12,371,383.00)
Actuarial losses (gains) on defined employee benefit plan	4,722,376.00	(16,193,281.00)
Employee benefit obligations as at December 31	56,488,351.17	72,437,395.00

Amounts recognized in the statements of comprehensive income for employee benefit obligations as follows :

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Current cost	3,073,554.00	2,689,115.00
Interest cost	1,482,277.00	1,956,433.00
Total	4,555,831.00	4,645,548.00

Actuarial losses (gains) on defined employee benefit plan recognised in other comprehensive income :

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Included in retained earnings :		
As at January 1	(18,013,956.50)	(1,820,675.50)
Recognised during the year	4,722,376.00	(16,193,281.00)
As at December 31	(13,291,580.50)	(18,013,956.50)

Actuarial (gains) and losses recognised in other comprehensive income arising from :

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Financial assumptions	4,722,376.00	(32,185,338.00)
Demographic assumptions	0.00	(1,824,352.00)
Experience adjustment	0.00	17,816,409.00
Total	4,722,376.00	(16,193,281.00)

The principal actuarial basis assumptions as at reporting date :

18. EMPLOYEE BENEFITS OBLIGATION (CONTINUED)

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
	(%)	(%)
Discount rate	2.99	2.99
Salary increase rate	5.00	5.00
Employee turnover	0-12*	0-12*
Mortality	TMO2008**	TMO2008**

* Age-related scale
** Thailand TMO2008

Sensitivity analysis

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

(Unit : Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Defined benefit obligation at December 31, 2016	Increase	Decrease
Discount rate (1% movement)	(4,385,160.00)	5,023,962.00
Future salary growth (1% movement)	5,488,214.00	(4,864,316.00)

19. DIVIDEND

19.1 According to the resolution of the Board of directors' meeting No.7 (set 23rd) held on November 11, 2016, passed to pay interim dividend for the first six-months result of year 2016 sine January 1, 2016 to June 30, 2016 at Baht 0.01 per share for 494,034,300 shares, amounting to Baht 49,403,430.00 which was paid to the shareholders on December 9, 2016.

19.2 According to the resolution of the General Meeting of the shareholders for the year 2016 No. 45 held on April 25, 2016, passed to pay dividend from the results of operation for the year 2015 at Baht 0.23 per share for 494,034,300 shares, amounting to Baht 113,627,889.00 which was paid to the shareholders on May 23, 2016.

19.3 According to the resolution of the General Meeting of the shareholders for the year 2015 No. 44 held on April 27, 2015, passed to pay dividend from the results of operation for the year 2014 at Baht 0.23 per share for 494,034,300 shares, amounting to Baht 113,627,889.00 which was paid to the shareholders on May 25, 2015.

20. PROVIDENT FUND

The Company and its employees have jointly established a provident fund on May 30, 1990, in accordance with the provident fund Act B.E. 2530 and assigned the authorized manager to manage this fund by deducting the employee's and the Company's contribution to the fund. The benefits will be entitled to the employees on their resignation in accordance with the fund regulation. For the year ended December 31, 2016 and 2015, the Company paid a contribution to the fund in the amount of Baht 9.09 million and Baht 9.33 million respectively.



21. LEGAL RESERVE

As at December 31, 2016 and 2015, the Company has provided a legal reserve of Baht 80 million equal to 10% of authorized share capital. This reserve is set up in accordance with the Public Company Limited Act. Such legal reserve is not available for dividend distribution.

22. GENERAL RESERVE

As at December 31, 2016 and 2015, the Company has appropriated part of profit amount of Baht 280 million as general reserve without the objectives indication.

23. INCOME TAX

(Unit : Baht)

	Financial statements		Separate	
	in which the equity method is applied		financial statements	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Deferred tax assets				
Provision for impairment of investments in associates	0.00	0.00	18,731,985.83	16,681,985.83
Provision for impairment of investments in related parties - available-for-sale securities	39,568,901.95	39,568,901.95	39,568,901.95	39,568,901.95
Provision for impairment of investments in related parties - general investment	85,365,765.23	83,638,202.26	85,365,765.23	83,638,202.26
Provision for impairment of other long-term investment - general investment	4,755,013.87	4,944,425.94	4,755,013.87	4,944,425.94
Provision for impairment of real estate for sale	1,787,948.36	1,787,948.36	1,787,948.36	1,787,948.36
Provision for impairment of investment properties - land for lease	13,025,046.91	13,025,046.91	13,025,046.91	13,025,046.91
Provision for impairment - land deposits	3,645,180.00	3,645,180.00	3,645,180.00	3,645,180.00
Amount received in advance	1,599,090.00	19,006,200.00	1,599,090.00	19,006,200.00
Contingent liabilities from guarantees	914,881.95	914,881.95	914,881.95	914,881.95
Employee benefit obligations	10,353,195.03	17,726,135.20	10,353,195.03	17,726,135.20
Actuarial gain (loss) on defined employee benefit plan	944,475.20	(3,238,656.20)	944,475.20	(3,238,656.20)
Total	161,959,498.50	181,018,266.37	180,691,484.33	197,700,252.20
Deferred tax liabilities				
Unrealized gain on changes in fair value of investments in related parties - available-for-sale securities	(438,642,086.31)	(379,655,237.14)	(438,642,086.31)	(379,655,237.14)
Unrealized gain on changes in fair value of other long-term investments - available-for-sale securities	(14,027,000.19)	(13,014,982.44)	(14,027,000.19)	(13,014,982.44)
Real estate under to buy and to sell contract (Differences of accounting base and tax base)	(89,424.08)	(8,809,803.28)	(89,424.08)	(8,809,803.28)
Total	(452,758,510.58)	(401,480,022.86)	(452,758,510.58)	(401,480,022.86)
Net	(290,799,012.08)	(220,461,756.49)	(272,067,026.25)	(203,779,770.66)

23. INCOME TAX (CONTINUED)

Income tax expenses for the years ended December 31, 2016 and 2015, are summarized as follows :

	(Unit : Baht)			
	Financial statements		Separate	
	in which the equity method is applied		financial statements	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Current tax :				
Income tax for the year	0.00	0.00	0.00	0.00
Deferred tax :				
Deferred tax resulted from temporary differences and reversal of temporary differences	(11,282,863.87)	8,621,084.43	(9,232,863.87)	15,021,447.28
Income tax expenses presented in statement of income	<u>(11,282,863.87)</u>	<u>8,621,084.43</u>	<u>(9,232,863.87)</u>	<u>15,021,447.28</u>

Reconciliation between income tax expenses and multiplication of taxable profit and tax rate for the years ended December 31, 2016 and 2015, can be presented as follow :

	(Unit : Baht)			
	Financial statements		Separate	
	in which the equity method is applied		financial statements	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Profit before income tax	1,693,554,214.09	1,308,466,299.53	793,162,739.59	607,982,054.60
Income tax rate	20%	20%	20%	20%
Taxable profit before income tax multiply with tax rate	338,710,842.82	261,693,259.91	158,632,547.92	121,596,410.92
Taxable effects for :				
Prohibited expenses	3,125,414.23	5,415,643.63	2,761,586.03	5,415,643.63
Other income which accounting base differ from tax base	(353,764,958.57)	(283,463,671.65)	(175,372,835.47)	(149,767,185.51)
Taxable exemption				
Deficit for the year with unutilized	23,211,565.39	7,733,683.68	23,211,565.39	7,733,683.68
Total	<u>(327,427,978.95)</u>	<u>(270,314,344.34)</u>	<u>(149,399,684.05)</u>	<u>(136,617,858.20)</u>
Income tax expenses (income) presented in statements of comprehensive income	11,282,863.87	(8,621,084.43)	9,232,863.87	(15,021,447.28)
Effective income tax rate	0.67%	(0.66%)	1.16%	(2.47%)

24. EXPENSES ANALYZED BY NATURE

The significant expenses analyzed by nature are as follows :

	(Unit : Baht)	
	Financial statements in which the equity method is applied and separate financial statements	
	2016	2015
Cost of electricity	1,441,854,519.87	1,426,911,166.24
Cost of water and steam	325,626,346.48	358,520,437.69
Cost of rental	74,667,919.91	70,492,773.51
Cost of exhibition	47,956,414.40	47,776,822.75
Cost of royalties	64,462,363.93	62,205,182.08
Employees benefits expenses	154,294,808.69	146,508,814.99
Depreciation and amortization	179,722,829.68	172,577,927.77
Premises and equipment expenses	51,485,288.81	49,077,202.13
Management benefit expense	56,999,361.44	68,140,078.00
Directors' remuneration	12,824,000.00	14,040,000.00



25. CAPITAL MANAGEMENT

The objective of financial management of the Company are to preserve the ability to continue its operation and capital structure to be properly appropriated.

26. DIRECTORS' REMUNERATION

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Company Act, excluding salaries and related benefits payable to executive director.

27. MANAGEMENT BENEFIT EXPENSE

Benefit expenses paid to chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels consist of salaries, bonus, retirement benefit and meeting allowance.

28. COMMITMENT AND CONTINGENT LIABILITIES

28.1 The Company has commitment which presented in the financial statements in which the equity method is applied and separate financial statements as at December 31, 2016 and 2015, as follows :

28.1.1 The Company has commitment for letter of guarantee issuance by a commercial bank for electricity usage to Metropolitan Electricity Authority and Provincial Electricity Authority in the amount of Baht 6,322,380.13 and Baht 5,976,600.00 respectively, guarantee against the unfiltered water usage with East - Water Resources Development and Management Public Company Limited in the amount of Baht 1,720,000.00 and Baht 1,420,000.00 respectively.

28.1.2 The Company entered into an agreement for using trademark for consumer products with a foreign company. This agreement is the reciprocal contract which either of parties has to perform according to the condition in agreement at the agreed rate per sales price.

28.1.3 The Company made an agreement to purchase electricity current from an affiliated company for 15 years in order to distribute to the user in Industrial Park Project-Sriracha. The Company has to pay electricity expense according to the contract and the users have to guarantee to the Company for electricity usage according to the size of transformer, charging in amount of Baht 400.00 per 1 KVA.

As at December 31, 2016, there are 58 electricity users of which 47 users guaranteed their electricity usage by commercial bank amount of Baht 181,848,300.00 , 6 users guaranteed by cash amount of Baht 1,487,000.00 , 1 user guaranteed by bond of Bank of Thailand amount of Baht 6,220,000.00 and the remaining 4 users guaranteed by commercial bank and cash total amount of Baht 11,935,044.00.

As at December 31, 2015, there are 64 electricity users of which 53 users guaranteed their electricity usage by commercial bank amount of Baht 187,761,300.00 , 6 users guaranteed by cash amount of Baht 1,022,000.00, 1 user guaranteed by bond of Bank of Thailand amount of Baht 6,220,000.00 and the remaining 4 users guaranteed by commercial bank and cash total amount of Baht 12,306,044.00.

28.1.4 The Company made an agreement to purchase steam from an affiliate for 15 years in order to distribute to the user in industrial Park Project-Sriracha. The Company has to pay steam expenses in accordance with the condition in agreement and the users have to guarantee to the Company for steam usage since the beginning of usage at the rate determined by the seller but not lower than steam expenses of the previous year.

As at December 31, 2016, there are 22 steam users of which 21 users guaranteed their steam usage by commercial bank amount of Baht 20,039,710.00 and the remaining 1 user guaranteed by bonds of The Bank of Thailand amount of Baht 10,382,000.00.

As at December 31, 2015, there are 18 steam users of which 17 users guaranteed their steam usage by commercial bank amount of Baht 18,128,210.00 and the remaining 1 user guaranteed by bonds of The Bank of Thailand amount of Baht 10,382,000.00.



28. COMMITMENT AND CONTINGENT LIABILITIES (CONTINUED)

28.2 As at December 31, 2016 and 2015, the Company has commitment on agreement in respect of construction in Sahaphat Industrial Park for 4 and 7 agreement with the remaining amount under the agreement of Baht 6.13 million and Baht 24.51 million respectively.

28.3 As at December 31, 2016 and 2015, the Company has foreign currencies usage line with 2 banks amount 13,000,000 USD.

28.4 As at December 31, 2016, the Company was sued by a person which acquire the right of land owned for 2 plots at Tumbon Nonthaburi, Amphur Kabinburi, Prachinburi Province with area of 48 rais 115 square wah, for which had the value due to the answer approximate of Baht 4.2 million. Part of land was sold and transferred to the individual and the legal action is still pending the trial.

28.5 The Company has commitment lines with banks, financial institutions and other companies for its related parties as presented in the financial statements in which the equity method is applied and separate financial statements as follows :

(Unit : Baht)

Associates	Relationship	December 31, 2016	December 31, 2015
- SAHA TOKYU CORPORATION CO., LTD.	A, B, C, E	140,000,000.00	140,000,000.00
- SAHACHOL FOOD SUPPLIES CO., LTD.	A, B, C, E, F	43,000,000.00	63,000,000.00
- PITAKKIJ CO., LTD.	A, B, C, E, F	16,000,000.00	16,000,000.00
- ST (THAILAND) CO., LTD.	A, B, C, E, F	12,000,000.00	12,000,000.00
- THAI ITOKIN CO., LTD.	A, B, C, E	5,000,000.00	5,000,000.00
Total		216,000,000.00	236,000,000.00

(Unit : Baht)

Related parties	Relationship	December 31, 2016	December 31, 2015
- TSURUHA (THAILAND) CO., LTD.	A, B, C, E, F	35,500,000.00	35,500,000.00
- MOBILE LOGISTIC CO., LTD.	A, B, C, E	25,200,000.00	0.00
- P.T.DYNIC TEXTILE PRESTIGE CO., LTD.	A, C	16,201,125.00	16,314,210.00
- OSOTH INTER LABORATORIES CO., LTD.	A, B, C, E	10,000,000.00	10,000,000.00
- TRANSCOSMOS (THAILAND) CO., LTD.	A, C, F	9,000,000.00	0.00
Total		95,901,125.00	61,814,210.00
Total commitment		311,901,125.00	297,814,210.00

As at December 31, 2016 and 2015, the Company has commitment lines of Baht 311.90 million and Baht 297.81 million respectively, has spent in the amount of Baht 156.94 million and Baht 142.74 million respectively.

The Company will charge the fees from guarantee at the rate of 0.5 - 1% of credit lines by collecting at the rate of 0.5% from the Company who has paid the business advisory fee and at 1% from the Company who has not paid business advisory fee except for the Company who has jointly invested with foreigner will not be collected the guarantee fee.

Note : Relationship

- A Shareholding by the Company/common shareholding
- B Directorship
- C Guaranteed by the Company
- D Loan given by the Company
- E Inter - company trading
- F Shareholders or directors are intimate of the Company's directors



29. SEGMENT FINANCIAL INFORMATION

Operating Segments is presenting the perspective of administrators to segment reporting. The data segments based on internal data reported to the authorities maximum operational decisions of the company regularly.

The Company in the investment business, rent and services, industrial park and goods distribution which operates in the geographic area in Thailand. Therefore, the performance of each segment of the report are summarized as follows :

29.1 Financial information is classified in the financial statements in which the equity method is applied for the years ended December 31, 2016 and 2015, as follows :

	Investment and others		Rent and services		Industrial park		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
Revenues	1,858,652	1,599,129	2,426,924	2,429,728	271,796	181,877	4,557,372	4,210,734
Expenses	(92,530)	(172,298)	(2,173,293)	(2,169,474)	(63,361)	(20,671)	(2,329,184)	(2,362,443)
Profit from operation	1,766,122	1,426,831	253,631	260,254	208,435	161,206	2,228,188	1,848,291
Common facilities							(490,863)	(493,136)
Finance costs							(43,771)	(46,689)
Income tax							(11,283)	8,621
Net profit							1,682,271	1,317,087
Property, plant and equipment	162,495	175,893	752,478	758,604	317,206	244,109	1,232,179	1,178,606
Other assets							23,783,521	21,909,215
Total assets							25,015,700	23,087,821
Segment liabilities	600	600	277,933	274,829	7,995	95,031	286,528	370,460
Non-segment liabilities							2,351,595	2,360,113
Total liabilities							2,638,123	2,730,573

(Baht : Thousand)



29. SEGMENT FINANCIAL INFORMATION (CONTINUED)

29.2 Financial information is classified in the separate financial statements for the years ended December 31, 2016 and 2015, as follows :

	Investment and others		Rent and services		Industrial park		(Baht : Thousand)	
	2016	2015	2016	2015	2016	2015	2016	2015
Revenues	929,189	853,111	2,426,924	2,429,728	271,796	181,877	3,627,909	3,464,716
Expenses	(47,958)	(126,763)	(2,173,293)	(2,169,475)	(63,361)	(20,671)	(2,284,612)	(2,316,909)
Profit from operation	881,231	726,348	253,631	260,253	208,435	161,206	1,343,297	1,147,807
Common facilities							(506,363)	(493,136)
Finance costs							(43,771)	(46,689)
Income tax							(9,233)	15,021
Net profit							783,930	623,003
Property, plant and equipment	162,495	175,893	752,478	758,604	317,206	244,109	1,232,179	1,178,606
Other assets							10,977,577	10,266,483
Total assets							12,209,756	11,445,089
Segment liabilities	600	600	277,933	274,829	7,995	95,031	286,528	370,460
Non-segment liabilities							2,351,595	2,360,113
Total liabilities							2,638,123	2,730,573

30. TRANSACTION WITH RELATED PARTIES

The Company has significant transaction with related parties. These companies are related through common shareholding or co-shareholders or directorship. Those transaction are determined in the normal course of business as similar to other parties.

For the years ended December 31, 2016 and 2015, the significant transaction with related parties are as follows :

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	2016	2015
Assets/Liabilities		
Trade and other receivables	172,457,582.50	166,070,527.97
Trade and other payables	163,090,204.96	231,208,543.44
Cash received in advance and guarantees	56,750,796.96	63,702,964.36

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements		Pricing policy
	2016	2015	
Revenues			
Electricity and steam income	1,550,963,470.85	1,552,294,713.77	Electricity price not exceed selling price of Provincial Electricity Authority Steam price not less than purchasing price of Saha Cogen (Chonburi) Plc.
Rental income	120,907,089.79	113,732,491.91	Based on location and cost of investment
Facility income	82,035,516.22	76,165,903.41	At the rate in agreement applicable to other customers
Royalties income	79,101,132.28	77,434,412.49	At rate of 3.5-8% of net sale volume
Sales of real estate and under contract to buy and to sell	73,000,000.00	29,000,000.00	At the rate indicated in agreement
Water income	64,962,840.53	59,034,804.45	Not exceed selling price of Provincial Waterworks Authority
Other income	32,680,516.41	38,786,308.37	At the rate in agreement by considering from service nature, amount, periods and cost of service
Exhibition income	51,073,045.20	52,479,234.58	Cost plus margin
Waste water Treatment income	29,943,857.89	26,103,716.20	At the rate in agreement depend on and waste water quantity
Consulting income	18,306,957.50	17,949,265.00	At agreed rate reference to service nature
Guarantee income	784,148.48	609,772.20	0.5 - 1% of guarantee

(Unit : Baht)

	Financial statements in which the equity method is applied		Separate Financial statements	
	2016	2015	2016	2015
Dividend income	355,877,635.42	223,677,793.48	865,193,235.72	741,741,777.48

For the years ended December 31, 2016 and 2015, electricity and steam income were received from related parties amount of Baht 1,550.96 million and Baht 1,552.29 million, and received from other companies amount of Baht 168.75 million and Baht 185.76 million, totaling Baht 1,719.71 million and Baht 1,738.05 million respectively.



30. TRANSACTION WITH RELATED PARTIES (CONTINUED)

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements		Pricing policy
	2016	2015	
Expenses			
Cost of electricity and steam	1,711,928,859.33	1,730,490,668.58	Electricity cost at the rate of Provincial Electricity Authority less discount rate Steam cost at the rate in agreement
Construction	81,170,611.97	60,514,700.11	Based on plan, size of building, materials and decoration technical
Other expenses	74,474,441.78	67,129,522.31	Based on market price closed to other servants in the same services line
Land development expenses	67,181,818.86	67,311,896.11	Based on market price closed to other servants in the same services line
Water filtration expenses	28,318,761.06	25,348,114.70	Based on market price closed to other servants in the same services line
Security expense	27,002,958.90	26,719,525.67	At the rate in agreement reference to number of security guards, time and area of service
Waste water treatment	22,891,227.40	21,870,704.73	At the rate in agreement and actual quantity used of equipment, normal market price
Electricity for Water filtration and water treatment	10,870,538.37	15,075,203.20	Based on the servant determined
Exhibition expenses	3,278,324.63	4,736,056.10	Based on nature of work, quantity and periods of services
Analysis water expenses	7,153,473.00	7,086,001.00	Based on market price closed to other servants in the same services line
Insurance premium	1,164,834.38	408,280.41	Based on market price closed to other servants in the same services line

For the years ended December 31, 2016 and 2015, cost of electricity and steam amount of Baht 1,711.93 million and Baht 1,730.49 million respectively were paid to Saha Cogen (Chonburi) Public Company Limited, a related party and sold to related and other companies.

Fixed Assets acquisition and disposal with related persons and parties for the years ended December 31, 2016 and 2015, are as follows :

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	2016	2015
Vehicles disposal	1,400,000.00	0.00

Directors' remuneration and management benefit expenses for the years ended December 31, 2016 and 2015, are as follows :

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	2016	2015
Short-term benefits	69,589,043.44	81,960,719.00
Long-term benefits	234,318.00	219,359.00
Total	69,823,361.44	82,180,078.00





30. TRANSACTION WITH RELATED PARTIES (CONTINUED)

30.1 Trade and other receivables

As at December 31, 2016 and 2015, the Company has trade and other receivables from 87 related parties amount of Baht 172,457,582.50 and 79 related parties amount of Baht 166,070,527.97, respectively as detailed following :

		(Unit : Baht)	
		Financial statements in which the equity method is applied and Separate financial statements	
		2016	2015
	Relationship		
1	THANULUX PLC.	7,042,365.75	6,479,018.13
2	THAI PRESIDENT FOOD PLC.	15,232,568.56	13,983,796.60
3	SAHACHOL FOOD SUPPLIES CO., LTD.	810,997.91	786,187.93
4	LION COPORATION (THAILAND) CO., LTD.	13,372,756.79	10,391,879.40
5	CHAMP ACE CO., LTD.	0.00	2,004,588.04
6	TOP TREND MANUFACTURING CO., LTD.	4,622,210.45	5,551,371.46
7	S & J INTERNATIONAL ENTERPRISE PLC.	4,019,689.30	4,638,849.90
8	BUTIQUE NEWCITY PLC.	1,845,826.30	1,687,429.32
9	PATTAYA MANUFACTURING CO., LTD.	1,187,346.51	1,118,588.10
10	THAI SAMSUNG ELECTRONICS CO., LTD.	19,740,500.34	21,618,973.83
11	THAI SHIKIBO CO., LTD.	6,010,064.27	5,441,283.14
12	JANOME (THAILAND) CO., LTD.	1,423,291.19	1,524,325.44
13	BANGKOK TOKYO SOCKS CO., LTD.	1,936,677.64	2,414,952.69
14	RACHA UCHINO CO., LTD.	4,501,755.38	5,013,332.23
15	THAI ARAI CO., LTD.	6,386,482.13	5,119,376.49
16	SSDC (TIGERTEX) CO., LTD.	809,577.31	854,459.77
17	THAI CUBIC TECHNOLOGY CO., LTD.	143,829.66	802,386.76
18	THAI LOTTE CO., LTD.	945,680.43	795,975.17
19	THAI KAMAYA CO., LTD.	2,687,606.16	2,231,167.87
20	OSOTH INTER LABORATORIES CO., LTD.	1,280,021.31	1,323,682.70
21	THAI ASAHI KASEI SPANDEX CO., LTD.	15,133,249.16	15,794,689.17
22	I.C.C. INTERNATIONAL PLC.	10,026,987.59	7,390,925.51
23	KABIN PHATTHANAKIJ CO., LTD.	539,783.51	545,995.16
24	KENMIN FOOD (THAILAND) CO., LTD.	2,339,277.90	2,674,330.77
25	TOYO TEXTILE THAI CO., LTD.	886,430.12	907,828.71
26	TEXTILE PRESTIGE PLC.	3,128,736.15	5,100,964.10
27	MOLTEN (THAILAND) CO., LTD.	2,134,271.72	2,395,401.34
28	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	3,894,553.76	4,385,588.51
29	SAHA SEHWA CO., LTD.	3,394,698.36	2,838,291.00
30	ST (THAILAND) CO., LTD.	615,776.02	616,872.99
31	FIRST UNITED INDUSTRY CO., LTD.	642,841.90	712,034.19
32	EXACT Q CO., LTD. (formaly named INTERNATIONAL CURITY FOOTWARE CO., LTD.)	592,338.20	601,301.58
33	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	20,566,081.46	18,080,181.38
34	PEOPLES GARMENT PLC.	2,175,431.36	37,327.64
35	SRIRACHA AVEATION CO., LTD.	672,585.34	331,943.81
36	CARBON MAGIC (THAILAND) CO., LTD.	1,271,817.35	1,708,482.41
37	THAI SECOM SECURITY CO., LTD. (formaly named THAI SECOM PITAKKIJ CO., LTD.)	39,755.85	900,049.39



30. TRANSACTION WITH RELATED PARTIES (CONTINUED)

30.1 Trade and other receivables (Continued)

(Unit : Baht)

		Financial statements in which the equity method is applied and Separate financial statements		
		2016	2015	
	Relationship			
38	THAILAND SILICATE CHEMICAL CO., LTD.	E, F	2,536,851.81	2,161,099.75
39	A TECH TEXTILES CO., LTD.	A, E	1,781,827.62	0.00
40	Other related parties		6,085,039.93	5,105,595.59
	Total		172,457,582.50	166,070,527.97

30.2 Trade and other payables

As at December 31, 2016 and 2015, the Company has other payables from 15 related parties amount of Baht 163,090,204.96 and 12 related parties amount of Baht 231,208,543.44 , respectively as detailed following :

(Unit : Baht)

		Financial statements in which the equity method is applied and Separate financial statements		
		2016	2015	
	Relationship			
1	PITAKKIJ CO., LTD.	A, B, E	5,452,590.92	11,869,025.38
2	SAHACOGEN (CHONBURI) PLC.	A, B, E	136,524,364.23	139,838,416.72
3	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	5,326,720.72	5,435,805.49
4	PTK MULTI SERVICE CO., LTD.	B, E	14,557,458.62	7,207,350.62
5	NEW PLUS KNITTING PLC.	A, E, F	0.00	66,000,000.00
6	Other related parties		1,229,070.47	857,945.23
	Total		163,090,204.96	231,208,543.44

30.3 Cash received in advance and guarantees

As at December 31, 2016 and 2015, the Company has accrued expenses and received in advance from 48 related parties totaling of Baht 56,750,796.96 and 47 related parties of Baht 63,702,964.36, respectively as detailed following :

(Unit : Baht)

		Financial statements in which the equity method is applied and Separate financial statements		
		2016	2015	
	Relationship			
1	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	4,492,120.00	4,492,120.00
2	TOP TREND MANUFACTURING CO., LTD.	A, B, E, F	596,494.13	614,076.84
3	THAI CUBIC TECHNOLOGY CO., LTD.	A, B, E, F	1,976,400.00	1,976,400.00
4	THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	6,066,260.45	6,324,509.05
5	THAI LOTTE CO., LTD.	A, E	656,100.00	656,100.00
6	THAI ARAI CO., LTD.	A, B, E	6,206,960.00	6,206,960.00
7	PITAKKIJ CO., LTD.	A, B, C, E, F	430,500.00	595,500.00
8	FIRST UNITED INDUSTRY CO., LTD.	A, B, E, F	7,198,275.00	7,198,275.00
9	ST (THAILAND) CO., LTD.	A, B, C, E, F	1,539,399.00	1,539,399.00
10	KABIN PHATTHANAKIJ CO., LTD.	B, E	1,167,000.00	1,152,000.00
11	THAI KOBASHI CO., LTD.	A, E, F	1,603,800.00	1,603,800.00





30. TRANSACTION WITH RELATED PARTIES (CONTINUED)

30.3 Cash received in advance and guarantees (Continued)

(Unit : Baht)

		Financial statements in which the equity method is applied and Separate financial statements		
		2016	2015	
	Relationship			
12	SAHA SEHWA CO., LTD.	A, B, E	994,578.30	994,578.30
13	TSURUHA (THAILAND) CO., LTD.	A, B, C, E, F	1,024,400.00	328,520.00
14	RACHA UCHINO CO., LTD.	A, B, E	433,897.31	509,703.90
15	PTK MULTI SERVICE CO., LTD.	B, E	0.00	4,506,000.00
16	BNC MAESOT CO., LTD.	A, B, E	510,040.00	510,040.00
17	CARBON MAGIC (THAILAND) CO., LTD.	A, B, E	17,442,718.75	19,882,343.75
18	THAI SECOM SECURITY CO., LTD. (formally named THAI SECOM PITAKKIJ CO., LTD.)	A, B, E	900,000.00	930,000.00
19	Other related parties		3,511,854.02	3,682,638.52
	Total		56,750,796.96	63,702,964.36

30.4 Revenues

In 2016 the Company had revenues of companies and individuals in the financial statements related to the equity method. The consolidated financial statements amount 133 related parties totaling of Baht 2,459,636,210.57 and Baht 2,968,951,810.87 respectively and in 2015 amount 125 related parties totaling of Baht 2,267,268,415.86 and Baht 2,785,332,399.86 respectively as detailed following :

(Unit : Baht)

		Financial statements in which the equity method is applied		Separate Financial statements		
		2016	2015	2016	2015	
	Relationship					
1	THANULUX PLC.	A, B, E, F	43,169,196.57	43,071,423.45	64,334,811.57	67,059,120.45
2	THAI PRESIDENT FOOD PLC.	A, B, E, F	175,866,918.68	190,166,346.63	363,195,605.48	338,369,421.63
3	THAI WACOAL PLC.	A, B, E, F	4,661,253.43	4,376,760.21	32,725,003.43	65,606,760.21
4	SAHA PATHANAPIBUL PLC.	A, B, E, F	4,099,873.60	4,018,897.67	76,699,945.10	69,813,362.67
5	I.C.C. INTERNATIONAL PLC.	A, B, E, F	49,026,916.85	44,770,332.42	117,648,238.85	112,213,554.42
6	HOOVER INDUSTRY (THAILAND) CO., LTD.	A, B, E, F	284,362.00	347,515.00	19,528,022.00	17,327,215.00
7	PITAKKIJ CO., LTD.	A, B, C, E, F	3,156,951.58	24,225,817.84	3,492,151.58	24,896,217.84
8	THAI ITOKIN CO., LTD.	A, B, C, E	446,231.40	1,935,387.48	446,231.40	1,935,387.48
9	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	3,712,920.71	3,222,124.93	4,512,920.71	4,022,124.93
10	SAHACHOL FOOD SUPPLIES CO., LTD.	A, B, C, E, F	9,058,979.64	10,098,905.83	9,058,979.64	10,098,905.83
11	FIRST UNITED INDUSTRY CO., LTD.	A, B, E, F	38,195,779.24	37,928,158.68	41,573,239.24	40,742,708.68
12	LION COPORATION (THAILAND) CO., LTD.	A, B, E, F	133,992,888.31	134,337,632.62	213,228,888.31	202,971,632.62
13	INTERNATIONAL LABORATORIES CO., LTD.	A, B, E, F	1,568,500.00	1,522,500.00	25,568,500.00	31,522,500.00
14	SHALDAN (THAILAND) CO., LTD.	E	2,024,207.77	2,288,471.90	2,024,207.77	2,288,471.90
15	ST (THAILAND) CO., LTD.	A, B, C, E, F	13,899,603.28	14,092,970.83	14,405,478.28	14,598,845.83
16	CHAMP ACE CO., LTD.	A, B, E, F	71,500.00	5,485,596.60	71,500.00	5,935,596.60
17	T.U.C. ELASTIC CO., LTD.	A, B, E, F	21,171.61	266,990.82	394,131.61	21,182,990.82
18	TOP TREND MANUFACTURING CO., LTD.	A, B, E, F	62,470,269.97	64,990,159.36	62,470,269.97	66,670,159.36
19	SAHAPAT REAL ESTATE CO., LTD.	A, B, E, F	1,846.50	1,360.50	1,001,846.50	3,001,360.50
20	SEINO SAHA LOGISTICS CO., LTD.	A, B, E	524,895.34	292,837.39	1,464,895.34	1,272,837.39



30. TRANSACTION WITH RELATED PARTIES (CONTINUED)

30.4 Revenues (Continued)

(Unit : Baht)

	Relationship	Financial statements in which the equity method is applied		Separate Financial statements	
		2016	2015	2016	2015
21 S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	94,026,622.03	94,826,827.04	94,026,622.03	94,826,827.04
22 O.C.C. PLC.	A, B, E, F	7,557,240.79	7,788,019.32	7,557,240.79	7,788,019.32
23 BANGKOK RUBBER PLC.	A, E	1,839,292.00	1,891,792.00	1,839,292.00	1,891,792.00
24 BUTIQUE NEWCITY PLC.	A, E, F	7,913,666.45	8,778,728.22	7,913,666.45	8,778,728.22
25 PAN ASIA FOOTWEAR PLC.	A, B, E	693,128.60	264,960.00	693,128.60	264,960.00
26 SAHACOGEN (CHONBURI) PLC.	A, B, E	25,196,405.98	38,716,186.78	25,196,405.98	38,716,186.78
27 BANGKOK ATHLETIC CO., LTD.	A, E, F	1,697,360.00	1,708,500.00	1,697,360.00	1,708,500.00
28 THAI TAKEDA LACE CO., LTD.	A, B, E	5,749,012.58	5,421,977.83	5,749,012.58	5,421,977.83
29 GENERAL GLASS CO., LTD.	A, B, E, F	154,065.60	4,590,662.28	154,065.60	4,590,662.28
30 TOTAL WAY IMAGE CO., LTD.	A, E, F	2,142,120.56	3,310,733.36	2,142,120.56	3,310,733.36
31 THAI MONSTER CO., LTD.	A, E, F	650,730.57	870,350.73	650,730.57	870,350.73
32 PATTAYA MANUFACTURING CO., LTD.	A, B, E	8,298,580.57	8,727,241.82	8,298,580.57	8,727,241.82
33 THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	323,103,556.02	317,304,009.72	323,103,556.02	317,304,009.72
34 THAI SHIKIBO CO., LTD.	A, B, E	75,968,006.58	84,583,961.59	75,968,006.58	84,583,961.59
35 THAI SECOM SECURITY CO., LTD. (formally named THAI SECOM PITAKKIJ CO., LTD.)	A, B, E	111,534,195.09	9,577,660.30	111,534,195.09	9,577,660.30
36 BETTER WAY (THAILAND) CO., LTD.	A, B, E, F	86,188,450.00	57,472,300.00	86,188,450.00	57,472,300.00
37 JANOME (THAILAND) CO., LTD.	A, B, E	18,744,027.78	20,241,371.66	18,744,027.78	20,241,371.66
38 BANGKOK TOKYO SOCKS CO., LTD.	A, B, E	23,819,646.64	26,886,582.26	23,819,646.64	26,886,582.26
39 THAI SPORT GARMENT CO., LTD.	A, B, E, F	1,500,000.00	750,000.00	1,500,000.00	750,000.00
40 RACHA UCHINO CO., LTD.	A, B, E	45,741,065.09	43,678,290.67	45,741,065.09	43,678,290.67
41 THAI STAFLEX CO., LTD.	A, B, E	6,522,966.22	6,758,891.10	6,522,966.22	6,758,891.10
42 THAI ARAI CO., LTD.	A, B, E	48,467,838.12	47,000,213.46	48,467,838.12	47,000,213.46
43 SSDC (TIGERTEX) CO., LTD.	A, B, E	14,615,565.05	13,319,959.46	14,615,565.05	13,319,959.46
44 THAI CUBIC TECHNOLOGY CO., LTD.	A, B, E, F	16,265,400.09	18,355,193.24	16,265,400.09	18,355,193.24
45 THAI LOTTE CO., LTD.	A, E	12,266,286.99	11,740,116.15	12,266,286.99	11,740,116.15
46 THAI KAMAYA CO., LTD.	A, E	27,375,883.41	29,971,818.28	27,375,883.41	29,971,818.28
47 OSOTH INTER LABORATORIES CO., LTD.	A, B, C, E	16,233,704.09	16,479,290.22	16,233,704.09	16,479,290.22
48 KEWPIE (THAILAND) CO., LTD.	A, B, E, F	4,940,000.00	4,211,000.00	4,940,000.00	4,211,000.00
49 THAI ASAHI KASEI SPANDEX CO., LTD.	A, E	190,986,002.70	181,936,134.15	190,986,002.70	181,936,134.15
50 SHISEDO PROFESSIONAL (THAILAND) CO., LTD.	A, B, E	1,808,100.00	1,653,750.00	1,808,100.00	1,653,750.00
51 H & B INTERTEX CO., LTD.	A, B, E, F	6,977,835.65	7,106,907.78	6,977,835.65	7,106,907.78
52 M B T S BROKING SERVICE CO., LTD.	A, E, F	2,438,800.00	2,438,800.00	2,438,800.00	2,438,800.00
53 SAHACOGEN GREEN CO., LTD.	B, E	2,479,222.48	12,165,060.42	2,479,222.48	12,165,060.42
54 LION CORPORATION (JAPAN)	A, E	977,233.73	856,800.63	977,233.73	856,800.63
55 MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	A, E, F	50,400,292.35	57,197,208.60	50,400,292.35	57,197,208.60
56 INTERNATIONAL LEATHER FASHION CO., LTD.	A, B, E, F	3,890,380.25	4,506,428.59	3,890,380.25	4,506,428.59
57 NEW CITY (BANGKOK) PLC.	A, B, E, F	1,689,847.60	2,066,795.20	1,689,847.60	2,066,795.20
58 PEOPLES GARMENT PLC.	A, B, E, F	6,055,632.29	16,499,709.74	6,055,632.29	16,499,709.74
59 TEXTILE PRESTIGE PLC.	A, B, E	68,244,281.89	78,251,696.66	68,244,281.89	78,251,696.66





30. TRANSACTION WITH RELATED PARTIES (CONTINUED)

30.4 Revenues (Continued)

(Unit : Baht)

	Relationship	Financial statements in which the equity method is applied		Separate Financial statements	
		2016	2015	2016	2015
60 NEW PLUS KNITTING PLC.	A, E, F	70,106,666.40	79,999.80	70,106,666.40	79,999.80
61 K.COMMERCIAL & CONSTRUCTION CO., LTD.	A, B, F	0.00	500,000.00	0.00	500,000.00
62 THAI TAKAYA CO., LTD.	A, E, F	5,438,997.34	6,254,540.67	5,438,997.34	6,254,540.67
63 MOLTEN (THAILAND) CO., LTD.	A, E, F	27,905,381.68	35,379,750.22	27,905,381.68	35,379,750.22
64 WIEN INTERNATIONAL CO., LTD.	A, B, E	1,343,800.00	1,274,300.00	1,343,800.00	1,274,300.00
65 SAHA SEHWA CO., LTD.	A, B, E	43,055,811.03	42,259,956.15	43,055,811.03	42,259,956.15
66 KENMIN FOOD (THAILAND) CO., LTD.	A, E	29,180,535.48	32,671,354.77	29,180,535.48	32,671,354.77
67 KABIN PHATTHANAKIJ CO., LTD.	B, E	15,260,216.78	15,417,144.89	15,260,216.78	15,417,144.89
68 EXACT Q CO., LTD. (formaly named INTERNATIONAL CURITY FOOTWARE CO., LTD.)	B, E	9,782,446.21	7,370,358.86	9,782,446.21	7,370,358.86
69 TOYO TEXTILE THAI CO., LTD.	A, B, E	12,926,793.74	11,762,905.72	12,926,793.74	11,762,905.72
70 FAR EAST DDB PLC.	A, B, E, F	6,334,200.00	5,278,500.00	6,334,200.00	5,278,500.00
71 PRESIDENT RICE PRODUCT PLC.	A, E, F	9,180,000.00	8,640,000.00	9,180,000.00	8,640,000.00
72 PRESIDENT BAKERY PLC.	A, B, E, F	20,706,272.00	17,032,088.00	20,706,272.00	17,032,088.00
73 CARBON MAGIC (THAILAND) CO., LTD.	A, B, E	25,596,286.22	18,055,755.99	25,596,286.22	18,055,755.99
74 THAI GUNZE CO., LTD.	A, B, E	2,316,188.68	2,006,919.45	2,316,188.68	2,006,919.45
75 TIGER DISTRIBUTION AND LOGISTICS CO., LTD.	A, B, E, F	2,250,000.00	3,297,832.87	2,250,000.00	3,297,832.87
76 THAI TOMADO CO., LTD.	A, E	1,199,943.89	1,637,878.57	1,199,943.89	1,637,878.57
77 ERAWAN TEXTILE CO., LTD.	A, B, E	239,518.74	820,724.74	239,518.74	820,724.74
78 THAI KOBASHI CO., LTD.	A, E, F	4,473,176.61	4,384,621.59	4,473,176.61	4,384,621.59
79 TREASURE HILLS CO., LTD.	A, B, E, F	2,677,570.09	2,580,000.00	2,677,570.09	2,580,000.00
80 UNITED UTILITY CO., LTD.	A, B, E, F	3,235,690.00	3,236,225.00	3,235,690.00	3,236,225.00
81 ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	A, B, E	202,662,811.76	143,306,031.69	202,662,811.76	143,306,031.69
82 PEN MARKETING AND DISTRIBUTION CO., LTD.	A, E, F	714,000.00	603,600.00	714,000.00	603,600.00
83 CHOKCHAIPIBUL CO., LTD.	E, F	991,950.40	886,840.00	991,950.40	886,840.00
84 SAHA LAWSON CO., LTD.	A, B, E, F	1,622,200.76	1,804,598.43	1,622,200.76	1,804,598.43
85 TSURUHA (THAILAND) CO., LTD.	A, B, C, E, F	4,285,527.78	2,788,270.61	4,285,527.78	2,788,270.61
86 SAHAPAT PROPERTIES CO., LTD.	A, B, E, F	2,730.00	5,469.76	527,730.00	1,580,469.76
87 SRIRACHA AVEATION CO., LTD.	A, B, E, F	3,953,241.56	3,737,309.37	3,953,241.56	3,737,309.37
88 MODERN TECHNOLOGY COMPONENT CO., LTD.	B, E	6,526,880.00	6,450,448.00	6,526,880.00	6,450,448.00
89 BNC MAESOT CO., LTD.	A, B, E	2,285,138.40	2,284,157.55	2,285,138.40	2,284,157.55
90 THAI SILICATE CHEMICAL CO., LTD.	E, F	29,209,437.49	29,015,626.22	29,209,437.49	29,015,626.22
91 GREEN LIFE MANAGEMENT CO., LTD.	A, B, E	0.00	240.00	1,200,000.00	2,400,240.00
92 BNC REAL ESTATE CO., LTD.	A, B	0.00	1,257,093.42	0.00	1,257,093.42
93 SUN 108 CO., LTD.	A, B, E, F	1,253,600.10	1,227,600.00	1,253,600.10	1,227,600.00
94 K.T.Y INDUSTRY CO., LTD.	A, B, E	550,704.82	514,090.89	550,704.82	514,090.89
95 PTK MULTISERVICE CO., LTD.	B, E	3,160,468.58	156,977.88	3,160,468.58	156,977.88



30. TRANSACTION WITH RELATED PARTIES (CONTINUED)

30.4 Revenues (Continued)

(Unit : Baht)

	Relationship	Financial statements in which the equity method is applied		Separate Financial statements	
		2016	2015	2016	2015
96 SINGER THAILAND PLC.	A, B, E	1,760,888.79	15,000.00	1,760,888.79	15,000.00
97 NIPPON TEI SATO CO., LTD.	A, B, E	2,680,747.84	2,561,275.33	2,680,747.84	2,561,275.33
98 SR.W.GARMENT CO.,LTD.	B, E	6,275,405.35	6,894,450.57	6,275,405.35	6,894,450.57
99 WBLP CO., LTD.	B, E	2,250,009.18	2,896,825.20	2,250,009.18	2,896,825.20
100 A TECH TEXTILES CO., LTD.	A, E	18,608,795.55	0.00	18,608,795.55	0.00
101 G TECH MATERIAL CO.,LTD.	A, E	638,595.22	0.00	638,595.22	0.00
102 Other related parties		5,586,869.78	3,575,534.23	5,586,869.78	3,575,534.23
Total		2,459,636,210.57	2,267,268,415.86	2,968,951,810.87	2,785,332,399.86

30.5 Cost of facility and services

As at December 31, 2016 and 2015, the Company has cost of facility and service from 20 related parties totaling of Baht 1,879,785,395.93 and 21 related parties totaling of Baht 1,899,046,450.50 respectively as detailed following :

(Unit : Baht)

	Relationship	Financial statements in which equity method is applied and Separate financial statement	
		2016	2015
1 I.C.C. INTERNATIONAL PLC.	A, B, E, F	1,149,598.90	1,655,703.09
2 PITAKKIJ CO., LTD.	A, B, C, E, F	683,646.00	675,127.00
3 EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	71,849,323.54	72,905,283.27
4 SAHACOGEN (CHONBURI) PLC.	A, B, E	1,721,732,003.46	1,744,425,797.99
5 PTK MULTISERVICE CO., LTD.	B, E	65,671,427.54	77,132,144.49
6 M B T S BROKING SERVICE CO., LTD.	A, E, F	523,868.64	103,016.39
7 KABIN PHATTHANAKIJ CO., LTD.	B, E	865,013.39	876,543.07
8 THAI SECOM SECURITY CO., LTD. (formaly named THAI SECOM PITAKKIJ CO., LTD.)	B, E	13,932,156.62	0.00
9 ENVIRONMENTAL TECHNOLOGY CONSULTANT CO., LTD.	B, E	2,011,600.00	0.00
10 Other related parties		1,372,157.84	1,272,835.20
Total		1,879,790,795.93	1,899,046,450.50

30.6 Construction expenses

As at December 31, 2016 and 2015, the Company has construction expenses from 3 related parties totaling of Baht 81,170,611.97 and 5 related parties totaling of Baht 60,514,700.11 respectively as detailed following :

(Unit : Baht)

	Relationship	Financial statements in which equity method is applied and Separate financial statement	
		2016	2015
1 PITAKKIJ CO., LTD.	A, B, C, E, F	77,533,276.93	46,921,103.49
2 EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	3,227,929.50	4,637,046.60
3 PTK MULTISERVICE CO., LTD.	B, E	409,405.54	945,450.02



30. TRANSACTION WITH RELATED PARTIES (CONTINUED)

30.6 Construction expenses (Continued)

(Unit : Baht)

		Financial statements in which equity method is applied and Separate financial statement	
		2016	2015
	Relationship		
4	SAHACOGEN GREEN CO., LTD.	0.00	8,005,600.00
5	Other related parties	0.00	5,500.00
	Total	<u>81,170,611.97</u>	<u>60,514,700.11</u>

30.7 Other expenses

As at December 31, 2016 and 2015, the Company has other expenses from 26 related parties totaling of Baht 74,474,441.78 and 29 related parties totaling of Baht 67,129,522.31 respectively as detailed following :

(Unit : Baht)

		Financial statements in which equity method is applied and Separate financial statement	
		2016	2015
	Relationship		
1	SAHA PATHANAPIBUL PLC.	3,204,440.47	3,273,577.53
2	I.C.C. INTERNATIONAL PLC.	2,904,473.54	2,641,800.27
3	PITAKKIJ CO., LTD.	4,279,287.29	2,329,440.75
4	EASTERN THAI CONSULTING 1992 CO., LTD.	12,962,694.05	10,202,677.68
5	SIN PARADORN CO., LTD.	1,320,000.00	800,000.00
6	PTK MULTISERVICE CO., LTD.	42,111,952.41	40,894,084.38
7	SRIRACHA AVEATION CO., LTD.	2,568,000.00	2,568,000.00
8	KABIN PHATTHANAKIJ CO., LTD.	2,265,040.87	1,643,977.80
9	TREASURE HILLS CO., LTD.	661,971.00	645,385.00
10	SAHAPAT PROPERTIES CO., LTD.	585,000.00	585,000.00
11	Other related parties	1,611,582.15	1,545,578.90
	Total	<u>74,474,441.78</u>	<u>67,129,522.31</u>

30.8 Assets disposal

In 2016 and 2015, the Company has disposed assets to 1 related parties and persons total amount of Baht 1,400,000.00 and 2 related parties and persons total amount of Baht 29,000,000.00 respectively as detailed following :

(Unit : Baht)

		Financial statements in which equity method is applied and Separate financial statement	
		2016	2015
	Relationship		
1	PITAKKIJ CO., LTD.	0.00	20,000,000.00
2	SAHACOGEN GREEN CO., LTD.	0.00	9,000,000.00
3	SAHA PATHANAPIBUL PLC.	1,400,000.00	0.00
	Total	<u>1,400,000.00</u>	<u>29,000,000.00</u>

Note : Relationship

A Shareholding by the Company B Directorship C Guaranteed by the Company D Loans given by the Company
E Inter - company trading F Shareholders or directors are intimate of the Company's directors



31. FINANCIAL INSTRUMENTS DISCLOSURE

31.1 Accounting policies

Significant accounting policies, recognition of measurement of each items of assets and liabilities are disclosed in note No. 3.

31.2 Mangement Risk

The Company has no policy to hold financial instruments for speculation and trading.

31.3 Interest Rate Risk

The Company may have interest rate risk arises from the fluctuation of the market rate which affected the results of operation and cash flows.

31.4 Credit Risk

The Company exposed to credit risk relating to trade accounts receivable which has a policy for providing credit since most of trade accounts receivable connected with the Company for a long time except a related party trade accounts receivable. The Company gives credit term at 180 days to this receivable which more than other receivable. However, the Company's management believes that there is no risk from debt payment of trade accounts receivable.

31.5 Exchange rate Risk

The Company may have a risk from the fluctuation in foreign currencies exchange rate in its business of royalties, purchase of goods, loans from oversea in which the Company has not made the forward exchange contracts for hedging such exchange rate risk since the risk is minimum.

31.6 Fair value of Financial instruments

Most of financial assets are short term assets and loans bear the market interest rate. The book value of financial assets and liabilities are close to their fair value. The management believes that there is no material risk financial instruments.

32. FAIR VALUE MEASUREMENT

The Company use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available. There is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company endeavour to use relevant observable inputs as much as possible. The different levels have been defined as follows :

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 : inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly or indirectly.

Level 3 : unobservable inputs for assets or liabilities.

As at December 31, 2016, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

	(Unit : Baht)			
	Level 1	Level 2	Level 3	Level 4
Financial assets measured at fair value				
Available-for-sale investments :				
Investments in related parties	3,219,255,465.88	0.00	0.00	3,219,255,465.88
Other long-term investments	111,990,349.50	0.00	0.00	111,990,349.50

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

33. DEBENTURES

On September 20, 2016, at the shareholders' extraordinary meeting No.1/2016, has approved the issuance and offering debentures in the amount not exceeding Baht 15,000 million. The term of debentures and interest rate depends upon the market situation during debentures issuance and offering and other related factors.

34. EVENTS AFTER THE REPORTING PERIOD

34.1 On February 9, 2017, according to the resolution of the shareholders' extraordinary meeting No.1/2559 held on September 20, 2016, passed to approve the Company's issuance the specific, unsubordinated, unsecured and non-representative debentures No.1/2560 not exceeding 2,000,000 units at the offering price of Baht 1,000 per unit, equal to not exceeding Baht 2,000 million for two sets, the 1st set has three year term for total Baht 1,000 million at the interest of 2.39% per annum and the 2nd set has seven year term for total Baht 1,000 million at the interest rate of 3.44 million. The interest of both debentures is payable on semi-annually basis.

34.2 According to the minutes of Board of directors' meeting No.11 (Group 23rd) held on March 15, 2017, passed the resolution as follow :

34.2.1 Approve for obtaining short-term credit line amount of Baht 500 million from a financial institution.

34.2.2 Approve the issuance and offering short-term bills of exchange for not exceeding Baht 23,000 million.

34.2.3 Approve the issuance and offering short-term debentures and /or long-term debentures for not exceeding Baht 13,000 million.





34. EVENTS AFTER THE REPORTING PERIOD (CONTINUED)

34.3 According to the minutes of Board of directors' meeting No.11 (Group 23rd) held on March 15, 2017, passed the resolution to submit to the shareholders' general meeting for approval as follows :

34.3.1 Consider for approval the dividend payment to the shareholders at Baht 0.35 per share for total 494,034,300 shares, totally Baht 172,912,005.00 which will be paid on May 22, 2017.

34.3.2 Consider for approval the acquisition and receive total business transferring of a company including tender offer two listed companies in the Stock Exchange for not exceeding Baht 23,000 million.

34.3.3 Consider for approval the issuance and offering convertible debentures to the shareholders of the Company based on their shareholding proportion (Right offering) total value not exceeding Baht 4,000 million for the period of not over 7 years from the issuance date. The objective of issuance is to use as capital for settle partial short-term debt and the usefulness provided from receiving the transfer for business as stated in note 34.3.2.

34.3.4 Consider for approval the decrease share capital from Baht 800,000,000.00 to Baht 494,034,300.00 by cutting the unissuance of 305,965,700 ordinary shares at par value of Baht 1.00 each and amendment of the Company's Memorandum of Association Clause 4 regarding the Company's share capital to correspond with the decrease share capital.

34.3.5 Consider for approval the increase share capital from Baht 494,034,300.00 to Baht 582,923,188.00 by issuing the new 88,888,888 ordinary shares at par value of Baht 1.00 each for reserving the conversion of convertible debentures and amendment of the Company's Memorandum of Association Clause 4 regarding the Company's share capital to correspond with the increase share capital.

35. INTERIM FINANCIAL STATEMENTS APPROVAL

These interim financial statements were approved and authorized for issue by the Company's Board of directors on March 15, 2017



FINANCIAL STATISTICS AND FINANCIAL RATIOS

Financial Statistics and Financial Ratios 2014-2016

Transactions Operating Results	2016	%	2015	%	2014	%
Revenues	4,557,372	100.00	4,210,735	100.00	4,209,136	100.00
Major Revenues	4,510,377	98.97	4,119,443	97.83	4,102,977	97.48
Other Revenues	46,995	1.03	91,291	2.17	106,159	2.52
Gross Profit	2,230,970	48.95	1,851,761	43.98	1,706,422	40.54
Revenue from investment by equity	1,401,276	30.75	1,186,547	28.18	1,080,519	25.67
Expenses	584,410	12.82	634,586	15.07	667,858	15.87
Earning before income tax and interest	1,737,325	38.12	1,355,156	32.18	1,202,388	28.57
Earning before income tax	1,693,554	37.16	1,308,466	31.07	1,144,723	27.20
Net earnings	1,682,271	36.91	1,317,087	31.28	1,150,142	27.32
* Income per capital (Baht / headcount)	34,265,957.89		31,659,660.41		31,647,640.13	
* Net earnings per capital (Baht / headcount)	12,648,656.77		9,902,912.66		8,647,685.28	
* Interest coverage (Times)	39.69		29.03		20.85	
* Degree of financial Leverage (Times)	1.03		1.04		1.05	
Financial Position						
Current assets	305,673	1.22	534,034	2.31	365,837	1.67
Investments	19,805,012	79.17	17,923,734	77.63	17,260,932	78.98
Real estate for sale	631,517	2.52	721,998	3.13	641,140	2.93
Real estate under to buy and to sell contract	622	0.00	59,355	0.26	45,327	0.21
Investments properties	2,778,974	11.11	2,365,808	10.25	2,061,649	9.43
Property,Plant and equipment	1,232,178	4.93	1,178,607	5.10	1,203,534	5.51
Other non-current assets	89,241	0.36	112,138	0.49	91,270	0.42
Total liabilities & Stockholders' equity	25,015,700	100.00	23,087,821	100.00	21,854,248	100.00
Current liabilities	1,112,723	4.45	635,451	2.76	833,267	3.81
Other liability	1,525,401	6.10	2,095,122	9.06	1,667,341	7.63
Stockholders' equity	22,377,577	89.45	20,357,248	88.17	19,353,640	88.56
* Number of shares	494,034,300		494,034,300		494,034,300	
* Par value per share	1.00		1.00		1.00	
Financial Ratios						
* Current ratio (Times)	0.27		0.84		0.44	
* Quick ratio (Times)	0.27		0.84		0.44	
* Debt to equity ratio (Times)	0.12		0.13		0.13	
* Collection period (Days)	26		31		28	
* Cash flow current ratio (Times)	1.11		1.16		0.66	
* Return total revenues (%)	36.91		31.28		27.32	
* return on equity (%)	6.96		6.47		5.94	
* Return on total assets (%)	7.04		5.82		5.47	
* Earning per share (Baht)	3.41		2.67		2.33	
* Dividend per share (Baht)	NOT YET DECLARED		0.23		0.23	
* Book value per share (Baht)	45.30		41.21		39.17	

Unit : 1,000 Baht except percentage in bracket and items in *





SYNOPSIS OPERATIONS

SELECTED DATA	DETAILS	Unit : 1,000 Baht		Percentage Increase (Decrease)
		2016	2015	
1. Revenues	In 2016, the company earned revenues totaling Baht 4,557 million, increase of Baht 346 million or 8.23% from last year, resulting from the company earned from investment business Baht 1,688 million increased of Baht 180 million or 0.1%, rent and service business Baht 2,426 million increased of Baht 16 million or 1%, industrial park business Baht 272 million increased of Baht 90 million or 49% and other income Baht 47 million decreased of Baht 63 million or 57%.	4,557,372	4,210,735	8.23
2. Net Profit after tax	The net profit in 2016 was Baht 1,682 million, representing an increase of Baht 365 million or 28% from the revenues in item 1. The cost and expenses were Baht 2,864 million decreased Baht 38 million or 5%. Most from the cost of services decreased Baht 38 million or 5% and interest decreased Baht 3 million or 6%	1,682,271	1,317,087	28
3. Total Assets	Total assets in 2016 increased from 2015 Baht 1,928 million or 8%, mostly from the increase of investment by equity method Baht 1,389 million or 10% and investment properties Baht 413 million or 17% increasing, due to the company bought the land for the expansion in the future.	25,015,700	23,087,821	8
4. Current Assets	Current assets decreased by Baht 228 million or 43%, mostly from cash and cash equivalents decreased Baht 233 million or 69%, while the account receivables increased Baht 5 million or 3%	305,673	534,034	(43)
5. Current Liabilities	Current liabilities increased by Baht 478 million or 75%, mostly from the overdrafts and loans from financial institutions increased Baht 560 million or 100% while trade and other payables decreased Baht 82 million or 24%	1,112,723	635,451	75
6. Shareholders' Equity	Shareholders' equity increased Baht 2,020 million or 10%. The increasing was from the net profit Baht 1,682 million and actuarial gain on defined employee benefit of company and associated companies decreased Baht 15 million, while the gain on re-measuring of available for sale investment of company and associated companies totaling increased Baht 519 million and from dividend payment Baht 163 million	22,377,577	20,357,248	10



Corporate Profile and Any Other Significant Matters

1. Corporate Profile

1.1 NAME AND OFFICE LOCATION

NAME	: SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED
HEAD OFFICE	: 530 SOI SATHUPRADIT 58, BANGPONGPANG AREA, YANNAWA, DISTRICT, BANGKOK 10120
TYPE OF BUSINESS	: OPERATES IN 3 CATEGORIES: INVESTMENT IN SHARE CAPITAL, RENTAL AND SERVICE PROVIDER, AND INDUSTRIAL PARK
REGISTRATION NO.	: 0107537001340
TEL.	: 0-2293-0030
FAX.	: 0-2293-0040
Homepage	: http://www.spi.co.th
E-MAIL ADDRESS	: COMPANY SECRETARY darunee@spi.co.th INTERNAL AUDIT DIVISION pirom@spi.co.th PERSON IN CHARGE OF INVESTOR RELATIONS rattana@spi.co.th PROPERTY MARKETING MANAGER amphol@spi.co.th HUMAN RESOURCE CONSULTANT (COMMUNITY RELATIONS) omsin@spi.coo.th
REGISTERED CAPITAL	: THB 800,000,000 COMPRISING OF REGISTERED CAPITAL 800,000,000 ORDINARY SHARES AT PAR VALUE OF THB 1
ISSUED AND PAID UP CAPITAL	: BHT 494,034,300 COMPRISING OF 494,034,300 ORDINARY SHARES AT PAR VALUE OF THB 1
BRANCH OFFICE	
BRANCH 1	: 999 MOO 11, TAMBON NONG-KHAM , SRIRACHA DISTRICT, CHON BURI PROVINCE 20230
TEL.	: (038) 480-444
FAX	: (038) 480-505
BRANCH 2	: 1 MOO 5, TAMBON NON - SI , KABINBURI DISTRICT, PRACHINBURI PROVINCE 25110
TEL.	: (037) 205-203-7
FAX	: (037) 205-202
BRANCH 3	: 189 MOO 15, TAMBON PASAK , MUEANG LAMPHUN DISTRICT, LAMPHUN PROVINCE 51000
TEL.	: (053) 584-072-4
FAX	: (053) 584-080





BRANCH 4	: 196 MOO 11, TAMBON WANG — DAAN , KABINBURI DISTRICT, PRACHINBURI PROVINCE 25110
TEL.	: (037) 290-345
FAX	: (037) 290-345
BRANCH 5	: 269 MOO 15, TAMBON MAEKASA, MAE SOT DISTRICT, TAK PROVINCE 63110
TEL.	: (055) 546-634
FAX	: (055) 546-634
BRANCH 6	: 1 MOO 6, TAMBON SURASAK , SRIRACHA DISTRICT, CHON BURI PROVINCE 20230
TEL.	: (038) 480-444
FAX	: (038) 480-505

1.2 OTHER REFERENCES

SHARE REGISTRAR	: THAILAND SECURITIES DEPOSITORY CO.,LTD. THE STOCK EXCHANGE OF THAILAND BUILDING 93 RATCHADPHISEK ROAD, DINDAENG, BANGKOK 10140 TEL. 0-2009-9000 FAX. 0-2000-9991
AUDITOR	: MRS. SUVIMOL KRITTAYAKIERN C.P.A. (THAILAND) REGISTRATION NO. 2982 AND/OR, MRS. VILAIRAT ROJNUCKARIN, C.P.A. (THAILAND) REGISTRATION NO. 3104 AND/OR MISS SOMJINTANA PHOLHIRUNRAT, C.P.A.(THAILAND) REGISTRATION NO. 5599 DIA INTERNATIONAL AUDIT CO., LTD 16/32 SUKHUMVIT SOI 22, SUKHUMVIT ROAD, KLONGTOEY AREA, KLONGTOEY DISTRICT, BANGKOK 10110 TEL.0-2259-5300 FAX. 0-2260-1553

2. Other Significant Matters

-None-



INVESTMENT IN OTHER COMPANIES IN 2016 SHARE HOLD OF MORE THAN 10 % OF ISSUED SHARES

	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARES ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
DISTRIBUTING COMPANIES								
1	I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED	BANGKOK	CONSUMER PRODUCTS	ORDINARY	290,633,730	65,353,640	22.49	702,907,481.99
2	SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED	BANGKOK	CONSUMER PRODUCTS	ORDINARY	330,000,000	66,000,065	20.00	319,800,476.00
3	CANCHANA INTERNATIONAL CO. LTD.	CAMBODIA	DISTRIBUTOR	ORDINARY	1,000	200	20.00	3,236,800.00
4	KYOSHUN CO., LTD.	JAPAN	AGENT	ORDINARY	600	110	18.33	1,997,600.00
5	BANGKOK ATHLETIC CO., LTD.	BANGKOK	SPORT WARE	ORDINARY	2,000,000	363,155	18.16	69,561,939.58
6	INTERNATIONAL COMMERCIAL CORDINATION LTD. (H.K)	HONGKONG	AGENT	ORDINARY	26,569	3,600	18.00	2,161,197.26
7	TIGER MK LOGISTICS (MY ANMAR) COMPANY LIMITED	MYANMAR	DISTRIBUTOR	ORDINARY	30,000	5,400	18.00	1,781,720.00
8	NEW CITY (BANGKOK) PUBLIC COMPANY LIMITED	BANGKOK	CONSUMER PRODUCT	ORDINARY	14,951,000	2,317,738	15.50	43,120,478.00
9	TSURUHA (THAILAND) CO., LTD.	BANGKOK	RETAILS STORE	ORDINARY	250,000	37,500	15.00	60,000,000.00
10	WORLD SAHA FASHION CO., LTD.	BANGKOK	PRODUCTION AND DISTRIBUTION MENSWEAR	ORDINARY	50,000	7,500	15.00	7,500,000.00
11	PT. TRINITY LUXTRO	INDONESIA	AGENT	ORDINARY	120,000	18,000	15.00	5,861,700.00
12	O.C.C. PUBLIC COMPANY LIMITED	BANGKOK	CONSUMER PRODUCT	ORDINARY	60,000,000	7,635,000	12.73	12,215,983.30
13	MORGAN DE TOI (THAILAND) CO., LTD.	BANGKOK	DISTRIBUTOR	ORDINARY	400,000	48,000	12.00	4,800,000.00
14	WIEN INTERNATIONAL CO., LTD.	BANGKOK	DIRECT SALE	ORDINARY	300,000	36,000	12.00	3,600,000.00
15	BETTER WAY (THAILAND) CO., LTD.	BANGKOK	DIRECT SALE	ORDINARY	10,000,000	1,177,362	11.77	11,773,620.00
16	SUN 108 CO., LTD.	BANGKOK	DISTRIBUTOR	ORDINARY	10,000,000	1,000,000	10.00	10,000,000.00
TOTAL								1,260,318,996.13
MANUFACTURING COMPANIES								
1	THAI HOOVER INDUSTRY CO., LTD.	SAMUTPRAKARN	PLASTIC PRODUCTS	ORDINARY	600,000	226,396	37.73	22,639,600.00
2	THAI ITOKIN CO., LTD.	BANGKOK	GARMENT	ORDINARY	1,400,000	449,500	32.11	58,152,029.69
3	INTERNATIONAL LABORATORIES CORP LTD.	BANGKOK	COSMETICS	ORDINARY	12,000,000	3,000,000	25.00	165,000,000.00
4	LION CORPORATION (THAILAND) LTD.	BANGKOK	DETERGENT	ORDINARY	3,000,000	744,000	24.80	74,400,000.00
5	SAHACHOL FOOD SUPPLIES CO., LTD.	CHOLBURI	AGRICULTURE PRODUCTS	ORDINARY	3,450,000	854,830	24.78	148,407,884.00
6	S.T. (THAILAND) CO.,LTD	CHOLBURI	RUBBER GLOVE	ORDINARY	1,420,000	337,250	23.75	33,725,000.00
7	THANULUX PUBLIC COMPANY LIMITED	BANGKOK	GARMENT & ARTIFICIAL LEATHER	ORDINARY	120,000,000	28,220,820	23.52	28,688,920.22
8	CHAMP ACE CO., LTD.	BANGKOK	GARMENT	ORDINARY	400,000	90,000	22.50	9,000,000.00
9	THAI PRESIDENT FOODS PUBLIC COMPANY LIMITED	BANGKOK	INSTANT NOODLES AND BISCUITS	ORDINARY	180,000,000	39,520,820	21.96	90,310,095.47
10	THAI WACOAL PUBLIC COMPANY LIMITED	BANGKOK	LINGERIES	ORDINARY	120,000,000	25,512,500	21.26	63,545,155.00
11	TOP TREND MANUFACTURING CO., LTD.	CHOLBURI	PLASTIC PRODUCTS	ORDINARY	1,200,000	240,000	20.00	47,625,000.00
12	S. APPAREAL CO., LTD.	SAMUTPRAKARN	GARMENT	ORDINARY	360,000	72,000	20.00	7,200,000.00
13	SSDC (TIGERTEX) CO., LTD.	PRACHINBURI	SPINING	ORDINARY	32,400,000	6,385,170	19.71	76,609,202.82
14	BANGKOK TOKYO SOCKS CO., LTD.	BANGKOK	SOCKS	ORDINARY	1,432,200	280,000	19.55	26,764,312.50
15	TOTAL WAY IMAGE CO., LTD.	BANGKOK	ARTIFICIAL LEATHER	ORDINARY	200,000	38,998	19.50	6,246,583.44





	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARES ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
16	THAI MONSTER CO., LTD.	BANGKOK	GARMENT	ORDINARY	200,000	39,000	19.50	5,906,141.75
17	G TECH MATERIAL CO.,LTD.	BANGKOK	COMPONENTS LINGERIE	ORDINARY	3,000,000	570,000	19.00	57,000,000.00
18	A TECH TEXTILE CO.,LTD.	BANGKOK	COMPONENTS LINGERIE	ORDINARY	10,000,000	1,900,000	19.00	190,000,000.00
19	H&B INTERTEX CO., LTD.	BANGKOK	TOYS	ORDINARY	400,000	76,000	19.00	7,600,000.00
20	SAHA NAM TEXTILE CO., TLD.	BANGKOK	TEXTILES	ORDINARY	360,000	64,800	18.00	7,747,488.00
21	BNC REAL ESTATE CO., LTD.	BANGKOK	REAL ESTATE	ORDINARY	2,400,000	400,000	16.67	40,000,000.00
22	ERAWAN TEXTILES CO., LTD.	SAMUTPRAKARN	TEXTILES	ORDINARY	6,214,634	996,795	16.04	126,256,111.36
23	PATTAYA MANUFACTURING CO., LTD.	BANGKOK	LINGERIES	ORDINARY	3,000,000	480,000	16.00	4,922,582.50
24	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	CHOLBURI	RUBBER PART FOR CAR	ORDINARY	1,200,000	187,200	15.60	18,720,000.00
25	SAHACOGEN (CHONBURI) PUBLIC COMPANY LIMITED	CHOLBURI	ELECTRIC CURRENT	ORDINARY	955,000,000	148,697,030	15.57	264,227,129.37
26	S&J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED	BANGKOK	COSMETICS	ORDINARY	149,930,828	23,016,071	15.35	130,042,427.82
27	GENERAL GLASS CO., LTD.	CHOLBURI	GLASS	ORDINARY	14,500,000	2,175,000	15.00	34,339,805.49
28	TOYO TEXTILE THAI CO., LTD.	BANGKOK	SOCKS	ORDINARY	300,000	45,000	15.00	4,500,000.00
29	THAI KOBASHI CO., LTD.	CHOLBURI	PAPER BOXES	ORDINARY	1,000,000	150,000	15.00	15,000,000.00
30	THAI SPORT GARMENT CO., LTD.	BANGKOK	GARMENT	ORDINARY	100,000	15,000	15.00	1,500,000.00
31	EASTERN RUBBER CO., LTD.	CHOLBURI	RUBBER PRODUCTS	ORDINARY	300,000	45,000	15.00	4,500,000.00
32	THAI ARAI CO., LTD.	CHOLBURI	CAR ACCESSORIES	ORDINARY	1,260,000	185,850	14.75	19,202,504.36
33	INTERNATIONAL LEATHER FASHION CO., LTD.	BANGKOK	LEATHER	ORDINARY	500,000	70,000	14.00	7,000,000.00
34	PEOPLE'S GARMENT PUBLIC COMPANY LIMITED	BANGKOK	GARMENT	ORDINARY	96,000,000	13,228,666	13.78	56,886,983.49
35	RACHA UCHINO CO., LTD.	SAMUTPRAKARN	COTTON TOWELS	ORDINARY	1,215,000	150,828	12.41	10,080,960.00
36	TEXTILE PRESTIGE PUBLIC COMPANY LIMITED	BANGKOK	LACE	ORDINARY	108,000,000	12,993,750	12.03	12,993,750.00
37	MOLTEN (THAILAND) CO., LTD.	CHOLBURI	SPORTS (BALL)	ORDINARY	1,000,000	120,000	12.00	12,000,000.00
38	THAI GUNZE CO., LTD.	PRACHINBURI	MEN'S UNDERWARE	ORDINARY	1,800,000	198,000	11.00	19,800,000.00
39	SAHA SEHWA CO., LTD.	CHOLBURI	PLASTIC PRODUCTS	ORDINARY	14,500,000	1,525,000	10.52	15,250,000.00
40	KEWPIE (THAILAND) CO., LTD.	BANGKOK	SEASONING	ORDINARY	2,600,000	260,000	10.00	26,000,000.00
41	THAI SHIKIBO CO., LTD.	CHOLBURI	SPINING	ORDINARY	2,375,000	237,600	10.00	23,760,000.00
42	THAI TAKAYA CO., LTD.	BANGKOK	GARMENT	ORDINARY	300,000	30,000	10.00	3,000,000.00
43	THAI TOMADO CO., LTD.	CHOLBURI	ALUMINIUM SASH	ORDINARY	200,000	20,000	10.00	2,000,000.00
44	THAI STAFLEX CO., LTD.	BANGKOK	LINING	ORDINARY	600,000	60,000	10.00	6,000,000.00
45	U.C.C. UESHIMA COFFEE (THAILAND) CO., LTD.	BANGKOK	CANNED BEVERAGE	ORDINARY	150,000	15,000	10.00	1,500,000.00
46	THAI PRESIDENT FOODS (Hungary) Kft.	HANGARY	INSTANT NOODLES	ORDINARY			10.00	32,182,363.55
TOTAL								2,018,232,030.83



CORPORATE PROFILE AND ANY OTHER SIGNIFICANT MATTERS

	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARES ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
OTHERS COMPANIES								
1	SAHAPAT REAL ESTATE CO. LTD.	BANGKOK	REAL ESTATE DEVELOPMENT	ORDINARY	10,000,000	4,000,000	40.00	100,000,000.00
2	EASTERN THAI CONSULTING 1992 CO., LTD.	CHOLBURI	ENVIRONMENT	ORDINARY	200,000	80,000	40.00	10,000,000.00
3	BOON CAPITAL HOLDING CO., LTD.	BANGKOK	INVESTMENT	ORDINARY	27,000,000	9,719,999	36.00	97,199,990.00
4	PITAKKIJ CO., LTD.	CHOLBURI	SERVICE	ORDINARY	200,000	67,040	33.52	6,704,000.00
5	GREEN LIFE MANAGEMENT CO., LTD.	CHOLBURI	SERVICE APARTMENT	ORDINARY	100,000	30,000	30.00	11,049,900.00
6	FIRST UNITED INDUSTRY CO., LTD.	BANGKOK	RENTAL SERVICES	ORDINARY	400,000	112,582	28.15	11,258,200.00
7	SAHAPAT PROPERTIES CO., LTD.	BANGKOK	INVESTMENT	ORDINARY	200,000	52,500	26.25	5,250,000.00
8	THAI SECOM SECURITY CO.,LTD.	BANGKOK	SECURITY	ORDINARY	3,788,572	966,282	25.50	196,965,028.00
9	SEINO SAHA LOGISTICS CO., LTD.	CHOLBURI	LOGISTIC	ORDINARY	2,000,000	470,000	23.50	17,285,646.74
10	SAHA TOKYU CORPORATION COMPANY LIMITED	CHOLBURI	HOUSING SERVICE	ORDINARY	332,000	66,400	20.00	66,400,000.00
11	MBTS BROKING SERVICE CO., LTD.	BANGKOK	INSURANCE	ORDINARY	50,000	9,995	19.99	999,500.00
12	SAHA UBON NAKORN CO., LTD.	BANGKOK	INDUSTRIAL PARK	ORDINARY	1,250,000	243,750	19.50	6,998,437.50
13	PAN LAND CO., LTD.	BANGKOK	LAND DEVELOPMENT	ORDINARY	3,000,000	580,000	19.33	58,000,000.00
14	SRIRACHA TRANSPORT CO., LTD.	CHOLBURI	LOGISTIC	ORDINARY	100,000	18,000	18.00	2,952,357.50
15	RESEARCH AND DEVELOPMENT OSUKA ASIA CO., LTD.	BANGKOK	RESEARCH	ORDINARY	800,000	130,666	16.33	13,066,600.00
16	SHISEIDO PROFESSIONAL (THAILAND) CO., LTD.	BANGKOK	BEAUTY SHOP	ORDINARY	7,000,000	1,050,000	15.00	10,500,000.00
17	TIGER DISTRIBUTION AND LOGISTICS CO., LTD.	BANGKOK	LOGISTIC	ORDINARY	2,000,000	300,000	15.00	8,427,000.00
18	THAI FLYING MAINTENANCE CO., LTD.	CHOLBURI	MAINTENANCE AEROPLANE	ORDINARY	20,000	3,000	15.00	300,000.00
19	FAR EAST DDB PUBLIC COMPANY LIMITED	BANGKOK	ADVERTISING	ORDINARY	7,500,000	1,055,700	14.08	29,154,287.52
20	SIAM AUTO BACKS CO., LTD.	BANGKOK	AUTO PARTS	ORDINARY	3,990,000	500,000	12.53	5,000,000.00
21	SAHA RATTANA NAKORN CO., LTD.	CHOLBURI	INDUSTRIAL PARK	ORDINARY	1,800,000	225,000	12.50	22,500,000.00
22	K.COMMERCIAL & CONSTRUCTION CO., LTD.	BANGKOK	CONSTRUCTION	ORDINARY	500,000	50,000	10.00	5,150,406.14
23	THAI CUBIC TECHNOLOGY CO., LTD.	BANGKOK	CUBIC PRINTING	ORDINARY	400,000	40,000	10.00	4,000,000.00
24	BOONRAVEE CO., LTD.	BANGKOK	SERVICE	ORDINARY	200,000	20,000	10.00	2,000,000.00
TOTAL								691,161,353.40
GRAND TOTAL								3,969,712,380.36



BOARD OF DIRECTORS
&
EXECUTIVE BOARD



Board of Directors



Mr. Boonsithi Chokwatana

Chairman of the Board of Directors /
Chairman of Nomination and Remuneration Committee



Mr. Boonpakorn Chokvathana

Vice Chairman



Mr. Tanong Srichit

President /
Nomination and Remuneration Committee /
Corporate Governance and
Risk Management Committee



Mr. Vichai Kulsomphob

Frist Executive Vice President /
Corporate Governance and Risk
Management Committee /
Chief Financial Officer



Mr. Samrerng Manoonpol

Director



Mr. Manu Leelanuwatana

Director



Board of Directors



Miss. Sirikul Dhanasarnsilp
Director /
Nomination and Remuneration Committee



Mr. Sujarit Patchimnan
Director



Mr. Pipat Paniangvait
Director



Mr. Karmthon Punsak-Udomsin
Director



Mr. Boonkiet Chokwatana
Director



Mr. Boonchai Chokwatana
Director



Board of Directors



Mr. Akira Murakoshi
Independent Director



Mr. Surachai Danaitangtrakul
Independent Director



Mr. Sompong Sungrungsan
Independent Director



Mr. Nophorn Bhongsvej
Independent Director /
Chairman of Audit Committee /
Chairman of Corporate Governance and Risk
Management Committee



Pol. Lt. Gen. Amarin Niemskul
Independent Director /
Audit Committee



Mrs. Punnee Worawuthichongsathit
Independent Director /
Audit Committee



Executive Board



Mr. Boonsithi Chokwatana
Chairman of the Executive Board



Mr. Tanong Srichit
Executive Board



Mr. Vichai Kulsomphob
Executive Board



Mr. Samrerng Manoonpol
Executive Board



Mr. Manu Leelanuwatana
Executive Board



Miss. Sirikul Dhanasarnsilp
Executive Board



Mr. Manus Ongsarankorm
Executive Board



Information of the Directors, Executives, Controlling Persons and Company Secretary as of January 12, 2017

Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
1. Mr. Boonsithi Chokwatana - Chairman of the Board of Directors - Chairman of the Executive Board - Chairman of Nomination and Remuneration Committee - Director with authority to sign on behalf of the company - 20 March 1973	79	- The Honorary Doctorate Degree in Business Administration Burapha University Thammasat University National Institute of Development Administration University of the Thai Chamber of Commerce - Engineering Khon Kaen University - Law Waseda University - Science (Textile and Garment) Rajamangala University of Technology Kruthiep - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	1.185	2, 4, 11, 12		Other Listed Companies	
					2010 - Present	Honorary Chairman	Saha Pathanapibul Public Company Limited
					1961 - 2010	Chairman	Saha Pathanapibul Public Company Limited
					Jul 2016 - Present	Advising Director	Thanulux Public Company Limited
					2010 - Jul 2016	Advising Director	Thanulux Public Company Limited
					1975 - 2010	Chairman	Thanulux Public Company Limited
					2002 - Present	Director	Sahacogen (Chonbur) Public Company Limited
					Present	Honorary Advisor	I.C.C. International Public Company Limited
					May 2016 - Dec 2016	Honorary Advisor Director	I.C.C. International Public Company Limited
					1991 - May 2016	Vice Chairman	I.C.C. International Public Company Limited
					1972 - Present	Chairman	Thai President Foods Public Company Limited
					2010 - Present	Advisor to the Board of Directors	Thai Wacoal Public Company Limited
					1990 - 2010	Advising Director to the Board of Directors	Thai Wacoal Public Company Limited
					2010 - Present	Advisor to the Board of Directors	Textile Prestige Public Company Limited
					1980 - 2010	Advising Director to the Board of Directors	Textile Prestige Public Company Limited
							Other Companies (Non-Listed Companies)
							Competitive Business related to Company's Business
					2016 - Present	Director	Sahapat Properties Co., Ltd.
					2016 - Present	Director	First United Industry Co., Ltd.
					2016 - Present	Chairman	Sinparadon Co., Ltd.
2014 - Present	Chairman	Saha Tokyu Corporation Co., Ltd.					
2011 - Present	Director	United Utility Co., Ltd.					
2009 - Present	Director	BSTD 109 Co., Ltd.					
2008 - Present	Director	BSTR 408 Co., Ltd.					
2007 - Present	Director	BTN 1207 Co., Ltd.					
1996 - Present	Director	Saipin Wattana Co., Ltd.					
1995 - Present	Chairman	Sahapat Real Estate Co., Ltd.					





Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
					1989 - Present 1984 - Present 1981 - Present 1978 - Present 1972 - Present	Chairman Chairman Director Managing Director Director	Pan Land Co., Ltd. Sahamanoonpol Co., Ltd. President Holding Co., Ltd. Waisadoramai Co., Ltd. Chokwatana Co., Ltd.
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant - None -							
2. Mr. Boonpakorn Chokvathana - Vice Chairman - Director with authority to sign on behalf of the company - 23 March 1972	81	- Assumption Commercial College - Bachelor's Degree in Economics, The University of Nottingham, The United Kingdom - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 - Role of Compensation Committee (RCC) 7/2008 Thai Institute of Directors Association (IOD)	0.324	1, 11, 12	1992 - Present 2002 - Present 1994 - Present 1962 - 1993 1969 - Present 2008 - 2011 2003 - 2011 2009 - Present 1996 - Present 1972 - Present	Chairman Other Listed Companies Director Vice Chairman Director Chairman Chairman of Nomination and Remuneration Committee Audit Committee and Independent Director Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director Director Director	Dr. Thiam Chokwatana's Foundation IT City Public Company Limited Saha Pathanapibul Public Company Limited Saha Pathanapibul Public Company Limited New City (Bangkok) Public Company Limited Bumrungrad Hospital Public Company Limited Bumrungrad Hospital Public Company Limited 4 Companies United Utility Co., Ltd. Saipin Wattana Co., Ltd. Chokwatana Co., Ltd.
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant - None -							



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
3. Mr. Tanong Srichit - President December 15, 2016 - Executive Director - Corporate Governance and Risk Management Committee - Nomination and Remuneration Committee - Director with authority to sign on behalf of the company - 14 March 1996	61	- Bachelor Degree in Political Science Chulalongkorn University - Director Accreditation Program (DAP) 3/2003 - Finance for Non - Finance Director (FND) 9/2004 - Director Certification Program (DCP) 7/2006 - Chartered Director Class (CDC) 8/2014 Thailand Institute of Directors Association (IOD)	0.023	-	2012 - Present 2006 - Present 2002 - Present 2016 - Present 2014 - Present 2004 - Present 2002 - Present 2000 - Present 1999 - Present 1988 - Present	Advisor Advisor <u>Other Listed Companies</u> Director <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Managing Director Director Director Managing Director Director Managing Director Managing Director	Provincial Police Region 2 Baan Nong Kham Community Sahacogen (Chonburi) Public Company Limited 31 Companies Sahapat Real Estate Co., Ltd. Saha Tokyu Corporation Co., Ltd. Sinparadon Co., Ltd. Sahapat Properties Co., Ltd. Treasure Hill Co., Ltd. Pan Land Co., Ltd. First United Industry Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
4. Mr. Vichai Kulsomphob - First Executive Vice President - Executive Director - Corporate Governance and Risk Management Committee - Chief Financial Officer - Director with authority to sign on behalf of the company - 23 April 2012	39	- Bachelor's Degree of Business Administration Chulalongkorn University - Master of Advanced Business Practice University of South Australia - Master of Marketing (English Program) Thammasat University - Master of International Business (Exchange Program), Norwegian School of Economics and Business Administration, Norway - Business and Industrial Development Program (Class 1) , Institute of Business and Industrial Development - OIC Advanced Insurance Institute (Class 1), Office of Insurance Commission - Executive Leadership Program (Class2),	0.062	1	2015 - Present 2016 - Present 2016 - Present 2014 - Present 2014 - Present 2014 - Present 2013 - Present 2013 - Present 2013 - Present 2012 - Present 2009 - Present	Director <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director Director Director Director Managing Director Director Director Director Managing Director Director	Singer Thailand Public Company Limited 28 Companies First United Industry Co., Ltd. Sahapat Real Estate Co., Ltd. Saha Tokyu Corporation Co., Ltd. WBRE Co., Ltd. BNC Real Estate Co., Ltd. Sahapat Properties Co., Ltd. I. D. F. Co., Ltd. Park Capital Holding Co., Ltd. SSI Holding Co., Ltd. Boon Capital Holding Co., Ltd. Pan Land Co., Ltd.





Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences																						
					Period	Position	Company Name																				
		Wharton Business School, University of Pennsylvania, USA & NIDA, Thailand - Real Estate Management Program for Executive (RE-CU26), Chulalongkorn University - Investment Planner Certification, Chulalongkorn University - Investment Planner Certification, Association of Investment Management Companies - Bhumpalung Phandin for Top Executive Class 4, Chulalongkorn University - Director Certification Program (DCP) 6/1/2005 - Company Secretary Program (CSP) 18/2006 Thai Institute of Directors Association (IOD)																									
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant																											
5. Mr. Samreng Manoongpol - Director - Executive Director - Director with authority to sign on behalf of the company - 23 March 1972	80	- High School, Wat Rajabopit School - Director Accreditation Program (DAP) 3/2003 Thai Institute of Directors Association (IOD)	0.301	-																							
<table border="1"> <thead> <tr> <th colspan="2">Other Listed Companies</th> </tr> </thead> <tbody> <tr> <td>Advisor</td> <td>2008 - Present</td> </tr> <tr> <td>Advisor</td> <td>1990 - Present</td> </tr> <tr> <td>Other Companies (Non-Listed Companies)</td> <td></td> </tr> <tr> <td>Competitive Business related to Company's Business</td> <td></td> </tr> <tr> <td>Chairman</td> <td>2016 - Present</td> </tr> <tr> <td>Chairman</td> <td>2014 - Present</td> </tr> <tr> <td>Vice Chairman</td> <td>1984 - Present</td> </tr> <tr> <td>Chairman</td> <td>1983 - Present</td> </tr> <tr> <td>Chairman</td> <td>1978 - Present</td> </tr> </tbody> </table>								Other Listed Companies		Advisor	2008 - Present	Advisor	1990 - Present	Other Companies (Non-Listed Companies)		Competitive Business related to Company's Business		Chairman	2016 - Present	Chairman	2014 - Present	Vice Chairman	1984 - Present	Chairman	1983 - Present	Chairman	1978 - Present
Other Listed Companies																											
Advisor	2008 - Present																										
Advisor	1990 - Present																										
Other Companies (Non-Listed Companies)																											
Competitive Business related to Company's Business																											
Chairman	2016 - Present																										
Chairman	2014 - Present																										
Vice Chairman	1984 - Present																										
Chairman	1983 - Present																										
Chairman	1978 - Present																										
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant																											
- None -																											



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
6. Mr. Manu Leelanuwatana - Director - Executive Director - Director with authority to sign on behalf of the company - 23 April 2007	71	- Bachelor's Degree in Mechanical Engineering, Chiba University, Japan - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	-	-	2004 - Present 1990 - Present 1974 - 1990 1973 - 1974 1987 - Present 1980 - Present 1976 - 1980 1998 - 2010 1979 - 1998 2014 - Present	<u>Other Listed Companies</u> Director Chairman Managing Director Director Director Chairman Managing Director Vice Chairman Director <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director I.C.C. International Public Company Limited Thai Wacoal Public Company Limited Thai Wacoal Public Company Limited Thai Wacoal Public Company Limited O.C.C. Public Company Limited Textile Prestige Public Company Limited Textile Prestige Public Company Limited Thanulux Public Company Limited Thanulux Public Company Limited 20 Companies BNC Real Estate Co., Ltd.	
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
7. Miss. Sirikul Dhanasarnsilp - Director - Executive Board - Director with authority to sign on behalf of the company - 16 June 2016	69	- Master of Business Administration, Thammasat University - Board and CEO Assessment 2/2003 - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 39/2004 Thai Institute of Directors Association (IOD)	0.607	-	2004 - Present 1976 - Present 2016 - Present 2002 - Present 1986 - Present	<u>Other Listed Companies</u> Vice Chairman Director <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director Director Director Thai Wacoal Public Company Limited Textile Prestige Public Company Limited 19 Companies Pan Land Co., Ltd. Sahapat Real Estate Co., Ltd. Sareerapom Co., Ltd.	
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
8. Mr. Sujarit Patchimman - Director - 15 December 2016	71	- Master of Arts in Political Science Thammasat University - Bachelor of Arts in Political Science Thammasat University - Director Accreditation Program (DAP) 41/2005 Thai Institute of Directors Association (IOD)	-	-	2016 - Present 2008 - 2016 2007 - Present	<u>Other Listed Companies</u> Chairman and Chairman of Nomination and Remuneration Committee Director and Executive Board Director <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Sahacogen (Chonburi) Public Company Limited Sahacogen (Chonburi) Public Company Limited Saha Pathanapibul Public Company Limited 4 Companies - None -	
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							





Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
9. Mr. Pipat Paniangvait - Director - Director with authority to sign on behalf of the company - 27 June 2003	77	- The Honorary Doctorate of Science in Food Science and Technology, Faculty of Science and Technology Rajamangala University of Technology Tawan-ok - The Honorary Doctorate of Arts in Business Administration, Faculty of Business Administration North - Chiang Mai University - The Honorary Doctorate Degree in Home Economics Development, Faculty of Educational, Ramkhamhaeng University - Bachelor's Degree in Education Science, Quanzhou Physical Culture Institute, People's Republic of China - Master of Business Administration, Thammasat University - Stanford Executive Program, Stanford University, California, USA - Diploma, The Joint State-Private Sector Course (Class 2), The National Defence College - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 39/2004 Thai Institute of Directors Association (IOD)	0.002	-	2013 - Present 2007 - 2013 2009 - Present 1994 - 2009 2007 - Present 2010 - Present 1972 - 2010 1995 - Present 1980 - Present 1983 - 2013 2000 - Present 1981 - Present	Honorary Director Vice Chairman Treasurer Director Expertise Other Listed Companies Vice Chairman and Chief Executive Officer President Chairman Chairman Chairman Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director Director	The Thai Chamber of Commerce The Thai Chamber of Commerce Federation Internationale de Natation Federation Internationale de Natation National Olympic Committee of Thailand Thai President Foods Public Company Limited Thai President Foods Public Company Limited Thai O.P.P. Public Company Limited President Bakery Public Company Limited President Rice Products Public Company Limited 9 Companies Thai-Myanmar Success Venture Company Limited President Holding Company Limited
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant					- None -		
10. Mr. Karmthorn Punsak-Udomsin - Director - Director with authority to sign on behalf of the company - 26 April 1999	80	- Pei-ning High School - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	0.002	-	2004 - Present 1995 - Present	Other Listed Companies Director Vice Chairman Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	IT City Public Company Limited Thai President Foods Public Company Limited 8 Companies



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences			
					Period	Position	Company Name	
11. Mr. Boonkiet Chokwatana - Director - Director with authority to sign on behalf of the company - 21 April 1986	69	- B.S. Mechanical Engineering, Worcester Polytechnic Institute, Massachusetts, USA - The Honorary Doctorate Degree in Business Administration (Management), Sripatum University - The Honorary Doctorate Degree in Business, Graduate School of Commerce, Burapha University - The Honorary Doctorate Degree in Business Administration, Naresuan University - The Joint State Private Sector Regular Course (Class 388), The National Defence College - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 41/2004 Thai Institute of Directors Association (IOD)	0.996	1, 2, 12	- None -	2016 - Present	Director	Uni Central Co., Ltd.
						2016 - Present	Director	Uni Champ Co., Ltd.
						2016 - Present	Director	Uni Wealth Co., Ltd.
						2016 - Present	Director	Uni Soil Co., Ltd.
						2016 - Present	Director	Uni Funds Co., Ltd.
						1996 - Present	Director	Universe Beauty Land Co., Ltd
						1997 - Present	Director	Borneo World Co., Ltd.
						1990 - Present	Director	Thai Ache Cosmetics Co., Ltd.
						1989 - Present	Director	Uni Field Co., Ltd.
						1981 - Present	Director	President Holding Co., Ltd.
						2010 - Present	Advisor	Thai Listed Companies Association
2007 - 2009	Vice President	Thai Listed Companies Association						
2005 - 2007	Director	Thai Listed Companies Association						
2007 - 2008	Director	Thailand Securities Depository Company Limited						
May 2015 - Present	Other Listed Companies Chairman and Chairman of the Executive Board	I.C.C. International Public Company Limited						
2015 - May 2016	Director and Chairman of the Executive Board	I.C.C. International Public Company Limited						
1980 - 2015	President	I.C.C. International Public Company Limited						
2012 - Present	Chairman	Pan Asia Footwear Public Company Limited						
2011 - 2012	Director and Executive Director	Pan Asia Footwear Public Company Limited						
2016 - Present	Director	Sahacogen (Chonburi) Public Company Limited						
2008 - 2016	Chairman	Sahacogen (Chonburi) Public Company Limited						
1980 - 2007	Director	Sahacogen (Chonburi) Public Company Limited						
1994 - Present	Chairman	People's Garment Public Company Limited						
1993 - Present	Chairman	S&I International Enterprises Public Company Limited						
1973 - 2010	Director	O.C.C. Public Company Limited						
		Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	62 Companies					





Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
					2014 - Present 2014 - Present 2013 - Present 2011 - Present 2011 - Present 2000 - Present 1996 - Present 1989 - Present 1979 - Present 1972 - Present	Chairman Chairman Chairman Chairman Chairman Director Director Director Director Director	WBRE Co., Ltd. United Utility Development Co., Ltd. Torfun Estate Co., Ltd. Torfun Property Co., Ltd. United Utility Co., Ltd. Treasure Hill Co., Ltd. Saipin Wattana Co., Ltd. Pan Land Co., Ltd. Chaladadol Co., Ltd. Chokwatana Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
12. Mr. Boonchai Chokwatana - Director - Director with authority to sign on behalf of the company - 23 April 2012	69	- The Honorary Doctorate Degree in Communication, Naresuan University - The Honorary Doctorate Degree in Business Administration, Maharakham University - Bachelor Degree in Arts (Political Science), Ramkhamhaeng University - Bachelor Degree in Business Administration, Wisconsin State University at Superior, USA - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	0.040	1, 2, 11	2014 - Present 2008 - 2014 2011 - Present 2010 - Present 1972 - 2010 1970 - Present 2012 - 2014 2011 - 2012 2007 - 2014 2015 - Present 2011 - Present 1995 - Present 1992 - Present 1990 - Present 1989 - Present 1986 - Present 1979 - Present	Member of the National Legislative Assembly Senator <u>Other Listed Companies</u> Director Chairman and Chairman of the Executive Board Director Chairman Director Chairman Independent Director and Audit Committee <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director Director Director Director Director Director Director	The National Legislative Assembly The Senate Thai President Foods Public Company Limited Saha Pathanapibul Public Company Limited Saha Pathanapibul Public Company Limited Far East DDB Public Company Limited Pan Asia Footwear Public Company Limited Pan Asia Footwear Public Company Limited MFC Asset Management Public Company Limited 21 Companies United Utility Development Co., Ltd. Ek Pakom Co., Ltd. Sahapat Real Estate Co., Ltd. Saipin Wattana Co., Ltd. Chokthanasin Co., Ltd. Pan Land Co., Ltd. United Utility Co., Ltd.



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Period	Past 5 Years Experiences	
						Position	Company Name
					1972 - Present	Director Director	Chailadadol Co., Ltd. Chokwatana Co., Ltd.
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant							
13. **Mr. Akira Murakoshi - Independent Director - 21 April 2014	58	- Tokyo University	-	-		<u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	-None- 13 Companies -None-
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant							
14. **Mr. Surachai Danaitangtrakul - Independent Director - 13 March 2014	62	- Bachelor of Laws, Thammasat University - Master of Political Science, Sukhothai Thammathirat Open University - Thammasat Leadership Program (Class 1), Thammasat University - Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Certification Program (Class 4), The College of Politics and Governance, King Prajadhipok's Institute - Diploma of The State, Private Sector and Political Sector Course (Class 3/2005), The National Defense College - Director Accreditation Program (DAP) 11/2004 Thai Institute of Directors Association (IOD)	-	-	2015 - Present 2011 - 2014 2006 2005 2004 - 2006 2000 - 2006 2016 - Present	Chairman Executive Board President of the Senate Affair President of the Senate Affairs on Budget President of the Senate Affairs on Monetary Affairs, Finance, Banking and Financial Institutions Senator, Roi Et Province <u>Other Listed Companies</u> Independent Director and Audit Committee <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	Government Housing Bank Export-Import Bank of Thailand The Senate The Senate The Senate The Senate Sakol Energy Public Company Limited 6 Companies - None -
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant							
15. **Mr. Sompong Sungnungsan - Independent Director - 20 September 2016	73	- Vocational Certificate, Bangkok Business College - Director Accreditation Program (DAP) 3/2003 Thai Institute of Directors Association (IOD)	0.006	-		<u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	-None- -None- -None-
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant							





Past 5 Years Experiences						
Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Period	Position Company Name
16. **Mr. Nophorn Bhongsvej - Independent Director - Chairman of Audit Committee - Chairman of Corporate Governance and Risk Management Committee - 26 April 2010	69	- Bachelor Degree in Economics, University of Oregon, USA - Master Degree in Economics, Oregon State University, USA - Director Accreditation Program (DAP) 38/2005 - Director Certification Program (DCP) 71/2006 - Audit Committee Program (ACP) 12/2006 Thai Institute of Directors Association (IOD)	-	-	2005 - Present 2015 - Present 2015 - Present	<u>Other Listed Companies</u> Independent Director, Chairman of Audit Committee Nomination and Remuneration Committee Audit Committee and Chairman of the Corporate Governance <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director Saha Asia Pacific Co., Ltd
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant						
17. **POL.T.GEN. Amarin Niemsukul - Independent Director - Audit Committee - 24 April 2006	69	- Bachelor Degree in Public Administration (Police Science), Royal Police Cadet Academy - Master of Public Administration, The National Institute of Development Administration - Master of Art, University of Kansas, USA - Director Accreditation Program (DAP) 60/2006 Thai Institute of Directors Association (IOD)	-	-	2006 - 2007 2005 2010 - Present 2013 - Apr 2016 2011 - 2013 2010 - 2011 2007 - 2010 2006 - 2011	<u>Other Listed Companies</u> Assistant Commissioner - General (Retired in 2007) Commissioner, Office of Forensic Science <u>Other Listed Companies</u> Independent Director and Chairman of Audit Committee Independent Director and Audit Committee Independent Director and Audit Committee Independent Director and Chairman of Audit Committee Independent Director and Audit Committee Independent Director and Audit Committee <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Teera-Mongkol Industry Public Company Limited Thanulux Public Company Limited Saha Pathanapibul Public Company Limited Saha Pathanapibul Public Company Limited Saha Pathanapibul Public Company Limited I.C.C. International Public Company Limited 1 Company -None -
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant						
18. **Mrs. Punnee Worawuthichongsathit - Independent Director - Audit Committee - 25 April 2016	64	- Bachelor Degree in Accounting - Master Degree in Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University - Certified Public Accountant (Thailand) Registration No. 2960 - Certified Professional Internal Auditors (CPIA)	-	-	2015 - Present 2014 - Present 2011 - Present 2010 - Present	<u>Other Listed Companies</u> Audit Committee Accounting Profession in Tax Accounting Committee Audit Committee Taxation Committee University of the Thai Chamber of Commerce Federation of Accounting Professions under the Royal Patronage of His Majesty the King Thai Investors Association Board of Trade of Thailand



BOARD OF DIRECTORS & EXECUTIVE BOARD

Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
		<ul style="list-style-type: none"> - Qualified Internal Auditor (QIA) - Internal Auditors of Thailand - Certified Internal Auditors (CIA) - The Institute of Internal Auditors (IIA) - Ethical Leadership Program (ELP) 2/2015 - Anti-Corruption : The Practical Guide (ACPG) 10/2014 - Anti-Corruption for Executive Program (ACEP) 10/2014 - Role of the Nomination and Governance Committee (RNG) 1/2011 - Role of the Chairman Program (RCP) 25/2011 - DCP Refresher Course (RE DCP) 2/2009 - Monitoring Fraud Risk Management (MFM) 1/2009 - Role of the Compensation Committee (RCC) 7/2008 - Chartered Director Class (CDC) 3/2008 - Monitoring the System of Internal Control and Risk Management (MIR) 2/2008 - Monitoring the Quality of Financial Reporting (MFR) 5/2007 - Monitoring the Internal Audit Function (MIA) 1/2007 - Improving the Quality of Financial Reporting (QFR) 1/2006 - Audit Committee Program (ACP) 2/2004 - Director Certification Program (DCP) 38/2003 - Director Accreditation Program (DAP) 2/2003 - Thai Institute of Directors Association (IOD) 			<ul style="list-style-type: none"> 2010 - Present 2007 - Present 2004 - Present 2000 - 2016 	<ul style="list-style-type: none"> Independent Director and Audit Committee Independent Director and Chairman of Audit Committee Independent Director, Audit Committee, Chairman of Nomination Committee and Chairman of Remuneration Committee Independent Director, Audit Committee, Corporate Governance Committee and Nomination and of Remuneration Committee <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> 	<ul style="list-style-type: none"> Thai Wacoal Public Company Limited Mono Technology Public Company Limited The Brooker Group Public Company Limited Hemraj Land and Development Public Company Limited 2 Companies - None -
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant							
- None -							





Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
19. Mr. Manus Ongsaranakorn - Executive Board - 21 July 2016	63	- Bachelor Degree Faculty of Accounting, Majoring in Accounting University of the Thai Chamber of Commerce - Director Certification Program (DCP) 27/2003 Thai Institute of Directors Association (IOD)	0.002	-	2016 - Present 2010 - Present 2014 - Present 1997 - Present	Vice Chairman <u>Other Listed Companies</u> Risk Management Committee <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director Director	Saha Group Employees Saving and Credit Cooperative Limited Thai Wacoal Public Company Limited 24 Companies BNC Real Estate Co., Ltd. Sareeraporn Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
20. Mrs. Daranee Sootornumrong - Company Secretary - 12 May 2008 - Corporate Governance and Risk Management Committee	61	- Bachelor Degree in Finance and Banking (2 nd Honors), Ramkhamhaeng University - Course of Law and Practice for Company Secretary, Chulalongkorn University - Corporate Secretary Development Program, Chulalongkorn University organized by Thai Listed Companies Association - Fundamental Practice for Corporate Secretary (FPCS 19) Listed Companies Association - Effective Minute Taking 14/2009 Thai Institute of Directors Association (IOD)	0.0009	-	2016 - Present 2009 - Present 2002 - Present 1996 - Present 1998 - Present	Director <u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director Managing Director Director Director	Saha Group Employees Saving and Credit Cooperative Limited - None - 5 Companies Sahapat Real Estate Co., Ltd. Sinparadon Co., Ltd. Sahapat Properties Co., Ltd. First United Industry Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
21. Mr. Chuto Chirakunakorn - Assistant to President - 15 January 2015 - Corporate Governance Committee	57	- Bachelor Degree in Architecture, Silpakorn University	-	-	2006 - Present 2004 - Present 2002 - Present 2000 - Present	<u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director Director Director Director	- None - 11 Companies Saha Rattananakorn Company Limited Treasure Hill Company Limited Sahapat Properties Company Limited First United Industry Company Limited
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
22. Mrs. Tasanee Intapura - Office Administration Manager - 1 March 2007	59	- Secretarial Diploma Vocational Education and Technology College - Phra Nakhon Campus	-	-	2004 - Present	Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director	-None- 5 Companies First United Industry Company Limited
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant - None -							
23. Mr. Sontaya Tabkhan - Environment Manager - 11 January 2006	52	- Bachelor Degree in Electrical Engineering, Chiang Mai University	-	-	2004 - Present	Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director	None- 9 Companies Treasure Hill Company Limited
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant - None -							
24. Mr. Tinakorn Bunnag - Land Development Manager - 1 March 2010	51	- Bachelor Degree in Architecture, Silpakorn University	-	-	2014 - Present 2004 - Present	Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director Director	None- 3 Companies Pan Land Co., Ltd. Treasure Hill Company Limited
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant - None -							
25. Mr. Watchara Yaemkaew - Landscape Manager - 1 May 2010	52	- Bachelor Degree in Landscape Technology, Maejo University	-	-	2011 - Present	Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director	None- 2 Companies Treasure Hill Company Limited
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant - None -							
26. Mr. Amphol Wattanaworaphong - Property Marketing Manager - 1 January 2015	46	- Bachelor Degree in Electrical Engineering, NIHON University	-	-		Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	- None- 8 Companies - None -





Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
Any position In other business or other organizations in the previous year which has an impact on the time devoted significant							
Remark : * Including shareholding of spouse and minor child							
** Independent Director does not have any transaction concerning business relationship or providing professional service with the Company, the parent company, subsidiary company, associates company, major shareholder or person having a control of the Company							

- None -



ATTACHMENT NO.2: COMPANY DIRECTORS WHO SEATS IN RELATED COMPANIES AS FOLLOW

NAME	COMPANY	RELATED COMPANIES																							
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1. Mr.Boonsithi	X, //	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	X	/	/	/	/
2. Mr.Boonpakorn	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	X	/	/	/	/
3. Mr. Tanong	//	X	//	//	/	/	/	X	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
4. Mr. Vichai	//	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
5. Mr. Samreng	//	X	X	X	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
6. Mr. Manu	//	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	X
7. Miss. Sirikul	//	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
8. Mr. Sujarit	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
9. Mr. Pipat	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
10. Mr. Karmthon	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
11. Mr. Boonkiet	/	/	/	/	/	/	/	/	/	X	/	X	/	/	/	/	/	/	/	/	X	/	/	/	/
12. Mr. Boonchai	/	/	/	/	/	/	/	/	/	/	/	X	/	/	/	/	/	/	/	/	/	/	/	/	/
13. Mr. Akira	/	/	/	/	/	/	/	/	/	/	/	/	X	/	/	/	/	/	/	/	/	/	/	/	/
14. Mr. Surachai	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
15. Mr. Sompong	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
16. Mr. Nophom	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
17. POL.L.T.GEN.Amarin Niemskul	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
18. Mrs. Pannee	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/

// = EXECUTIVE BOARD

/ = DIRECTOR

X = CHAIRMAN

THE NAME OF RELATED COMPANIES WITH VALUE OVER THAN BAHT 0.5 MILLION ARE AS FOLLOW

- | | | | |
|--|--|------------------------------------|---|
| 1. EASTERN THAI CONSULTING 1992 CO.,LTD. | 7. LION COPORATION (THAILAND) CO.,LTD. | 13. SAHA PATHANAPIBUL PLC. | 19. NEW CITY (BANGKOK) PLC. |
| 2. PITAKKIU CO.,LTD. | 8. SAHACHOL FOOD SUPPLIES CO.,LTD. | 14. SSDC (TIGERTEX) CO.,LTD. | 20. S & J INTERNATIONAL ENTERPRISE PLC. |
| 3. FIRST UNITED INDUSTRY CO.,LTD. | 9. SEINO SAHA LOGISTICS CO., LTD. | 15. BANGKOK TOKYO SOCKS CO.,LTD. | 21. TSURUHA (THAILAND) CO.,LTD. |
| 4. SAHAPAT PROPERTIES CO., LTD. | 10. I.C.C. INTERNATIONAL PLC. | 16. H & B INTERTEX CO.,LTD. | 22. PEOPLE'S GARMENT PLC. |
| 5. THAI SECOM SECURITY CO.,LTD. | 11. THANULUX PLC. | 17. PATTAYA MANUFACTURING CO.,LTD. | 23. O.C.C. PLC. |
| 6. INTERNATIONAL LABORATORIES CO.,LTD. | 12. TOP TREND MANUFACTURING CO.,LTD. | 18. SAHACOGEN (CHONBURI) PLC. | 24. RACHA UCHINO CO.,LTD. |





COMPANY DIRECTORS WHO SEATS IN RELATED COMPANIES AS FOLLOW (CONTINUED)

NAME	COMPANY	RELATED COMPANIES																				
		25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45
1. Mr.Boonsithi	X, //								X												X	
2. Mr.Boonpakom	/								/												/	
3. Mr. Tanong	//							/	/			X			X		/	X				
4. Mr. Vichai	//																					
5. Mr. Samremg	//																					
6. Mr. Manu	//	X	X							X												
7. Miss. Sirikul	//	/	/																			
8. Mr. Sujarit	/																/					
9. Mr. Pipat	/										X											
10. Mr. Karmthon	/																					
11. Mr. Boonkiet	/																	X				
12. Mr. Boonchai	/							/	/								X					
13. Mr. Akira	/																					
14. Mr. Surachai	/																					
15. Mr. Sompong	/																					
16. Mr. Nophom	/																					
17. POL. LT. GEN. Amarin Niemskul	/																					
18. Mrs. Pannee Worawuthichongsathit	/																					

X = CHAIRMAN

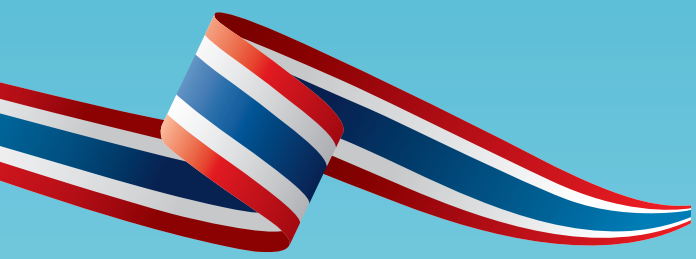
// = EXECUTIVE BOARD

/ = DIRECTOR

THE NAME OF RELATED COMPANIES WITH VALUE OVER THAN BAHT 0.5 MILLION ARE AS FOLLOW

25. TEXTILE PRESTIGE PLC.	31. TREASURE HILL CO., LTD.	37. MODERN TECHNOLOGY COMPONENT CO., LTD.	43. THAI AIZAWA PITAKKJ CO., LTD.
26. WIEN INTERNATIONAL CO., LTD.	32. SRIRACHA AVIATION CO., LTD.	38. EXACT Q CO., LTD.	44. SIN PARADORN CO., LTD.
27. THAI CUBIC TECHNOLOGY CO., LTD.	33. NEW PLUS KNITTING PUBLIC CO., LTD.	39. P T K MULTISERVICE CO., LTD.	45. CHOKCHAIPIBUL CO., LTD.
28. OSOTH INTER LABORATORIES CO., LTD.	34. PRESIDENT BAKERY PLC.	40. SAHA COGEN GREEN CO., LTD.	
29. SAHA LAWSON CO., LTD.	35. KABIN PHATTHANAKU CO., LTD.	41. ENVIRONMENTAL TECHNOLOGY CONSULTANT CO., LTD.	
30. BNC MAESOT CO., LTD.	36. PITAKKJ SECURITY GUARD CO., LTD.	42. WBLP CO., LTD.	





CSR

Corporate Social Responsibility

2016



Good People ● Good Products ● Good Society



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Message from the President

In 2016 listed companies began adopting a new set of corporate social responsibility standards, creating a new push for social and environmental responsibility. Given the importance of this issue and our commitment to good corporate governance, the company has devised measures to prevent direct and indirect environmental problems and to minimize their impact, which include progress monitoring and impact assessment. All of this is but the beginning of our efforts to sustainably develop our business while offering protection to the environment, which is crucial to us as it is the heart of universal business development practices.

Drawing from good corporate governance principles, the company has formulated guidelines for human resource, social, economic, community, environmental and technological development. These include developing modern machinery and environmental protection. We have established a dedicated environmental work team to closely monitor environmental quality and local communities' status, as well as to report findings to relevant stakeholders. Having observed global development trends that may directly or indirectly affect Thailand, we are able to establish management guidelines accordingly. Furthermore, we have established another work team called the Social License to encourage communities to speak out about, manage and take part in social and environmental responsibility. Doing so serves as another layer of protection for the local culture and tradition, allowing the industry to develop in a sustainable manner.

The ISO 9001:2001, ISO 14001: 2015 and ISO 50001:2011 certifications that we have earned serve as our management benchmark. We have always complied with international practices because we have always been committed to doing much more, setting our own standards higher than the requirements. We provide the necessary support for our directors, executive officers and employees to ensure strict compliance with relevant laws and covenants. By heeding the opinions and suggestions of stakeholders and doing our best to promote mutual understanding, we are able to align our business goals with economic, social and environmental needs of all stakeholders, allowing us to strike a sustainable balance and coexistence.

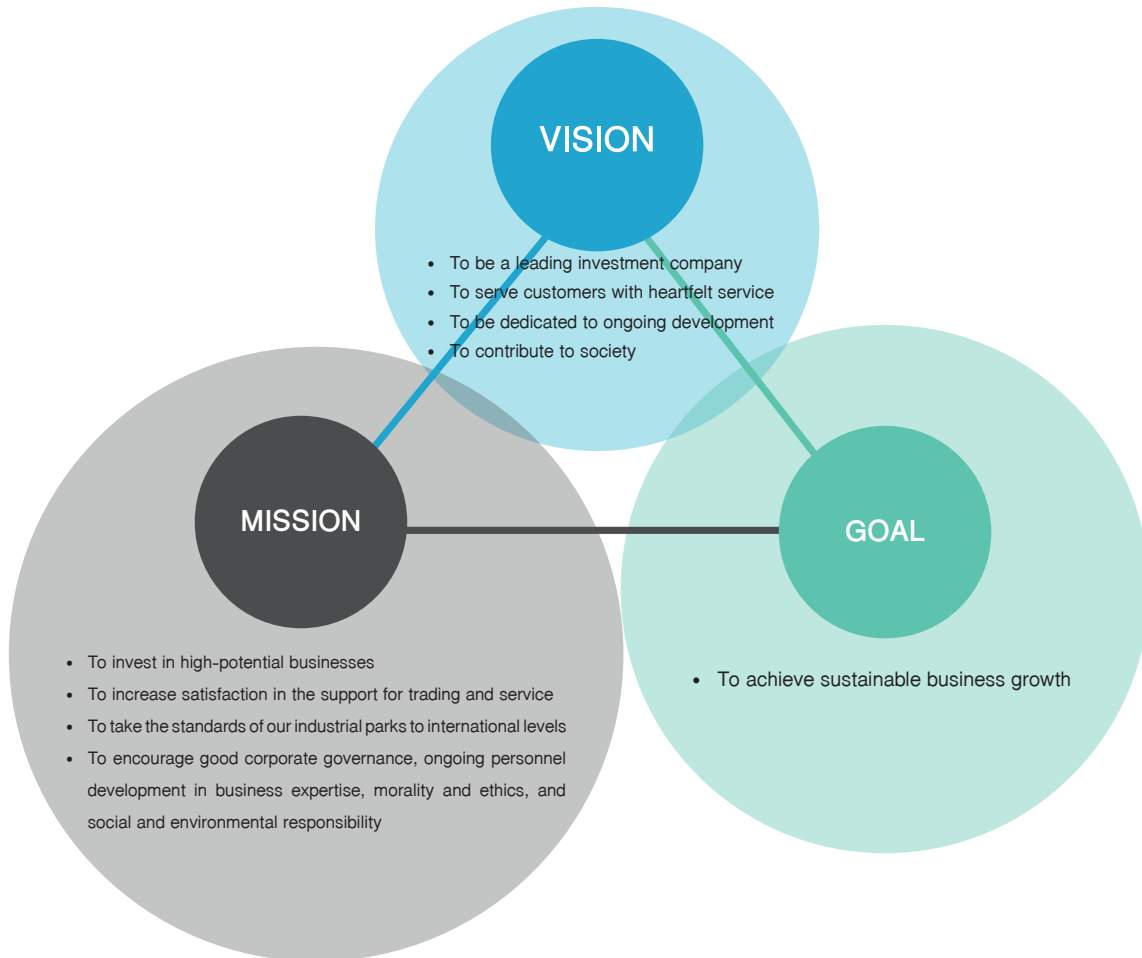
Tanong Srichit

President



Corporate Policy Overview

It is our policy, as well as the policy of our affiliated companies, to place importance on corporate social responsibility activities, whether during or after our business process (CSR-in-process and CSR-after-process). These CSR undertakings of ours have resulted in the integration of social and environmental responsibilities. We have also continuously encouraged our employees to apply Saha Group’s concept of “Good People, Good Products, Good Society” in their day-to-day operation to bring about sustainable development.



Corporate Social Responsibility Policy

Vital to the operation of the Company is its organizational culture that focuses on a balance between its business growth, environmental protection and sustainable coexistence with surrounding communities. The Company encourages its management and employees, as well as its subsidiaries, to adhere to the concept of “Good People, Good Products, Good Society” of Saha Group.

The Company has formulated a corporate social responsibility policy and a work team to bring about concrete implementation of corporate social responsibility practices in the day-to-day operation and business process management of itself and of its subsidiaries (CSR-in-process).



● Corporate Governance and Anti-Corruption

The Company abides by principles of good corporate governance. We conduct our business with transparency and accountability. In our fight against corruption, we have set up a suitable internal control system, comprising the Corporate Governance Policy, the Code of Conduct and Ethics for the Board of Directors, executive officers and every employee, **the details of which are disclosed under Corporate Governance.**

● Fair Business Practices

Conducting business fairly will bring about trust and confidence among stakeholders, yielding long-term benefits. Every business should adhere to ethical practices to ensure fairness instead of taking advantage of unethical conduct. To standardize its fair business practices, the Company has issued the following guidelines:

Fair Business Practices Guidelines

1. The Company shall avoid transactions that may lead to a conflict of interest. In the event that a conflict of interest has arisen, the Company must deal with it prudently and reasonably.
2. The Company shall operate within the framework of fair competition with regard to the code of conduct and business competition laws of the country in which the Company invests.
3. The Company shall refrain from supporting any activity that may infringe upon intellectual property or copyright.
4. The Company shall provide an efficient and effective system of internal control and checks and balances to prevent corruption or participation in corruption.
5. The Company shall instill an awareness, value and attitude of honesty and compliance to laws and regulations among directors, executive officers and employees.

● Human Rights and Treatment of Employees

The Company is dedicated to responsible operation without limitations on freedom, differences of opinions, gender, race, religion, and civil or political rights. The Company respects the human rights of all stakeholders, including the fundamental rights at work of all employees based on labor laws, human rights principles and equality to standardize its practices of human rights and treatment of employees. The Company has disclosed the policy and guideline in **Non-Violation of Human Rights under Business of Ethice.**

Social Responsibility and Labor Policy

The Company provides utilities service in Saha Group Industrial Park — Sriracha to meet customer satisfaction as well as improve employees' living standard. The Company recognizes that the employees are valuable capital of the organization. Having well-managed labor policy will enhance employee protection and fair treatment, which resulted in better quality of employees' life. Eventually, it would affect the standard of business operation; therefore, the Company establishes Social Responsibility and Labor Policy as followings:

1. The Company respects every employee's rights and protects such rights with regards to labor law and corporate social responsibility standard as well as other related regulations.
2. The Company shall continuously improve labor practices, review labor management and update the policy appropriately to meet current situation of its business operation.



● **Responsibility towards Consumers**

The Company conducts its business and fulfills its contractual obligations with fairness and transparency. We treat consumers' information with confidentiality. We ensure customer satisfaction and properly disclose information to consumers. The Company is committed to improving itself in terms of investments and development of its products and services under international standards that meet the needs of its consumers in a sustainable manner.

● **The Environment and Energy**

The Company complies with the law to minimize its impact on the environment. We assess the impact of our sustainable use of resources on stakeholders. We are committed to developing environmentally friendly products and services and to continuously transferring our environmental know-how to stakeholders. To standardize its environmental management and energy practices, the Company has therefore established the following policy:

The Environmental Policy

1. The Company shall comply with all relevant environmental laws and regulations and adopt them as the minimum operational requirements.
2. The Company shall monitor and assess its use and conservation of natural resources. The Company shall also commit to taking proactive measures to prevent wastewater pollution, reduce its impact on and adapt to climate change, as well as protect the biodiversity and effectively minimize its impact on the environment through optimal use of resources.
3. The Company shall communicate with its employees of all levels, including contractors and companies located within the premises of its industrial parks, about the significance and responsibility they have towards the implementation of the Environmental Policy and its environmental management, instilling an awareness within them. The Company shall also make its Environmental Policy known to stakeholders.
4. The Company shall establish objectives and goals for its environmental management to be carried out and reviewed.
5. The Company shall execute the tasks established in its environmental management system to realize its commitment and to bring about continuous improvements.

The Energy Policy

1. The Company shall develop and implement an appropriate energy management system with energy conservation as part of its operations, complying with all relevant laws and regulations.
2. The Company shall continuously improve the efficiency of its energy use, taking into account the industry, available technologies and best practices.
3. The Company shall procure manufacturing machinery, equipment and devices, as well as other necessary services, giving due consideration to the energy efficiency of such products and services.
4. The Company shall determine an annual energy conservation plan and goal, and communicate them to all employees for their acknowledgement and proper implementation.
5. The Company shall analyze, evaluate, control and reduce the use of energy to continuously improve its energy management efficiency. The following is a summary of our energy management:





Energy Use Per Production Unit, Central Wastewater Treatment Plant, Sriracha

Inbound Waste Water (m ³)	SEC (MJ/m ³)
≤ 150,000	≥ 1.17
150,001 — 194,999	1.17 — 0.99
≥ 195,000	≤ 0.99

Energy Use Per Production Unit, Water Supply Production, Sriracha

Outbound Water Supply (m ³)	SEC (MJ/m ³)
≤ 137,000	≤ 1.06
137,001 — 171,999	1.06 — 1.08
≥ 172,000	≥ 1.08

6. The Company believes that energy conservation is a responsibility of management and employees of all levels, all of whom must conform to the established measures, monitor its progress and report to the Energy Management Work Team.

7. The Company shall provide the necessary support, including human resources, funding, time, training and suggestions for energy-related initiatives.

8. The Company shall liaise with communities, governmental agencies, business partners and interested third parties to promote its work on energy management.

9. The Company, through the Steering Committee and the Energy Management Work Team, shall review and revise its energy policy, goal and action plan annually.

● Community and Social Development

The Company supports the development of strong and sustainable communities based on principles of sufficiency. We promote good, knowledgeable and capable people in society by providing educational, religious, ethical, capability and other aspects of support for the utmost benefit of society.

● Development and Promotion of Innovations through CSR Activities

The Company develops business know-how and creates innovations that effectively benefit its competitiveness and simultaneously generate value-added to its business, society and the environment. To realize this and to standardize its practices of development and promotion of innovations through CSR activities, the Company has issued the following guidelines:

Guidelines on the Development and Promotion of Innovations through CSR Activities

1. The Company shall examine its current operations and create innovations that will benefit its business and minimize its impact on society and the environment, as well as enhance its competitiveness and value-added.

2. The Company shall reveal to the public its innovations that could benefit society and the environment, allowing other businesses and the public to use them as guidelines.

3. The Company shall regularly analyze problem-solving guidelines, as well as develop innovations. This process shall be ongoing to generate opportunities for discoveries and for sustainable growth and profitability.



Corporate Social Responsibility Work Team

The Corporate Social Responsibility Work Team was established to support the Good Governance and Risk Management Committee in matters of business efficiency, risk minimization, competitiveness enhancement, and development of the value chain. The team integrates corporate social responsibility issues, namely the economy, society and the environment, into organizational management to ensure a balanced growth, as well as continuous and sustainable business development. Its scope of responsibilities includes corporate governance and anti-corruption, fair business practices, human rights and treatment of employees, responsibility towards consumers, the environment and energy, community and social development, development and promotion of innovation through CSR activities. The Corporate Social Responsibility Work Team has the following duties:

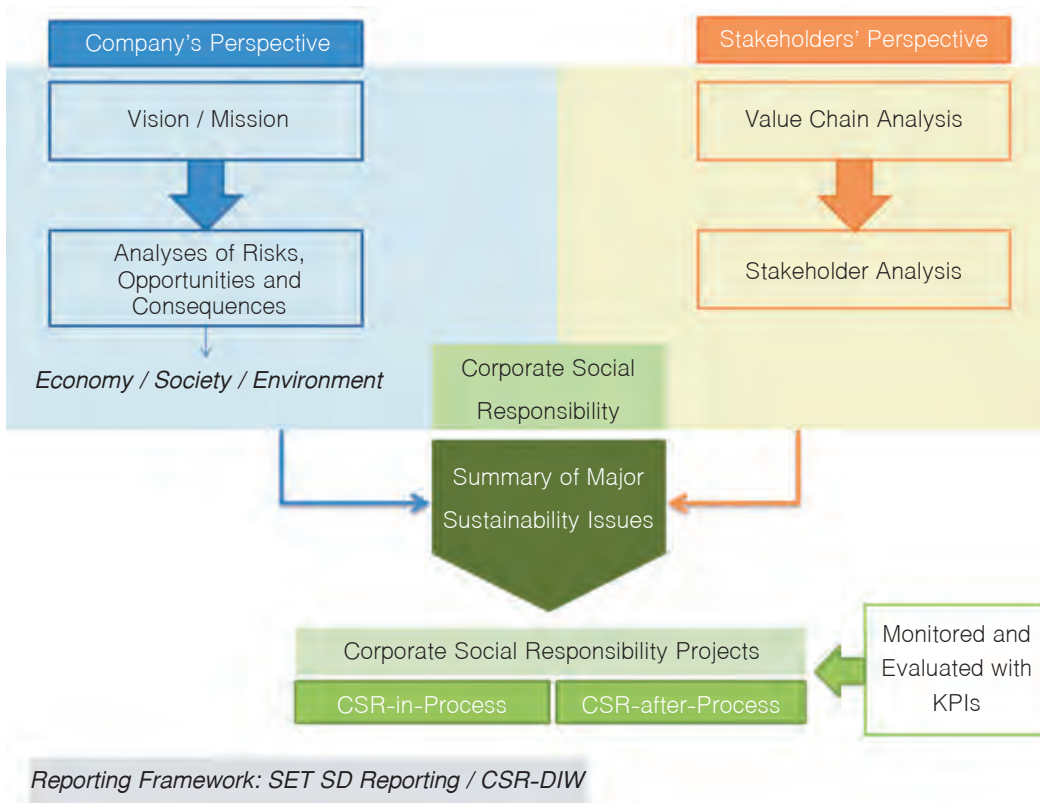
1. Analyze and conduct assessments to establish an action plan and guidelines in conformity to the Company's Corporate Social Responsibility Policy, as well as present them to the Good Governance and Risk Management Committee.
2. Execute the established action plan and guidelines.
3. Communicate to all stakeholders to promote an understanding and awareness of the Company's corporate social responsibility.
4. Ensure that the Company properly execute with the established action plan and guidelines.
5. Evaluate and prepare a summary of the Company's corporate social responsibility performance.
6. Report the results of such evaluation to the Good Governance and Risk Management Committee.
7. Receive the opinions of the Good Governance and Risk Management Committee, as well as review its policies, action plans and guidelines to improve its performance continuously.
8. Prepare a corporate social responsibility report and disclose it to the public.
9. Arrange a meeting among members as often as appropriate.
10. Execute other tasks assigned to them by the Good Governance and Risk Management Committee.

Corporate Social Responsibility Work Team in Action

In 2016 the Corporate Social Responsibility Work Team held a total of 13 meetings to establish the scope of their duties and reporting format, which encompasses three dimensions: economic, social and environmental. The team compiled information, reviewed facts and monitored the Company's corporate social responsibility activities, as well as promoted an understanding of the Company's corporate social responsibility among stakeholders. Furthermore, the team established an action plan for 2017 with a focus on knowledge promotion of and education on future corporate social responsibility projects. It is now mandated that these projects be presented to the Corporate Social Responsibility Work Team for ongoing monitoring and consideration.

Report Preparation

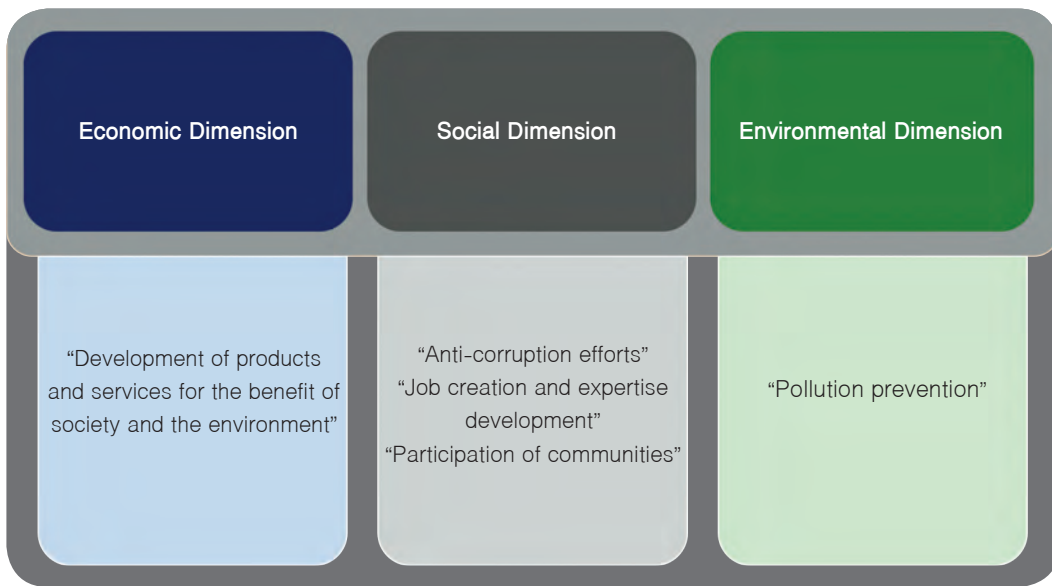
The 2016 Corporate Social Responsibility Report was made under the framework for sustainable business development alongside social and environmental responsibilities, which is based on the Philosophy of Sufficiency Economy. The Company prepared this report in conformity to international standards, rules, regulations, laws and requirements of the government pertinent to business conduct, as well as other universally acknowledged practices in existence. The report was also prepared in accordance with Good Corporate Governance (Revision 1), was approved by the Board of Directors and conforming to the 2012 Principles of Corporate Governance for Listed Companies of the Stock Exchange of Thailand. The Company also adopted the Guidelines of Corporate Social Responsibility Management of the Thaipat Institute and the GRI Index based on the Corporate Social Responsibility of the Department of Industrial Work (CSR-DIW). From all of this, the Company was able to present its corporate social and environmental responsibility performance, improving its approval rating among shareholders, customers, partners, competitors, debtors, employees, the media, the public sector, society and communities, as well as any other stakeholders.



Reporting on Corporate Social Responsibility

Based on our corporate social responsibility assessment, we have identified five issues of importance to our stakeholders and of significance to the Company. These are development of products and services for the benefit of society and the environment, anti-corruption efforts, job creation and expertise development, participation of communities and pollution prevention. For clarity, the Company has divided these five issues into three dimensions - economic, social and environmental - regarding them in both CSR-in-process and CSR-after-process terms.

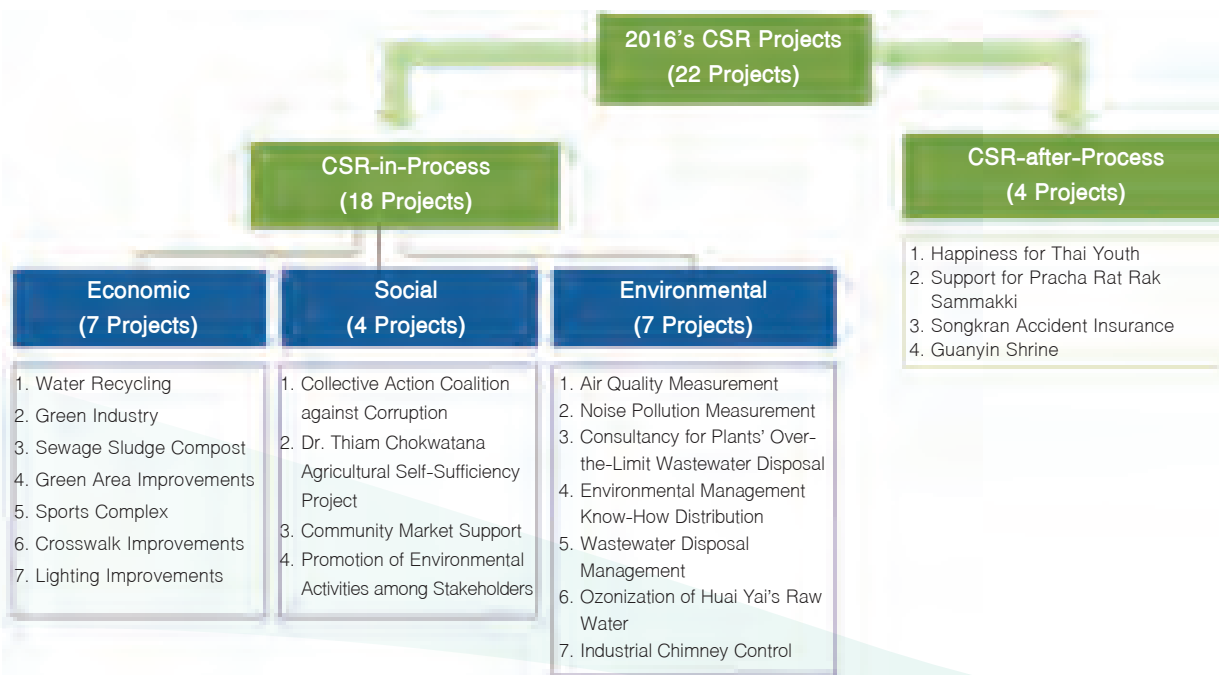




To ensure sustainable and uninterrupted corporate social responsibility performance, the Company selected material to be presented in this report based on the materiality assessment of impact and perspectives of the Company and of its stakeholders, which was conducted in 2015. The report includes projects that commenced in 2016. As for ongoing projects, only significantly important progresses were reported.

Corporate Social Responsibility Report 2016

In 2016 the Company undertook a total of 22 major corporate social responsibility projects. These are divided into 18 CSR-in-Process projects and 4 CSR-after-Process projects as show in the list below.





Corporate Social Responsibility in Process (CSR-in-Process)

Economic Dimension

Number	Project Name	Status
1	Water Recycling	Ongoing
2	Green Industry	Ongoing
3	Sewage Sludge Compost	Ongoing
4	Green Area Improvements	Ongoing
5	Sports Complex	Began in 2016
6	Crosswalk Improvements	Began in 2016
7	Lighting Improvements	Began in 2016

Issues: Development of products and services for the benefit of society and the environment

- The Company's products and services, or its industrial parks, should not negatively affect health and the environment.
- The Company should develop its industrial parks towards excellence, with consideration to environmental sustainability and energy conservation.
- The Company should organize activities that are mutually beneficial to itself and its customers, as well as to society and the environment.

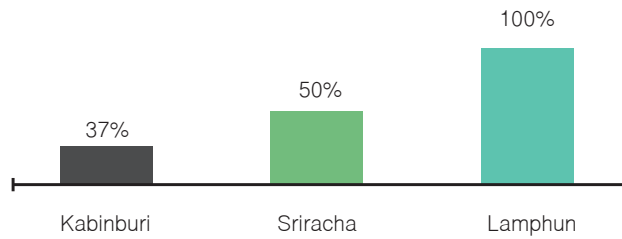
Project	Expectations	Performance	Communication Channels
Water Recycling	<ul style="list-style-type: none"> - To reduce costs of sourcing raw water for the industrial parks' green areas - To reduce the disposal of treated water through recycling - To create an environmental management system alongside development of products and services, taking into account the benefits and impacts on society 	- In 2016, we reduced the costs by as much as 15.7 million baht	<ul style="list-style-type: none"> - Carried out by Utility Development Department - Monthly performance report

Description

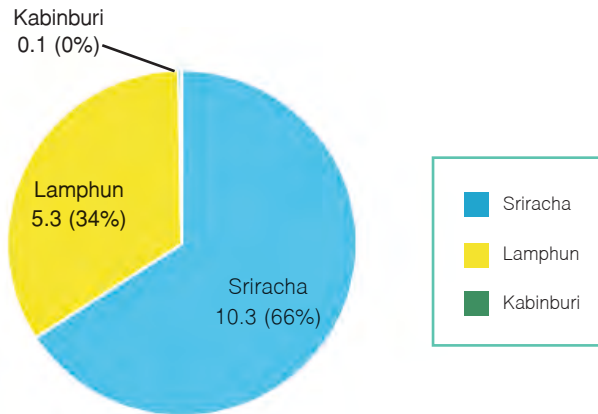
The Saha Group's industrial parks in Sriacha, Kabinburi and Lamphun are capable of recycling its treated wastewater by using it in the green areas of these three parks, as well as outside the premises, such as the Kabinburi Sports Club golf course. In 2016, the Company used recycled water in 100% of its Lamphun park's area and over 50% and 30% of its Sriacha and Kabinburi parks' areas, respectively.



Rate of Water Recycling in 2016



By recycling wastewater at these three industrial parks throughout 2016, the Company reduced its raw water sourcing expenses by as much as 15.7 million baht.



Overall, the Company has saved 73.8 million baht over the course of the past three years since this project began (2016—2014). Doing so has also improved the Company’s product and service competitiveness. Recycling has further contributed to the reduction of our wastewater disposal into natural sources, proving to be advantageous to the environment and the communities surrounding these parks.

Project	Expectations	Performance	Communication Channels
Sewage Sludge Compost	<ul style="list-style-type: none"> - To make use of sewage sludge - To reduce sewage sludge problems in the central wastewater treatment plant of Saha Group’s industrial park - To develop a socially and environmentally beneficial innovation 	<ul style="list-style-type: none"> - Two formulas of compost for planting trials 	<ul style="list-style-type: none"> - Utility Development Department of Saha Group Industrial Park - Sriracha - Monthly meeting report





Description

Since Saha Group Industrial Park - Sriracha employs a biological wastewater treatment plant, sewage sludge forms at the bottom of the treatment tank. When the sludge reaches a certain level, it reduces the quality of the treated water. Therefore, the Company saw the need to study effective sludge management to maintain the quality of our products and services, proactively seeking to prevent environmental problems.

After studying possible methods, Saha Group Industrial Park - Sriracha collaborated with the Department of Soil Science of the Faculty of Agriculture, Kasetsart University in a bid to research the use of the sewage sludge as compost. In 2016, the Company discovered that two compost formulas work well, namely a compost of sewage sludge and coir and a compost of sewage sludge and water lily. The test revealed that these two compost formulas do not retain the sewage sludge's odor nor do they create unpleasant odors during process. The compost has been bagged and will be tested with planting at a later date.

**Formula 1:
Sewage Sludge and Coir**



**Formula 2:
Sewage Sludge and
Water Lily**



This long-term project is aimed at reducing problems of sewage sludge in the wastewater treatment plant and at preventing environmental problems arising from sewage sludge management, as well as lowering expenses associated with sewage sludge management. It is expected to save the Company as much as 10 million baht. The innovation could prove to be beneficial to the environment and society. Moreover, the compost could be used in the park's green areas and golf courses in the future, which will further reduce the costs associated with their maintenance.

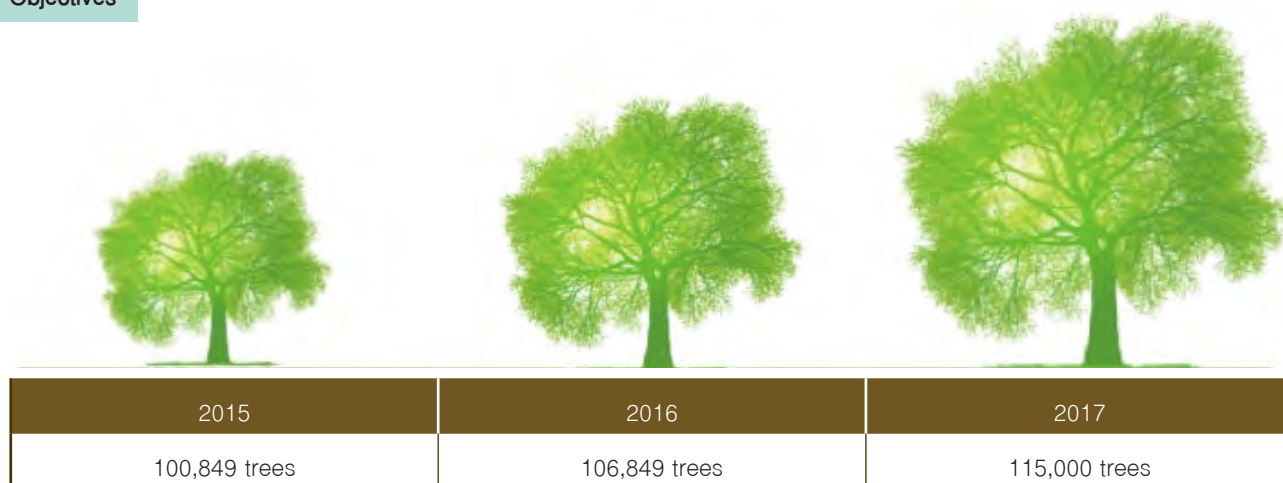


Project	Expectations	Performance	Communication Channels
Green Area Improvements	<ul style="list-style-type: none"> - To expand green areas inside Saha Group Industrial Parks - To reduce pollution and climate change by planting trees - To strengthen mental and physical health of Saha Group's employees - To plant 106,849 trees by the end of 2016 	<ul style="list-style-type: none"> - We received a score of 3.93 out of 4.00 for the sightlines and pleasantness of trees and recreational areas for employees 	<ul style="list-style-type: none"> - Utility Development Department - Landscaping Department - Monthly meeting report

Description

As operator of industrial parks, the Company is committed to having industrial “parks” that value the importance of nature and the environment, as well as the well-being of our employees and of people in the surrounding communities. We’d like to ensure their strong mental and physical health alongside our sustainable growth. Therefore, we initiated a project to improve green areas in all three of our industrial parks and the Mae Sot Project in Tak. Our goal is to increase the number of trees planted every year. By 2016 the Company has planted 107,069 trees, a figure higher than its goal of 106,849. The Company expects to have planted 115,000 trees by the end of 2017.

Objectives



Description

Based on our 2016 employees’ satisfaction survey of the sightlines and pleasantness of trees and relaxation areas for employees inside Saha Group Industrial Parks, we found that our employees’ satisfaction rating was at 3.93, higher than the benchmark of 3.75 and an increase from the 2015 figures. These results illustrate the level of satisfaction that our employees and the surrounding communities have for the improvements we made to the green areas.





Project	Benchmark	2015	2016
Sriracha	3.75	3.81	3.91
Kabinburi	3.75	3.91	3.85
Lamphun	3.75	3.78	4.00
Average	3.75	3.83	3.93

The Company believes that the satisfaction, as well as mental and physical health, of its employees and the surrounding communities will foster sustainable growth. We regard this matter as another commitment to improving the quality of our products and services, enhancing their selling points, value-added and competitiveness. Furthermore, the Company hopes that by expanding its green areas it would contribute to the reduction of pollution and the slow-down of climate change. It is also another way we can protect nature and the environment on the premises of our parks and for the surrounding communities in the long run.



Sriracha



Kabinburi



Lamphun



Maesot

Project	Expectations	Performance	Communication Channels
Sports Complex	<ul style="list-style-type: none"> - To improve the products and services of Saha Group's industrial park in terms of variety and quality - To promote good health of our employees and the locals - To encourage the locals to spend their free time wisely 	<ul style="list-style-type: none"> - Opened in June of 2016, the complex has welcomed 4,250 users 	<ul style="list-style-type: none"> - Utility Development Department - Premises Development Department - Monthly meeting report

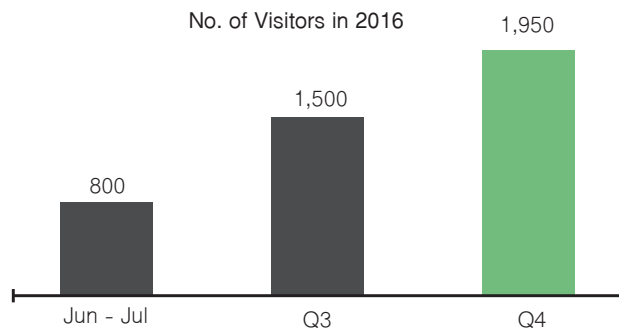
Description

The Sports Complex Project saw the development of an old warehouse in Saha Group Industrial Park - Lamphun into a sports complex for employees of the park and people living in the surrounding communities. The complex spans an area of 12,360 square meters, comprising 8,150 square meters of badminton courts and a 4,480-square-meter soccer field. The complex was opened on June 17, 2016, creating value-added to our business and to the park's services. The complex launched a new range of services that meet the demand of our customers, employees and the surrounding communities. Moreover, the sports complex serves as a positive contribution to society by promoting good health of the park's staffers and of the locals. It also doubles as a recreational space, where people can spend their free time wisely.





Throughout 2016, the sports complex welcomed approximately 4,250 visitors. While some of these visitors were our own employees, some were outsiders, including residents of the Ban San Luang and Nam Bo Lueang communities, students from the Lamphun Technological College, staffers of the Lamphun Hospital, officers of the Lamphun Provincial Public Health Office, staffers of the Pa Sak Hospital, employees of other industrial estates, staffers of the Wiang Yong Municipality Office, staffers of the Pa Sak Municipality Office, Lamphun badminton players and members of the Lamphun Journalists Association.



Project	Expectations	Performance	Communication Channels
Crosswalk Improvements	<ul style="list-style-type: none"> - To improve the quality of products and services of Saha Group Industrial Parks - To improve the safety of our park's employees - To reduce instances of road accidents 	<ul style="list-style-type: none"> - Improved total 14 crosswalks 	<ul style="list-style-type: none"> - Utility Development Department - Landscaping Department - Monthly meeting report

Description

Realizing the importance of safety of our industrial park employees, as well as of the people living in the surrounding communities, we undertook a project to improve 14 crosswalks and roads within the premises of Saha Group Industrial Park - Sriracha in 2016. In addition to enhancing the quality of our products and services, these improvements also contribute to lessening instances of road accidents and augment the safety of the park's employees, whether in terms of life or property.

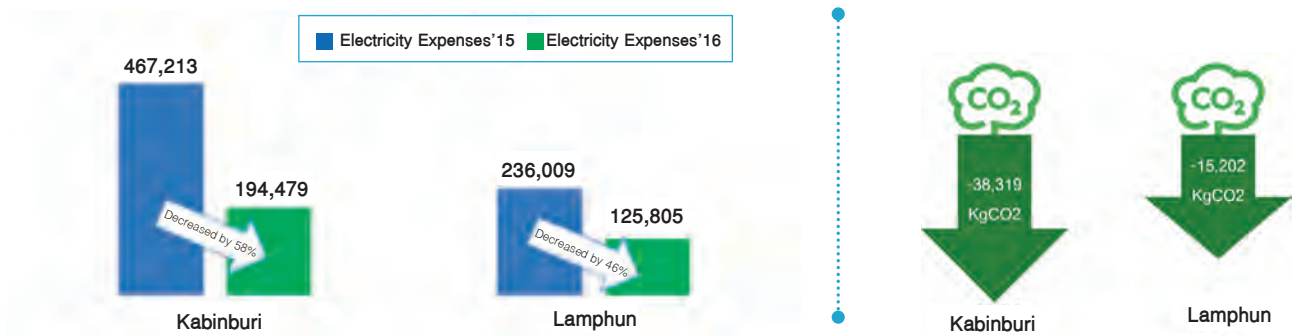




Project	Expectations	Performance	Communication Channels
Lighting Improvements	<ul style="list-style-type: none"> - To replace lamps with energy-efficient lamps in all areas - To improve the quality of our products and services inside the parks - To improve the convenience and safety of our customers and employees inside the parks - To lower our energy bill, reduce our energy consumption and help fight climate change 	<ul style="list-style-type: none"> - We changed all lighting sources at two parks. - We saved power by 58% at the Kabinburi Industrial Park and 46% at the Lamphun Industrial Park - We also reduced our carbon footprint. 	<ul style="list-style-type: none"> - Utility Development Department - Monthly meeting report

Description

The Company upgraded lighting on the premises of Saha Group Industrial Parks in Kabinburi and Lamphun. Every lighting source was replaced with energy-efficient lamps. In addition to improving the quality of the parks' products and services, the project also increased the efficiency of the parks' lighting sources, affording convenience to our customers and employees who rely on the parks' facilities. Moreover, the use of energy-efficient lighting has helped the Company save costs, cutting the Kabinburi Industrial Park's electricity expenses by 58% and the Lamphun Industrial Park's by 46%.



By using energy-efficient lamps, the Company also reduced its carbon footprint, contributing to the fight against global warming. We reduced 38,319 kgCO2 worth of carbon dioxide emission at the Kabinburi Park and 15,202 kgCO2 worth at the Lamphun Park. These figures are a testament to our effort in improving our products and services alongside our corporate social and environmental responsibility.

Social Dimension

Number	Project Name	Status
1	Collective Action Coalition (CAC) against Corruption	Ongoing
2	Dr. Thiam Chokwatana Agricultural Self-Sufficiency Project	Ongoing
3	Community Market Support	Ongoing
4	Promotion of Environmental Activities among Stakeholders	Began in 2016



Issue: Anti-Corruption Efforts

- Fighting against corruption is an important issue from both the Company's and the stakeholders' perspective due to its significant impact on both parties.

Project	Expectations	Performance	Communication Channels
Collective Action Coalition (CAC) against Corruption	<ul style="list-style-type: none"> - To promote the transparency of internal management - To communicate our practices to all stakeholders for their acknowledgement and implementation - To expand the coalition to our partners, adhering to the same set of principles 	<ul style="list-style-type: none"> - We improved the Charter of the Audit Committee of Saha Patthan Inter-Holding Public Co. Ltd. 2016. - We made a handbook (Revision 1) - We assessed corruption risks to the Company and established anti-corruption measures. - We became a certified CAC member on October 14, 2016. 	<ul style="list-style-type: none"> - We communicated and trained our directors, executive officers, employees and third parties on the subject of our anti-corruption efforts, continuously executing our annual training and orientation plan through various means, including our company website and intranet. - We communicated the no-gifts policy to our partners and asked for their compliance.

Description

The Company has joined Thailand's Collective Action Coalition (CAC) against Corruption with the realization that solving problems of corruption requires collaboration among private companies to bring about change in the public sector. The Company became a certified member of CAC on October 14, 2016, **the details of which are disclosed in Corporate Governance and Anti-Corruption Efforts.**

Issue : Job Creation and Expertise Development

- As an operator of industrial parks, communities around these parks are crucial to us. We need to take part in developing these communities and improving their standard of living. Creating jobs and developing expertise are ways in which we can assist in combatting poverty. They are vital to community and social development. Furthermore, quality labor will also strengthen our production capacity and competitiveness in a sustainable manner.

Issue : Community Participation

- Our industrial parks' continuous public relation work with the surrounding communities include information dissemination, mutual consultancy and heeding their opinions.
- We have always supported community development projects, allowing our business and these communities to grow side by side.

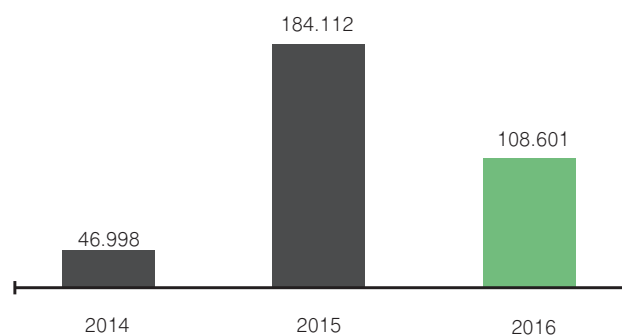


Project	Expectations	Performance	Communication Channels
Dr. Thiam Chokwatana Agricultural Self-Sufficiency Project	<ul style="list-style-type: none"> - To recycle treated water - To create products with value added and generate income for the local communities - To educate and exchange our knowledge with the communities - To build a network, occupation groups and expand economic opportunities 	<ul style="list-style-type: none"> - We welcome 1,419 who came to study our work. - The shop earned 108,601 baht in net revenue. 	<ul style="list-style-type: none"> - Saha Group Industrial Park Lamphun - Community Network

Description

The Dr. Thiam Chokwatana Agricultural Self-Sufficiency Project began in 2012. It is based on the Sufficiency Economy Philosophy of His Late Majesty King Bhumibol Adulyadej, which is suitable for the way of life of the Thai people. The project spans an area of 56 Rai on the same plot of land for the central wastewater treatment plant of the Lamphun Park. In 2014, the Company opened the “Sufficiency Store” to sell produce from the project. Some of the produce were also processed, including the rice-berry rice, herbal drinks and Thai snacks. The store earned a net revenue of 108,601 baht. The accumulated revenue of the first three years of operation (2014 - 2016) amounts to 339,711 baht. The project has always generated income for the local community throughout its duration.

Revenue of the Sufficiency Store (Baht)



Dedicated to educating society and communities, the Company and schools in the Third Network for Education Quality Enhancement of the Muang Lamphun District organized an agriculture education campaign named “**Sufficiency Way of Sufficiency Agriculture**” in 2016. The objective of the campaign was to turn the project into a center of learning for students in the Province of Lamphun, where they could learn about agriculture through theories and practice. There were 320 participants from 15 schools in the Muang Lamphun District, in addition to the 20 teachers. The campaign was divided into five practical learning bases.





Base 1	Adorable Farm Animals	The Lamphun white cow and raising ducks for eggs
Base 2	Fruits	Lime farming and visiting fruit trees on the premises
Base 3	My Trees	Cutting and grafting plants
Base 4	Fun Mushrooms	Mushroom farming mushroom casing
Base 5	Young Rice Farmers	Rice planting

At the end of the campaign, the Company gave strands of rice and trees to all 15 schools within the network to be used for agriculture at the school and within the local communities, as well as for school lunch. This brought about an awareness and pride in agriculture. Moreover, the Company also executed other projects with local schools in 2016. We studied and tested melon planting at a school, which later began serving as a center of learning for the locals, giving them another option to generate income.

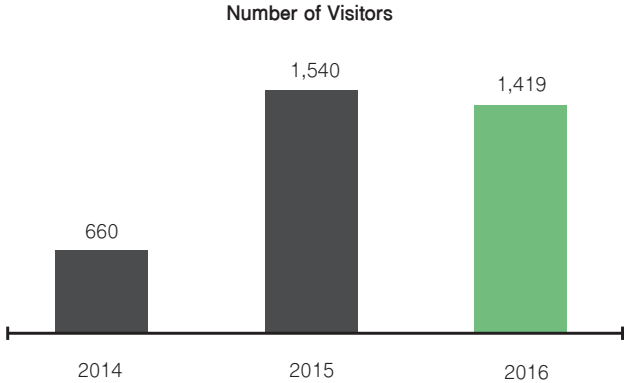




To celebrate the project's five years, the Company organized the Five Years of Sufficiency exhibition on November 19, 2016, by management of Saha Group. We showcased the project's performance throughout the past five years and exhibited products of the project and of 20 groups from around the park. The exhibition reiterated the importance of agriculture, knowledge diffusion, job creation, income generation for communities and participation with the surrounding communities.



This past year, the project welcomed 1,419 visitors, divided into 21 visiting groups from the public and private sectors, as well as local communities and educational institutions. Over the course of three years (2014 -2016), there has been a total of 3,619 visitors. The Company has prepared accompanying documents to help promote agricultural knowledge to be distributed.



Names of visiting groups to the Dr. Thiam Chokwatana Agricultural Self-Sufficiency Project in 2016

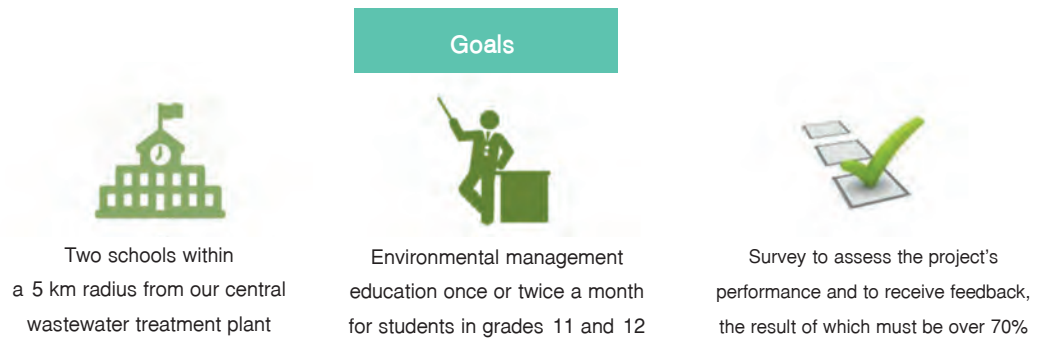
No.	Name of Organization	No. of Visitors in 2016
1	Students from the Faculty of Economics, Chiang Mai University	84
2	Thanulux Public Company Limited	23
3	Na In Wittayakom School, Uttaradit	100
4	The Suphan Buri Industrial Group	40
5	Lecturers of the Sukhothai Thammathirat Open University	5
6	Pandora Production Co. Ltd.	10
7	Thanulux Public Company Limited	38
8	Thai President Foods Public Company Limited Group 1	40
9	Thai President Foods Public Company Limited Group 2	70
10	Corporate Social Responsibility Work Team	15
11	Students from the Faculty of Economics, Chiang Mai University (additional)	89
12	Rajabhat University, Chiang Mai	60
13	Lamphang Vocational Education College	72
14	Mae Sot Sakae Lace Co. Ltd.	10
15	Lanna Production Co. Ltd.	8
16	Sub-District Administration Organization of Tha Phon, Mueang, Phetchabun	60
17	Students of the Network for Education Quality Enhancement of Muang Lamphun	320
18	Lamphun Technical College Students	80
19	Lamphun Vice Governor Group	52
20	Agriculture Office of Bang Hong District and Mae Tha District	100
21	Agriculture Office of Muang Lamphun District and Pa Sang District	100
	Total	1,419

Project	Expectations	Performance	Communication Channels
Promotion of Environmental Activities among Stakeholders	<ul style="list-style-type: none"> - To promote wastewater treatment knowledge to students in nearby schools - To encourage schools to treat wastewater prior to discharging it into the environment - To educate students about wastewater treatment for residents and communities, so that they may apply it at home. 	<ul style="list-style-type: none"> - We executed the project with two schools in 2016. - Students' test score was 13.86 on average (92%) - Average assessment score for the project was 85% 	<ul style="list-style-type: none"> - Utility Department - Monthly meeting report



Description

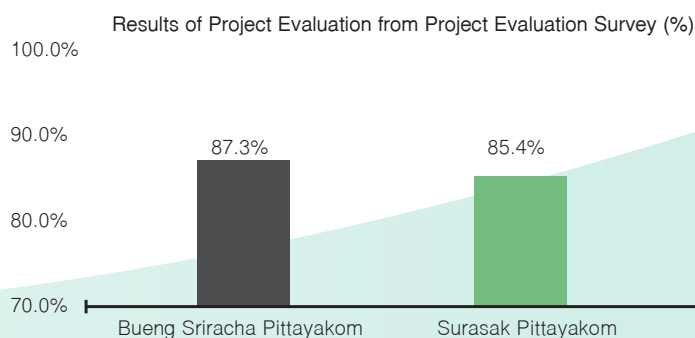
The Company has always been dedicated to community involvement by means of environmental consultancy and knowledge exchange throughout the operation of its industrial parks. In 2016, we undertook a project to promote environmental activities among stakeholders with two schools within a 5 km radius from our central wastewater treatment plant, namely Bueng Sriracha Pittayakom School and Surasakwittayakom School. We organized activities to educate their students about environmental management at least once a month, passing along our know-how of wastewater treatment to these educational institutes. We also supported education about environmental protection, safety and other aspects of benefit to these students.



The project lasted three months from June to August of 2016. The following are this project's topics of discussion.

Session 1	General environmental knowledge and vocabulary / industrial park's environmental management
Session 2	Workplace safety
Session 3	Residential and community environmental management
Session 4	First aid for exposure to chemicals / lab work
Session 5	Guidance for further education
Session 6	Field trip to Saha Group Industrial Park — Sriracha's plants and wastewater treatment plant
Session 7	Performance summary

Based on the project, we have discovered that students were interested in and cared about the environment. They have applied the knowledge obtained from the project in their daily lives. They also gained practical experiences in first aid, safety equipment and grease trap making. They participated in a question-answering competition for a prize. They also visited Saha Group Industrial Park to witness our environmental management in person. A total of 38 students from Bueng Sriracha Pittayakom participated in the test with an average score of 12.79; the highest score was 15 and the lowest was 9. Meanwhile, a total of 51 students from Surasak Pittayakom participated in the test with an average score of 13.86; the highest score was 15 and the lowest was 11. The Company received an 85% average from surveying both schools.





Project	Expectations	Performance	Communication Channels
Supporting Pracharat Project	<ul style="list-style-type: none"> - Adopting HM the Late King's development concept of "understand, access and develop." - Fostering collaboration among government agencies, the private sector, civil society, the academia and the people. - Allowing each of these sectors to turn their potential into a driving force from the foundation upward. - Supporting self-sustainability of communities and helping them learn about sacrifice and giving. 	<ul style="list-style-type: none"> - In 2016, we invested in Pracharat Raksamakkhee Social Enterprise (Thailand) Co., Ltd. 	<ul style="list-style-type: none"> - CSR Work Team - Investment Department

Descriptions

To support the government's Pracharat Project, the company has taken part in the E3 work team, focusing on grass-root economic development, which provides the support needed for the success of the project. We met with other institutes, foundations, organizations and private companies to drive three aspects of the grass-root economy forward, namely agriculture, manufacturing and community tourism. Having gained insights into issues, we will be formulating action plans.

In 2016, the company provided financial support to the efforts by becoming a shareholder in Pracharat Raksamakkhee Social Enterprise (Thailand) Co., Ltd., holding 1 million baht of shares with 100 million baht of registered capital. This investment has been used to manage and disseminate know-how and create market connections within the country. It has also been used to develop product's packaging, logos and certification standards, as well as intellectual property registration. All of this was done through many projects, as such Household Rice Mill Project, Local Thai Cumberbund Project, Pracharat Raksamakkhee Store Project and Hometown Development Project 2. Throughout 2017, the company will continue to promote an understanding of Pracharat among companies in the Saha Group, allowing them to collaboratively push for the success of the project in accordance with our concept of **"Good People. Good Products. Good Society."**





Environmental Dimension

No.	Project Name	Status
1	Air Quality Measurement	Ongoing
2	Noise Pollution Measurement	Ongoing
3	Consultancy for Plants' Over-the-Limit Wastewater Disposal	Ongoing
4	Environmental Management Know-How Distribution	Ongoing
5	Wastewater Disposal Management	Ongoing
6	Ozonization of Huai Yai's Raw Water	Began in 2016
7	Industrial Chimney Control	Began in 2016

Issue : Pollution Prevention

- The park is equipped with a plan, management and control of air, noise and water pollution attributed to our plants' waste management processes, as well as of the use and disposal of hazardous chemicals.
- The goal is to prevent problems of pollution from occurring in the environment and communities, as well as to improve the quality of the environmental management system of the park and its plants.

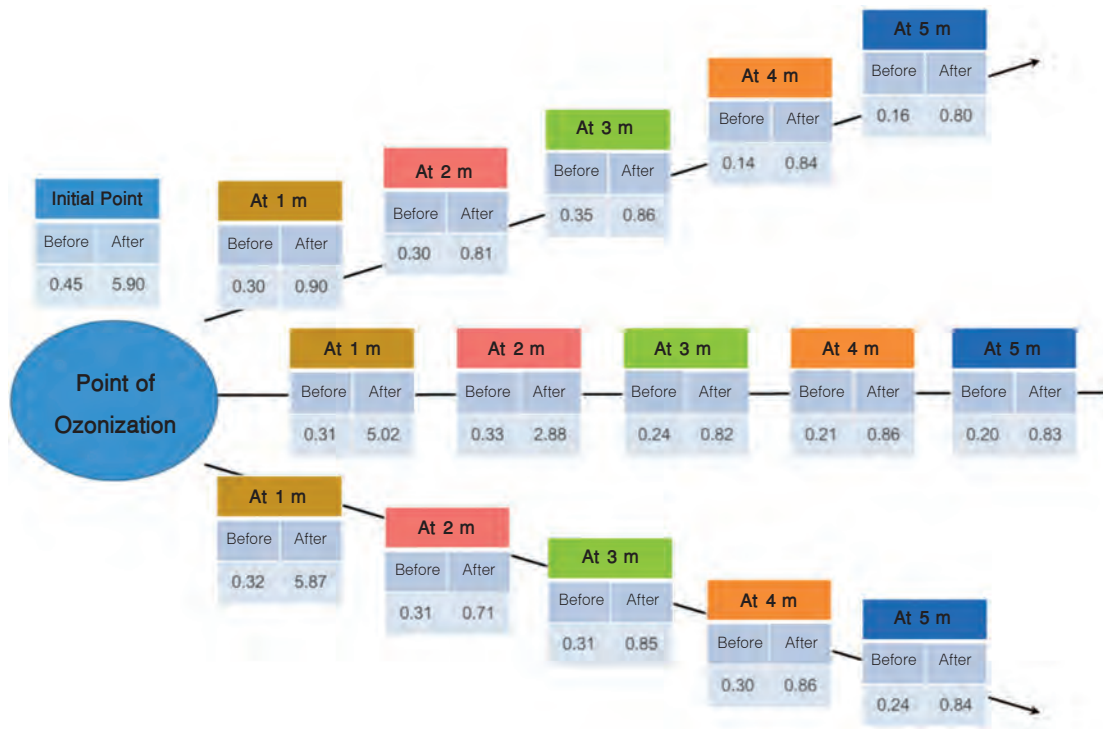
Project	Expectations	Performance	Communication Channels
Ozonization of Huai Yai's Raw Water	<ul style="list-style-type: none"> - To control and oversee the production of water supply of the park, ensuring efficiency - To prevent and manage the lack of raw water - To improve the quality of raw water in Huai Yai, a natural source near the park - To maintain the water source and reduce pollution problems in communities 	<ul style="list-style-type: none"> - We improved the average COD of water with 22 mg of ozone per liter. - We reduced the use of water from East Waters by 521,735 m3. - We saved 2.61 million baht raw water sourcing expenses. 	<ul style="list-style-type: none"> - Utility Department - Monthly meeting report

Description

With an awareness of the importance of an industrial park's pollution management and the significance of minimizing impact on the immediate environment, Saha Group Industrial Park - Sriracha initiated a project to improve the quality of water from the Huai Yai source. Huai Yai is a body of water near the industrial park whose pollution index was rather high, preventing us from using its water in our reservoir. The Company saw the need to improve the park's raw water management and to prevent pollution from deteriorating natural water sources. As such, in 2016 the Company employed an ozonization system, comprising an ozone detector, an ozone generator and an ozone system to treat polluted water in Huai Yai for eight months from April 23, 2016 to November 25, 2016.

Based on our dissolved oxygen (DO) measurements across a distance of 5 meters from the ozonization point, we found that the average DO increased from 0.28 mg/L to 1.85 mg/L.



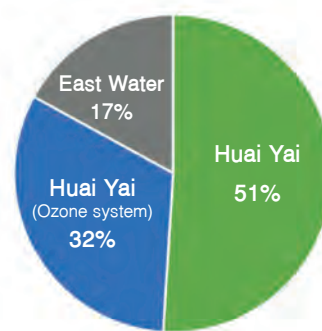


Furthermore, the chemical oxygen demand (COD) readings improved from 43 mg/L to 22 mg/L. These improvements have enabled the park to use more of Huai Yai's raw water for our water supply, accounting for 83% of the raw water, an increase from the original 51% ratio. Ozonization has to cut down sourcing raw water from East Water by 521,735 cubic meters.

Raw Water Ratio - No Ozonization



Raw Water Ratio - With Ozonization





By improving the quality of water from the Huai Yai source, we have been able to reduce water supply production costs at Saha Group Industrial Park - Sriracha by over 2.61 million baht. This shows that ozonization of the Huai Yai source also contributes to the enhancement of our competitiveness and cost reduction, in addition to serving as an anti-pollution measure and helping improve the quality of the environment for communities and society. It allows the Company to grow while taking better care of the environment in a sustainable manner. Below is a summary of the project.

Details	Performance
Project duration : April 23 - November 25, 2016	8 months
Total raw water	1,638,891 m ³
Reduction of East Water's raw water usage	521,735 m ³
Raw water management costs saved	2,608,675 baht
Huai Yai's initial average COD	43 mg/l
Hai Yai's average COD after ozonization	22 mg/l



Project	Expectations	Performance	Communication Channels
Industrial Chimney Control	<ul style="list-style-type: none"> - To solve air pollution problems in the industrial parks - To improve air quality inside the park and of the surrounding areas - To educate plant operators about air pollution problem prevention - To improve the quality of life of our employees and of the locals 	<ul style="list-style-type: none"> - We awarded five plants with good chimney control. - We helped solve air pollution problems by improving problematic chimneys. 	<ul style="list-style-type: none"> - Utility Department - Monthly meeting report



Description

Since the discover of chimney problems of factories at Saha Group Industrial Park-Sriracha, which contributed to air pollution problems, the Company has formed a consultancy panel in 2016, comprising its own experts, to oversee the problems and advise these factories on suitable solutions. They also oversaw at-risk factories and air pollution complaints as well. Their objective was to solve problems and prevent future pollution problems. They visited each factory at least five times.

Visit 1	Project discussion
Visit 2	Factory visit and learning about each factory's air pollution mitigation
Visit 3	Summary and consultancy
Visit 4	Follow-up in case of additional
Visit 5	Visiting the mitigated systems and closing the project

After giving mitigation suggestions, the Company also assessed participating factories against the following criteria:





The top five factories with the highest score received a certificate from Mr. Boonsithi Chokwatana, Chairman of Saha Group, on October 20, 2016. The Company also gave further suggestions to factories who did not pass the assessment to find further solutions.



Impact of Business on Social and Environmental Responsibilities

- None -

Corporate Social Responsibility after Process (CSR-after-Process)

Project	Expectations	Performance	Communication Channel
Happiness for Thai Youth	<ul style="list-style-type: none"> - To promote basic hygiene for children and youth - To enhance students' presentation skills - To promote healthiness and basic hygiene 	<ul style="list-style-type: none"> - Saha Group Roadshow participated by 4,513 students - Exercise presentation, Thai way of life and environmental filed trip and good health diary 	<ul style="list-style-type: none"> - Basic hygiene handbook - Winnie and Smart mascots - Saha Group Trade and Export Exhibition

Description

The Company, along with others in Saha Group, signed a memorandum of cooperation for social development of Thailand with three ministries, namely the Department of Social Development and Welfare of the Ministry of Social Development and Human Security, the Department of Basic Education of the Ministry of Education and the Department of Religious Affairs of the Ministry of Culture. The MoC is aimed at bringing happiness to Thai youth in this third consecutive year. Its objective was to promote basic hygiene of adolescents. It was also aimed at helping these young adults choose safe and suitable products, as well as to allow them to pass on the knowledge to the people around them.

In 2016, the Company organized Saha Group School Roadshow to help children and youth realize the importance of maintaining good hygiene. It encouraged them to exercise, strengthening their physical well-being through muscular movements and bringing about mental, emotional and social development. A total of 30 schools, or 4,513 students, participated in the roadshow. The focus was on students in grades 5 and 6 of public and private schools in Bangkok and the vicinities. We also held a health diary competition with 16 other schools. Anubanphibunwes School won this competition. Furthermore, the Company held a dance exercise competition to promote confidence and creativity, using the song Strong & Healthy. The goal was to promote exercising and good hygiene among teenagers. A total of eight schools received prizes from this competition, in which Bangkok Christian College was the winner.



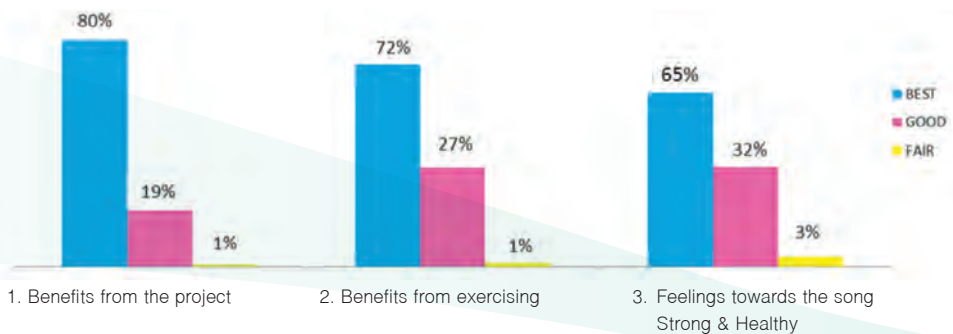


Furthermore, a field trip with a focus on the Thai way of life and the environment was organized for the winning school, during which the students biked on a eco-tourism track, helped reforest the area, studied tie-dyeing methods and herbal incense making by the Bang Nam Phueng Housewives Group of Bang Kachao, Samut Prakan, on August 31, 2016.



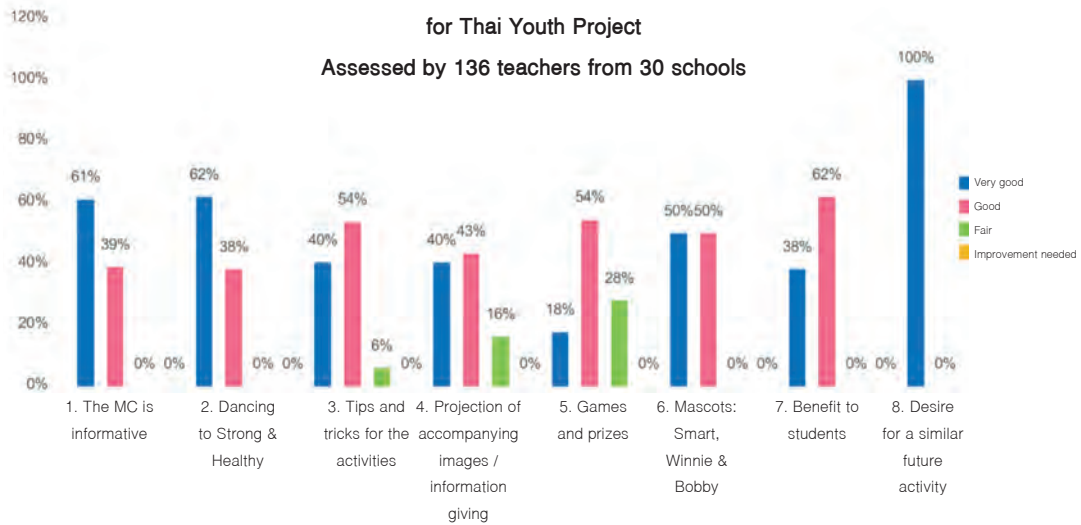
Based on the satisfaction survey of 941 students and 136 teachers from 30 schools, we found that over 95% of students and teachers were satisfied or highly satisfied.

Satisfaction towards the Happiness
for Thai Youth Project 2016
Assessment of 941 Students' Diaries





Satisfaction towards Saha Group's Happiness for Thai Youth Project Assessed by 136 teachers from 30 schools



Project	Expectations	Performance	Communication Channel
Songkran Accident Insurance	<ul style="list-style-type: none"> - To promote social responsibility of safe driving - To use the insurance system as a mechanism for risk management - To promote our employees' safety and protect our employees and heir family 	- 911 employees participated in 2016.	- Companies in Saha Group through Saha Personnel Management Group

Description

The Company participated in the campaign to prevent and reduce the number of accidents during Songkran in 2016 by the Office of Insurance Commission (OIC) and the life insurance sector. Its objective was to promote an awareness of safe driving among Saha Group's employees and to use insurance as a mechanism for risk management, encouraging safety of and protecting our employees and their family. The said insurance had a premium of only 100 baht and provided a one-year coverage in the case of death. A total of 911 employees participated in the project. These were divided into 418 employees in Bangkok office and 493 employees in Saha Group Industrial Park - Sriracha.



Corruption Prevention

The Company disclosed the related details **under the Section of Business Ethics in the Topic of Anti-Fraud and Anti-Corruption.**

Corporate Social and Environmental Responsibility Education

The Company saw the importance of corporate social responsibility, an understanding of which had to be promoted among management and employees of all levels. There was a need to align their understanding with that of ours. We provided corporate social and environmental responsibility education to them in 2016 through the following courses:

1. Sustainable Energy & Technology
2. Verification and Prevention of Weed in Water Sources
3. ISO 2015 :14001 Introduction and Requirements
4. Color Reduction Treatment for Pulp and Paper Wastewater
5. Oil Recovery from Contaminated Water
6. Eco Industrial Town Development
7. Strengthening Capabilities of Wastewater Treatment Plant Operators
8. Understanding of Environmental Laws of the Industrial Sector for Green Industry Development

Awards and Recognition

- We became a certified member of the Collective Action Coalition against Corruption on October 14, 2016.
- We received Level 3 Green Industry certification from the Ministry of Industries through incessant development and improvement, along with corporate social responsibility inside and outside our industrial parks for sustainable development.
- We received a certification for being an industrial operator who adheres to environmental governance in 2015 on August 7, 2015, allowing the surrounding communities to expression their opinions, which led to the ability to solve problems and a network of communities, operators and the government in a sustainable and content manner.
- We received the CSR-DIW Continuous Award 2016 by the Ministry of Industries on July 28, 2016. This award is a testament to our commitment to developing our organization towards sustainability and placing importance on green technology. It also illustrates our environmental development and corporate social responsibility.
- We received certification for the use of CoolMode clothing from Thailand Greenhouse Gas Management Organization.

For inquiries or suggestions, please contact

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Good People Good Products Good Society

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