

รายงานประจำปี 2562 บริษัท ชันสวีท จำกัด (มหาชน)



SUNSWEET PUBLIC COMPANY LIMITED  
**ANNUAL REPORT**  
**2019**





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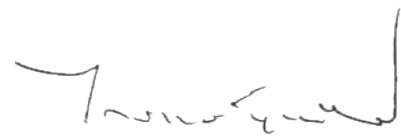
## Message from The Chairman



The year 2019 was a very challenging one for export business. There were a few trade wars affecting our foreign exchange, also climate changes affecting agro productivity. But we managed to execute Sunsweet business as best we could and thrive well.

I am confident in our able and willing resources to cope with those new challenges to always deliver good quality products to meet ever changing consumer want and need. Amid those disruptions in technology and nature, we always cooperate with our stakeholders with good governance and universal trade practices.

In the future, for sustainable growth and business development, we will harness proper technology all through the supply chain. For example, last year, the Institute of Director awarded us 4 star scoring for good corporate governance on which we will better our best this coming year, come rain or sunshine.

A handwritten signature in dark ink, appearing to read "Krairit Boonyakiat".

**Mr. Krairit Boonyakiat**

**Chairman of the Board of Directors  
Sunsweet Public Company Limited**

## Board of Directors details



➤ Mr. Krairit Boonyakiat

• Chairman, Independent Director

➤ Mr. Pichai Kojamitr

• Director/ Chairman of the Audit Committee/ Member of the Nomination and Remuneration Committee / Member of the Risk Management Committee/ Independent Director

➤ Mr. Warapong Nandabhiwat

• Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Independent Director



➤ Ms. Morakot Kittikhunchai

• Director/ Member of Executive Committee





➤ Mr.Ongart Kittikhunchai

- Director/ Member of Nomination and Remuneration Committee/ Chairman of Executive Committee



➤ Mrs.Jiraporn Kittikhunchai

- Director/ Member of Executive Committee / Member of Risk Management Committee

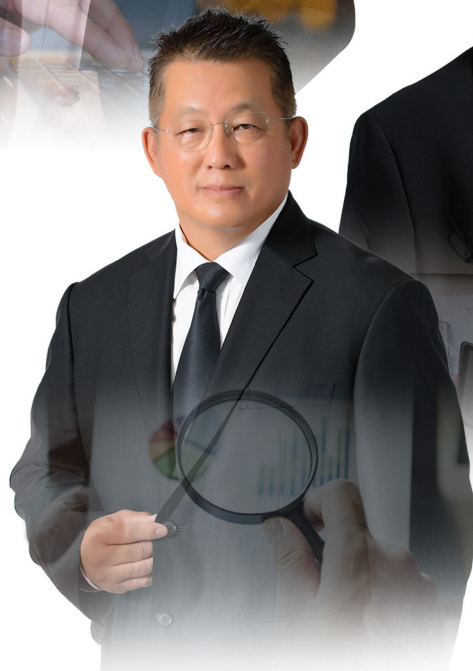
➤ Mrs. Suraporn Prasatngamloet

- Director



➤ Mr.Chaiyot Suntivong

- Director/ Chairman of Risk Management Committee



➤ Mr.Anucha Dumrongmanee

- Director/ Member of Audit Committee/ Independent Director

## Board of Directors Details

### Mr.Krairit Boonyakiat

**Chairman of the Board of Directors / Independent Director**

#### Educational qualification

- Bachelor of Science, Chulalongkorn University
- Master of Science and Management (MSC), Massachusetts Institute of Technology (USA)

#### Training

- Director Certification Program (DCP) 0/2000 by the Thai Institute of Directors Association (IOD)

#### Working Experiences

2017 – Present – Chairman of the Board of Directors / Independent Director of Sunsweet Public Company Limited

1989 – Present – Director of Pan Rajdhevee Group Public Company Limited

1987– Present – Director of Mittraphap Pockaphan Public Company Limited

### Mr. Pichai Kojamitr

**Director/ Chairman of the Audit Committee/ Member of the Nomination and Remuneration Committee / Member of the Risk Management Committee/ Independent Director**

#### Educational qualification

- Bachelor of Economics, Thammasat University
- Master of Business Administration, Kasetsart University

#### Training

- Director Certification Program (DCP) 0/2000 by the Thai Institute of Directors Association (IOD)

#### Working Experiences

2017 – Present - Director/ Chairman of the Audit Committee/ Member of the Nomination and Remuneration Committee / Member of the Risk Management Committee/ Independent Director of Sunsweet Public Company Limited

2012 – Present – Investment Advisor, Dhipaya Insurance Public Company Limited

### Mr.Chaiyot Suntivong

**Director/ Chairman of Risk Management Committee**

#### Educational qualification

- Master's degree, Graduated School of Development Economics National Institute of Development Administration The Honorary Award Ceremony, Maejo University

#### Training

- Director Certification Program (DCP) 141/2017 by the Thai Institute of Directors Association (IOD)

#### Working Experiences

2017 – Present - Director/ Chairman of Risk Management Committee  
Sunsweet Public Co.,Ltd.

2018 – Present - Board of committee Information Technology  
Service Center Chiang Mai University

1996 – 2013 - Lecturer Faculty of Business Administration  
Chiang Mai University

### Ms. Morakot Kittikhunchai

Director/ Member of Executive Committee

#### Educational qualification

- Mini MBA Chiangmai University Class of 10

#### Training

- Director Certification Program (DCP) 31/2016 by the Thai Institute of Directors Association (IOD)

#### Working Experiences

1997 – Present - Director/ Member of Executive Committee Member of Risk Management Committee Sunsweet Public Co.,Ltd.

2014 – Present – Director Sunshie Travel Co.,Ltd.

2005 – Present - Director Sunsweet International Co.,Ltd.

### Mr.Ongart Kittikhunchai

Director/ Member of Nomination and Remuneration Committee/ Chairman of Executive Committee

#### Educational qualification

- The Honorary Award Ceremony, Maejo University

#### Training

- Director Certification Program (DCP) 31/2016 by the Thai Institute of Directors Association (IOD)

- Capital Market Academy Programs - Executive Education (CMA26) by Capital Market Academy

- Chief Transformation Officer (CTO Course) 26 June – 28 August 2019 by The Stock Exchange of Thailand

#### Working Experiences

1997 – Present - Director/ Member of Nomination and Remuneration Committee/CEO Sunsweet Public Co.,Ltd.

2016 – Present - Director Chiang Mai Socail Enterprise Co.,Ltd.

2014 – Present - Director Sosweet Co.,Ltd.

2014 – Present – Director Sunshie Travel Co.,Ltd.

2005 – Present - Director Sunsweet International Co.,Ltd.

2005 – Present - Director Sunsweet Bio Energy Co.,Ltd.

1992 – Present - Director Sunsweet Agrotech Co.,Ltd.

### Mrs.Jiraporn Kittikhunchai

Director/ Member of Executive Committee / Member of Risk Management Committee

#### Educational qualification

- Vocational Certificate Program in Accountancy from The Institute of Technology and Vocational Education

#### Training

- Director Certification Program (DCP) 31/2016 by the Thai Institute of Directors Association (IOD)

#### Working Experiences

1997 – Present - Director/ Member of Executive Committee Member of Risk Management Committee Sunsweet Public Co.,Ltd.

2014 – Present – Director Sunshie Travel Co.,Ltd.

2005 – Present - Director Sunsweet International Co.,Ltd.

**Mrs. Suraporn Prasatngamloet**

**Director/ Member of Executive Committee**

**Educational qualification**

- Mini MBA Chiangmai University

**Training**

- Director Certification Program (DCP) 31/2016 by the Thai Institute of Directors Association (IOD)

**Working Experiences**

1997 – Present - Director/ Member of Executive Committee Member of Risk Management Committee Sunsweet Public Co.,Ltd.

2014 – Present – Director Sunshie Travel Co.,Ltd.

2014 - Present – Director Sosweet Co.,Ltd.

2005 – Present - Director Sunsweet International Co.,Ltd.

**Mr.Anucha Dumrongmanee**

**Director/ Member of Audit Committee/ Independent Director**

**Educational qualification**

- Bachelor of Business Administration (Accounting), Chiang Mai University

**Training**

- Director Certification Program (DCP) 136/2017 by the Thai Institute of Directors Association (IOD)

**Working Experiences**

2018 – Present – Acting for Director Pinkanakorn Development Agency (Public Organization)

2017 – Present - Director (Independent) / Member of Audit Committee Sunsweet Public Co.,Ltd.

2015 – Present – Qualified Committee, Chiang Mai Rajabhat University

2013 – Present – Director The Cumpun 2012 Co.,Ltd.

2009 – Present - University Affairs Committee, Maejo University

2005 – Present – Lecturer Faculty of Business Administration Chiang Mai University

**Mr. Warapong Nandabhiwat**

**Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Independent Director**

**Educational qualification**

- Bachelor's degree of Industrial Engineering Lehigh University, USA

**Training**

- Director Certification Program (DCP) 16/2002 Chairman 2000 3/2001 by the Thai Institute of Directors Association (IOD)

**Working Experiences**

2017 – Present - Director/ Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Independent Director of Sunsweet Public Company Limited

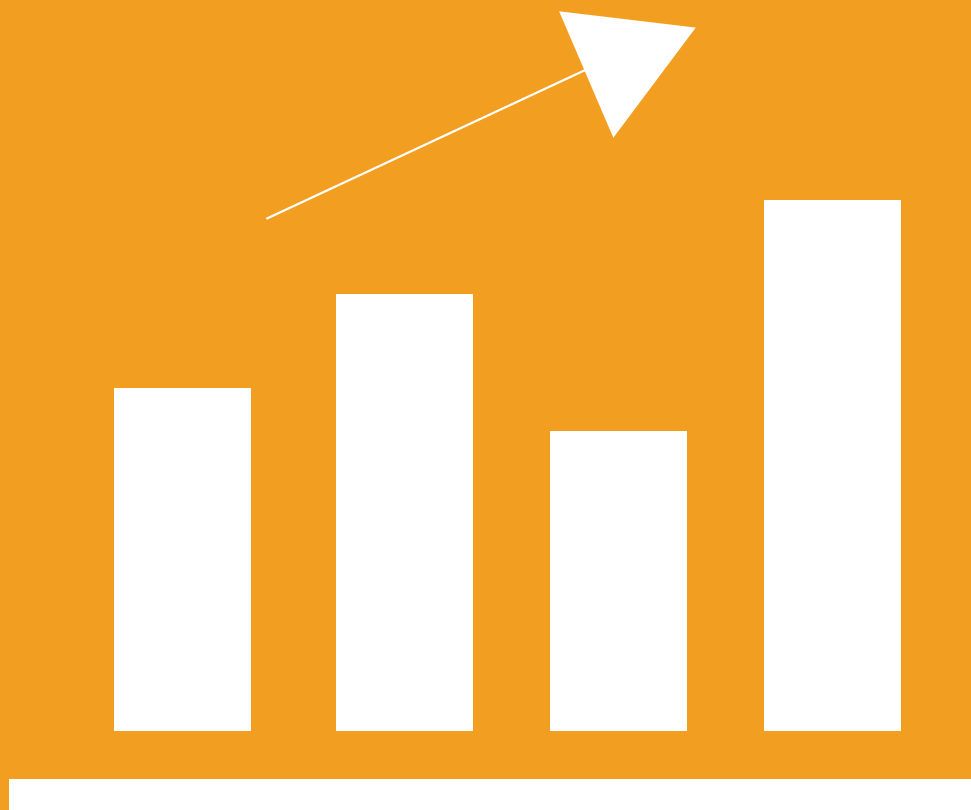
2015 – Present – Director, Sanitnan Pattana Co.,Ltd.

2005 – Present – Director, Immunothai Co.,Ltd.

1987 – Present – Director, Sanitnan Brothers Co., Ltd.

1982 – Present – Director, Sanitnan Co., Ltd.





## Message from the CEO

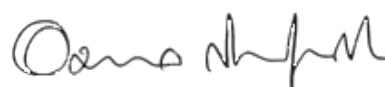


Sunsweet Public Company Limited which operates food and agricultural business focuses on continuous operations for stable business growth. Our business has faced climate change and various disasters in domestic and global as well as difficult external factors such as high currency fluctuations which we have attempted to develop many things to reduce the effects such as using technology to help forecast and plan raw materials, using replacement machinery in part of labour shortages and increasing production efficiency and using currency management tools, Therefore, we are continuously striving to develop these things.

With regard to the confidence and trust of customers and good partners, there is continuous purchasing in 2019. As a result, the company received the award Prime Minister's Export Award 2019 in the category of Best Exporter which is given to Thai manufacturers/exporters for quality, product development and good image.

In the future, the business of ready-to-eat products will be one business that can stand out in the industry because food is a necessary factor for living combination with today consumer trends that pay more attention to food choices and health care. Instant food with food safety and ready-to-eat have the potential and responds to the market needs because consumers have lifestyles that need convenience and speed. In addition, many countries around the world are moving towards an ageing society including facing the risk of an unpredictable epidemic. We expected that the product will become more popular and in demand in the market.

In addition, the development will benefit the nation in raising the export income, the income of the involved people and the income of farmers that are an important part of the country. We provide a better life and hope that all shareholders and stakeholders will be aware of the intent and the commitment to development in order to contribute to the sustainability of the business.



**Mr. Ongart Kittikhunchai**

**Chief Executive Officer**

**Sunsweet Public Company Limited**

# Management Team and Company Secretary



➤ Mr.Ongart Kittikhunchai

• Chief Executive Officer



➤ Mr.Kovit Sitthiyos

• Director of Sales and Marketing



➤ Mr.Vira Nopwattanakorn

• Director of Accounting  
and Finance



➤ Mrs.Suraporn Prasatngamloet

- Director of General Management



➤ Mrs.Amphun Suriyoung

- Director of Production



➤ Ms.Soontaree Mulmao

- Company Secretary
- Internal Audit Division Manager

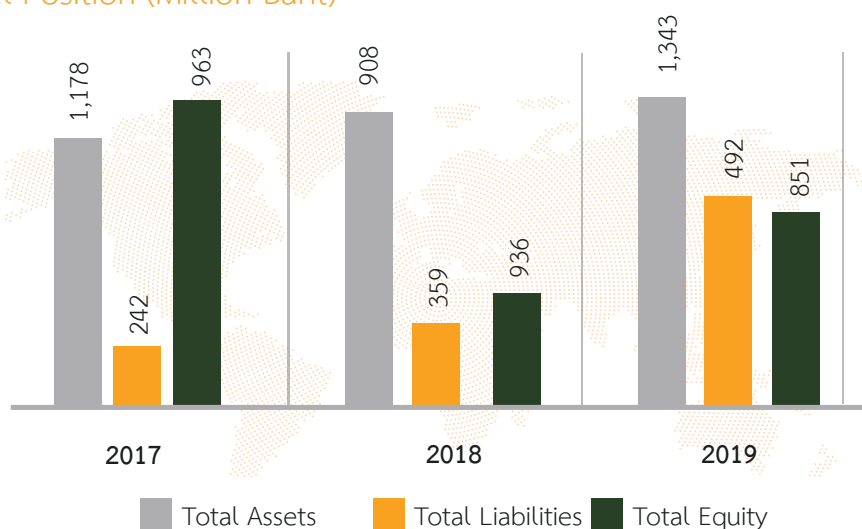


## Financial Highlight

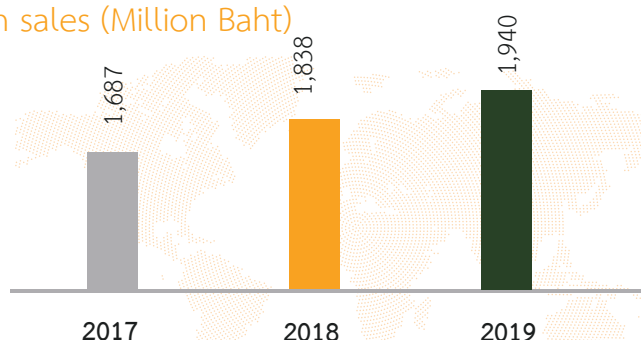
	2017	2018	2019
<b>Operating Result (Unit: Million Baht)</b>			
Total revenue from sales	1,646	1,829	1,920
Total revenue	1,687	1,838	1,940
Cost of Sales	1,332	1,561	1,775
Gross profit	315	268	145
Profit (loss) attributable to owners of the parent	117	56	( 42 )
Basic earnings (loss ) per share (EPS)	0.44	0.13	( 0.10 )
ROE (%)	21.98	6.12	( 4.76 )
ROA (%)	12.16	4.61	( 3.21 )
<b>Financial position (Unit: Million Baht)</b>			
Total assets	1,178	1,267	1,343
Total liabilities	242	359	492
Total Equity	936	908	851
D/E Ratio (Times)	0.26	0.39	0.58
Current Ratio (Times)	3.57	1.71	1.35
Dividend per share	0.58	0.10	-
<b>Cash Flow (Unit: Million Baht)</b>			
Net Cash generated from (used in) operating activities	15	0.20	205
Net cash generated from (used in) investing activities	(196)	(27)	(59)
Cash flow generated from (used in) financing activities	285	(78)	(83)

## Financial Position ( Million Baht )

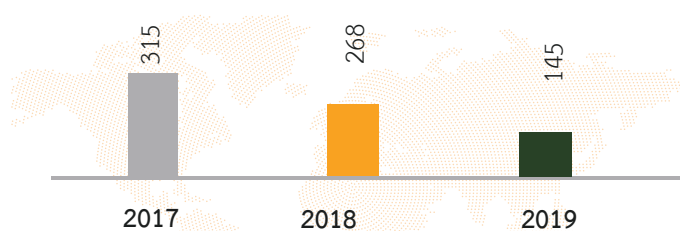
Financial Position (Million Baht)



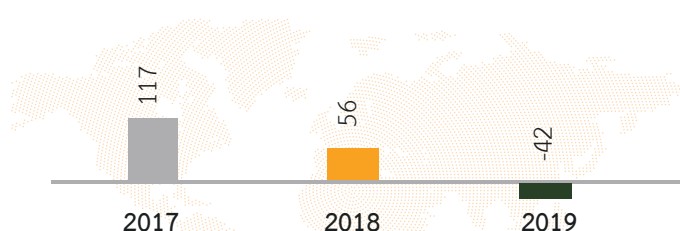
Total Revenue from sales (Million Baht)



Gross Profit margin (Million Baht)



Profit (loss) attributable to owners of the parent (million Baht)







## General information

### • General information

Thai name	:	บริษัท ชันสวีท จำกัด (มหาชน)
English name	:	Sunsweet Public Company Limited
Registration number	:	0107560000354
Securities Symbol	:	SUN
Nature of business	:	Manufactures and distributes processed sweet corn and agricultural products including sourcing food and agricultural products
Head Office	:	No. 9 Moo 1, Toongsatok subdistrict, Sanpatong district, Chiang Mai province 50120
Telephone no.	:	(66) 53-106-538-40
Fax no.	:	(66) 53-106-541
Website (URL)	:	www.sunsweetthai.com
Registered capital	:	215,000,000 (two hundred fifteen million baht)
Issued and paid-up share capital	:	215,000,000 (two hundred fifteen million baht)
Par value per share	:	0.50 Bath (fifty satang)

### • Information of subsidiary

Thai name	:	บริษัท ชันสวีท อินเตอร์เนชั่นแนล จำกัด
English name	:	Sunsweet International Company Limited
Nature of business	:	Sourcing (exporting & importing) food and agricultural products
Registered capital	:	5,000,000 (Five Million Baht)
Issued and paid-up share capital	:	5,000,000 (Five Million Baht)
Par value per share	:	10 Bath (ten baht)

## Policy and Business Overview

### Vision

Leading sweet corn business which operates vertically integrated business as well as focus on modern technology and international standards.

### Mission



#### Innovation

Cooperate with the government and private sectors for a research centre of sweet corn in various dimensions such as health benefits. Providing basic information about sweet corn and technology in order to support the product process

Add values to sweet corn products and focus on the sensory perception of consumers in terms of new product development.



#### Quality

Trustworthy producer of food products with quality, high safety standards complying with demand and law of partner countries.

Care in taste and convenience in consumption. Focus on product quality development and on time service provider with flexible management.



#### Human Resources

Support and develop capabilities of employees toward professionalism build quality of life and pride to be a part of the organization at all levels. Develop and recruit employees with high potentials to meet the needs of the business and enhance the competitiveness on the global stage.



#### Knowledge

Focus on creating a culture of learning to be a learning organization and a source of learning sweet corn integrated business.





## Supply Chain

Empower the supply chain management to be competitive and to be a leadership in the development of sweet corn business.

Including networking, marketing, and production in key global locations. Focus on building long-term and sustainable relationships with business partners.



(CSR)

The company recognizes the responsibilities in an agricultural environment, including global national resource which is significant to quality and food safety.

as well as add values and long-term benefits for the customers, business partners, all employees and the community which are able to response trends changes.



## Organization goals

The company aims to increase the value of products by focusing on retail products. For 3-5 years, the proportion of retail will increase to 20: 80 and 30: 70 from 10: 90 of the current proportion to achieve this goal. The company has developed new products and added products values to meet the customer needs consistently.

## Significant Changes and Developments



### 1992

- 24 August 1992, established KC Chiang Mai Food Industry Company Limited. Where Malee Sam Pran Company Limited holds 25 percent to produce and distribute canned fruit products and the factory is situated in Chiang Mai.



### 1996

- Mr. Ongart Kittikhunchai and his family bought shares in Malee Sam Pran Company Limited, holding afterwards altogether 25 percent of listed capital.



### 1997

- 25 December 1997, established Sunsweet Company Limited with listed capital of 1.00 Million Baht divided into 10,000 common shares worth 100.00 Baht per share which was an investment of Mrs. Jiraporn Kittikhunchai, Mr. Ongart Kittikhunchais' wife. The company's office is located at 84/1 Chotana Road, Tambon Chang Phueak, Amphoe Mueng Chiang Mai, Chang Wat Chiang Mai with a purpose to distribute and export agricultural products such as onions and fresh vegetables.



### 2000

- In February 2000, the company relocated to its current location, No. 9 Moo 1 Toongsatok, Sanpatong, Chiang Mai, which is the current address of the company.



### 2002

- 27 March 2002 Mr. Ongart Kittikhunchai along with 3 other businessmen established Tongta Company Limited (currently is Sunsweet BioEnergy) with listed capital of 1.00 Million. The purpose of business is Bio Gas Power Plant.
- 16 July 2002, Sunsweet Company Limited increased its listed capital from 1.00 Million Baht to 50.00 Million Baht by issuing more common shares of 490,000 shares to existing shareholders and proportions. New shares are issued at 100.00 Baht per share to support business expansion.
- On November 2002, Sunsweet Company Limited purchased assets from KC Chiang Mai Food Industry Company Limited. Assets that were purchased included land, building, tools, equipment such as steam sterilizer, lid closing machine, packaging machine, tomato boiling machine, and corn manufacturing machine to use in Sunsweet's business.



### 2005

- 29 September 2005, Kittikhunchai family established KC World Food Company Limited (now Sunsweet International Company Limited), with 100,000 Baht registered capital, to engage in agricultural products trading business.





## 2007

- 23 April 2007, the company increased registered capital to 100 Million Baht to support business expansion by issuing 500,000 new shares to existing shareholders by exiting proportions at 100.00 Baht per share.
- KC Chiang Mai Food Industries Limited stop business operations and there is no revenue since 2007.
- Sunsweet Company Limited begins production and distribution of processed sweet corn as the main business of the company.



## 2009

- The company received the 1st prize for the 2nd National SMEs Contest in food manufacturing business group ( National Award 2009) from the Office of Small and Enterprises Promotion.
- On August 2009, the company received ISO 14001:2004 standard for canned sweet corn production.
- On December 2009, the company was certified by the Hazard Analysis and Critical Control Points: HACCP for canned sweet corn, canned sweet corn soup, sweet corn retort pouch, and frozen sweet corn by SGS United Kingdom Ltd in the United Kingdom under the approval of United Kingdom Accreditation Service ( UKAS) and approval of National Bureau of Agricultural Commodity and Food Standards (ACFS) which is under the Ministry of Agriculture and Cooperatives.
- 9 September 2009 Tongta Company Limited changed its name to Sunsweet Bio-Energy Company Limited.



## 2010

- Received the Prime Minister' s Industry Award 2010 from Ministry of Industry.
- 22 April 2010, KC World Food Company Limited changed its name to Sunsweet International Company Limited.



## 2011

- Received a prize for excellent export of goods and services (Thailand Prime Minister's Export)
- On July 2011, the company received the British Retail Consortium Standard (BRC) for the production of canned sweet corn by SGS United Kingdom Ltd in the United Kingdom under the approval of United Kingdom Accreditation Service (UKAS)



## 2012

- Set up a new factory to manufacture frozen sweet corn in the same area as the current factory.



## 2013

- On May 2013, the company received Good Manufacturing Practice Standards ( GMP) from SGS United Kingdom Ltd in the United Kingdom under the approval of United Kingdom Accreditation Service (UKAS) and National Bureau of Agricultural Commodity and Food Standards which is under the Ministry of Agricultural and Cooperatives. This is according to standard requirements of TAS. 9023-2550.



## 2014

- 26 August 2014, Kittikhunchai family and 4 partners established So Sweet Company Limited to distributed processed sweet corn product for franchise retail business.



## 2015

- On June 2015, The company received Good Manufacturing Practice ( GMP) certificate for the packing house of sweet corn, green soybean, and asparagus according to Thai Agricultural Standard TAS 9035-2553 from Department of Agriculture, Ministry of Agriculture and Cooperatives.
- On October 2015, The company also received International Food Standard (IFS) for canned sweet corn, canned corn soup, sweet corn in a retort pouch, and frozen sweet corn from SGS-International Certification Service GmbH, Germany.
- On December 2015, The company received Certificate of Manufacturer for packaging and frozen food products.
- On December 2015, Sun Sweet Co., Ltd. signed a contract to purchase Hydrolock machines with Hydrolock SAS, France. This hydrolock machine is a continuous high-temperature disinfection machine (Continuous Sterilizers) to replaces the old disinfection machine that works as batch retorts. The highlight of the machine is the reduction of time and energy used to kill germs. Which will result in increased product quality, reduce production costs, and flexible in use with any sizes.



## 2016

- Reorganized the company structure by Sunsweet Company Limited (SUN) bought shares in (1) Sunsweet International Company Limited 99.99% (2) Sunsweet Bio-Energy Company Limited 99. 98% and ( 3) So Sweet Limited 99. 99% from existing shareholders. Consequently, those 3 companies become SUN' s subsidiaries.
- 26 December 2016, The Extraordinary General Meeting of Shareholders No. 3 / 2 0 1 6 of Sunsweet Company Limited passed a resolution approving the increase of its registered share capital from 100.00 Million Baht to 108.00 Million Baht by issuing 80,000 new ordinary shares. Offered to existing shareholders in proportion to the offering price of 1 0 0 Baht per share, the registered capital of Sunsweet Company Limited is in accordance with the terms and conditions of the Board of Directors, The Board of Investment (BOI).



## 2017

- 24 April 2017, the Board of Directors No. 2/2017 of Sunsweet Company Limited approved to sell all shares held by the company in Sunsweet Bio-Energy Company Limited and in So Sweet Company Limited to Mr. Ongart Kittikhunchai.

- 11 May 2017, the Extraordinary General Meeting of Shareholders No. 3 / 2017 resolved to approve the following agendas:

- 1) Approved the interim dividend payment to shareholders, at the rate of 43.50 Baht per share, totalling 46.98 Million Baht.

- 2) Approved the increase of registered capital from 108.00 Million Baht to 150.00 Million Baht by issuing 420,000 new ordinary shares with a par value of Baht 100 each, offered to the existing shareholders in proportion to the offering price of 100 Baht to structure capital for preparation for listing on the Market for Alternative Investment (MAI).

- 17 July 2017, the company proceeded to sell all shares held by Sunsweet Company Limited in Sunsweet Bio Energy Company Limited and So Sweet Company Limited to Mr. Ongart Kittikhunchai.

- 31 August 2017, The Extraordinary General Meeting of Shareholders of Sunsweet Company Limited No. 4/2017 resolved to approve the following major agendas:

- 1) Approved the transformation into a public company and changed its name to “Sunsweet Public Company Limited”.

- 2) Approved the change of the par value and adjusted the number of ordinary shares of the company. After the change of par value, Sunsweet Company Limited has 300.00 million fully paid-up ordinary shares with a par value of 0.50 Baht per share.

- 3) Approved the increase of the registered capital of Sunsweet Company Limited by issuing new ordinary shares, to raise and offering the company’s shares to the public (IPO) in the amount of 65.00 Million Baht, divided into 130.00 million ordinary shares with a par value of 0.50 Baht. After the capital increase, Sunsweet Company Limited, the registered capital was 215.00 Million Baht divided into 430.00 million ordinary shares with a par value of 0.50 Baht per share.

- 4) Approved the allotment of 130.00 million new ordinary shares of Sunsweet Company Limited at the par value of 0.50 Baht per share, to be offered to the public for the first time (Initial Public Offering: IPO) or 30.23 % of the total paid-up capital after the IPO.

- 5) Approved the listing of the company’s ordinary shares on the Market for Alternative Investment (MAI). November 13, 2017 The Board of Directors’ Meeting No. 3 / 2017 passed a resolution approving the interim dividend payment to the existing shareholders ( before the IPO) of 300,000,000 shares at the rate of 0.15 Baht per share, totaling 45.00 Million Baht. The dividend payment will be made within November 24, 2017. The Company paid such dividend to the shareholders on November 21, 2017.

- 28 December 2017, Sunsweet Public Company Limited or SUN is the first-day trade on the Market for Alternative Investment (MAI).



## 2018

- The company use capital from the initial public offering (IPO). Investment in machinery by increasing production capacity from 1 ton up to 3 tons per hour in September 2018 to improve manufacturing performance and productivity on a production line of frozen sweet corn product.



## 2019

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- On 26 August 2019, Sunsweet Public Company Limited received Prime Minister's Export Award 2019 in the category of Best Business Exporter. Exporter), which is given to Thai manufacturers or exporters of quality products, good product development and image.
- On 8 October 2019, Sunsweet Public Company Limited has received the British Retail Consortium (BRC) Grade A + Unannounced category for canned sweet corn products. Canned Corn Cream Sweet corn in vacuum bagged and frozen corn in bag (ready to cook) from the SGS United Kingdom Ltd., England, certified by the United Kingdom Accreditation Service (UKAS).
- On October 28, 2019, Sunsweet Public Company Limited received the CGR score of the year 2019 at the 4-star level (very good) from the Thai Listed Companies Corporate Governance Survey Program by the Thai Institute of Directors (IOD).
- On 15 November 2019, Sun Sweet Public Company Limited has appointed a national product distribution company to act as a distributor of canned sweet corn in the country. Under the trademark KC. On 26 August 2019, Sunsweet Public Company Limited received Prime Minister's Export Award 2019 in the category of Best Business Exporter. Exporter), which is given to Thai manufacturers or exporters of quality products, good product development and image.
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## Relationship with the Major Shareholder's Business

### Sunsweet International Company Limited ("SI")

Established Date	:	29 September 2005
Head office	:	No. 9 Moo1, Toongsatok subdistrict, Sanpatong district, Chang Mai province
Nature of business	:	Sourcing (exporting and importing) food and agricultural products.
Registered and paid-up capital	:	5.00 million baht
Authorized Directors	:	1. Mr. Ongart Kittikhunchai 2. Mrs. Jiraporn Kittikhunchai 3. Ms. Morakot Kittikhunchai 4. Mrs. Suraporn Prasatngamloet
Authorized Directors	:	Mr. Ongart Kittikhunchai or Mrs. Jiraporn Kittikhunchai sign jointly with Ms. Morakot Kittikhunchai or Mrs. Suraporn Prasatngamloet; altogether two people and sealed with the company brand.
Relationships with the company	:	Sunsweet International Co., Ltd. is a subsidiary company where it holds a total of 499,998 shares calculated as 99.99 percent of the registered capital of SI and with Board cooperating with the companies: 1) Mr. Ongart Kittikhunchai, 2) Mrs. Jiraporn Kittikhunchai, 3) Ms. Morakot Kittikhunchai and 4) Mrs. Suraporn Prasatngamloet
Shareholders structure	:	The Company holds a total of 499,998 shares or 99.99 percent Mr. Ongart Kittikhunchai holds one share or 0.01 percent Mrs. Jiraporn Kittikhunchai holds one share or 0.01 percent

#### Sunsweet Public Company Limited (SUN)

Authorized Capital 215.00 Million Baht

Paid-up Capital 215.00 Million Baht

Business : The company produces and distributes processed sweet corn.

99.99 %

#### Sunsweet International Company Limited (SI)

Authorized Capital 5.00 Million Baht

Paid-up Capital 5.00 Million Baht

Business : Sourcing (exporting and importing) food and agricultural products.

## Nature of Business

### • Sunsweet Public Company Limited (SUN)

The Company has operated its business of manufacturing and distribution of processed sweet corn and other agricultural products under the brand “KC”. In addition, the company manufactures according to customers’ orders under their own brands. Sunsweet International Co., Ltd. (SI), a subsidiary of the company operate business relating to sourcing and selling food and agricultural products to support domestic and foreign customers such as fresh onion, fresh coconut, and canned pineapple, etc. under the standard of “KC” brand. Currently, the Company and its subsidiaries continuously strive to expand its market which provides a wider range of products to customers over more than 50 countries, such as Japan, Korea, Taiwan, Russia, Saudi Arabia, Switzerland, Germany, Lebanon, Turkey, Iran, etc.

The company product is produced with modern production and technology with an efficiency that meets the quality assurance procedures complying with international standards such as International Standards Standard (IFS), Hazard Analysis Critical Control Point (HACCP). Consumers can ensure the quality and process of production is according to Good Manufacturing Practices (GMP). In addition, the company also focuses on manufacturing while taking care of environmental management according to ISO 14001: 2015 quality policies.



#### Production and distribution of sweet corn and other agricultural products

Operated by Sunsweet Public Company Limited, this company manufactures and distributes processed sweet corn, such as canned sweet corn, pouch sweet corn, and frozen sweet corn. It also operated its business of production and distribution of processed agricultural products such as white beans in tomato sauce, frozen green soybean for export overseas. And other by-products from the production process, such as corn husk and maize these will be sold to farmers for animal feed and some of them will be used as fuel for electricity generation in the factory.

#### Trading

Operated by Sunsweet International Company Limited, it is engaged in sourcing and selling food and agricultural product for both domestic and export markets such as fresh onion, fresh coconut, and canned pineapple, etc.

# Revenue Structure of Company and Subsidiaries

## • Revenue Structure of Company and Subsidiaries

(Million Baht)

Revenue Structure by Product Type	2017		2018		2019	
1.Revenue from manufacture and sale of processed sweet corn and other processed agricultural products	1,524.13	90.34	1,711.73	93.11	1,826.23	94.15
1.1. Sweet corn products	1,519.89	90.09	1,706.80	92.84	1,825.14	94.09
• Canned sweet corn	1,110.82	65.84	1,229.90	66.90	1,292.11	66.61
• Pouch sweet corn	161.70	9.59	252.67	13.74	307.07	15.83
• Frozen sweet corn	247.37	14.66	224.23	12.20	225.96	11.65
1.2.Other processed agricultural products	4.24	0.25	4.93	0.27	1.09	0.06
2. Revenue from trading Business	37.96	2.25	19.24	1.05	15.28	0.79
<b>Total revenue from sales of products</b>	<b>1,562.09</b>	<b>92.59</b>	<b>1,730.97</b>	<b>94.16</b>	<b>1,841.51</b>	<b>94.94</b>
Revenue from selling other products <sup>/1</sup>	84.15	4.99	98.15	5.34	78.23	4.03
<b>Total revenue from sales</b>	<b>1,646.24</b>	<b>97.58</b>	<b>1,829.12</b>	<b>99.50</b>	<b>1,919.74</b>	<b>98.97</b>
Other revenue <sup>/2</sup>	40.76	2.42	9.26	0.50	19.96	1.03
<b>Total Revenue</b>	<b>1,687.00</b>	<b>100.00</b>	<b>1,838.38</b>	<b>100.00</b>	<b>1,939.70</b>	<b>100.00</b>

## • Revenue Structure by Type of Customer Order

(Million Baht)

Revenue Structure by Type of Customer Order	2017		2018		2019	
1. Revenue from selling products under customers brand	1,192.25	70.67	1,249.93	67.99	1,319.29	68.02
2. Revenue from selling products under KC brand	369.84	21.92	481.04	26.17	522.22	26.92
<b>Revenue from selling products</b>	<b>1,562.09</b>	<b>92.59</b>	<b>1,730.97</b>	<b>94.16</b>	<b>1,841.51</b>	<b>94.94</b>
Revenue from selling other products <sup>/1</sup>	84.15	4.99	98.15	5.34	78.23	4.03
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<sup>/1</sup> Revenue from selling other products includes revenue from selling seed, fertilizer, revenue from selling waste from the production process, etc.

<sup>/2</sup> Other revenue includes interest receivables, revenue from export compensation, revenue from the sales of electricity, profit from the exchange rate, etc.

## • Revenue Structure by Location

(Million Baht)

Revenue Structure by Location	2017		2018		2019	
1.Revenue from selling abroad	1,364.95	80.90	1,512.03	82.25	1,599.86	82.48
1.1 Asia	847.74	50.25	1,055.71	57.43	1,041.65	53.70
1.2 Middle East	254.53	15.09	147.67	8.03	242.75	12.51
1.3 Europe	159.05	9.42	235.69	12.82	229.62	11.84
1.4 Africa	3.72	0.22	3.41	0.19	7.61	0.39
1.5 America	58.07	3.44	42.86	2.33	55.61	2.87
1.6 Oceania <sup>/3</sup>	41.84	2.48	26.69	1.45	22.62	1.17
2.Revenue from domestic sales	197.14	11.69	218.94	11.91	241.65	12.46
<b>Revenue from selling products</b>	1,562.09	92.59	1,730.97	94.16	1,841.51	94.94
- Revenue from selling other products <sup>/1</sup>	84.15	4.99	98.15	5.34	78.23	4.03
<b>Total revenue from sales</b>	1,646.24	97.58	1,829.12	99.50	1,919.74	98.97
- Other revenue <sup>/2</sup>	40.76	2.42	9.26	0.50	19.96	1.03
<b>Total revenue</b>	<b>1,687.00</b>	<b>100.00</b>	<b>1,838.38</b>	<b>100.00</b>	<b>1,939.70</b>	<b>100.00</b>

หมายเหตุ : <sup>/1</sup> Revenue from selling other products includes revenue from selling seed, fertilizer, revenue from selling waste from the production process, etc.

<sup>/2</sup> Other revenue includes interest receivables, revenue from export compensation, revenue from the sales of electricity, profit from the exchange rate, etc.

<sup>/3</sup> Oceania includes Australia, New Zealand and other 14 countries.

## • Revenue Structure by Type of Customer

(Million Baht)

Revenue Structure by Type of Customer	2017		2018		2019	
1.Revenue from international customers	1,364.95	80.90	1,512.03	82.25	1,599.86	82.48
• Agent, Importer, Distributor	1,273.07	75.46	1,249.86	67.99	1,495.01	77.07
• Retailer	79.20	4.69	109.63	5.96	70.41	3.63
• Food industry and Restaurants	12.68	0.75	152.54	8.30	34.44	1.78
2.Revenue from customers in Thailand	197.14	11.69	218.94	11.91	241.65	12.46
• Customer that are in exporting business (Distributor)	105.69	6.27	78.09	4.25	87.95	4.54
• Retailer	50.25	2.98	92.91	5.05	92.15	4.75
• Food industry and Restaurants	41.20	2.44	47.94	2.61	61.55	3.17
<b>Revenue from sales of products</b>	1,562.09	92.59	1,730.97	94.16	1,841.51	94.94
Revenue from selling other products <sup>/1</sup>	84.15	4.99	98.15	5.34	78.23	4.03
<b>Total revenue from sales</b>	1,646.24	97.58	1,829.12	99.50	1,919.74	98.97
Other revenue <sup>/2</sup>	40.76	2.42	9.26	0.50	19.96	1.03
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<sup>/1</sup> Revenue from selling other products includes revenue from selling seed, fertilizer, revenue from selling waste from the production process, etc.

<sup>/2</sup> Other revenue includes interest receivables, revenue from export compensation, revenue from the sales of electricity, profit from the exchange rate, etc.

## Product Characteristics and Other Agricultural Processing Products

The Company is the producer and distributor of processed sweet corn and other processed agricultural products, by focusing on processed sweet corn as the main product. Processed sweet corn products include canned sweet corn, pouch corn ( sweet corn cob), and frozen sweet corn all of which are sold under the brand “ KC”. Other processed agricultural products include beans in tomato sauce (baked beans), frozen green soybeans, etc. Apart from this the Company also produces goods for customers to sell under the customers’ brand.

Products of the Company can be divided into 4 main categories as follows:

- 1) Canned Corn
- 2) Pouch Corn
- 3) Frozen Corn



Canned Corn



Pouch Corn



Frozen Corn

### • Canned Corn

There are two types of canned sweet corns, whole corn kernel, and cream style corn. Canned sweet corn can accompany meals and various dishes, in both savory dishes and desserts alike. This product has been through a commercial sterilization process to remove bacteria and can be kept in room temperature up to 36 months. Currently, canned sweet corns are sold in 5 different sizes, 8 oz, 12 oz, 15 oz, 75 oz, and 108 oz and 3 flavors, sugar and salt flavor, salt flavor and plain flavor.



108 oz



75 oz



15 oz



12 oz



8oz



Cream Style Corn

## • Pouch Corn

The Company has developed pouch corn that comes ready to eat for more convenience in consuming corn. Pouch corn is more environmentally friendly as the pouch can be stored or destroyed more conveniently than metal cans.

Sweet corn is placed inside a retort pouch, this packaging is flexible and durable to heat and pressure increasing the product life. The flat shape of the retort pouch enables more space for heat transfer and heat can transfer more thoroughly. This means a shorter time frame to sterilize the product compared to canned sweet corn, which leads to a better quality overall, such as better color, and texture.

Ready to eat pouch corn can be divided into 3 categories, as follows:



Retort Pouch Whole Kernel Sweet Corn

### Retort Pouch Whole Kernel Sweet Corn

Ready to eat corn kernels vacuum packed in bags, This product is ready to eat corn kernel. The corn kernel has gone through a commercial sterilization process, which allows the quality of the product to be maintained over 18 months in room temperature. Currently, there are 2 flavors, sugar and salt flavor.

### Retort Pouch Corn on the Cob

Sweet corn product packed with vacuum bags, and ready to eat by selecting large sweet corn packed in vacuum bags with steamed vacuum packed technique and sterilization process or completely sterilized in the industry (Commercial Sterilization), thus able to maintain the quality very well and can be stored for 12 months in normal temperature which consumers can eat immediately.

### Ready to Eat

Currently, the company delivers a wide range of ready to eat products like Sweet corn on the cob, Grilled sweet corn with butter, Grilled sweet potato, Tiger peanut, and Waxy corn cut under the KC brand that distributing products through the domestic convenience stores.

In addition, ready to eat products will pass the pasteurization and sterilization process by passing about 90-95 degrees Celsius to kill the germ except Tiger peanut which the product passes through the boiling and heat sealing processes. However, after disinfection and during storage to prepare for delivery, it is also necessary to maintain a low temperature of about 2-6 degrees Celsius to prevent the occurrence of microorganisms in storage and during transportation which will store products for about 7 days.



Retort Pouch Corn on the Cob



Retort Pouch Corn on the Cob  
(Only 7-ELEVEN)

## Frozen Sweet Corn

Frozen sweet corns go through the IQF process (Individual Quick Freezing) which control the temperature at -40 degrees Celsius or lower. While freezing all kernels would not be clumped and frozen together. The process of IQF relies on freezing the product extremely quickly. Fast enough freezing causes much smaller ice crystals to develop within the product. Ice Crystals that develop with slower methods of freezing are bigger and these crystals damage the cells and tissues of the product. The frozen sweet corn must be kept below -18 degrees Celsius to ensure that the corn kernel is fresh and prevents micro-organism growth. It also ensures that there have not a chance to develop ice crystals within itself, thereby maintaining product quality. Currently, frozen sweet corn comes in many products, such as frozen sweet corn kernels, frozen sweet corn cobs, etc.



Frozen Sweet Corn Kernel  
(IQF process)



Frozen Sweet Corn Kernel  
(IQF process)

## Other agricultural processed products

In addition, the company also produces and sells other agricultural processed products such as white beans in tomato sauce, frozen soybeans, etc.



White beans in tomato  
sauce



White beans in tomato  
sauce wite onion



## Benefits from Investment Promotion

Sunsweet Public Company Limited has been granted promotional privileges by the Board of Investment (BOI) with the details as follows;

(1) No.1354(1)/2552 from the Board of Investment in the production of electricity from biogas type 7.1 service and public utility dated 23 February 2009; details are as follows;

### ● Privilege

- Exemption of import duties on machinery according to the BOI's approval.
- Article 31 section 2 exemption of corporate income tax on the net profit from the promoted activity for 8 years since the first earnings of such activity. The company started using this benefit in 2012.
- Reduction of corporate income tax on net profits received from investments at the rate of 50 percent of the normal rate for 5 years from the expiration date of the period under Section 31, paragraph 2.
- Allowed to deduct twice the cost of transportation, electricity, and water for a period of 10 years from the date of the business commencement.
- Allowed to deduct 25% of investment in installation and construction in addition to normal depreciation.

### ● Conditions

- Registered and Paid-up capital is not less than 100.00 Million Baht.
- Production capacity in producing electricity 1 megawatt (working hour 15 hour/day: 300 days/year) and the by-product is waste from production
- Investment value (exclude land and working capital) is at least 1.00 Million Baht.
- The Company should gain ISO 9000 or ISO 14000 certificate or equivalent within 2 years since the first operating day.
- The plant is located in Chiang Mai and should not be moved within 15 years since the first operating day.

(2) No. 2209(2)/2553 from the Board of Investment in manufacturing frozen vegetable and fruits type 1.11 manufacture or preservation of food or food ingredients, using modern technology on 13 September 2010; details are as follows;

### ● Privilege

- Exemption of import duties on machinery according to the BOI's approval.
- Exemption from corporate income tax on net profits received from the promoted operations, not exceeding 200 percent of the investment, excluding land costs. And working capital for a period of 8 years from the date of income from that business that since 29 March 2018, the revenue derived from the calculation includes revenue from the sales of by-products from the production process such as scrap or waste from the production process. The company started to use the benefits in 2012.



## ● Conditions

- Registered and Paid-up capital is not less than 100.00 Million Baht.
- The product type is frozen vegetable and fruits i.e. corn kernels.
- Production capacity 7,200 ton per year (working hour 24 hour/day: 360 days/year) and the by-product is waste from production.
- Investment value (exclude land and working capital) is at least 1.00 Million Baht.
- The exempt corporate income tax should not exceed 233.80 million which is adjusted according to the actual investment value (excluding land and working capital).
- The Company should gain ISO 9000 or ISO 14000 certificate or equivalent within 2 years since the first operating day.
- The plant is located in Chiang Mai and should not be moved within 15 years since the first operating day.

(3) No. 60-0694-1-00-1-0 from the Board of Investment in the production of vegetable and fruits in sealed container type 1.17 manufacture or preservation of drinks, food additives or food ingredients, using modern technology on 25 October 2016 as follows;

## ● Privilege

- Exemption of import duties on machinery according to the BOI's approval.
- Exemption of corporate income tax for net profit derived from promoted operations Not exceeding 200 percent of the investment, excluding land and working capital, with a period of 5 years from the date of earning income from that business that since March 29, 2018, the revenue that is calculated includes revenue from by-products such as scrap or waste from the production process. With the company starting to use the benefits in 2017.

## ● Conditions

- Registered and Paid-up capital is not less than 108.00 Million Baht.
- The product type is vegetable and fruits in sealed container i.e. sweet corn.
- Production capacity 7,000 ton per year (working hour 24 hour/day: 360 days/year) and the by-product is waste from production.
- Investment value (exclude land and working capital) is at least 1.00 Million Baht.
- The exempt corporate income tax should not exceed 57.26 million which is adjusted according to the actual investment value (excluding land and working capital).
- The Company should gain ISO 9000 or ISO 14000 certificate or equivalent within 2 years since the first operating day.
- The plant is located in Chiang Mai and should not be moved within 15 years since the first operating day.

(4) No. 61-1062-1-05-1-0 from the Board of Investment in the production of vegetable and fruits in sealed container type 1.17 manufacture or preservation of drinks, food additives or food ingredients, using modern technology on 23 April 2018 as follows;

### ● Privilege

- Exemption of import duties on machinery according to the BOI's approval.
- Exemption of corporate income tax for net profit derived from promoted operations totals not more than 50% of investment in order to improve production efficiency, excluding land and working capital, with a period of 3 years from the date of commencement of income after receiving the promotion card. Which income is calculated including income from the sale of by-products such as fraction or waste from the production process. The company started to use the benefits in the year 2018.

### ● Conditions

- Registered and Paid-up capital is not less than 215.00 Million Baht.
- Product types are vegetables, fruits, packed containers such as sweet corn etc.
- Capacity
  - Sealed vegetable and fruit  
35,000 tons per year (21 working hours/day: 300 days/year) by by-products such as fraction or waste from the production process.
  - Concentrated fruit juice  
87, 000 tons per year (working hours 8 hours/day: 250 days/year) by by-products such as scrap or waste from the production process.
- An investment size (Excluding land and working capital) not less than 1.00 Million Baht.
- Exemption of corporate income tax with the value not exceeding 53.06 Million Baht will be adjusted according to the amount of investment without including the actual land and working capital.
- Permission to bring or send money out of the Kingdom into foreign currencies.

(5) No. 62-0181-1-00-1-0 from the Board of Investment in the production of vegetable and fruits in sealed container type 1.17 manufacture or preservation of drinks, food additives or food ingredients, using modern technology on 14 January 2019 as follows;

### ● Privilege

- Exemption of import duties on machinery according to the BOI's approval.
- Exemption of corporate income tax for net profit derived from promoted operations totals not more than 100% of investment in order to improve production efficiency, excluding the cost of land and working capital, with a period of 5 years from the date of commencement of income after receiving the promotion card. Which income is calculated including income from the sale of by-products such as fraction or waste from the production process. The company started to use the benefits in the year 2019.

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## ● Conditions

- Registered and Paid-up capital is not less than 215.00 Million Baht.
- Product types are frozen vegetables and fruits.
- Capacity
  - Sealed vegetable and fruit21,600 tons per year (20 working hours/day: 360 days/year) by by-products such as scrap or waste from the production process.
- An investment size  
(Excluding the cost of land and working capital) not less than 1.00 Million Baht.
- Exemption of corporate income tax with the value not exceeding 143.50 Million Baht will be adjusted according to the amount of investment without including the actual land and working capital.
- The Company should gain ISO 9000 or ISO 14000 certificate or equivalent international standard within 2 years since the first operating day.
- Set up a factory in Chiang Mai province within 15 years from the date of operation and the factory cannot be relocated to another location.

## Competitive Strategy



### • Product Strategy

Our company has focused on product qualities and manufacturing standards which are the main strategy in the competition. The emphasis is on quality control of products to meet the standards. And paying attention to every stage of production since the selection of sweet corn seed used in cultivation. Moreover, the standards of raw material receiving from farmers is to obtain fresh and good raw materials. High-quality machinery and advanced technology from abroad are applied to optimize production. We also have a team of quality inspectors in every manufacturing process to ensure that the products which are exported to customers meet the standards.

The company has been accredited in terms of production and quality control of food products such as the Hazard Analysis Critical Control Point (HAACP), the British Retail Consortium (BRC) and Good

Manufacturing Practice (GMP) standards, Halal and Kosher standards. Products are produced according to international standards that are accepted both nationally and internationally.

At present, the company is promoting its products under the “KC” brand, in addition to selling its products under the brand of its customers. In 2017-2019, the Company has a distribution proportion of its products under the “KC” brand as 21.92%, 26.17%, and 26.92% of total revenue, respectively.

In addition to the variety of current product styles of the company, such as canned sweet corn, pouch corn on the cob and frozen sweet corn. The company also has a research and development team to develop sweet corn products in various forms. Including participating in the design of products with customers to meet the needs of customers and consumers.

### • Pricing Strategy (Price)



The company has the policy to set the price according to the cost of the product plus the appropriate profit margin or the method of adding additional costs. Along with considering each product type the company has made a price list for every item and will reconsider price list on a quarterly basis to be in line with the production cost Market conditions and competition and exchange rate fluctuations resulting in the company being able to control, monitor and manage the company’s profit margin to a satisfactory level.

## • Sales Channel Strategy (Place)

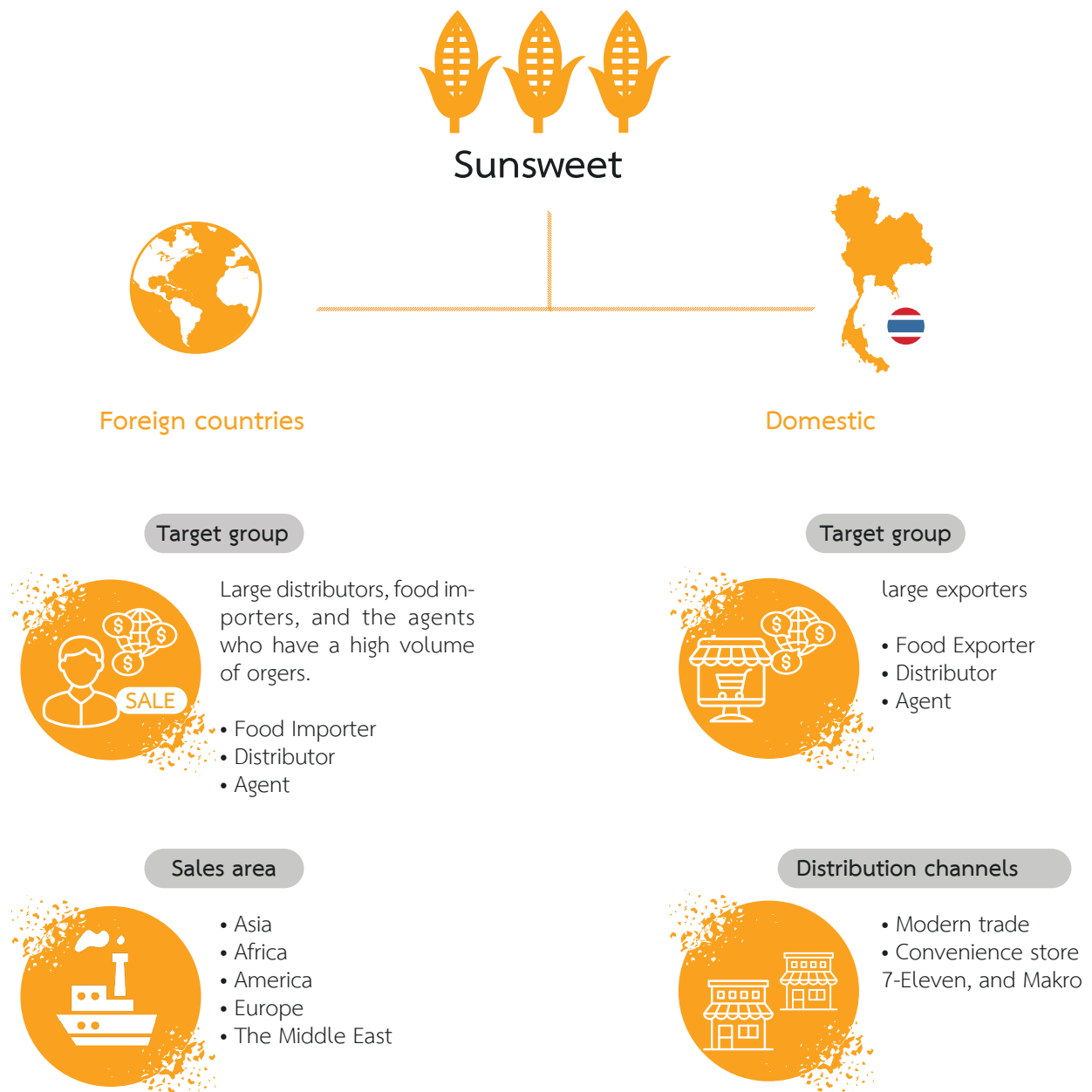
The main distribution channels of the company can be divided into 2 types, which are distributed to foreign countries and domestic distribution. In 2017 - 2019, the company has income from sales to foreign customers at 80.90%, 82.25%, and 82.48% of total revenue respectively.

For distribution in foreign countries, the company will focus on distributing to large distributors, food importers, and agents which has high order volumes. The customers in foreign countries will be taken care of by the sales and marketing team of the company that could be divided into sales area depending on each continent which includes Asia, Africa, America, Europe and the Middle East.

For domestic sales of sweet corn products, the company will focus on large exporters such as Food exporters, agents, distributors. In addition,

since the end of 2016, the company has expanded its distribution channels into modern trade retailers and convenience stores such as 7-Eleven, and Makro under the brand name "KC".







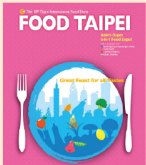




To create a brand for the company's products to be more widely known the company has established the business development department to analyze the market and product development for more opportunities to expand distribution channels in the country as planned to increase product sales via online channels such as Facebook media, e-commerce websites (Lazada, Shopee) that can reach more targeted consumers.



## • Marketing and Public Relations Strategy (Promotion)

The company pays attention to the promotion and public relation to the company's products over the past period. With regular activities or marketing activities to promote the company's products to be known through the main channels including exhibiting products at trade shows for food-related entrepreneurs both at home and abroad in order to publicize the products of the company to be known, exchange business information and maintain relationships with existing customers including surveying competitors and current market conditions which will help the company to monitor the situation in order to adjust the strategy in promotion and marketing To increase the ability to compete with other competitors Including helping to create opportunities for meeting new customers.

In the past, the company has participated in trade shows as follows;

 <p><b>Anuga Food Fair</b> held every two years. In Cologne, Germany</p>	 <p><b>Prodexpo</b> held every year in Moscow, Russia.</p>	 <p><b>Foodex Japan</b> held every year in Chiba, Japan.</p>
 <p><b>Gulfood Dubai</b> held every year in Dubai, United Arab Emirates.</p>	 <p><b>Seoul Food &amp; Hotel</b> held every year in Seoul, South Korea.</p>	 <p><b>THAIFEX World of Food Asia</b> held every year in Bangkok, Thailand.</p>
 <p><b>Food Taipei</b> held every year in Taipei, Taiwan.</p>	 <p><b>SIALChina</b> held every year in Shanghai, China.</p>	 <p><b>World Food Istanbul</b> held every year in Istanbul, Turkey.</p>
 <p><b>Fine Food Australia</b> held every year in Melbourne and Sydney, Australia.</p>	 <p><b>SIAL Paris</b> held every two years in Paris, France.</p>	

For marketing and public relations in the country, the company will focus on promoting marketing activities, focusing on knowledge building on understanding sweet corn products as well as brand awareness for the consumers. In addition, the company has public relations and communication for the company brand "KC" to the general consumer through electronic media such as the company's website, (www.sunsweetthai.com), social media such as Facebook, including distribution of sample products for consumers to gain an experience of trying the products and promote the products of the company to be more widely known.



# Customer Characteristics and Target customers

There are currently more than 200 customers over 50 countries such as Japan, Korea, Taiwan, Russia, Saudi Arabia, Switzerland, Germany, Lebanon, Turkey, Iran, etc. Customers can be divided into 3 main categories as follows;



1.) Customers that are large exporter/importer as a distributor or wholesaler:

The customer segment that distributes or sells products to other businesses abroad. Currently, this segment is the main customer group for the company contributing the largest sales and sales volume.



2.) Customers that are large retailers and modern trade:

A customer group that operates retail businesses such as supermarkets and convenience stores with a large number of branch networks for selling products in the country. At present, the company has expanded its distribution channels to more modern trade shops because this group of customers has a large number of consumer networks and have branches all over the region, such as 7-Eleven, Makro, etc. In addition, selling products to this group of customers also creates a reputation, awareness in the brand “ KC “of the company, and creates more opportunities to be known among consumers in the country.



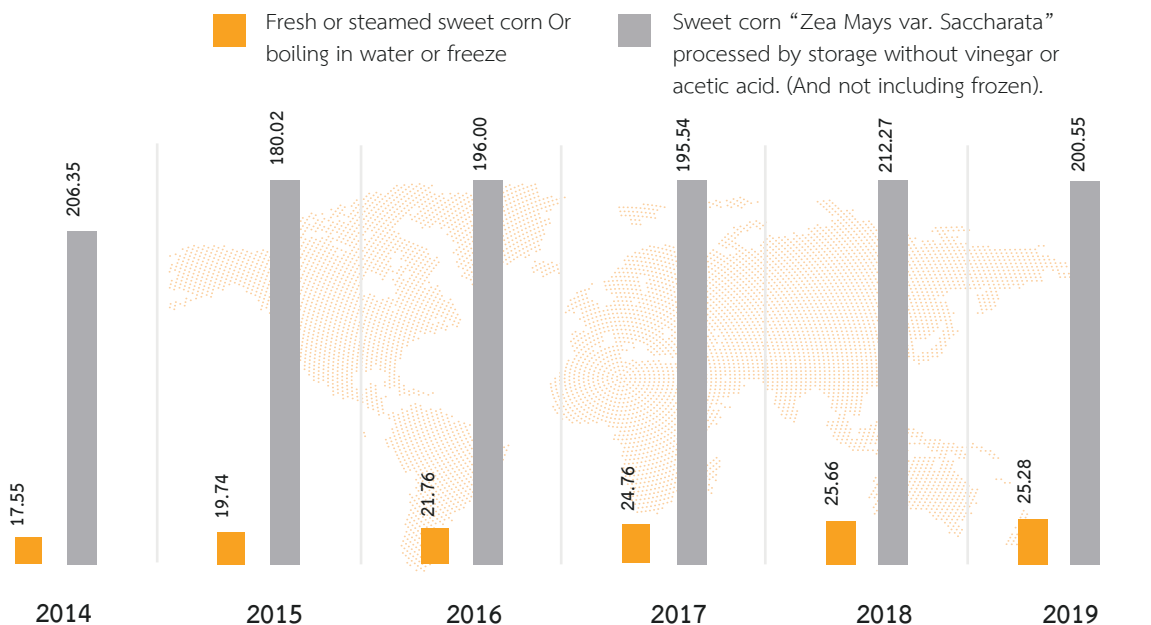
3.) Customers that are in food industries and restaurants:

A group of customers who uses sweet corn into raw materials or ingredients in food or processed food products.

## Sweet Corn Industry

Sweet corn (*Zea mays saccharata*) is mainly agricultural products that are processed and sold for consumption and it is an agricultural crop that has originated from the middle of the Americas for more than 1,000 years, which has now become a popular crop grown in many countries around the world. Because it is a plant that is not difficult to grow and has a higher rate of return per area compared to some agricultural crops.

Export value of sweet corn/1 from Thailand (Million USD)



Sweet corn export value data from International Trade Information Centre (ITC) is in accordance with coordinates 07104000 Sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen.  
(Data is presented as of 22 February 2020.)

### • Overview of sweet corn production

Thailand is one of many countries that grow sweet corn because Thailand has an environment and natural elements that are favourable to cultivation and has not different weather conditions during each season. The sunlight is at an appropriate level throughout the year so it is possible to grow sweet corn almost all year round. Moreover, the current technological development of cultivation has resulted in growers able to control the quality and including creating new products of sweet corn that can meet more needs while the global sweet corn consumption trend is rising. Because sweet corn is sweet naturally. In addition, the society became aware of health care in food. For that reason, Thailand is popular growing sweet corn until becoming an important agricultural economic product of the country.

According to the Agricultural Information Center and The Office of Agricultural Economics stated that in 2016, 2017, and 2018 the amount of sweet corn cultivation was 487,489 tons, 502,711 tons and 537,487 tons, respectively. The most cultivated area is in the northern parts of Thailand of Which has a cultivation amount of 272,490 tons, 291,343 tons and 312,767 tons, representing 55.90 percent, 57.95 percent and 58.19 of total domestic cultivation volume respectively.

### • Overview of global sweet corn exports

Reports from the International Trade Information Centre (ITC) indicate that the value of world export for frozen sweet corn (07104000, Sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen) in year 2016, year 2017, and year 2018 equivalent to USD 395.56 million, USD 414.72 million and USD 435.97 million, respectively. The countries with the highest 3 export value in 2018 was the United States (USD 103.65 million), Hungary (USD 61.48 million) and Belgium (USD 32.95 million), respectively. The volume of world export for frozen sweet corn (07104000), in year 2016, year 2017, and year 2018 were 400,711 tons, 415,393 tons and 406,656 tons respectively, with the top 3 export countries, including the United States (79,652 tons), Hungary (71,381 tonnes), and China (33,939 tons), respectively.

The value of world export for sweet corn (20058000, Sweetcorn “Zea Mays var. Saccharata”, prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen)), in year 2016, year 2017 and year 2018, equivalent to USD 877.36 million, USD 908.15 million and USD 1,030.00 million, respectively. The countries with the highest 3 export value in 2018 was Hungary (USD 228.40 million), Thailand (USD 212.27 million) and France (USD 171.42 million), respectively. The volume of world export for sweet corn (20058000), in the 2016, year 2017 and year 2018 were 747,441 tons, 768,165 tons and 817,284 tons respectively, with the top 3 export countries, including Thailand (227,947 tons), Hungary (203,035 tons) and France (111,548 tons).

For an understanding of the product coordinates of sweet corn that has the different coordinates which 07104000 means sweet corn that is used freezing process to maintain the condition of processed sweet corn after passing the process with heat and 20058000 mean sweet corn does not use freezing but will use salt or other additives (Except vinegar) to maintain the condition of processed sweet corn after passing the process with heat. While the company’s main products are canned sweet corn that is not frozen but will use salt as a component in production to maintain the condition of sweet corn products therefore being classified in 20058000, with 89.87% of export value of all sweet corn products from the company and the value of export products under 07104000, which is frozen corn accounted for 10.13 percent of the total export of sweet corn products of the company.

### • Overview of the sweet corn market in Thailand

Thailand has become one of the top 10 exporters in the world, both in quantity and value. If considered specifically in sweet corn products based on information from the International Trade Information Centre (ITC) found that in 2016-2018, Thailand has the export value of Sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen (07104000) increased continuously throughout the period which in 2016, 2017 and 2018 was USD 21.76 million, USD 24.76 million and USD 25.66 million, respectively. Sweet corn export volume in 2016, 2017 and 2018 is 18,217 tons, 20,884 tons, and 22,494 tons, respectively, or equivalent to the amount of exports equal to 5.53% of the total global export volume.

For the export of Sweetcorn “Zea Mays var. Saccharata”, prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen), Thailand is considered the world’s largest exporter, both in terms of value and quantity. In year 2016, year 2017 and year 2018, Thailand exported sweet corn with the total value is USD 196.00 million, USD 195.54 million and USD 212.27 million, respectively while the export volume in year 2016, year 2017 and year 2018 is 209,251 tons, 208,710 tons and 227,947 tons respectively.



### • Top 10 exporters by value in between 2014 - 2018 (USD Million)

Sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen <sup>1</sup>

Country	2014	2015	2016	2017	2018
United States	82.02	81.64	98.06	102.07	103.65
Hungary	79.29	59.13	58.26	58.94	61.48
Belgium	30.22	34.33	29.32	33.45	32.95
China	23.68	21.96	22.72	24.26	27.30
France	24.49	20.28	20.06	21.48	26.84
Thailand	17.55	19.74	21.76	24.76	25.66
Spain	19.71	18.10	19.66	20.79	22.92
Canada	19.40	27.42	22.38	23.57	21.16
Poland	15.74	13.84	12.59	15.79	17.57
New Zealand	18.38	16.02	14.27	15.53	15.26

<sup>1</sup>Sweet corn export value data from International Trade Information Centre (ITC) is in accordance with coordinates 20058000 Sweetcorn "Zea Mays var. Saccharata", prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen). (Data is presented as of 22 February 2020.)

Sweetcorn "Zea Mays var. Saccharata", prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen)<sup>2</sup>

Country	2014	2015	2016	2017	2018
Hungary	228.73	179.31	185.02	198.39	228.40
Thailand	206.35	180.02	196.00	195.54	212.27
France	211.42	150.09	140.48	152.58	171.42
United States	118.29	114.10	107.97	109.84	107.81
China	58.86	54.93	75.46	66.57	92.93
Spain	44.61	41.55	41.06	41.33	43.40
Belgium	44.79	33.09	31.54	29.62	34.45
Brazil	10.36	10.14	12.03	15.92	33.43
Netherlands	7.37	4.96	5.73	11.55	16.80
Germany	8.79	11.40	10.84	10.52	15.14

<sup>1</sup>Sweet corn export value data from International Trade Information Centre (ITC) is in accordance with coordinates 20058000 Sweetcorn "Zea Mays var. Saccharata", prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen).

### Top 10 exporters by volume in between 2014 - 2018 (Tons)

Sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen <sup>1</sup>

Country	2014	2015	2016	2017	2018
United States	70,637	69,913	84,469	87,402	79,652
Hungary	75,397	70,961	73,531	72,989	71,381
China	30,398	28,001	28,981	30,573	33,939
France	19,974	21,939	21,454	23,117	29,271
Belgium	21,352	31,684	26,142	30,398	27,265
Spain	17,683	19,964	20,498	21,642	23,615
Thailand	14,702	17,494	18,217	20,884	22,494
Poland	15,550	15,420	14,885	20,413	20,268
Canada	17,462	26,969	19,778	21,480	19,538
India	7,748	10,023	11,945	13,397	13,291

<sup>1</sup>Sweet corn export value data from International Trade Information Centre (ITC) is in accordance with coordinates 20058000 Sweetcorn "Zea Mays var. Saccharata", prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen).

Sweetcorn "Zea Mays var. Saccharata", prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen)<sup>2</sup>

Country	2014	2015	2016	2017	2018
Thailand	200,044	186,060	209,251	208,710	227,947
Hungary	176,329	163,455	179,779	186,715	203,035
France	115,011	102,334	97,264	105,067	111,548
United States	94,688	92,543	91,048	95,269	91,570
China	44,858	39,537	45,133	37,893	46,642
Spain	24,350	25,068	22,999	23,483	25,195
Belgium	23,824	21,294	20,744	18,845	20,368
Brazil	8,599	10,686	13,268	17,128	17,632
Russia	8,849	7,830	10,136	11,094	13,483
Netherlands	4,970	3,999	3,834	8,977	11,911

<sup>1</sup>Sweet corn export value data from International Trade Information Centre (ITC) is in accordance with coordinates 20058000 Sweetcorn "Zea Mays var. Saccharata", prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen).

## Agricultural Policy of the Government

The government pay attention to the economy of agriculture as Thailand is an agricultural country. Therefore, the government has the policy to review and announce the agricultural development plan every 5 years in order to be consistent with the changing circumstances in each period. In addition, with the awareness of the importance in the agricultural sector, The Ministry of Agriculture and Cooperatives has set the ministry's motto: "To provide agriculturists with good quality of life, people with safe food for consumption, with their generation of income for the land."

The latest agricultural development plan from the government for the year 2017 until the year 2121 (2564) is the main objective of the agricultural development of the country.



- To develop the potential of farmers.

The government has planned to focus on strengthening their career and capacity through knowledge the transfer to farmers that develop professionalism and network building for the solidarity of farmers and with related agricultural organizations.



- To increase efficiency in productivity management

the government has planned to focus on supply chain management to support the production of standardized products, reduce production costs along with the development and increased value of agricultural products.



- To gain a competitive advantage through the use of technology and innovation

The government plans to support research related to technology and agricultural innovation. The Agricultural Information Center was set up as a learning resource for farmers.



- To create sustainable security in natural resources and environment

the government policy has supported friendly farming environment and creates a proper allocation of agricultural land in order to develop agricultural industry infrastructure.

## Overview of sweet corn consumption

According to Economic Intelligence Center (EIC) data from BCC Research and Agrarmarkt Austria Marketing indicated that the current consumption trend is that most consumers start to consider more health. As a result, the value of the food market is growing steadily. Especially in the United State, Europe and Japan markets where the demand for supplementary food and beverages has grown steadily over the past several years. From the fact that consumers pay more attention to the things they consume and the increase in the proportion of the elderly population will increase the demand for ready-to-eat food in order to meet the convenience and save time. The important factors that affect the decision of consumers in this group are price, ease of consumption, ease of buying Including safety and hygiene. The fastest growing market the most in food segment is the Halal food market and the food market for the elderly.

## Overview of sweet corn imports of major importers

According to the International Trade Centre (ITC) indicates that the significant amount of frozen sweet corn (07104000, Sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen) consumption, Japan is considered to be the country with the highest demand for sweet corn with the highest import value USD 79.10 million in 2018, followed by the United Kingdom, which has the import value of sweet corn as high as USD 46.94 million and the third is Belgium Which has the value of importing sweet corn as high as USD 38.09 million. Moreover, the value of world export for sweet corn (20058000, Sweetcorn "Zea Mays var. Saccharata", prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen)), Japan also as the largest value importer, which reached USD 100.46 million in 2018, followed by the United Kingdom, with a value of USD 96.96 million and Germany which reach USD 94.46 million.

Total import volume of frozen sweet corn (07104000, Sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen), Afghanistan is the country with the highest import volume as 89,003 tons, followed by Japan 52,569 tons and United Kingdom 49,991 tons. For import volume of sweet corn (20058000, Sweetcorn "Zea Mays var. Saccharata", prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen)), The countries with the highest 3 export value in 2018 was Germany 76,964 tons, United Kingdom 70,493 tons, and Japan 64,225 tons respectively.

## • Top 10 importers by value in between 2014 - 2018 (USD Million)

Sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen <sup>/1</sup>

Country	2014	2015	2016	2017	2018
Japan	65.02	66.79	71.98	78.27	79.10
United Kingdom	59.31	51.96	44.47	46.47	46.94
Belgium	44.62	33.88	35.37	39.58	38.09
United States	27.18	36.46	32.89	35.25	34.79
Chian	16.30	16.96	16.19	17.32	18.41
Germany	18.29	15.75	14.92	12.33	14.00
Saudi Arabia	12.63	12.47	13.57	12.19	12.70
Afghanistan	-	-	-	-	12.03
Iran	6.44	8.36	12.75	12.67	11.83
Russia	9.44	9.10	8.24	9.41	9.22

/1 Sweet corn export value data from International Trade Information Centre (ITC) is in accordance with coordinates 07104000 Sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen. (Data is presented as of 22 February 2020.)

Sweetcorn “Zea Mays var. Saccharata”, prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen)<sup>/2</sup>

Country	2014	2015	2016	2017	2018
Japan	91.64	91.30	86.65	98.60	100.46
United Kingdom	100.59	80.75	88.07	87.93	96.96
Germany	106.21	87.15	84.10	85.85	94.46
Spain	70.24	65.97	58.66	60.37	78.87
South Korea	33.71	38.77	43.69	43.03	42.39
Belgium	54.48	42.29	36.68	40.47	37.87
Italy	36.87	30.85	30.20	31.47	36.70
France	58.61	30.20	31.34	37.43	34.21
Taiwan	28.48	28.06	30.99	28.50	30.73
Sweden	34.86	28.92	30.30	28.89	29.12

/2 Sweet corn export value data from International Trade Information Centre (ITC) is in accordance with coordinates 20058000 Sweetcorn “Zea Mays var. Saccharata”, prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen). (Data is presented as of 22 February 2020.)

## • The Table shows the volume of sweet corn imports divided by the 10 major exporters

The table shows the top 10 importers that import frozen sweet corn from Thailand by value and change

Country	2014	2015	2016	2017	2018
Afghanistan	-	-	-	-	89,003
Japan	41,216	43,878	49,026	52,287	52,569
United Kingdom	50,265	51,996	50,019	52,617	49,991
Belgium	41,256	36,404	41,910	49,057	42,306
United States	22,076	32,519	25,929	29,247	28,400
China	12,695	12,960	12,652	13,390	14,008
Germany	13,613	14,923	13,920	12,483	13,676
Russia	12,177	13,983	12,549	14,492	13,616
Iran	7,572	9,557	13,420	14,315	11,682
Saudi Arabia	9,474	10,770	12,123	11,016	10,546

The table shows the top 10 importers that import processed sweet corn from Thailand by value and change

Country	2014	2015	2016	2017	2018
Germany	74,000	71,844	71,278	74,663	76,964
United Kingdom	58,832	56,724	67,564	66,788	70,493
Japan	55,013	55,400	56,117	61,865	64,225
South Korea	32,683	37,848	45,265	45,562	46,889
Spain	43,035	44,130	29,911	30,284	36,067
Russia	47,463	23,638	26,375	25,414	28,787
Taiwan	24,405	25,151	28,246	25,312	28,270
France	38,018	24,195	25,877	30,233	27,198
Belgium	33,076	31,966	26,774	45,578	25,703
Italy	19,565	21,576	22,362	22,992	24,372

<sup>1</sup>Sweet corn export value data from International Trade Information Centre (ITC) is in accordance with coordinates 07104000 Sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen. (Data is presented as of 22 February 2020.)

<sup>1</sup>Sweet corn export value data from International Trade Information Centre (ITC) is in accordance with coordinates 20058000 Sweetcorn “Zea Mays var. Saccharata”, prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen). (Data is presented as of 22 February 2020.)



According to Information and Communication Technology Center with Cooperation of the Customs Department indicate that sweet corn products exported from Thailand can be divided into 2 types, there are frozen sweet corn (coordinates 071040 according to the principles of the Thai Customs Department which mean to sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen that have the same meaning with the principle of the International Trade Information Centre) and processed canned sweet corn (coordinates 200580 according to the principles of the Thai Customs Department which mean to sweet-corn “Zea Mays var. Saccharata”, prepared or preserved otherwise than by vinegar or acetic acid (excluding frozen) that have the same meaning with the principle of the International Trade Information Centre). The country that imports the most frozen corn from Thailand is Japan with a value of 365.74 million baht in 2018 followed by Iran with a value of 308.69 million baht and Taiwan with a value of 38.13 million baht for processed canned sweet corn the most imported countries from Thailand in 2018 are Japan, South Korea and Taiwan with a value of 1,328.04 million baht, 714.29 million baht and 496.48 million baht respectively.

The table shows the top 10 importers that import frozen sweet corn from Thailand by value and change

The table shows the top 10 importers that import processed sweet corn from Thailand by value and change

Country	Value (Million)			Growth (%)		
	2017	2018	2019	2017	2018	2019
Japan	460.10	427.34	365.74	(0.23)	(7.12)	(14.41)
Iran	313.41	343.77	308.69	19.94	9.69	(10.20)
Taiwan	20.65	21.20	38.13	(7.77)	2.66	79.86
Indonesia	-	-	13.27	-	-	100.00
Laos	0.03	0.20	9.90	(93.18)	566.67	4,850.00
China	18.45	3.36	5.83	261.76	(81.79)	73.51
Myanmar	0.34	3.35	5.44	(45.16)	885.29	62.39
Netherlands	7.52	5.44	3.89	258.10	(27.66)	(28.49)
South Korea	7.29	4.56	3.44	110.09	(37.45)	(24.56)
Malaysia	2.66	3.28	2.72	2.31	23.31	(17.07)

Country	Value (Million)			Growth (%)		
	2017	2018	2019	2017	2018	2019
Japan	1,451.30	1,638.76	1,328.04	5.50	12.92	(18.96)
South Korea	748.19	809.72	714.29	(4.04)	8.22	(11.79)
Taiwan	504.50	533.35	496.48	(20.91)	5.72	(6.91)
Philippines	370.30	361.23	347.14	(16.39)	(2.45)	(3.90)
United Kingdom	241.27	290.67	339.06	(6.43)	20.47	16.65
United States	128.32	185.36	220.54	(15.28)	44.45	18.98
Saudi Arabia	253.16	218.86	219.86	(3.62)	(13.55)	0.46
Australia	236.98	215.70	216.81	(1.01)	(8.98)	0.51
Labanon	219.24	201.34	158.17	1.69	(8.16)	(21.44)
Russia	173.31	226.13	143.25	15.04	30.48	(36.65)

Source: Information and Communication Technology Center with Cooperation of the Customs Department (Data is presented as of 22 February 2020.)

Source: Information and Communication Technology Center with Cooperation of the Customs Department (Data is presented as of 22 February 2020.)

## Competition

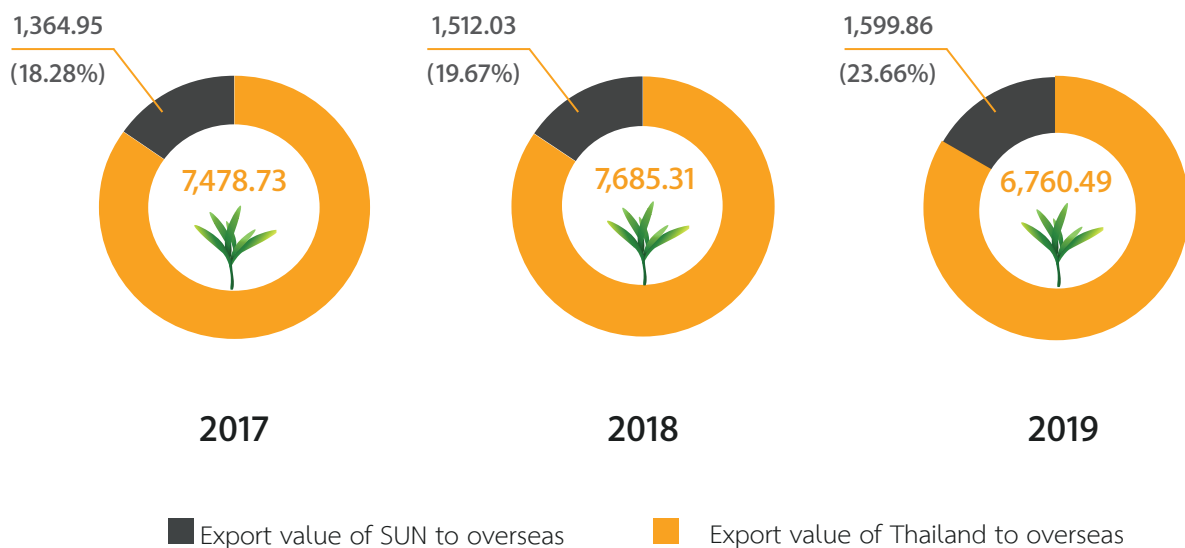
### • Domestic Competition

Thailand has only a few processed sweet corn producers capable of producing high-quality sweet corn products due to this market to have oligopoly by 4 companies that can produce high quality processed sweet corn including:

- (1) River Kwai International Food Industry Company Limited
- (2) Karn Corn Company Limited
- (3) Sunsweet Public Company Limited
- (4) Majestic Food Industries Company Limited

When comparing the export revenue of processed sweet corn products of Sun Sweet Public Company Limited, the export value of sweet corn products in Thailand, coordinates 07104000 and 20058000 (data from the Information and Communication Technology Center Office of the Permanent Secretary, Ministry of Commerce With cooperation from the Customs Department) between 2017 and 2019, showing that the export ratio of sweet corn products of the company has increased significantly. In 2017, 2018 and 2019, the company's export value is 1,364.95 Million baht, 1,512.03 million baht and 1,599.86 million baht or 18.28 percent, 19.67 percent and 23.66 percent of the total export value of sweet corn products in Thailand respectively.

### Proportion of export value of SUN to overseas compared to export value of Thailand to overseas



## • International competition

In foreign countries, many companies have been able to keep the first-place position in their industries for a long time. France had one of the largest companies who is the primary competitor in the market which has a history more than 100 years and expertise in producing various processed vegetables and especially sweet corn products. Moreover, this company can sell their products and services in the European Union at a high price without additional taxation according to a benefit for a producer in the European Union.

Information from the International Trade Information Centre (ITC), during the year 2017 and 2018, the proportion of sweet corn product exports value in the coordinates 0710400 and 20058000 of the company when compared with world exports has increased in 2017 and 2018 is 3.04% and 3.26% of the total export value of sweet corn products worldwide.

### Proportion of export value of SUN to overseas compared to export value of Thailand to overseas

(Million Baht)	2017	2018	2019
Export value of SUN to overseas	1,364.95	1,512.03	1,599.86
Export value of Thailand to all countries	7,478.73	7,685.31	6,760.49
SUN export ratio relative to sweet corn exports of all countries	18.28%	19.67%	23.66%

## Sources of Raw Material

### Sources of raw material – Sweet corn

The main raw material of the company's products is sweet corn, which is used in the production of all major products. The company has purchased all raw materials in the country and has a standard for quality control of raw materials as well as manage purchase orders with proper demand forecasting to meet the production demand and customer needs.

All raw materials at the factory must entry to the quality inspection process to ensure that the quality of raw materials meet the specifications. In terms of raw materials selection, the company has defined corn varieties, characteristics, and quality such as a straight cob, long, no curve, aligned corn kernel, consistent coloring, no defects, age of the corn, weight, size, and growing the corn according to Good Agricultural Practice standards (GAP).

Currently, the source of the sweet corn comes from 16 provinces, in the upper and lower northern part of Thailand. There are 3 methods of sourcing such as through people who source raw materials (Broker), through Smart Farming encouraged by the company, and individual farmers through contract farming as follows;

#### • Broker

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The company has a contract with the raw material collector who acts as an intermediary to collect fresh sweet corn (or raw material) from the farm and nearby to deliver to the factory under quality, quantity and price as agreed in the contract. The broker can be divided into 3 types as follows:

##### 1. Large size brokers

the raw material collector that source raw materials from an area of over 300 rai and grows continuously for 6-8 months. The company and collectors have a 1-year long term contract agreement and plantation plan of sweet corn in order to meet contractual agreements.

##### 2. Medium size brokers

the raw material collector that source raw materials from over 100 rai of area which have a monthly contract agreement with the company and collectors.

##### 3. Small size brokers

the raw material collector that source raw materials from lower than 100 rai of area. The com-

pany and collectors have a monthly contract.

The Company will consider purchasing and selling raw materials agreement to the major brokers and will hold a meeting to prepare the raw materials for the company as agreed in the agreement. For the middle and small brokers, the company will consider the quantity of raw materials on a monthly basis. The company has a process for selecting and evaluating qualified brokers. The purchase price will be in accordance with the agreement.

The company and brokers will plan the planting together and they are responsible to distribute the planting plans to the farmers under the contract to get the yield according to the planting plan and cover the demands that state in Buy-Sell agreement between broker and company. The company's raw material team will cooperate to explore the area and educate farmers continuously. In addition, the brokers must submit planting information, planting area, and history of farmers to the company on a weekly basis in order to process and plan for receiving the raw materials.

Province	Planting season of Sweet corn and production season 2018/2019 in October 2018 - September 2019 (rai)	Proportion of total area (%)
Chiang Mai	28,051	36.91
Sukhothai	19,109	25.14
Chiang Rai	10,152	13.36
Other provinces	18,686	24.59
<b>Total</b>	<b>75,998</b>	<b>100.00</b>

### Farmers who are promoted cultivation by the company in Smart Farm Project

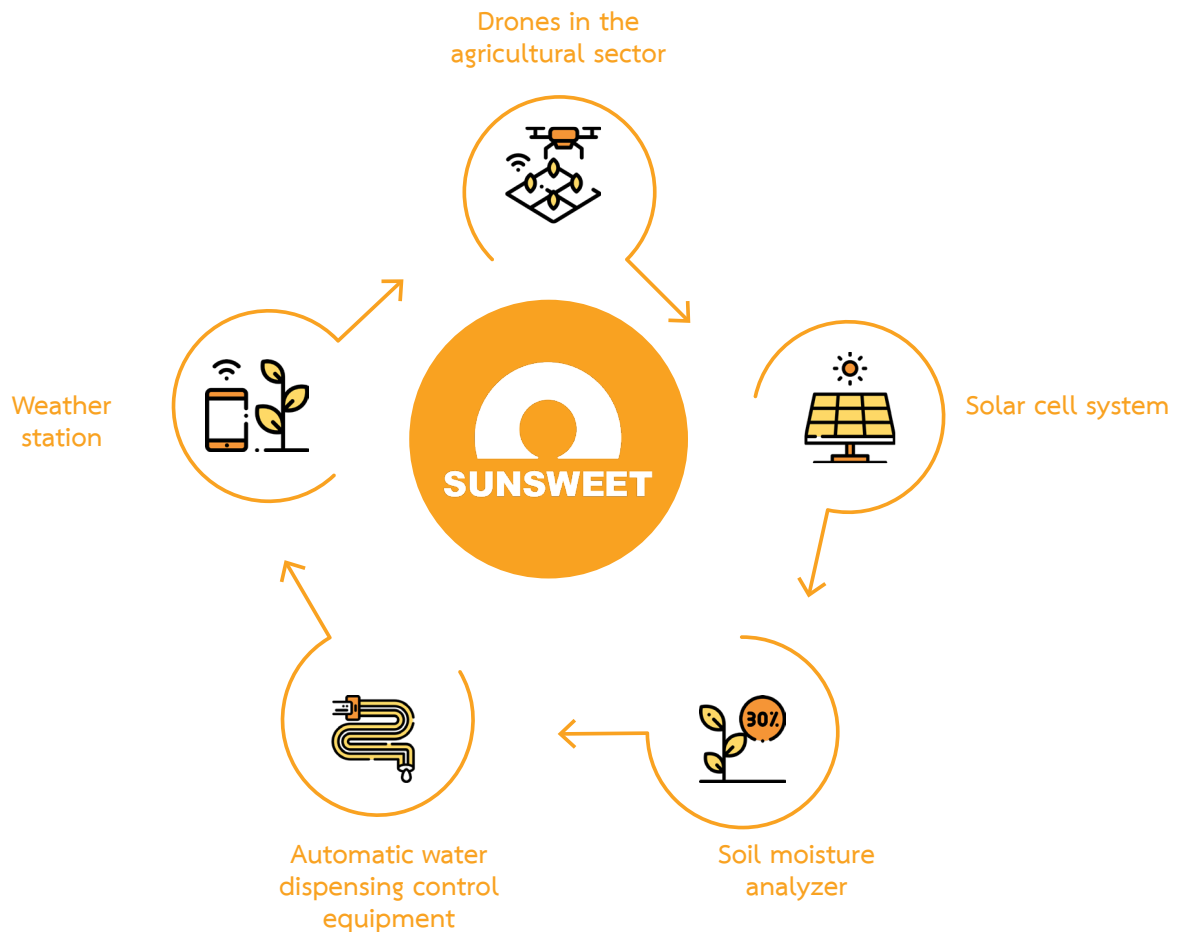
The company started the Smart Farming project in December 2012, with the objective of enhance production technology to develop sweet corn plantation for farmers. Farmers who participate in Smart Farming will be supported soil nutrient analysis, planting techniques to increase yield per rai, dripping water systems to give crops the optimal amount of water. There is also a constant update of farming technique, knowledge and close monitoring from the first stages of planting to the last stages of harvesting and sending to the factory. In order to receive the raw materials that meet the quality standard, quantity agreement, reduce costs and increase profits for farmers.

Smart Farming project is a direct contract between farmers and the company. The farmer will sell sweet corn to the company at a fixed price according to the contract.

In 2018/2019 (between October 2018 - September 2019), the company has made a contract with 187 farmers with amounting to 3,993 rai of agricultural area.

Province	Sweet corn planting season, production season 2018/2019 October 2018 - September 2019 (rai)	Proportion of total area (%)
Chiang Mai	3,542	88.71
Lamphun	398	9.97
Mae Hong Son	53	1.33
<b>Total</b>	<b>3,993</b>	<b>100.00</b>

The company pays attention to support and encourage farmers to grow sweet corn by initiating a project to promote Smart Farming project by promote with farmers who has planting area around the factory in a radius of approximately 50-100 kilometers, such as Mae Wang District, San Pa Tong District and Chom Thong District in Chiang Mai Province, as well as some areas in Lamphun Province. Which Smart Farming is a farming management concept using automatic measurement and control technology to control sweet corn planting, such as weather stations which able to measure the change in temperature, the response of crops to the different weather variables and the relative humidity in the air which can be able to determine the water absorption and water evaporation of sweet corn, rainfall, speed, wind direction, and sunlight intensity is the key factor in photosynthesis of corn in each period and this technology will automatically send information and report the data in real time and all information will be sent over the network back to the central server. It is a more efficient use of the data that will result in increased overall efficiency on the farm.

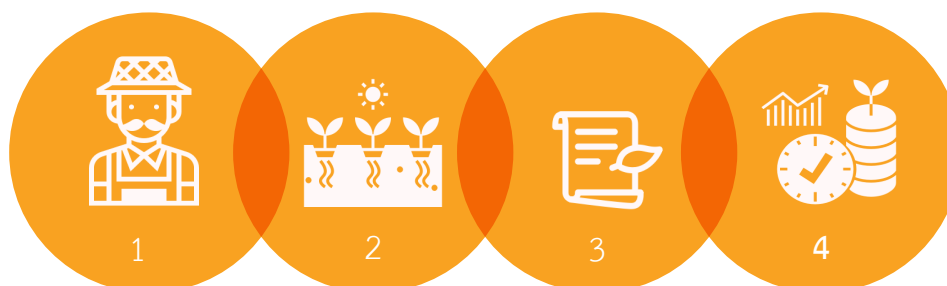


In addition, there is also the use of soil moisture analyzer and automatic water dispensing control equipment. Which the sensor is installed at the same level as the root of the corn to measure the amount of moisture in the soil and determine the useful moisture range for corn in each plot. And send the value to the processing unit with the wireless transmission system. If any cultivation plot has a lower humidity level than the moisture content that is beneficial to corn, the control system will control the electronic water valve by switching on water pumping systems for supplying water to cultivation plot and the switch will shut off the water pump system automatically when the cultivation plot has the appropriate moisture level. The sensor and valve system is powered by 6-volt solar power systems which can be installed and working in all terrain.

Water control systems in plantation can provide the highest quality raw materials that meet standards and consistent performance which can be harvested two or three times a year which the agricultural using smart farming model can be produced 3 tons per rai while the normal corn production yields are 1.5 - 2.0 tons per rai. Therefore, promoting farmers through the smart farming project will focus on increasing sweet corn yield per rai, reduce production costs, reduce the risk of raw materials quality, including leading to higher standards to create added value by using technology to use in the management.



## • Consideration process to support farmers in smart farming project as follow;



in smart farming project as follow;

1. Farmers contact company to request to join the smart farming project.
2. Company's staff survey the area will use for the cultivation and a qualification in agriculture of each farmer in order to consider the suitability of a location for plantation by determining the important factors such as farmers identity, a soil condition for plant growth should be sandy loam, and planting area should near the sources of water supply.
3. (3) After completing the qualifies, the company will process for contracting and signing the agreement and including the collateral that the farmer must bring to the company, such as a certificate of title or vehicle registration etc. or guaranteed by the concerned person. After signing a contract, the company will support corn seed and essential chemical for cultivation.
4. The company have been collecting data about farmer farms on all aspects of their farm cultivation and including delivery history from farm to the company in order to consideration of future promotion contracts by using program and technology to help company collect farm data, planting information, forecasting and harvesting time, etc. and analyze data by using data collection software integrated with Microsoft Office Home Power BI to be used in future work planning.

## A model for supporting farmers

Supporting farmers is part of strengthening the company's raw materials and business expansion to encourage farmers to grow corn and get good yield and quality. On the other hand, it also increases the income security for participating farmers. The company has the form of supporting the cultivation of corn to farmers as follows.

### • Supporting sweet corn seeds

Sweet corn seeds are an important factor in the cultivation of corn because the yield is highly variable due to factors such as weather, environment, fertilizer. These factors can be managed by selecting suitable varieties of corn for different areas that produce a good yield. Thus, research and development of corn varieties, studies on soil and organic fertilizers used and related agricultural studies are very important. The company provides seed support to farmers and brokers. The expense for seed will be deducted when the farmers or the brokers sell sweet corn to the company at the agreed price. In the case of farmers or the Brokers would like to buy seeds by themselves, the company will specify the sweet corn seeds variety.

To develop new varieties of sweet corn that have high potentials of quality, consumption, and suitability for industrial production for export, and climate in Thailand, Thus, the company has collaborated with Pacific Seed Company to develop the project of sweet corn varieties and worked with East-West Seed Co., Ltd. to develop sweet waxy corn species to be raw materials for ready-to-eat products which are good taste and suitable for industrial production.



training and provided knowledge about the use of drones in the agricultural sector

#### • Educating of corn cultivation and using agricultural tools and technologies

In order to help farming be more efficient and productive, the company has organized training and provided knowledge about the use of agricultural tools for farmers especially the use of drones in the agricultural sector (precision agriculture) which the company encouraged farmers to use this new technology to monitor their fields in order to improve crop yields and farm efficiency. Agricultural drones can reveal many issues such as For example, reduce fertilizer use, spraying of pesticides, a cost reduction particularly by replacing labour with new technology, accurately identify plant diseases issue in a specific area, and this will also help to reduce the spread of chemicals that farmers may receive both exposure and inhalation while spraying and agriculture drone can control the right amount of the chemicals dropped into the fields in the right direction and at the right amount. The drone can be sprayed automatically by remembering of the area that needs to be sprayed and the last position. When the chemical in the tank runs out it can return to the starting point and return at the same point. The drones can adjust the height and low automatically during the flight in case of sloping or lower ground.

By training drones for farmers has trained the farmers to try to actually force and tested according to the flying drones principle. Therefore, the drones for agriculture are an interesting alternative to modern agriculture. That can be developed and further expanded to increase the efficiency of cultivation which educating farmers are beneficial for companies and farmers. As a result, farmers will be able to produce quality products and obtain sufficient output as agreed, making farmers more stable income while the company can control, and maintain the quality and quantity of raw materials regularly because there is a company staff to advise and help monitor cultivation from the beginning to the sweet corn harvest.

This project is done at a reduced cost of pesticides used about 50 percent.

In addition, the company has collaborated with many organizations to develop technology to help farmers manage the fields in various dimensions. For example, using the application for weather forecasting with much weather information such as wind speed, rain, temperature etc. is to make decisions about the seed harvesting and farmer data collection. Using data from satellites to analyze area conditions and problems occurring in the area, such as insufficient fertilizer, floods, and insects entering, will appear in clear photographs and coordinates with Farmers do not have to waste time walking to inspect other areas, therefore farmers can reduce costs and increase production.

The company has cooperated with companies that use satellite imagery to analyze the condition of the plantations. The satellite imagery can help the cultivation plan of the weather and the condition analysis of the planting fields, growth of sweet corn, water use and insect diseases as well as past conditions of the planting area. The company has also worked with a partner company to supply corn harvesters that suit the planting area. This can help the planting plan in the future and some areas where is a shortage of harvesting labour.



drones in the agricultural sector, weather station, water drop, solar cell system of Smart farming system

## • Farmers through Contact Farming

The company has a contract to buy straight from farmers in the area that have their own area of around 3-5 rai to grow sweet corn. The difference between contact farming and smart farming is that the contract for contact farming is done for each planting cycle. Basic knowledge will be provided to farmers to achieve a high-quality yield that has the same standard as Brokers and Smart Farming. The contract also includes that sweet corn will be sold to the Company at a fixed price.

Currently, there are over 20,000 farmers contracted through Contract Farming, covering an area of 50,000 – 100,000 rai in northern Thailand. There are 3 major Contract Farming locations that deliver sweet corn in 2017-2019, details are as follows;

Proportion of Sweet Corn through Contact Farming	2017		2018		2019	
	Ton	%	Ton	%	Ton	%
Broker	94,934	96.13	122,410	96.60	96,582.00	93.92
Large Broker	59,207	59.95	84,017	66.30	74,751.00	72.69
Medium Broker	20,344	20.60	12,433	9.81	14,587.00	14.18
Small Broker	15,383	15.58	25,960	20.49	7,244.00	7.04
Smart Farming	119	0.12	320	0.25	544.97	0.53
Contract Farming	3,705	3.75	3,985	3.15	5,708.14	5.55
<b>Total</b>	<b>98,758</b>	<b>100.00</b>	<b>126,715</b>	<b>100.00</b>	<b>102,835.10</b>	<b>100.00</b>

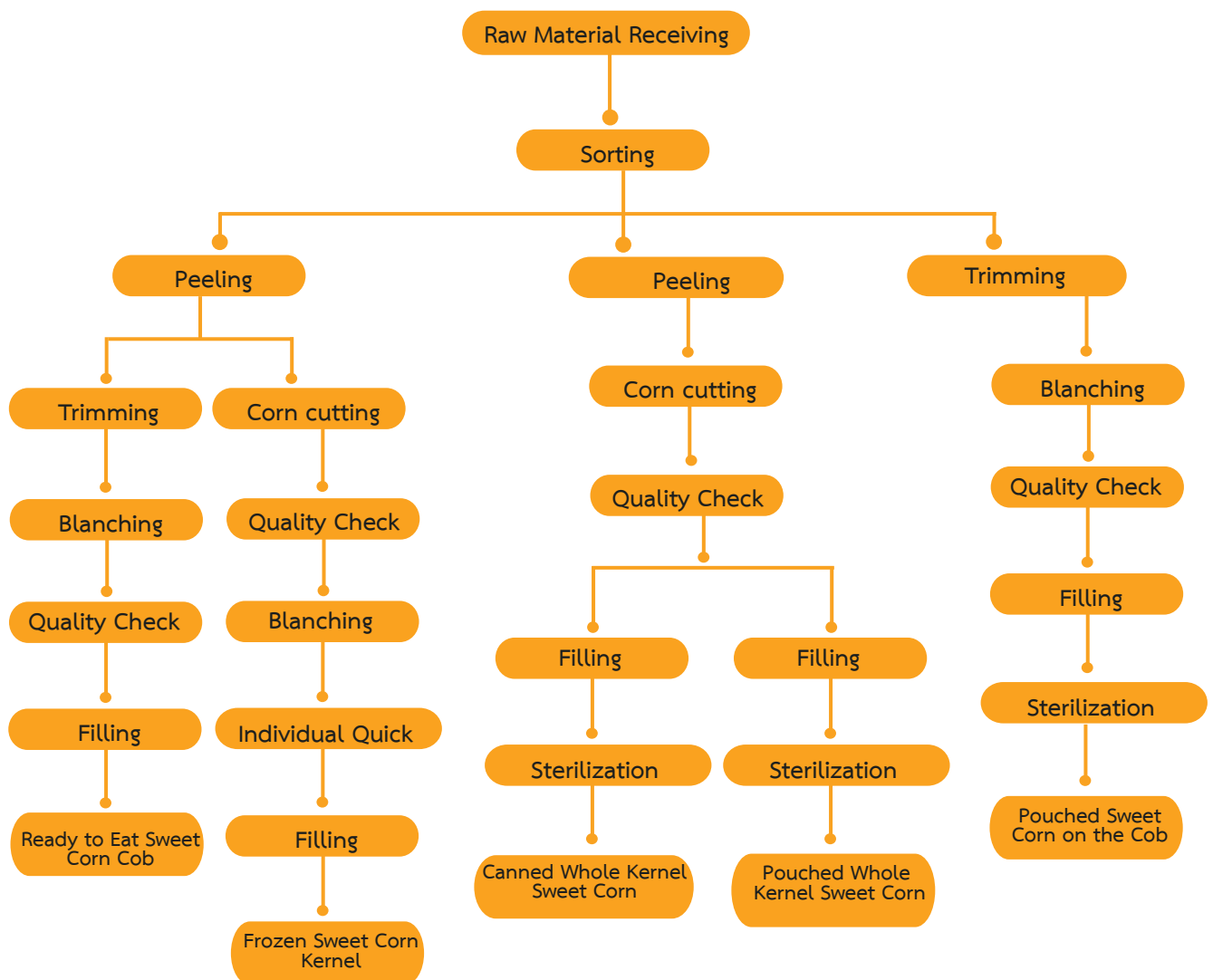
## LEADING SWEET CORN BUSINESS

which operates vertically integrated business  
as well as focus on modern technology and international standards.



The company recognizes the responsibilities in agricultural environment, including global national resource which is significant to quality and food safety as well as add values and long-term benefits for the customers, business partners, all employees and the community which are able to response trends changes.

## • Production Process





## Production process and capacity

Currently, the company has a production facility with a capacity of 150,000 tons per year, located at No. 9 Moo 1, Tambon Toongsatok, Sanpatong Chiangmai Province The total area is 62-2-90 rai.

### • Production process

The production process is starting from receiving raw materials from farmers or collectors into factory repARATION of raw materials into the production process, as well as packaging for sale to customers. The details are as follows;

#### Step 1 Raw Material Receiving

Sweet corn is the main raw material for all kinds of products. So, there will be plenty of sweet corn from various sources. The raw materials are sent to the factory continuously every day. The company should have an excellent plan in receiving raw materials from collectors and farmers in advance to reduce waiting time before processing because delay time after harvest will be affected to corn sweetness thus before start production randomly checks the quality of sweet corn is necessary.

#### Step 2 Preparation of Raw Material Preparation

After passing the random sampling procedure and receiving sweet corn, selecting sweet corn by manual which one pass quality standard is direct to process of Pouch Sweet Corn on the Cob. The remainder of the sweet corn is trimmed and steamed blanching purpose to soften and easy to peel in next step after peeling corn are cut into a kernel and control kernel corn quality by machine. After that pass to Canned Whole Kernel Sweet Corn, Pouched Whole Kernel Sweet Corn and Frozen Sweet Corn processing respectively, by product, all of the processes will be collected and sold.

#### Step 3 Production and Packing (Filling)

Kernel sweet corn will be grading into regular and large sizes before packing into various types of packaging. After that, it will be filled with the desired formula such as sugar-free formula, salt formula and then it will be weighed to obtain the standard weight as required through the process of lid closing, sealing and prepare to the next process.

For the production of frozen sweet corn products, kernel sweet corn was separated and brought to Frozen Sweet Corn Production Unit. It will be washed again, steam blanched purpose to enzyme Inhibit. After that cooling, Individual Quick Freezing (IQF) process at -40 ° C. and sorting frozen kernel corn purpose to get rid of defect respectively. The final step is to pack into the package according to the required size and weight. Seal the bag and put it into the carton. Then kept it in refrigerated room at -18 degree Celsius.

For ready to eat product sweet corn which passes quality inspection were cut in to size as required by cutting machine, corn silk removal, blanching (for corn grilled cooked sweet corn will be grilled after this step), packed in to pouch bag water or brine added as required, vacuum sealing before cooling and metal detecting.

#### Step 4 Commercial Sterilization Process for Industry Level

Canned kernel sweet corn, Pouch kernel sweet corn and ready to eat pouch sweet corn on the cob are commercially sterilized to maintain food quality and preserve food preserved food through shelf life. Furthermore, Pouch sweet corn on the cob can also be pasteurized and storage at 2 - 6 Celsius for 7 days.



### Step 5 Labeling and Packaging

After sterilized process product has been identify code, keep production record and stored in the warehouse at least 7-14 days Microbial check product by randomly. When ordering from customers this product will be withdrawn from the warehouse for labeling and packaging according to the customer's requirements.

- The capacity of the company can be shown as follows;

Product	Unit	2017	2018	2019
<b>Canned whole kernel sweet corn and pouch sweet corn (vacuum packed)</b>				
Full Capacity	Tons Rawmat	150,000	150,000	150,000
Utilization	Tons Rawmat	86,436	107,200	95,959
Capacity Utilization Rate (%)	%	57.62	71.47	63.97
<b>Frozen sweet corn</b>				
Full Capacity	Tons Rawmat	16,200	27,450	54,000
Utilization	Tons Rawmat	11,293	21,300	14,290
Capacity Utilization Rate (%)	%	69.71	77.60	26.46

In addition, the company manages the factory by using renewable energy from the rest of the raw materials, excess energy, and waste from the production process, such as the steam power from the steam generator in the boiling process to be used as renewable energy for use in the factory. The corn cob. Corn husk and other parts of corn are made into biomass. Also waste water management for biogas production (biogas) to produce electricity for use in some parts of the factory and the rest can be for distribution to Provincial Electricity Authority.



- The remaining corn cob from the production process is mixed with palm shells and wood pallet and burned as fuel for steam production. The steam produced will be used as fuel in the production process in the plant.
- Another use of corn cob surplus is for electricity production by incorporating the squeezed water from the corn cob and used in fermentation process where a chemical reaction is the outcome leading to electricity. This energy is then used in the factory and the surplus is sold to the Provincial Electricity Authority of Thailand (EGAT).

Electricity production data for 2017 - 2019	2017	2018	2019
The amount of electricity produced (kilowatts)	745,460	607,350	604,000
The amount of electricity recycled within the factory (kilowatts)	685,732	570,606	545,310
	29,910	12,450	34,530
The amount of electricity sold (kilowatts)	117,222	47,871	146,373
Electricity Consumption (Baht)			

## Quality system and product standard

The Company is committed to maintaining and developing quality standards for its products on a global scale basis. Quality management and control in each stage of production, from procurement to raw material inspection, quality control during production and until to transit. Presently, the company has received the following important accreditations:

### Quality System Standards

The company has been certified Environment Management System (ISO 14001: 2015) by the Registrar of Systems (URS) under the United Kingdom Accreditation Service (UKAS) for recognizing the importance of environmental management for environmental care and development alongside business development.

### Product Standards

The company's products have been certified with various product standards.

#### • British Retail Consortium (BRC)

UK's leading retailer of food safety standards, it covers Hazard Analysis & Critical Control Points (HACCP). Environmental Control Standards of Establishments Product, process and personnel controls by BRC apply to operators who wish to ship to UK-based retailers using their own brand. Its products have been certified by SGS United Kingdom Ltd, a United Kingdom accredited United Kingdom Accreditation Service (UKAS).

#### • International Food Standard (IFS)

It is a standard for the production of good quality food and safe for consumers by the Federal Retailer, Republic of Germany and retailers wholesalers of the French Republic to determine the quality and safety of food for retailers. The aim is to help assess the food safety measures of the manufacturer to meet the quality standards. The company's products are certified by the Institute, SGS-International Certification Service GmbH, Germany.

#### • Halal Product Standard (HALAL)

It is certified by the Islamic Central Authority of Thailand that it has correctly processed Islamic Halal practices. This makes the company's products available to Muslim consumers in countries around the world, especially in the Middle East.

#### • Good Manufacturing Practice (GMP)

It is a certified international food standard and good control in food production to produce food safely. It focuses on preventing and eliminating the risk of food poisoning, harm or insecurity to consumers. Our products are certified by SGS United Kingdom Ltd, United Kingdom under the accreditation of United Kingdom Accreditation Service (UKAS) and the National Bureau of Agricultural Commodity and Food Standards (TAC), under the Ministry of Agriculture and Cooperatives.

#### • Hazard Analysis & Critical Control Points: HACCP

It is a security management system. It controls the process of producing food free from microbes, chemicals and foreign matter. Our products are certified by SGS United Kingdom Ltd, United Kingdom under the accreditation of United Kingdom Accreditation Service (UKAS) and the National Bureau of Agricultural Commodity and Food Standards (TAC), under the Ministry of Agriculture and Cooperatives.

#### • Good Agriculture Practice: GAP

This is the way of farming in order to get good quality products to meet the standards. High yield, investment cost and production process must be safe for farmers and consumers. The use of resources is most beneficial. Sustainable agriculture and not polluting the environment is the principle defined by the Food and Agriculture Organization of the United Nations (FAO) in Thailand, Department of Agriculture Ministry of Agriculture and Cooperatives, the agency responsible for quality assurance system certification as well as the definition, rules and methods of auditing. This is in line with international GAP principles.

## Sources of packaging and other raw materials

In addition to raw sweet corn, other important raw materials include:

#### • Package

The company buys canned steel and canned packaging as well as vacuum bags used for canned sweet corn products from domestic manufacturers. This represents approximately 50% of total purchases of raw materials. The company plans to order the packaging annually according to the annual production plan. The purchase order will be ordered from 3-4 local suppliers by using a purchase order document with fixed price and pre-determined amount. However, there is no purchase from any supplier more than 30 percent of total raw material purchases in 2017, 2018 and 2019.

## • Ingredients

Key ingredient in the production is sugar. The company has entered into a sugar purchase agreement with a local sugar cane mill. The volume and price are determined. The manufacturer will deliver the product periodically. As agreed and subject to the Seller's approval from the Office of Sugarcane and Sugar Board (if instructed by the Office of the Cane and Sugar Board), if the government agency controls, adjusts the price, controls or adjusts the VAT base, both parties will agree on a new price. To follow the rules, notifications and terms are modified.

## Purchase proportion of raw materials used in production year 2017 – 2019

Purchase proportion of raw materials used	2017		2018		2019	
Raw materials, corn	461.95	48.60	594.30	47.86	538.64	50.21
Packaging	471.42	49.59	628.52	50.61	520.99	48.56
Ingredients	17.21	1.81	18.96	1.53	13.21	1.23
<b>Total</b>	<b>950.58</b>	<b>100.00</b>	<b>1,241.78</b>	<b>100.00</b>	<b>1,072.84</b>	<b>100.00</b>

## Environmental Impact



In addition to the importance of quality and product standards. The company has always paid attention to environmental protection. The company was certified ISO 14001: 2015, which is the standard of environmental management system. Environmental management system is the management of resources and environment along with business development. The emphasis is on prevention of pollution and environmental protection to reduce the impact on the environment including lower production costs in the business.

The company has conducted environmental impact audits to set up preventive measures. The company has employed independent experts to perform environmental quality measurements that affect air, water, and noise which was completed by ALS Group Laboratories (Thailand) Co., Ltd. on 29-30 April 2019 and 18 December 2019 found that the company is in the standard that does not cause any problems. In addition, the company has never had any dispute or lawsuit about the environment in the business and has never been warned or fined on such matters. The company has strictly adhered to the laws relating to the environment.

Waste water from the production process passed through the wastewater treatment. It is used for power generation in the factory or sell to provincial electricity authority of Thailand the waste water will not be discharged into environment.

In addition, the by-products of corn, maize or corn husks are left over. The company will sell these to farmers for animal feed. And some of them will be used to produce biomass and biogas as mentioned above, so there is no waste from raw material that may affect the environment. For the environmental management of the biogas power plant business, the company also complies with the requirements of the Department of Industrial Works and Ministry of Industry. However, if the power plants have a capacity less than 10 MW, there is no need to prepare an EIA report according to the requirements of the relevant agencies.

## Unprocessed Work

- None -

## Trading Business

### • Nature of Business

Other agricultural products are sourced from domestic or international places, the subsidiary company, Sunsweet International Company Limited (SI), will be responsible for this range of agricultural products which are categorized as follows;

Agricultural products that are exported by Sunsweet International (SI) will be sourced domestically and internationally for international customers. These products include foods and agricultural products, such as fresh onions, canned pineapple, fresh coconut, and coconut milk etc.



Fresh Onion



Canned Pineapple



Fresh Coconut



Coconut Milk

## Competitive Strategy



### • Product Strategy

SI has a policy to focus on supplying agricultural products which are not only sweet corn to meet the customers' needs. A variety of products. It must be the same quality and standard of the sweet corn standard of the company.

SI also sells agricultural products under KC brand as well such as rice, sunflower oil, corn oil, ketchup, onion and canned pineapple, etc. SI has hired factory owners who have qualities and reliable plants to produce other agricultural products. SI continues to focus on quality control from raw materials to production to create and maintain KC brand and credibility in every product of the Company Group.



### • Price Strategy

SI has a policy to set the price by cost plus method at a level that is competitive in the market. We also provide a wide range of agricultural products for sale to our customers. This represents the potential and centrality of the Group's diverse agricultural products.



## • Distribution Channel Strategy

SI Distribution Channels mainly uses distribution channels as same as distribution channels of the company. This means SI will sell other agricultural products and company products together to foreign importers who normally import the products for distribution such as distributors or wholesaler are distributors of agricultural products so SI can use these channels to Distribution through customer groups and does not need to advertise or promote resulting in save cost.



## • Promotion Strategy

In the field of marketing and promotion for the business of buying and selling of SI will be carried out in conjunction with the marketing and public relations of the company in the past. SI will join the exhibition together with the company and offer other agricultural products to the customers of the company along the way.

## • Customer and Targeting



### • Overseas Customers

The main International customers for SI are existing customers buying sweet corn products. This group of customers consists of large importers that are either distributors or wholesaler who tend to import various agricultural products.



### • Domestic customers

SI also imports products which are agricultural products from abroad. Come to sell to customers in the country Which is a group of customers who are in the food industry and restaurants that require high quality products from abroad the customers in the food industry will continue to use the products in the production process of other types of food products.

## Industry

### (1) World's export of agricultural products in the sectors of vegetable, fresh and processed fruit.

According to the International Trade Center (ITC), with data collected on the export value of all agricultural products of the International Trade Information Center exports and imports of fresh and processed fruit and vegetables worldwide and Thailand between 2014 and 2018 are as follows.

### The world's export of agricultural products

#### in the sectors of vegetable sector, fresh and processed fruits

(USD Million)

Year	World's export value	Growth (%)	Thailand's export value	Growth (%)
2014	128,436.14	0.87%	3,900.57	9.35%
2015	124,616.54	-2.97%	4,003.72	2.64%
2016	129,244.01	3.71%	3,755.18	-6.21%
2017	138,585.90	7.23%	3,675.47	-2.12%
2018	140,083.24	1.08%	3,351.47	-8.82%



The table shows world's export of agricultural products in the sectors of vegetable sector, fresh and processed fruits for five years. The value of world exports in 2014, 2015, 2016, 2017 and 2018 is USD 128,436.14 million, USD 124,616.54 million, USD 129,244.01 million, USD 135,585.90 million, USD 140,083.24 million respectively with the highest growth rate in 2017, accounting for 7.23 percent and the lowest growth rate estimated at -2.97 percent in 2015.

The table indicates that Thailand's export of agricultural products in the sectors of vegetable, Thailand's fresh and processed fruits is valued at USD 3,900.57 million, USD 4,003.72 million, USD 3,755.18 million, USD 3,675.47 million, and USD 3,351.47 million in 2014, 2015, 2016, 2017, and 2018 respectively and highest increases in the years 2014, representing 9.35 percent with the lowest in 2018, representing a -8.82 percent.

## (2) Import of agricultural products in the vegetable sector; Fresh and processed fruit of the world.

The world's import of agricultural products  
in the sectors of vegetable sector, fresh and processed fruits

(USD Million)

Year	World's import value	Growth (%)	Thailand's import value	Growth (%)
2014	128,069.12	0.69%	686.33	-2.13%
2015	123,677.63	-3.43%	870.01	26.76%
2016	127,381.27	2.99%	1,032.76	18.71%
2017	133,898.87	5.12%	1,112.74	7.74%
2018	135,118.51	0.91%	1,180.59	6.10%

With the regard to world's imports of agricultural products in the sectors of vegetable, fresh and processed fruits of the world. This table shows that the value of imports has fluctuated over the past five years. The world's imports in 2014, 2015, 2016, 2017 and 2018 are valued at USD 128,069.12 million, USD 123,677.63 million, USD 127,381.27 million, USD 133,898.87 million, and USD 135,118.51 million, respectively. The highest growth rate is 2017 is 5.12% and has the lowest growth rate of -3.43% in 2015, This is according with the declining of the world export rate.

According to Thailand's imports of agricultural products in the sectors of vegetable, fresh and processed fruits, Thailand's import value in 2014, 2015, 2016, 2017, and 2018 Thailand's import values are USD 686.33 million, USD 870.01 million, USD 1,032.76 million, USD 1,112.74 million and USD 1,180.59 million respectively and have been growing dramatically in 2015 and 2016 and the growth rate of these import are 26.76% and 18.71%, respectively and has the lowest growth rate of -2.13% in 2014.



## Competition

Trading business is considered to have the highest competition in Thailand and abroad. But, with a diverse customer base in Thailand and abroad SI can be able to have many distribution channels. Also, some products under the brand name “KC” that is sold by Sunsweet International will help Sunsweet International gain recognition and acceptance by customers. This will allow SI to compete both domestically and abroad.

### • Supply of products and services

To supply products in order to distribute the products to foreign countries, SI has procured in the form of purchase and employing a factory owner to produce products under the brand of the company. SI has a method of selecting factories that are reliable and meet international standards by checking the properties of the owner, and factory visit to see the production process, cleanliness and production standards. This will ensure that the factory owner has a reliable standardized production process which is guaranteed of quality and standard of production in accordance with the SI policy.

## Environmental Impact

-None-

## Unprocessed Work

-None-

## Risk Factors

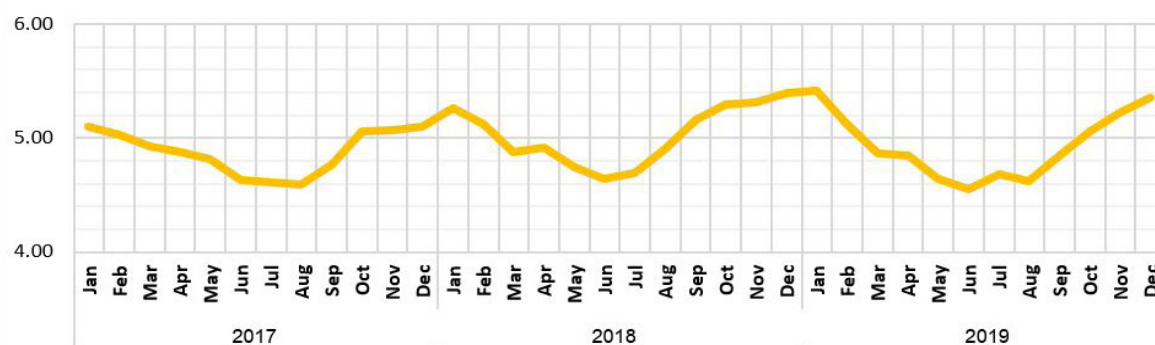
Sunsweet Public Company Limited as a production and distribution company of processed corn and other agricultural products both in Thailand and overseas. The operations and operating results of the company are related to risks in the agro-industry. On risk factors, the company can manage or prepare support plans to mitigate impacts, but many risk factors are beyond the control or management of the company. And may have a significant impact on the operation and performance of the company as follows;

### 1. Risk in business

#### 1.1 Risk of fluctuation in sweet corn output and prices

Sweet corn is the major raw material in producing most of the Company's products. Its fluctuation in output and prices result from various factors, namely climate change, natural disasters e.g. flood, draught, etc. Such factors may affect the sweet corn output per cultivated area and its quality. Moreover, government policies, e.g. promoting alternative energy crop planting policy, promoting alternative energy policy and pricing policy of some agricultural crop, can cause the instability as well. These government policies may attract some farmers to grow other type of crops that provide higher return. That leads to overall output of sweet corn change and fluctuation in sweet corn prices, according to the demand and supply. If the Company could not source enough sweet corn supply for its production or the cost of sweet corn supply is continue in the upward trend, the Company would suffer from shortage of the raw material and would not deliver customers' orders or suffer from high cost of production which both affect the Company's performance directly.

Average price of sweet corn in the period of 2017 – 2019 (Baht)



As can be seen in the graph, the average cost of sweet corn supply of the Company from 2017 – 2019 are 4.88 Baht per Kilogram 5.03 Baht per Kilogram and 4.93 Baht per Kilogram, respectively.

Those factors affect the output and the prices of sweet corn each year. The Company then exposes to risk of fluctuation in sweet corn supply and cost and that directly impact the Company's performance.

However, the Company aware of such risk and endeavor to mitigate that risk by making contract to sweet corn farmers or "Contract Farming" with various brokers which has overall over 20,000 farmers in their network. In Contract Farming, the Company determines the price of sweet corn supply in advance with the brokers or farmers. Besides, the Company also promotes the concept of Smart Farming to farmers attended to the Smart Farming project so that the Company can monitor and control overall sweet corn supply to match the Company's need. The Company's also set a team to coordinate with farmers as well as searching for more cultivated area to serve the Company's need of raw material.

## 1.2 Risk of changes in European Union (EU) trade measure

Currently, the European Union (EU) countries have tax measures to prevent dumping, protect their farmers and the processed sweet corn industry in the European Union by using anti-dumping tax rates for Thai entrepreneurs who export sweet corn products (*Zea mays var. saccharata*) in the form of processed sweet corn kernels in vinegar or non-frozen in acetic acid. (HS code: 2001903010) and other non-frozen sweet corn kernels (HS code: 2005800010). It has been in effect since 2006 and determined every 5 years unless changed by the EU Council.

According to Council Implementing Regulation (EU) no. 875/2013 on 2 September 2013 imposing on 11.1 per cent of anti-dumping tax and expiring in September 2019 following article 11(2) of regulation (EC) no. 1225/2009 in the term of imports of prepared or preserved sweetcorn in kernels originating in Thailand, the EU Council announced on 20 September 2019 that there is no change in anti-dumping tax rates. If there is a change or increase in the above tax rate after 5 years, this may result in higher prices of the company's products in EU countries and affecting competitors in the market that does not meet the above requirements and it will make the company less competitive in the EU market.

## 2. Management Risks

### 2.1 The risk of major shareholders influencing the management policy

The Kittikhunchai family is a major shareholder of the company. The Company holds 72.33% of paid-up capital. (As of 31 December 2019). Therefore, the Company and / or minority shareholders may be exposed to the risk that major shareholders influence the policy making. Management in one direction. More than half of the shareholders are in the Board of Directors. The Board of Directors can make any decision. This can sometimes result in damage or damage to other shareholders.

However, the Company has Audit committee consisted of three independent directors from nine directors, all of audit committee members are known and accepted in society. This is to enhance efficiency and transparency in management. Through the mechanism of internal control and the balance of power of the Board. In addition, the Company has set up an internal audit department to act as an internal audit unit independent of the management and directly to the Audit Committee. With Code of Ethics and Code of Conduct the Company will strictly follow the guidelines of good corporate governance. The Company also defines its jurisdiction and establishes a power grid to approve transactions for each scope or limit. So with that check and balance procedures, the company is confident that all shareholders, including stakeholders with the company are treated fairly and equally.

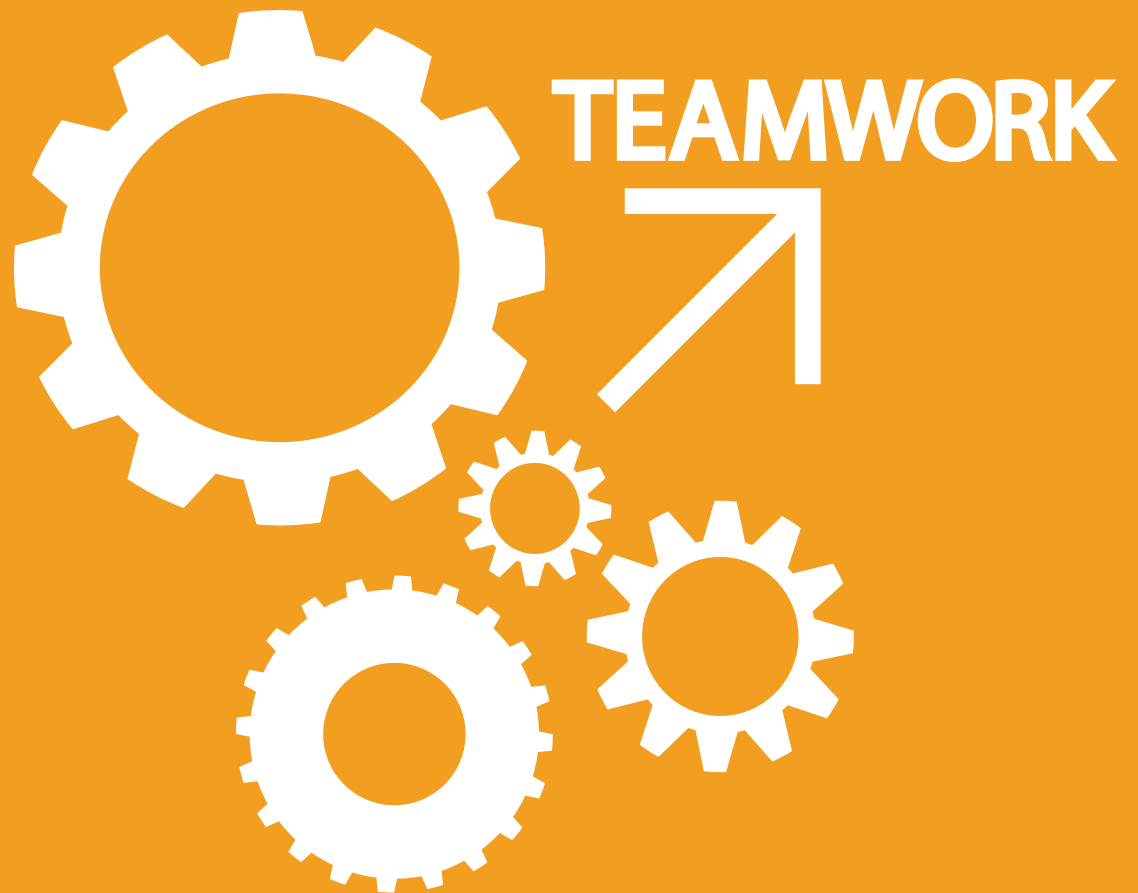
### 2.2 Risk from dependence on directors and executives in management

The current directors and executives of the company are Mr. Ongart Kittikhunchai, who is a director of the company. Chief Executive Officer And there are other people in the family. The executive and the major shareholder of the company in the proportion of 99.99% of the paid-up capital of the company before the IPO or 72.33% of the paid-up capital (as of December 31, 2019). In business for over 30 years, being a visionary and having direct responsibilities in policy formulation The direction and operation of the main business of the company. Therefore, if there is a change of such directors and key executives May cause the company to encounter problems in future business operations. Therefore, in order to diversify the management power and reduce the risk of relying on directors The company has organized the organization structure to appoint qualified directors with experience in management and business operations and allow executives at various levels Have more participation in decision making and direction of the company With decentralized management There is a clear set of authority and responsibilities in various work areas.

### 3. Financial risk

#### 3.1 Risk of foreign exchange volatility

The Company and its subsidiaries have over 200 clients in more than 50 countries around the world, including Asia, Europe, Africa and Middle East. Normally, sales are executed in the buyer's currency or the US dollar. During 2017 - 2019, export revenues accounted for 82.91%, 88.66%, and 83.34 of sales revenue respectively. Therefore, the Company and its subsidiaries may be exposed to foreign exchange volatility risk. As can be seen that in 2017 – 2019, the Company and its subsidiaries recorded a gain (loss) on foreign exchange of 22.35 Million Baht, (8.10 Million Baht), and 14.22 Million Baht respectively. However, in order to minimize the foreign exchange volatility risk, the Company has entered into Forward Contract with financial institution. In addition, the Company closely monitors and evaluates exchange rate risk (including the trend and direction of foreign exchange movements) by analyzing economic condition.



# Securities and Shareholder Information

## Registered capital and paid up capital

As of December 31, 2019, the Company's paid-up capital was Baht 215,000,000 divided into 430,000,000 ordinary shares with a par value of Baht 0.50 each.

## Shareholders

The list of major shareholders of the Company as of March 06, 2020 are as follows:

No.	Shareholder's Name		Amount of Shares (Shares)	Proportion (%)
1	Mrs. Jiraporn	Kittikhunchai	300,000,000	69.77%
2	Mr. Ongart	Kittikhunchai	9,000,000	2.09%
3	Mr. Boonchat	Ployjirachai	4,165,600	0.97%
4	Mr. Viboon	Trakulpoonsub	4,153,400	0.97%
5	Ms.Jitkanya	Rungnoktai	3,391,900	0.79%
6	SWAN INDUSTRIES (THAILAND) LIMITED		3,350,000	0.78%
7	Mr. Pipat	Paniangvait	3,339,100	0.78%
8	Mr. Sutikhum	Taesopapong	3,156,400	0.73%
9	Mrs. Sirikorn	Techanithisawad	2,206,500	0.51%
10	Ms. Morakot	Kittikhunchai	2,000,000	0.47%
11	Other shareholders		95,237,100	22.14%
Total			430,000,000	100.00%



## Dividend Policy

The company has the policy to pay dividends at the rate of no less than 50 percent of the net profit after deduction of all reserves as stipulated in the Company's Articles of Association and the law. If there are no other necessities, the dividend payment will not significantly affect the normal operation of the Company.

However, the dividend payment may change. This will depend on company performance. The Company's financial position, liquidity, investment plan, and other factors related to the management, necessity and other appropriateness in the future. Dividend payment will be under the authority of the Board of Directors. The resolution of the Board of Directors regarding the approval of the dividend payment must be submitted to the shareholders' meeting for consideration, except for the interim dividend payment. The Board of Directors is authorized to approve the interim dividend payment. The meeting must be informed at the next meeting.

Subsidiaries will consider the dividend policy proposed by the Board of Directors based on the performance and appropriateness of other factors.

### Detail of Dividend Distribution

Detail of Dividend Distribution (Million Baht)	2017	2018	2019
Net profit (Separate financial statements)	120.19	56.66	(42.16)
Legal reserve	8.50	2.90	-
Net profit (after deducting legal reserve )	111.69	53.76	(42.16)
Dividend paid	156.48 <sup>/1</sup>	43.00 <sup>/2</sup>	./ <sup>3</sup>
Dividend Payout Ratio (%) (After deduction of legal reserve)	140.10	79.98	-

Remark <sup>/1</sup> :

-The Extraordinary General Meeting of Shareholders No. 3/2017 held on May 11, 2017 passed a resolution approving the payment of interim dividend from not apportioned retained earnings as at 31 December 2017 (the latest audited financial statements paid at the considered time). The dividend was paid to shareholders at the rate of Baht 43.50 per share, totaling Baht 46,980,000. The dividend was paid to shareholders on May 22, 2017.

-The Board of Directors Meeting No. 3/2017 held on November 13, 2017 resolved to approve the interim dividend payment from not apportioned retained earnings as at 30 September 2017 to the shareholders. At the rate of Baht 0.15 per share, the total dividend payment was Baht 45,000,000 and the dividend payment was scheduled to be made on November 21, 2017.

-The Annual General Meeting of Shareholders of 2018 held on April 23, 2018 resolved to approve the dividend payment from the year 2017 to the shareholders whose names are listed in the shareholders list of the Company as at May 3, 2018, the total shares of Baht 430,000,000 at the rate of Baht 0.15 per share, totaling dividend payment of Baht 64.50 million

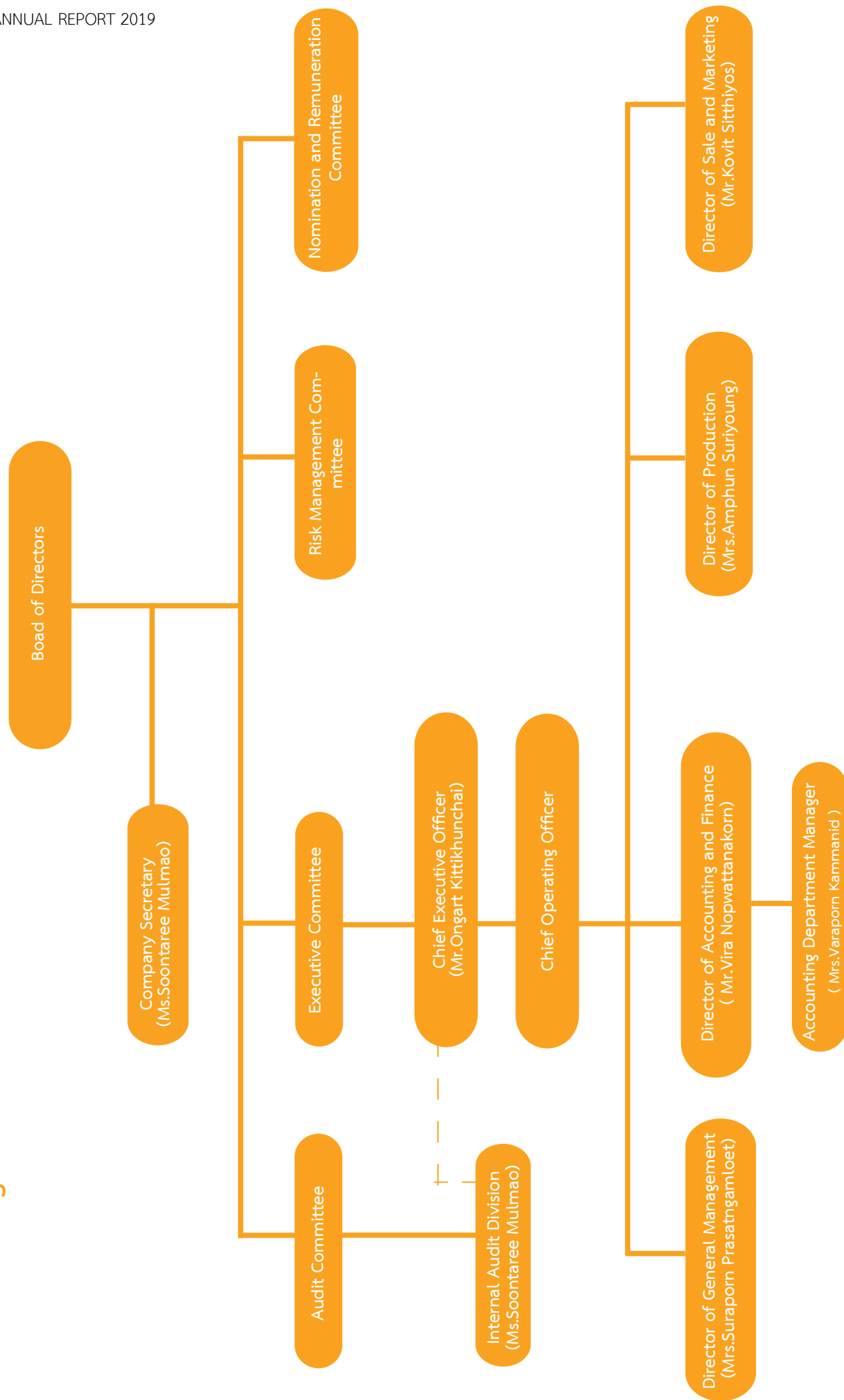
Remark<sup>/2</sup> :

- The Board of Directors Meeting No. 4/2018 on November 7, 2018 resolved to approve the interim dividend payment from the operating results between 1 January 2018 to 30 September 2018 to shareholders whose names are listed in the list of accounts. The name of the shareholder of the company as of 21 November 2018, amounting to 430,000,000 shares at the rate of 0.05 baht per share, representing a total dividend of 21.50 million baht and has paid dividends to the shareholders on December 6, 2018.

Remark <sup>/3</sup> :

- The Annual General Meeting of Shareholders of 2019 held on April 22, 2019 resolved to approve the dividend payment from the year 2018 to the shareholders whose names are listed in the shareholders list of the Company as at May 2, 2019, the total shares of Baht 430,000,000 at the rate of Baht 0.15 per share, totaling dividend payment of Baht 21.50 million and has paid dividends to the shareholders on May 17, 2019.

## Organizational Structure



## Board of Director

The names of the Board of Directors as at December 31, 2019 with 9 members are as follows:

Mr. Krairit	Boonyakiat	Chairman / Independent Director
Mr. Pichai	Kojamitr	Vice Chairman / Independent Director
Mr. Warapong	Nandabhiwat	Director / Independent Director
Mr. Anucha	Dumrongmanee	Director / Independent Director
Ms. Morakot	Kittikhunchai	Vice Chairman
Mr. Ongart	Kittikhunchai	Director
Ms. Jiraporn	Kittikhunchai	Director
Mrs. Suraporn	Prasatngamloet	Director
Mr. Chaivot	Suntivong	Director

Remark : With Ms. Soontaree Mulmao acting as the company secretary (Details of the company secretary appear in Attachment 1) Authorized directors: Mr. Ongart Kittikhunchai or Mrs. Jiraporn Kittikhunchai signed with Ms. Morakot Kittikhunchai or Mrs. Suraporn Prasatngamloet altogether two people and stamped with the company seal.

## Role of the Chairman of the Board of Directors

The Chairman and the Chief Executive Officer are not the same person. In order to clearly segregate the duties of policy and administration. The roles and duties of the Chairman are as follows;

1. Oversee the responsibilities of management in compliance with their strategic policies.
2. Give advice and support the the Managements' duties but do not participate in the routine management of the company
3. Calls the meetings and preside over the Board of Directors meetings and shareholders' meetings as well as determining the agenda of the meeting with the Chief Executive Officer.
4. Monitor the meeting effectively according to company policy and encourage all directors to express their opinions independently.
5. Support and encourage the Board of Directors' duties, responsibilities and the principles of good corporate governance.
6. Oversee and follow up on the performance of the Board of Directors and other sub-committees to achieve the company's objectives.
7. Decide in the case that the Board of Directors meeting votes are equal.

## Scope of Authority and Duties of the Board of Directors

1. To perform duties in accordance with the law, objectives, regulations of the company along with the resolution of the shareholders' meeting.

2. To consider and approve the appointment of qualified and non-prohibited persons as specified in the Public Limited Companies Act B.E. 2535 and the Securities and Exchange Act, -as well as announcements and / or regulations related to the director position, in the case where a director vacates for any reason other than the expiration of the term.

3. To consider the appointment of the Executive Director through the selection of the directors of the company or the executives of the company, as well as to provided scopes of duties and responsibilities of the Executive Directors.

4. To consider the selection of appropriate persons to be appointed as independent directors and audit committees, considering the qualifications and prohibitions of Independent Directors and member of the Audit Committee, in compliance with the Securities and Exchange Act, including the relevant regulations and / or regulations related of the SET. The Board of Director shall propose the appointment to the shareholders' meeting for further consideration of the appointment of the Independent Directors and the member of the Audit Committee of the company

5. To consider and approve the change of directors with the authority to perform the acts that bind the Company.

6. To appoint another person to operate the company's business under the control of the Board, or may authorize such person to have power and / or within the period as the Board deems appropriate. The Board may revoke, change or amend such powers.

7. To consider and approve the acquisition or disposition of assets of the Company unless the transaction shall be approved by the shareholders' meeting. The consideration of the approval must be in accordance with the SET's regulations and / or related regulations of the SET and other related organizations.

8. To consider and approve the connected transaction unless the transaction must be approved by the shareholders' meeting. The consideration of the approval must be in accordance with the SET's regulation and / or related regulation of the SET and other related organizations.

9. To consider and approve the interim dividend payment to shareholders upon the company's appropriate profits. The information of the dividend payment shall be reported to the shareholders at the next shareholders' meeting.

10. To determine vision, policy, direction of the company's business operation, business strategy, annual budget, and to supervise the management to ensure its compliance with the stipulate policy with efficient and effectiveness in order to maximize its economic value to shareholders and for the sustainable growth.

11. To be have consistent responsibility toward shareholders through the Operation to maintain their benefits, with the accurate, completed, standardized, and transparent disclosure of information.

12. To evaluate the director's performance and determine the remuneration of the directors and the senior executives.

13. To supervise the management to ensure the appropriate and effective risk management system.

14. To consider and make decisions upon important matters such as policies and business plans Of large projects, management power, acquisition or disposition of assets, and transactions stipulated by law.

15. To determine the authority and level of approval of transactions and the operations Related to the company's operations to parties or persons as appropriate which is in pursuant to related laws. The authorization of operation must be reviewed once a year.

16. To provide credible accounting system, financial reporting, and auditing, as well as appropriate internal control evaluation process.

17. To approve the nomination of auditors and to consider the annual audit fee in order to propose to the shareholders for further approval of appointment.

18. To report the Board of Directors' responsibility in the financial statements together with the auditor's report in the annual report as well as to include important matters Following the SET's Good Practices for Listed Companies' Directors policy.

19. To supervise operations of the sub-Committees to ensure their compliance with the company's charter or requirements.

20. The Board of Directors must perform self-evaluation and operational evaluation as a whole.

The directors who have or may have conflicts of interest or conflicts of interest with the Company shall have to no right to vote on that issue.

In addition, the following cases shall be approved by the Board of Directors' meeting and the meeting of shareholders with the votes of no less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote.

- (A) the sale or transfer of the business or substantial portion of the business of the company to other persons;
- (B) the purchase or acceptance of the business of a private company; Or other public companies, to the company's possession;
- (C) preparation, amendment, termination of contracts relating to the leasing of the company's business or a substantial business; authorization of power to other persons to manage the company or to merge the company with another company with the purpose of dividing profit and loss;
- (D) Amendment of the Memorandum or Articles of Association of the Company;
- (E) Increase or decrease of the Company's registered capital;
- (F) dissolution of the company's business;
- (G) issuance of debentures of the Company;
- (H) merger with other companies;
- (I) other matters prescribed under securities law and / or the regulations of the Stock Exchange of Thailand shall be subject to the approval of the shareholders' meeting. With the aforementioned votes such as acquisition or disposition of assets, connected transaction, etc.

## Directors' Term of Office

The Board of Directors is responsible for managing the Company's business operations. The term of office of the Board of Directors is in accordance with the Company's Articles of Association, i.e., at the Annual General Meeting of Shareholders, one-third (1/3) of the number of directors at that time, unless the numbers of directors cannot be divided into three parts, the closest numbers to one-third (1/3) of the directors who are vacated from the position may be re-elected.

For specific committees such as the Audit Committee, the term of office is three years, with one year being the period between the dates of the shareholders' meeting of the appointed year until next Annual General Meeting (AGM). A retiring director may be nominated and reappointed to the position. According to the delegation of authority and responsibility of the Board of Directors, there shall be no delegation of the authority or the authority that provides the power of approval of conflicts of interest transactions to the proxy or other persons with possible conflicts of interest. (As defined in the Notification of the Capital Market Supervisory Board) for both the company and its subsidiaries.

## Board of Directors' Meeting

1. The Board of Directors' Meeting is held once every quarter on a normal basis. The dates of the Board of directors' meetings are predetermined one year in advance so that directors can arrange their schedule to attend the meeting. However, additional meetings may be called if there are special matters that require the Board's approval.

2. In 2019, a total of 5 Board of Directors' Meetings were held which was appropriate for the duties and responsibilities of the Board and the operations of the Company in the previous year.

3. The meeting's invitation, agenda and relevant documents were sent to the directors at least 7 days prior to the meeting date to allow enough time for the directors to study the information before decision-making in consideration of any issue, the directors are entitled to look at or check the related documents and ask the management to provide additional information.

4. In every meeting, the management had been asked on questions raised by directors. The directors exercised careful, independent and transparent judgment with fair consideration for the interests of shareholders and stakeholders. Directors with vested interests in the matter under consideration must leave the meeting during consideration of that matter.

5. After the Board of Directors' Meetings, the minutes were prepared, approved by the Board and filed at the Company Secretary Office.

6. In the consideration of an issue, the management provides additional information and bring in outside consultants or experts to provide, at the company's expense.

Report on the holding of shares of Sunsweet Public Company Limited by directors and Executive Manager as at December 31, 2019

Name - Surname	2019		2018	Increase/ Decrease (shares)
	% to paid-up 430,000,000 (Shares)	No. of share (shares)	No. of share (shares)	
Mr.Krait Boonyakiat Chairman of the Board of Directors, Independent Director Spouse and minor child	0.03974 - -	170,900 - -	170,900 - -	- - -
Mr.Pichai Kojamitr Director, Chairman of the Audit Committee, Independent Director Spouse and minor child	- - -	- - -	- - -	- - -
Miss Morakot Kittikhunchai Director Spouse and minor child	0.46512 - -	2,000,000 - -	2,000,000 - -	- - -
Mr.Warapong Nandabhiwat Director, Audit Committee, Chairman of the Nomination and Remuneration Committee, Independent Director Spouse and minor child	- 0.03974 -	- 170,900 -	- 170,900 -	- - -
Mr.Ongart Kittikhunchai Director, Nomination and Remuneration Committee, Chairman of Executive Committee Spouse and minor child	2.09303 69.76745 -	9,000,000 300,000,000 -	3,000,000 299,999,600 -	6,000,000 400 -
Mrs.Jiraporn Kittikhunchai Director, Risk Management Committee Spouse and minor child	69.76745 2.09303 -	300,000,000 9,000,000 -	299,999,600 3,000,000 -	400 6,000,000 -
Mrs.Suraporn Prasatngamloet Director Spouse and minor child	- - -	- - -	- - -	- - -
Mr.Anucha Dumrongmanee Director, Audit Committee, Independent Director Spouse and minor child	0.03974 - -	170,900 - -	170,900 - -	- - -
Mr.Chaiyot Suntivong Director, Chairman of Risk Management Committee Spouse and minor child	0.02451 - -	105,400 - -	105,400 - -	- - -
<b>Total Shareholdings by Directors</b>	<b>72.46933</b>	<b>311,618,100</b>	<b>305,617,700</b>	<b>6,000,400</b>



Name - Surname	2019		2018	Increase/ Decrease (shares)
	% to paid-up 430,000,000 (Shares)	No. of share (shares)	No. of share (shares)	
Mr.Vira Nopwattanakorn Chief Financial Officer Spouse and minor child	0.01530	65,800	35,800	30,000
	-	-	-	-
Mr.Kovit Sitthiyos Director of Sales and Marketing Spouse and minor child	0.02000	80,000	45,400	34,600
	-	-	-	-
Mrs.Varaporn Kammanid Accounting Department Manager Spouse and minor child	-	-	50,000	(50,000)
	-	-	-	-
Mrs.Amphun Suriyoung Director of Production Spouse and minor child	0.01365	58,700	28,700	30,000
	-	-	-	-
<b>Total Shareholdings by Executive Manager</b>	<b>0.04756</b>	<b>204,500</b>	<b>159,900</b>	<b>44,600</b>

### Board Meeting Attendance for the Year 2019

Name - Surname		The Annual General Meeting of Shareholders for the year 2019	Board of Directors	Audit Committee	Risk Management Committee	Nomination and Remuneration Committee
Mr. Krairit	Boonyakiat	Attend	5/5	-	-	-
Ms. Morakot	Kittikhunchai	Attend	5/5	-	-	-
Mr. Pichai	Kojamitr	Attend	5/5	4/4	4/4	2/2
Mr. Warapong	Nandabhiwat	Attend	5/5	4/4	-	2/2
Mr. Anucha	Dumrongmanee	Attend	4/5	3/4	-	-
Mr. Ongart	Kittikhunchai	Attend	5/5	-	-	2/2
Ms. Jiraporn	Kittikhunchai	Attend	5/5	-	4/4	-
Ms. Suraporn	Prasatngamloet	Attend	5/5	-	-	-
Mr. Chaiyot	Suntivong	Attend	5/5	-	4/4	-

Remark: The Directors' numbers of meeting attendance per numbers of meetings.

## Management Team

The names of the management as at December 31, 2019 with 6 members are as follows:

1.	Mr. Ongart	Kittikhunchai	Chief Executive Officer
2.	Mrs. Amphun	Suriyung	Director of Production
3.	Mr. Vira	Nopwattanakorn	Director of Accounting and Finance
4.	Mrs. Suraporn	Prasatngamloet	Director of General Management
5.	Mr. Kovit	Sittiyos	Director of Sales and Marketing
6.	Mrs. Varaporn	Kammanid	Accounting Department Manager

Remark: The person who is entrusted with the highest responsibility in Accounting and Finance is Mr. Vira Nopwattanakorn. He graduated a Bachelor Degree in Business Administration (Accounting) from Ramkhamhaeng University. He has been in the position of Director of Accounting and Finance for more than 1 year.

The person who was assigned to supervise the account is Mrs. Varaporn Kammanid.

## Scope of Authority and Responsibilities of Chief Executive Officer

1. To control the company's business operations, Strategic planning, and daily general administration;
2. To make decision on important issues of the company, as well as to set objectives, guidelines, and policies of the company, including to control management of each divisions;
3. To have the authority of supervision, communication, order, and sign any legal contracts, order documents, and notices as stated in the manual of operational power;
4. To have the power to hire, appoint, transfer persons as CEO deems appropriate, as well as to determine scope of duties and appropriate remuneration, and to have the power to remove and misemploy staff in different levels as appropriate in pursuant to the manual of operational power;
5. To have the power to impose trade conditions for the benefits of the company;
6. To consider investing in new businesses or to cease the operation of the company's business and to further propose to the Executive Directors and / or the Directors of the company;
7. To approve and appoint advisors with the necessity to the operation of the Company's business;
8. To perform other duties as assigned by the Company's Executive Directors and/ or the Directors of the company.

The delegation of the aforementioned authority and responsibility of Chief Executive Officer, Chief Executive Officer shall comply with the terms and conditions and agendas approved by the Board of Directors, excluding the authority and / or delegation of power to approve any conflicts of interest transaction to the proxy or other persons with possible conflicts of interest (As defined in the Notification of the Capital Market Supervisory Board), who have an interest or in relation to which a conflict of interest may arise against the Company. The approval of aforementioned transaction shall be proposed to the meeting of the Board of Directors and/or the meeting of the shareholders (As the case may be) for further approval of the transaction as stated in the Articles of Association of the Company or the related law.

## Company Secretary

The Public Companies Act BE 2535, Section 89/15 stipulates that the Board of Directors shall appoint the Company Secretary to be have the responsibility on behalf the Company or the Board of Directors. The Board of Directors Meeting No. 1/2017 held on February 1, 2017 has resolution to appoint Ms. Soontaree Mulmao as the Company Secretary with the roles and responsibilities of the Company Secretary are as follows:

1. To prepare and keep the following documents.

(1) Directors Registration;

(2) Notice of the Board of Directors' Meeting, Minutes of the Board of Directors' Meeting, and the company's annual report;

(3) Notice of the Shareholders' Meeting, Minutes of the Annual General Meeting of Shareholders;

2. To keep a the conflict of interest report by the directors or the executives and to submit a copy of the report to Chairman and Chairman of the Audit Committee within seven working days from the date of receipt of the report;

3. To prepare the storing system for the document and related evidence as follows, including monitoring the storing of the documents to ensure accuracy, completeness, and accountability for a period of no less than 5 years starting from the storing date. The aforementioned storing system also includes computerized storage system and other systems which are retrieval without changing messages.

(1) To provide information for the proposition of resolution to the shareholders' meeting;

(2) Financial statements and other reports on financial statements and operating results of the company which are required to be disclosed in pursuant to section 56, section 57, section 58 or section 199 of the Securities and Exchange Act;

(3) Opinion of the Company when a tender offer from the shareholders is presented;

(4) To provide information or other reports on the Company's business which are prepared for the public dissemination as stated by the Capital Market Supervisory Board;

4. To perform other actions as prescribed by the Capital Market Supervisory Board;

5. Must perform duties with responsibility, caution, and integrity, as well as comply with laws, objectives, and regulations of the company, resolutions of the Board of Directors and shareholders, and shall not perform significant actions against or inconsistent with the Company's benefits;

6. Must perform duties with responsibility and caution as the reasonable entrepreneur, as such, shall act under the same circumstances

(1) The decision is made in good faith and reasonable for the the utmost of the Company ;

(2) The decision is made on the basis of information which is honestly believed to be sufficient and;

(3) The decision was made without direct or indirect conflict of interest

Upon the vacancy of the company secretary position or the company secretary cannot perform one's duties, the Board of Directors shall appoint a new Company Secretary within 90 days from the date of vacancy or failing to perform one's duties.

## Remuneration of Directors and Executives

### Monetary Remuneration

#### a) Directors' remuneration

The General Meeting of Shareholders for the year 2019 held on 22 April 2019 passed a resolution to approve the remuneration of the Board of Directors for the year 2019 of not more than Baht 3,000,000 excluding others benefits, with details as follows:

Position	Meeting Allowance in 2018	Meeting Allowance in 2019
<b>Board of Directors</b>		
Chairman of the Board	65,000 baht/person/time	65,000 baht/person/time
Directors	30,000 baht/person/time	30,000 baht/person/time
<b>Audit Committee</b>		
Chairman of the Audit Committee	20,000 baht/person/time	20,000 baht/person/time
Member of Audit Committee	15,000 baht/person/time	15,000 baht/person/time
<b>Nomination and Remuneration Committee</b>		
Chairman of the Nomination and Remuneration Committee	20,000 baht/person/time	20,000 baht/person/time
Member of the Nomination and Remuneration Committee	15,000 baht/person/time	15,000 baht/person/time
<b>Risk Management Committee</b>		
Chairman of the Risk Management Committee	20,000 baht/person/time	20,000 baht/person/time
Member of Risk Management Committee	15,000 baht/person/time	15,000 baht/person/time
<b>Executive Committee</b>		
Chairman of Executive Committee	20,000 baht/person/time	20,000 baht/person/time
Member of Executive Director	15,000 baht/person/time	15,000 baht/person/time

Directors are involved in the management business operations of the company with regular income will not be paid.

## Compensation of Directors for the year 2019

Name - Surname	Board of Directors	Audit Committee	Risk Management Committee	Nomination and Remuneration Committee
1. Mr. Krairit Boonyakiat	390,000	-	-	-
2. Ms. Morakot Kittikhunchai	None	-	-	-
3. Mr. Pichai Kojamitr	180,000	80,000	60,000	30,000
4. Mr. WarapongNandabhiwat	180,000	60,000	-	40,000
5. Mr. Anucha Dumrongmanee	150,000	45,000	-	-
6. Mr. Ongart Kittikhunchai	None	-	-	None
7. Mrs. Jiraporn Kittikhunchai	None	-	-	-
8. Mrs. SurapornPrasatngamloet	None	-	-	-
9. Mr. Chaiyot Suntivong	180,000	-	80,000	-

### b) Key Management Compensation

Key management Compensation	2017		2018		2019	
	Total (Persons)	Total Amount (Million Baht)	Total (Persons)	Total Amount (Million Baht)	Total (Persons)	Total Amount (Million Baht)
Salaries	7	20.62	7	20.78	7	21.47
Other compensation	7	3.82	7	0.65	7	0.68
<b>Total</b>	<b>7</b>	<b>24.44</b>	<b>7</b>	<b>21.43</b>	<b>7</b>	<b>22.15</b>

Note: <sup>1</sup>Other compensation include contributions to social security provident fund and bonus.

### Other Compensation

-None-

## Personnel

### Number of employees (Excluding management)

As at 31 December 2019, the Company has the following employees:

Number of employees	31 December 2017	31 December 2018	31 December 2019
Raw materials Department	16	16	12
Quality Department	28	28	31
Factory Department	24	21	22
Accounting department	10	11	9
Finance Department	4	4	5
Internal Audit Department	-	3	2
Purchasing Department	4	4	4
HR and IT Department	16	19	17
International Sale Department	23	23	22
Domestic Sale and Business Development Department	2	2	2
Production and Warehouse Department	66	93	61
Engineering Department	31	27	55
<b>Total</b>	<b>226</b>	<b>251</b>	<b>242</b>

### Total Remuneration for Employees

Unit: Million Baht

Number of employees	2017	2018	2019
Salaries	54.09	65.72	68.38
short-term benefit such as Social Security Contribution to provident fund and bonus.	6.95	5.86	3.36
<b>Total</b>	<b>61.04</b>	<b>71.58</b>	<b>71.74</b>

Note: The Board of Directors Meeting No. 2/2017 held on April 24, 2017 approved the establishment of a provident fund. Assigned to the company. Krung Thai Asset Management Plc. At the rate of 3% of salary, effective from June 15, 2017 onward.

### Major labor disputes over the past 3 years

- None -



## Employee Development Policy

The Company gives importance to employee development to enhance employees' knowledge and ability and to support and develop the ability of employees to be professional, create a quality of life and be proud of being part of the organization. The personal development plan is defined as an annual training plan to enhance work skills by doing training in the company and training course outside or other agencies. Welfare benefits provided serve as incentives in motivating the employees in the long run for long range in various forms.

Details of training for employees and executives in 2019 are as follows:

Average training hours per person equal to 43 hours

### Succession plan

The company has determined the key personnel in organization with the talent review process Individual development plan. Human Resources, together with the management of each department, will jointly evaluate an employee's potential and Individual Development Plan clearly, to ensure that employees and organizations will benefit from the succession plan's objectives.

The company provides health benefits to employees as follows:

- Personal Accident insurance for staff who have regular work outside.
- Travel insurance for staff who travel for work abroad.
- Annual health check.
- Health checking for risk factor related work
- Provide a standard medical room with standby certified nurse.

The company organizes activities for employees to participate with the company as follows:

- Songkran Festival
- Buddhist Lent Day activities
- To make merit by offering new yellow robes to Buddhist monks
- Religious days
- Tree Planting Activity

### Complaints channels and complaints handling process of employees

To promote and encourage labor practices according to the Code of Business Conduct and Labor Practices Principles The company provide the channel(s) for employees to express their recommendation or whistle blowing which may bring damages to the company, the employee's unlawful actions or unethical actions, in writing and send them to the executive or responsible manager.

**Employees who want to express complaints, can send them in 2 ways:**

1. Write a complaint letter in the red box beside the office.
2. Inform directly by informing the human resource department manager or the labor relations officer.

### **Employee Complaint Management Process**

1. Employees send complaints.
2. The management is open the red box to bring complaints to check.
3. The human resource manager receives a letter of complaint from the management to proceed or send to the relevant department as the operator.
4. Labor Relations Officer Summary of monthly complaints.
5. The chairman of the welfare committee in the company arranges for a meeting to summarize the results of the rectification of complaints, requiring 3 months / time.
6. Labor Relations Officer Make a meeting invitation letter to the welfare committee in the workplace.
7. Labor Relations Officer Prepare a meeting report.

## Good Corporate Governance

### Code of Conduct

The Board of Directors' Meeting No. 1/2017 (first time after change company status) on September 5, 2017, has approved the policy on corporate governance in accordance with the guidelines of the Stock Exchange of Thailand to ensure transparency in the operation of the company at all levels, both working staff and executive level, the executive board as well as the board. For the benefit in the long run of the shareholders, customers Investors and the general public. The Code of Business Ethics and the Code of Conduct, serve as a guideline for the directors' performance for the executives govern in line with Code of Best Practice for Code of Best Practice in keeping with Good Corporate Governance principles set by the Stock Exchange of Thailand.

The essence of corporate governance is divided into 5 categories; Right of Shareholders, Equitable Treatment of Shareholders, Roles of Stakeholders, Disclosure and Transparency, and Responsibilities of the Board.

Additionally, in 2018 the Company made further improvements in the contents of the handbook on Business Ethics and Code of Conduct; through adding relevant information relating to Principal of Corporate Governance Code for listed companies 2017 of the stock exchange of thailand by propose to the Board of Directors for approval in the meeting. The board of director verified the performance that able to practice and found that the performance was in accordance with the stipulated policy and work processes, except for a few matters that has been record in the resolution of the Board of Directors Meeting .

This updated Handbook was communicated and distributed to all Board of Directors, executives and all employee within the company. This is so that they will fully understand the required operating behavior guidelines in a correct manner. They will all discharge their duties and responsibilities with honesty, full adherence to all relevant laws, transparency, strict observance of the principles of fairness and positive morals, such as positive moral standards together with fairness, transparency . They will not to be involved with any conflict of interests situations, and not to act in any way that violates or infringes on the intellectual property rights of others.

In the year 2019, the Company prepared the Business Partner Code of Conduct for customers, raw material suppliers and key suppliers, both domestically and internationally, to sign for acknowledgment as a guideline for Conducting business in the same way as companies that operate

### Chapter 1: Rights of Shareholders

The Board of Directors recognizes the importance of the fundamental rights of shareholders. The principle is to treat the shareholders fairly. And in accordance with the law, such as the right to buy, sell and transfer shares. Right to receive dividends Right to receive information of the company. Right to attend the shareholders' meeting The right to vote on various agendas. The proxy holder shall have the right to vote in the meeting. The right to appoint directors and auditors Right to express opinions and ask questions at the shareholders' meeting. The right to propose agenda and nominate director in advance and do not do any acts that violate or destroy the rights of shareholders.

#### 1. Meeting of Shareholders

The Company has held the Annual General Meeting of Shareholders. In accordance with the regulations of the Stock Exchange of Thailand, following the guidelines of the shareholders meeting of the Office of the Securities and Exchange Commission (SEC).

1.1 Company discloses the policy to support or encourage all groups of shareholders to attend the shareholders' meeting.

1.2 The company ensures the provision of information, date, time, venue and meeting agenda with explanation and reasons for each agenda or the requested resolution as indicated in the invitation to the Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders or in the attachment of the agenda.

1.3 The Company provides facilitation to shareholders to completely exercise their right to attend the meeting and vote and refrain from any action which limit the meeting opportunity of the shareholders such as process of the meeting attendance to vote should not be difficult or overexpensed, the venue should be convenient to access, etc;

1.4 The Company allows shareholders to submit their questions prior to the meeting date with specific information of submitting questions in advance which is informed with the meeting invitation letter. In addition, the information is posted on the Company's website;

1.5 The Company encourages shareholders to use proxy forms in which the shareholders can set the voting direction and the shareholders shall propose at least one independent director as an alternative to the shareholder's proxy.

## 2. Operations of the Shareholders' Meeting

2.1 The Company has promoted the use of technology for the shareholders' meeting in term of registration and voting counting and displaying result which help the meeting operation to be rapid, correct, and accurate;

2.2 All directors should attend the shareholders' meeting so that the shareholders can ask questions to Chairman of each sub-committee on related matters.

2.3 At the shareholders' meeting, the vote shall be performed for each agenda;

2.4 The Board of Directors should promote or prepare an independent person with the responsibility of counting or monitoring votes at the the general meetings and extraordinary meetings of the shareholders of which are disclosed to the meeting for acknowledgement and and recorded in the minutes;

2.5 The Board of Directors should encourage the use of ballots in important agenda such as connected transactions, acquisition or disposal of assets, etc., for transparency and accountability, in case there are future arguments;

2.6 Chairman of the meeting should allocate appropriate time and encourage the shareholders to express their opinions and questions relating to the company at the meeting;

## 3. Preparation of the report and the resolution of the shareholders' meeting

3.1 Minutes of the shareholders' meeting will record explanation of the voting procedure and the method of score displaying to the meeting for acknowledgement prior to the meeting with the opportunity for the shareholders to ask questions. In addition, the record shall include questions, answers, and voting results of each agenda whether there are approvals, objections, and abstentions, as well as list of directors attending the meeting or taking leave.

3.2 The Company will disclose the voting results of each agenda of the shareholders' general meeting and the shareholders' extraordinary meeting to the public through the Company's website.

## Chapter 2: Equitable Treatment of Shareholders

The establishment of confidence among shareholders, with the assurance that the Board of Directors and the management shall monitor the appropriate use of shareholders' fund, is an important matter toward the investment confidence with the Company. Therefore, the Board of Directors shall monitor the shareholders' equitable treatment and basic rights to ensure their protection as follows:

a) The right to appoint a proxy to attend the shareholders' meeting and cast their votes.

When a shareholder can not attend the meeting in person, he/she can exercise the right to appoint a proxy or another person or independent director of the company to act on one's behalf. When the independent director is a proxy, the shareholder shall submit the proxy form indicating complete information and one's copied identification card or passport or any other identification document as specified to the Company prior to the meeting date.

b) The right to propose additional agendas

The Company allows shareholders to propose additional agendas in addition to the agenda of the Annual General Meeting (AGM) of Shareholders. The additional agenda can be proposed according to the following processes:

- To submit the proposed agenda to be included in additional agendas with reasons, details of facts, and necessary information in the meeting agendas of the shareholders' general meeting;
- The Company will examine the shareholdership and the shareholder of the shareholder who propose the additional agenda and the shareholder's registration as of the book closing date. The consideration criteria for the proposition of the additional agenda is the agenda must be significantly related to or affects the Company's business operation. Upon the resolution to approve the additional agenda by the Board of Directors, the agenda shall be included in the shareholders' meeting agenda indicating that it is proposed by the shareholder

c) The right to nominate a person to be a director

A shareholder has the right to nominate a person to be director under The Company's right reserve to consider eligible persons with following criteria:

- A person must be qualified and shall not possess prohibited characteristics by law as stipulated by Limited Public Company Act, Securities and Exchange, and the Good Corporate Governance principle;
- A person shall possess educations, work experiences, or other qualifications as specified by the Company or as the Nominating Committee deems appropriate;
- Must devote sufficient time. And fully dedicated to the maximum benefit of the company. It is a duty and always ready to attend the meeting.
- A person shall not in the position of Director of more than 5 listed companies

The Independent Directors will consider the qualified candidates to propose to the shareholders' meeting for approval. If the meeting of the independent directors choose not to propose to the shareholders' meeting, the candidate will be proposed to the shareholders' meeting for the consideration with an opinion of the Board of Directors and the resolution of the shareholders' meeting is finalized. The documents required from the shareholders in order to nominate the candidate for the position, namely, (1) Director of Nomination Form; and (2) Information of the candidate attached with shareholding certificate, issued by securities companies/agents, signed by the owner of the information for approval and guarantee. The documents must be mailed with registration to the Company within the specified period.

d) Prevention of Use of inside information

The Company has a policy to restrict the use of inside information to only the middle to high level executives within the related department or company. The previous audited financial statements will be retained with the Director of Accounting and Finance Department. While other confidential information will be used for consulting with individuals at the managerial level only. The Company has penalties for relevant persons when there is a misuse of inside information to cause the damage of the Company. In addition, the Company requires directors and executives to report their shareholdings of the Company held by their spouses and minor children to the SEC and the Company.

e) Supervision of Insider Trading

The Company has no policy for employees, executives, and insider information on the Company's operating results to trade the company's securities, starting from the date of the acknowledged information till the disclosure of the information to the public. It is forbidden to disclose internal information that shall not be disclosed to the public in order to increase the price of the securities, especially within the period of one month prior to the disclosure of the financial statements to the public and within 24 hours after the disclosure of such financial statements.

In addition, the Directors and the Executives of the Company must report the change in the Company's securities holding to the Office of the Securities and Exchange Commission in pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 and acknowledge the penalty under the Securities and Exchange Act. B.E. 2535, including the report of the shareholding changes of spouses and minor children. The Directors and Executives shall submit a copy of the report to the Company on the same day as the report being submitted to the SEC which is within 3 official days.

### Chapter 3: Roles of Stakeholders

The Company places a great importance on the supervision of all stakeholders such as customers, employees, business partners, shareholders, investors, creditors and the communities where the Company is located. All stakeholders will be taken care of by the Company with the rights following related laws. The company shall not do anything that violates the rights of the stakeholders as stipulated by laws or as agreed. The Company has considered stakeholders' participation encouragement process following roles and duties to strengthen the Company's growing operation as well as to build sustainable security to the business and to provide fair benefit to all parties. In addition, the Company also prepares channels for stakeholders to communicate, suggest, or provide information to the independent directors or Audit committee of the Company.

The Company has considered the participation encouragement process between the Company and its stakeholders in order to establish wealth, financial stability, and corporate sustainability as follows:

- To place the emphasis upon all levels of the Company's employees appropriate remuneration with capability of each employee, together with the focusing on consistent proficiency development, including placing the importance upon taking care of the workplace environment with the work safety awareness and quality of life of employees.

The company is aware of safety, health and environment that is an important aspect of business operations and sustainable business growth. Therefore, there are safety policies as follows;

- 1) Work safety is the first responsibility in the work of all employees.
- 2) The company will support, promote the improvement of working conditions and the environment to ensure safety.
- 3) The company will support the promotion of various safety activities that will instilling a safety mindset in all the staff.
- 4) All employees always must consider their own safety and colleagues. As well as company assets is important.
- 5) All employees must take care of cleanliness and readiness in the workplace.
- 6) All employees must cooperate in the company occupational health safety project. And have the right to express opinions to improve working conditions and working methods to be safe.
- 7) Reduce an accident and the lost time injury frequency.

The company has provided a work safety manual and trained employees to know about the safety policy cause of the accident, preventive measures and specific operations to be safe for new employees also set up the appropriate refresher course during the year. In addition, there are morning talk which regularly inform workers before start working.

In 2019, the Company has been set up to oversee and train employees about various situations that may occur, to implement various safety and protection programs and systems. For example, basic fire fighting training and fire evacuation drills, first aid training, driving a forklift with safety, electrical safety training and Training for safe chemical operations in case of spills or leakage.

#### Statistics on accidents or illness rates caused by work year 2019

Number of accidents during the year lost time injury not more than 3 days.	28 times
Number of accidents during the year year lost time injury more than 3 days.	13 times
The number of employees died from work-related accidents.	None
Number of day due to accidents, lost time injury.	245 days

- The purchase of products and services suppliers shall follow trade agreement with the strict compliance to mutual contracts in order to build beneficial long-term relationship between the two parties.

#### Criteria for selecting partners

- The company attaches importance to partners with good reputations. Professional and adhering to the same ethics as the company with the following criteria.
- Produce or distribute quality products that meet the customer needs and can be inspected.
- Offer competitive prices
- have potential production, selling products and delivery on time.
- have after-sales Service or supporting businesses that promote company strategies
- Be a good trade partner and exchange experiences with each other to lead mutual business development and benefit both parties.

#### Compliance with payment terms and the loan following the agreement

- The company has assigned conditions and practices with creditors which are various financial institutions that have supported financially to the company appropriately with the business conditions. The company oversee the company's financial status to ensure that the company able to control financial risks and be ready to comply with the terms and conditions of the loan agreement as follows:
- Strictly comply with contracts or agreements with creditors. If it cannot be implemented, the negotiation must be made with the creditor in advance to find a solution and prevent damage.
- Determinate management has led to being confident in financial status and good debt serviceability of the company.
- Manage loans following the purpose of using funds. Do not use money in ways that may cause damage to the company.
- Disclosing complete, accurate, and timely financial information to creditors
- To be attentive and responsible to customers in terms of product quality and good standardized service, keeping customer's confidentiality, and the emphasis upon on fair and equitable pricing under the pricing policy.
- To comply with the rules. A good competition by avoiding dishonesty in order not to destroy a competitor.
- To place an importance and provide responsibility toward nearby communities and society, concerning environment, as well as to support public benefit activities of the society and to develop environment of communities and society for a better living as considered appropriate.

### Section 4: Disclosure and Transparency

The Company places an importance to the disclosure of information which is under the supervision of The Board of Directors to ensure the correctness, accuracy, on-time, and transparency of the Company's important information either financial information or non-financial information. The information is disclosed through easily accessible channels as stipulated by law with equality and reliability. The important information of the Company which will be disclosed are financial information and non-financial information which may affect the Company's securities price. This is in accordance with the requirements of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand.

The Company will ensure that the quality of its financial reports is accurate and in compliance with generally accepted accounting standards and audited by independent auditors certified by the Office of Securities and Exchange Commission. In addition, the Company will disclose the following information in order to illustrate the transparency of business operations, namely, the disclosure of information on the Board of Directors and the Audit Committee such as numbers of meetings and meeting attendance of each Directors in the previous year, the disclosure of remuneration policy for Directors and senior executives, including types and characteristics of compensation, and the report of the corporate governance policy and policy compliance results. The above information, apart from disclosing to the public through the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand, it will be disclosed through the Company's website.

## Chapter 5: Responsibilities of the Board

The Board of Directors consists of qualified, knowledgeable, and various experiences such as marketing, finance, accounting, management Which can bring experiences that have been developed and formulated policies that will benefit the business of the company by the Board of Directors is independent in making decisions for the best interests of the Company's business operation. The Board of Directors must be independent in decision making for the utmost benefit of the Company and the shareholders as a whole with important duties of policy establishment as well as monitoring and examining the operation of the management, including assessment of the performance in comparison with the plan. The 9 members of the Board of Directors consists of 4 Executive Directors, 5 Non-Executive Directors, and there are 4 Independent Directors of which accounting for more than one-thirds of the total members of the Directors as an appropriate check and balance between the Directors. In addition, the Company appoints the Audit Committee which consists of three Independent Directors with a three-year term of office. The scope and the operating authority of the committee is clearly stated in the Charter of the Audit Committee.

The Company has clear and transparent remuneration process which is proposed to the shareholders 'meeting for the approval. The shareholders 'meeting will consider the appropriateness of directors' remunerations within the scope of duties and responsibilities of each Director to ensure that the remunerations are at the motivating level which helps retention of the proficient Directors in that positions and providing their duties with the Company. The remuneration can be comparable to the remuneration of directors in the same or similar industry.

Every director of the Company understands one's duties and responsibilities as a Director. of the Company with readiness to freely express one's opinions and keep oneself up to date. At all time, including perform one's duties with complete and sufficient integrity, caution, and carefulness with the realization of the utmost benefit of the Company and fairness to all shareholders. In addition, every director is devoted to fulfil one's duties with complete and sufficient responsibility, including the meeting attendance unless necessary reason.

In addition, the Board of Directors also emphasizes adequate information disclosure to shareholders, investors and all related parties involved. The disclosures information must be accurate, complete, transparent thorough, and on-time, this includes financial reports, other operating results, and other related Information, as well as information which may affect the Company's securities price as stipulated in the Good Corporate Governance Principles. All information and news shall be distributed to the shareholders, investors, and related persons for their investment decision through several channels either mailing service or the channels of the SET and the SEC, including the Company's website after the Company's shares being listed on the SET.

The communications of operational performance, financial and non-financial information to stock analysts, investors and shareholders during 2019 were as follows:

- Participated in three Opportunity Days by the SET
- Participated in mai FORUM 2019 on 13 July 2019



### Performance evaluation of the Board of Directors And the sub-committee

The Board of Directors requires that the Board Self-Assessment will be evaluated annually by using the assessment form that the company Improvement from the example of the Stock Exchange of Thailand and the preparation of 3 evaluation forms as follows: 1) Self-assessment as a whole basis of Board of Directors 2) Self-assessment as a whole basis of each sub-committee which consists of 3 sub-committees: 2.1) Audit Committee 2.2) Nomination and Remuneration Committee and 2.3) Risk Management Committee 3) Self-assessment on an individual basis of Board of Directors to be used as a framework for monitoring the performance of duties of the Board of Directors that the company has implemented the corporate governance policy that has been approved and / or in accordance with the Good Practices to improve the performance of the Board of Directors in accordance with the policy guidelines.

Performance evaluation process of the Board and sub-committees each group is as follows;

- 1) Board of Directors review and approved the evaluation form to ensure accuracy and completeness.
- 2) Company Secretary send the self-evaluation form to the directors within December of each year.
- 3) Director perform an evaluation form and returning the company secretary within January of every year.
- 4) Company Secretary summary the assessment results for the Board of Directors to acknowledge.
- 5) The company secretary brings the evaluation results and additional comments from the board of directors to prepare a plan for improvement.

Criteria	Board of Directors a whole basis	3 Sub-committee a whole basis	Board of Directors an individual basis
Structure and Qualification of the Directors	/	/	/
The Board of Directors' Meetings	/	/	/
Performance of the Board of Directors	/	-	/
The Relationship with the Management team	/	-	-
Self-development of the Directors and the development of the Executives	/	-	-

scoring choices

- 0 = There has been no implementation of the matter
- 1 = There has been little implementation of the matter
- 2 = There has been initial implementation of the matter
- 3 = There has been progressive implementation of the matter
- 4 = There has been complete implementation of the matter
- N/A = No information or not available

Performance Level Scale Score Ranges

- 1. Score Range more than 90 % - Very Good
- 2. Score Range 80 – 90 % - Good
- 3. Score Range 70-80 % - Satisfactory
- 4. Score Range less than 70 % - Need to be improved

Performance evaluation of the Board of Directors and The Board of Directors and Sub-committee for the year 2019 are as follows:

Board of Directors	a whole basis	The average score is 3.39 or 84.74 %
Audit Committee	a whole basis	The average score is 3.70 or 95.50 %
Nomination and Remuneration Committee	a whole basis	The average score is 3.05 or 76.25 %
Risk Management Committee	a whole basis	The average score is 3.61 or 90.25 %
Board of Directors	an individual basis	The average score is 3.68 or 92.00 %

CEO evaluation by each individual member of Board Directors . The Criterion of evaluation are as follows:

- |                                   |   |
|-----------------------------------|---|
| 1) Leadership                     | 6) External Relations                   |
| 2) Strategy formulation           | 7) Human Resources Management/Relations |
| 3) Strategy execution             | 8) Succession                           |
| 4) Financial planning/Performance | 9) Product/Service Knowledge            |
| 5) Relationships with the Board   | 10) Personal Qualities                  |

Average score of CEO's performance evaluation for the year 2020 is 3.37 or 84.14 %

By the way , Board of Directors also determine the oversight of the management team as to operate the Company's businesses in accordance with the stablished policies, goals and the company's strategy while the management report the operating results in the meeting every quarter. Including review the vision, mission, and strategy as well

### Director orientation and development

The company has created a guidebook for new directors to be aware of the company information, objectives, regulations, and important policies, which are necessary for performing duties and providing opinions at the meeting, and if a director who has not previously received the Director Certification Program (DCP) from the Institute of Directors Thai Company Board (IOD), the company will arrange to attend such training courses to help the directors perform their duties in corporate governance effectively.

In addition, the company gives the directors the opportunities to participate in various activities of the company to strengthen good relations with the management, as well as having the opportunities to meet and exchange experiences with various companies including government agencies and the private sectors to support the strategy of the organization.

In 2019, directors participated in activities organized by the company such as sweet corn event, innovation and agricultural technology event THAIFEX - World of Food ASIA 2019.

Director / Chief Executive Officer attended the Chief Transformation Officer: CTO Course from the Stock Exchange of Thailand.

## Sub-Committees

On September 5, 2017, the Board of Directors's meeting No.1/2017 (First time after the transformation to public company limited) has a resolution to approve the scope of duties and responsibilities of the four Sub-Committees, namely, the Audit Committee, the Executive Committee, the Risk Management Committee, and the Nomination and Compensation Committee as follows:

### Audit Committee

As of December 31, 2019, the names of the Audit Committee consisted of 3 members.

- |                 |              |                                 |
|-----------------|--------------|---------------------------------|
| 1. Mr.Pichai    | Kojamitr     | Chairman of the Audit Committee |
| 2. Mr. Warapong | Nandabhiwat  | Audit Committee                 |
| 3. Mr. Anucha   | Dumrongmanee | Audit Committee                 |

Miss. Soontaree Mulmao is the Secretary of the Audit Committee. Appointed by the Board. Member of the Audit Committee 1/2018 on 19 February 2018

Remark: - The member of the Audit Committee with experiences in auditing the credibility of the financial statements is Mr. Anucha Dumrongmanee who holds a bachelor's degree in Faculty of Business Administration ,Department of Accounting from Chiang Mai University and has worked in a position as Director of Finance and Accounting at Mandarin Oriental Dhara Dhevi, Chiang Mai and held the position, Director of Finance and Accounting at the Asia Pacific at the Starwood Hotels Singapore office.

### Scope of Authority and Responsibilities of the Audit Committee

1. To review the financial statements to ensure their accuracy as well as their adequacy of disclosure with the coordinating of external auditors and executives who are responsible for quarter and annual preparation of financial statements.
2. To review the Company's internal control system and internal audit system to ensure their appropriateness and effectiveness.as well as to consider the independency of the internal audit unit, and to provide opinion on consideration of appointment, transfer and dismissal of the head of the internal audit unit or other units which are responsible for matters relating to internal audits. It may provide suggestion of reviewing or examining any transaction which may be deemed necessary and important of which will be proposed with important and necessary improvement of the internal control system to the Board of Directors by reviewing with the external auditors and the internal audit manager;
3. To review the compliance with the Securities and Exchange, the Stock Exchange of Thailand's regulations, rules, regulations and other laws relating to the Company's business;
4. To consider the selection and nomination of an independent person to be the Company's auditor and to propose such person's remuneration to the Board of Directors, as well as to attend a non-management meeting with the auditor at least once a year;
5. To review the internal audit plan of the Company by generally accepted standards;
6. To consider connected transactions or transactions with possible conflicts of interest to ensure their compliance with laws and the SET's regulations as well as the accuracy and the completeness of the disclosure of the Company's information in such matter. The transactions must be reasonable and provide the utmost benefit to the Company;
7. To review the appropriateness and efficiency of the Company's risk management system;
8. To report the performance of the Audit Committee to the Board of Directors at least 4 times a year;

9. To prepare and to disclose the report of the Audit Committee in the Company's Annual Report, which must be signed by the Audit Committee's Chairman and the report shall consist of at least the following information:

- 1) An opinion on the accuracy, completeness and reliability of the Company's financial report.
- 2) An opinion on the adequacy of the Company's internal control system;
- 3) An opinion on the compliance with the the securities and exchange law, the SET's regulations, and agencies or laws relating to the Company's business;
- 4) An opinion on the suitability of the auditor;
- 5) An opinions on connected transactions or transactions that may have conflict of interest;
- 6) The number of the Audit Committee meetings and the attendance of such meetings by each member of the Audit Committee;
- 7) An opinion or overall comment received by the Audit Committee from the performance of duties under the Charter;
- 8) Other transactions, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors;

10. To jointly giving opinions on the consideration of appointment, removal, evaluation of the performance of the internal audit unit's officers;

11. According to the scope of duties, the Audit Committee has a power to invite the relevant Company's management/ executives/ or officers to provide comments, attend a meeting, or submit relevant or necessary documents;

12. The Audit Committee has an authority to hire consultants or outsiders in accordance with the Company's regulations or as authorized by related laws or organizations to provide comments or advice if necessary;

13. The Audit Committee must evaluate the performance by self-assessment and report the results of the evaluation, together with problems and obstacles that may cause the operation to fail to achieve the purpose of setting up the Audit Committee to the Board of Directors of the Company for acknowledgement every year;

14. To review and improve the Charter of the Audit Committee.

15. To perform other tasks as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

### Term of Office of Audit Committee

The Audit Committee has the term of office is three years, meaning the period between shareholders' general meeting to shareholders' general meeting in next year. A retired member of the Audit Committee may be nominated and reappointed to the position.

### Executive Committee

As at December 31, 2019, the Company has 5 members of the Executive Committee

- |    |               |                |                                   |
|----|---------------|----------------|-----------------------------------|
| 1. | Mr. Ongart    | Kittikhunchai  | Chairman of Executive Committee   |
| 2. | Ms. Morakot   | Kittikhunchai  | Vice Chairman Executive Committee |
| 3. | Mrs. Jiraporn | Kittikhunchai  | Executive Director                |
| 4. | Mr. Sanit     | Sresuwan       | Executive Director                |
| 5. | Mr. Vira      | Nopwattanakorn | Executive Director                |

## Scope of Authority and Responsibilities of the Executive Committee

1. To control the management of the Company to ensure its compliance with the policy stipulated by the Board of Directors and to report the operating results to the Board of Directors. At the meeting of the Executive Committee, there must be the Directors attending the meeting no less than half of the members of the Executive Committee. The resolution of the Executive Committee must receive a majority of votes from the meeting and at least half of the votes from all members of the Executive Committee.
2. To determine the stipulation of authority and level of approval of each person with appropriation and to provide separation of duties which may lead to fraud, including procedures of transaction with major shareholders, directors, executives or related persons with appropriateness in order to prevent any transfer of benefits. These shall be proposed to the Board of Directors for approval of the principles. The committee also controls the implementation of the approved principles and regulations.
3. To consider the annual budget and budget expenditure process to be proposed to the Board of Directors and supervise the budget expenditure approved by the Board of Directors.
4. To consider and improve the business plan of the Company to ensure its appropriateness for the benefit of the Company.
5. To consider the approval of the investment and determine investment budget as stipulated in the Operation Authority Handbook.
6. To consider execution of binding contracts with the Company by as stipulated in the Operation Authority Handbook.
7. To be responsible for the sufficiency of important information of the company used for the making decision of the Board of Directors and shareholders, as well as to provide credible financial report in pursuant to good standards with transparency
8. To consider the profit and loss of the Company and propose the annual dividend payment to the Board of Directors.
9. To consider the establishment of a new business or termination of the business and propose to the Board of Directors
10. To supervise the operation process for the operator to immediately report any unusual or abnormal activity or illegal action to the Executive Committee. Upon the occurrence of the event that has significant impact, the report to the Board of Directors's acknowledgement for further consideration of correction within a reasonable period of time.
11. To perform any action to support the above operations or the opinions of the Board of Directors or as delegated by the Board of Directors.
12. To propose any matter resolved and/ or approved by the meeting of the Executive Committee and such matter shall be reported to the Board of Directors for acknowledgement at the next Board meeting

The aforementioned of the delegation of authority and responsibility of the Executive Committee does not include authority and/ or delegation of authority period to approve any transaction of one or other with possible conflict of interest (as defined in the Notification of the Capital Market Supervisory Board), any conflict of interest or benefit against the Company. The approval of such transaction must be proposed to the meeting of the Board of Directors and / or the shareholders' meeting (as the case may be) to consider the approval of the transaction in pursuant to the company's regulations or the related laws and organizations

## Risk Management Committee

As at December 31, 2019, the Company has 3 Risk Management Committees

1. Mr.Chaiyot      Suntivong      Chairman of The Risk Management Committee
2. Mr. Pichai      Kojamitr Risk      Management Committee
3. Mrs.Jiraporn      Kittikhunchai      Risk Management Committee

## Scope of Authority and Responsibilities of the Risk Management Committee

1. To define policies and structures for risk management in order to propose to the Executive Committee in pursuant to the risk management guidelines of the Stock Exchange of Thailand and the Association of Internal Auditors of Thailand.
2. To provide strategy following the risk management policy to ensure the monitoring and controlling of each type of risks to be at acceptable level with the participation of risk management and control of other units
3. To evaluate corporate risk and determine risk management approach to be at acceptable level as well as to ensure that the risk management is in accordance with the established procedures
4. To review the risk management policy and improve its efficiency and effectiveness of the risk controlling
5. To have the authority to call upon related persons to clarify or to appoint and assign roles to risk management officers at all levels with appropriateness who will report to the Risk Management Committee to ensure the achievement of the risk management's objectives
6. To report the results of the risk management to the Executive Committee and the Audit Committee for further quarterly proposing to the Board of Directors
7. To prepare the risk management manual.
8. To identify all aspects of risks and analyze and evaluate possible risks which may occur, including trends which affect the Company
9. To provide plan as a risk protection or reduction
10. To evaluate and prepare the risk management report
11. To organize the integrated risk management system by linking to the information technology system
12. To perform other duties as assigned by the Board of Directors.

## Nomination and Remuneration Committee

As at December 31, 2019, the Company's Nomination and Compensation Committee consists of 3 members as follows:

- |    |              |               |   |
|----|--------------|---------------|---|
| 1. | Mr. Warapong | Nandabhiwat   | Chairman of the Nomination and Remuneration Committee |
| 2. | Mr. Pichai   | Kojamitr      | Nomination and Remuneration Committee                 |
| 3. | Mr. Ongart   | Kittikhunchai | Nomination and Remuneration Committee                 |

## Scope of Authority and Responsibilities of the Risk Management Committee

### Recruitment

1. To determine the appropriate nomination methods for the position of directors to suit the nature and business of the organization by stipulating qualification, knowledge, and expertise of each needed aspect;
2. To nominate a director to the board of directors upon the proposing agenda for consideration. The nomination may consider the term renewal of the existing director or the nomination from the shareholders or use the recruitment company's service, or consider candidates from the professional lists, or be nominated by each Director, etc.
3. To consider the list of nominees and select qualified candidates whose qualification meet the stipulated criteria.
4. To check if the nominated person's qualification meets the legal requirements or regulations of the related organizations.
5. To approach qualified individuals who meet the eligibility criteria to ensure that the persons are willing to accept the position of the directors of the Company, if appointed by the shareholders.
6. To nominate lists of candidates to the Committee for consideration and enlisting the lists in the notice of the shareholders' meeting, for the shareholders' meeting to consider.
7. To consider the approval of the appointment of senior executives from the Executive Vice President level, as assigned by the Board of Directors.

### Compensation

1. To consider the criteria of the remuneration of directors and senior executives to ensure its appropriateness by reviewing appropriateness of the present principles in comparison with the remuneration information of other companies within the same industry of the Company. The criteria shall be appropriate in order to achieve the expected results of fairness and to reward the persons who help the success of the company.
2. To review all forms of compensation such as regular compensation, compensation based on performance, and meeting allowance by taking into account of the same industry practices, the Company's business performance and size, responsibility, knowledge, ability, and experience of the directors and senior executives required by the Company.
3. To consider the performance evaluation criteria of Managing Director, Executive Directors, and senior executives as assigned by the Board of Directors.
4. To stipulate the annual remuneration of directors, Chief Executive Officer, Executive Directors, and senior executives following the compensation criteria which is proposed to the the Board of Directors for approval of compensation of Chief Executive Officer, Executive Directors, and senior executive. While the Directors' compensation will be proposed to the meeting of shareholders by the Board of Directors for approval.
5. To consider the suitability and provide approval upon the issuance of the new shares to the directors and employees of the Company by focusing on the principles of fairness to shareholders, and providing work motivation to the directors and employees which leads to the establishment of long-term value added to the shareholders as well as quality personnel retention.



## Authorization Table Chart

Transaction type	Board of Directors	Executive committee	Chef Executive Officer	Executive Vice President	Director group	Manager group
Budgeting for Capital Expenditures	Exceed 10% of the budget	Not exceed 10% of the budget.	Not exceed 5% of the budget.	-	-	-
Advance payment	Exceed 10 Million baht	Not exceed 10 Million baht	Not exceed 1 million baht.	Not exceed 300,000 baht	Not exceed 50,000 baht	Not exceed 10,000 baht
Petty cash payment	-	-	Exceed 20,000 baht	Not exceed 20,000 baht	Not exceed 10,000 baht	Not exceed 5,000 baht
Credit line approval	Exceed 10 million baht	Not exceed 10 million baht	Not exceed 1 million baht	-	-	-
Sales Contract	-	Exceed 100 million baht	Not exceed 100 million baht	Not exceed 50 million baht	Not exceed 20 million baht	Not exceed 10 million baht
Raw material packing and Ingredients	-	Credit limit 1 million baht	Not exceeding 1 million baht	Not exceeding 500,000 baht	Not exceeding 300,000 baht	Not exceeding 200,000 baht

Note: The above authorization was approved by the Board of Directors Meeting No. 4/2018 on August 6, 2018.

## Nomination and Appointment of Directors and Top Executives

The selection of persons to be appointed as the directors or the executives of the company, the appointed persons to serve as the directors and executives of the Company must be qualified persons under Section 68 of the Public Limited Company Act B.E. 2535 and the Notification of the Capital Market Supervisory Board No. Thor Jor. 28/2551 on Application for and Approval of Issuance of New Shares with the composition and nomination criteria as follows

### • Composition and Nomination of the Board of Directors

(1) The Company's Board of Directors has a responsibility to operate the Company, consisting of at least five (5) members, and no less than half of the members must have residents within the Kingdom of Thailand, and the Directors of the Company must possess qualification as stated by law, and the Directors can either be the Company's shareholders or not.

(2) The meeting of the shareholders shall have a resolution to appoint the directors in accordance with the following rules and procedures:

2.1 A shareholder's one (1) share is one (1) vote;

2.2 Each shareholder shall exercise all available votes stated in 2.1 to elect one person or several persons as directors. In case of multiple persons, the number of votes for each director can not be divided.

2.3 The persons with the highest number of votes in descending order shall be elected as directors, with the numbers equivalent to the required numbers of directors, or elected at such time. In the case when a person who is elected in the next order has the same number of votes, exceeding the required numbers of directors or elected numbers at that time, Chairman shall be cast the final vote.

(3) At every Annual General Meeting of Shareholders, one-thirds (1/3) of the number of directors at that time shall leave the position. If the number of directors can not be divided into three parts, the nearest numbers to one-third (1/3) shall leave the position, and may be re-elected to the position. The directors who must leave the position in the first year, and in the second year after the registration of the company, the drawing lots shall be made. For the following years, the directors who serve the longest term in the position, shall retire.

(4) Any director who would like to resign from the position shall submit a resignation letter to the Company. The resignation will take effect from the date the letter reaches the company.

(5) The shareholders' meeting may have a resolution to dismiss a director before the expiration of his term with the votes of no less than three-fourths (3/4) of the total number of shareholders attending the meeting and having the right to vote and the total numbers of shares shall be no less than half of the shares held by the shareholders attending the meeting and having the right to vote.

(6) When there is a vacancy of the position of the director due to reasons other than the expiration of the term, the Board shall select qualified persons, who have no prohibited characteristics stipulated by Public Limited Company Act or the Securities and Exchange Act, to be in the vacant position and attend the next Board's meeting. However, when the term of such Directors is less than two (2) months, the appointed persons to be the Directors shall remain in the position for only within the remaining term of the replaced Directors. The resolution of the Board of Directors in pursuant to the first paragraph shall consist of votes of no less than three-fourths (3/4) of the remaining directors.

(7) The Board of Directors shall elect one director to be Chairman. Upon consideration of the Directors deem appropriate, a Director or Directors may be elected as Vice Chairman with the responsibility to comply with the corporate regulations assigned by Chairman.

### Composition and Nomination of the Audit Committee

The Audit Committee of the Company must be appointed by the Board of Directors and approved by the shareholders of the Company. They are qualified under the Securities and Exchange Act, as well as the SET's notifications and regulations. The total numbers of the members of the Committee shall not be less than 3 members and at least one of the Audit Committee's members must have knowledge in accounting and finance. The term of office of the Audit Committee shall be three years from the date of the resolution. Upon the completion of the term, if the Board of Directors or the shareholders' meeting have no resolution to appoint a new set of the Audit Committee, the existing Audit Committee shall continue to perform the duties till the Board of Directors or the Shareholders' Meeting appoint a new set of the Audit Committee to replace the existing Audit Committee of which the term of office is completed, and / or the term of office of the position of the Director is completed. The nominated Audit Committee must be Independent Directors with the qualification of the Audit Committee in accordance with the rules and notifications prescribed by the SEC, and the Stock Exchange of Thailand as follows:

### Qualifications of Independent Board

(1) To hold shares of no more than 1% of the total shares with voting rights of the Company, parent company, subsidiary, affiliated company, major shareholders, or the authorized control persons of the Company, including the shareholding of related persons of the independent directors.

(2) not being or having been a member of the management, employee, advisor, with regular salary or controlling authorized person of the Company, parent company, subsidiary, affiliated company, the same level subsidiary, major shareholders or controlling authorized person of the company, unless having been out of the aforementioned positions for no less than 2 years prior to the filing of the application date with the Office of the Securities and Exchange Commission. The aforementioned prohibited characteristics, excluding the case where an independent director having been a government official or consultants of the government agency which is a major shareholder or the authorized control person of the company.

(3) Not having blood relations, or by legal registration in the manner of a parent, spouse, sibling and child, including the spouse of a child of an executive, a major shareholder authorized control person or the person to be proposed to be the executive or authorized control person of the company or its subsidiaries.

(4) Not having or having been in business relationship with the Company, its parent company, subsidiary, affiliated company, major shareholder, or the authorized control person of the company in a manner that may obstruct one's independent judgment, including not being or having been a significant shareholder or the authorized control person of a person who has business relationship with the Company, its parent company, subsidiary, affiliated company, major shareholder, or the authorized control person of the company unless having left the above-mentioned characteristics for no less than 2 years before the date of filing the application with the Office of the Securities and Exchange Commission.

(5) Not being or having been the auditor of the Company, its parent company, subsidiary company, affiliated company, major shareholder, or the authorized control person of the company, and not being a significant shareholder, authorized control person, or partner of the audit office of which the auditors of the Company, its parent company, subsidiaries, associates, major shareholders, or the authorized control person of the company, is from, unless it having left such characteristics for no less than 2 years prior to the date of submission of the application to the Office of the Securities and Exchange Commission.

(6) Not being or having been any professional service provider which includes legal advisors or financial advisors, receiving the service fee of more than 2 million baht per annum from the Company, its parent company, subsidiary, affiliated company, major shareholders, or the authorized control person of the company, and not being a significant shareholder, the authorized control person, or a partner of a professional service provider, unless having left the above-mentioned characteristics for no less than 2 years before the date of filing the application with the Office of the Securities and Exchange Commission.

(7) Not being a director appointed to be a representative of the Company, major shareholders, or shareholders who are related to major shareholders.

(8) Not engage in any business of the same nature and being significant competitor to the business of the Company, its subsidiaries, or not being a partner within the partnership, or being a director who is involved in the management, employee, staff, consultants with regular salary, or holding more than 1% of the total shares with voting rights of other companies with the same nature and being a significant competitor with the Company or its subsidiaries.

(9) Not having any characteristics which refrain a Director from expressing an independent opinion about the Company's operations.

The Independent Director with aforementioned qualifications may be assigned by the Board of Directors to make decision on the operation of the Company, its parent company, subsidiary, affiliated companies, same level subsidiaries, major shareholders, or the authorized control person by having the Collective Decision.

### Qualification of the Audit Committee

- (1) Not being a director assigned by the Board of Directors to make decision on the operation of the Company, its parent company, subsidiaries, affiliated companies, same level subsidiaries, major shareholders, or the authorized control person of the company.
- (2) Not being a director of the parent company, subsidiary, or subsidiary of the same level, especially the listed company.
- (3) Having sufficient knowledge and experience to be able to serve as a member of the Audit Committee There is at least one member of the Audit Committee must have sufficient knowledge and experience to be able to review the credibility of the financial statements.
- (4) To perform duties in the same manner as specified in the Notification of the Stock Exchange of Thailand regarding qualifications and scope of work of the Audit Committee.

### Composition and Nomination of Executive Directors

Members of the Executive Committee must be directors and / or executives of the Company. and / or employees of the Company, and/ or persons with appropriate qualifications appointed by the Board of Directors. The Board of Directors will appoint the amounts of directors with appropriate numbers and one of the members will be appointed as Chairman of the Executive Committee by the Board of Directors.

### Composition and Nomination of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall be appointed by the Board of Directors. The Nomination and Remuneration Committee consists of no less than 3 directors who are independent directors and non-executive directors. One of the members shall be elected as Chairman of The Nomination and Remuneration Committee.

### Composition and recruitment of the Risk Management Committee

Risk Management Committee must be a director, and / or management of the Company and / or employees of the Company, and / or is the appropriate person appointed by the Board of Directors with the numbers deemed appropriate by the Board of Directors. The Board of Directors will appoint one member of Risk Management Committee to be Chairman of the Risk Management Committee.

### Composition and recruitment of the Chief Executive Officer

Executive Officer shall be proposed from the nomination of the Executive Committee through the selection of a member of the Executive Committee during the selection process in order to propose to the Board of Directors for approval of the appointment of the nominated person as Chief Executive Officer.

### Supervision of operations of subsidiaries and affiliated companies

To supervise the operations of the subsidiaries and associated companies, the company shall send a representative of the company to be a director of a subsidiary and affiliated company of the company may be chairman of the Board of Directors, Directors of the Company, Chief Executive Officer, Managing Director, Senior Executives, or any person who has the qualifications and experience appropriate to the business and with no conflict of interest with the business of those subsidiaries and affiliated companies. In addition, the representatives of the Company, who are directors of the subsidiaries must perform the management and administration for its subsidiaries in accordance with the rules and regulations as prescribed by the Company including Delegation of Authority of the subsidiary and the relevant laws of the subsidiary.

### Use of internal information

The Board of Directors' Meeting No. 1/2017 (the first time after the Company's transformation) held on September 5, 2017 had a resolution relating to the regulations regarding the use of internal information of the Company which has not been disclosed for one's benefit or other's benefit. The Company's regulations on the matter are as follows:

1. Directors, executives, and employees of the Company follow these steps:
  - (A) To keep the internal confidential and / or information of the company.
  - (B) Not to disclose the internal confidential and / or information of the company for one's benefit or other's benefits, whether directly or indirectly and whether to receive a return
  - (C) Not to trade, transfer or receive securities of the Company by using confidential and / or internal information, and / or entering into any legal transaction by using the Company's confidential and / or internal information which may cause direct or indirect damage to the Company.

Directors, executives, and employees of the Company who are in the Company's internal information until shall avoid or suspend trading of the Company's securities within one month prior to the disclosure of the financial statements to the public and 24 hours after disclosure of financial statements or significant information to the public. These requirements include the spouse and minor children of directors, executives and employees of the Company. Any violation the regulations, one will be considered committing a serious offense.
2. Directors and Executives of the Company, including the auditors of the Company must report changes of shareholdings in their own companies as well as the shareholder of their spouses and minor children to the Office of the Securities and Exchange Commission under Section 59.
3. The Company has thoroughly announced such regulations to its directors, executives, and employees.

## Remuneration of external auditors

### Audit Fee

Unit : Baht

Auditor's remuneration	2017	2018	2019
Annual audit fee	2,000,000	2,000,000	2,000,000
Quarterly Review Financial Statements	1,050,000	800,000	800,000
<b>Total</b>	<b>3,050,000</b>	<b>2,800,000</b>	<b>2,800,000</b>

### Non Audit Fee

Unit : Baht

Auditor's remuneration	2017	2018	2018
IPO Fee	800,000	-	-
Auditing fee for corporate income tax privilege in accordance with the conditions in the promotional certificates (BOI)	30,000	30,000	30,000
<b>Total</b>	<b>830,000</b>	<b>30,000</b>	<b>30,000</b>

Remarks: <sup>/1</sup> This remuneration Excluded Out-of-pocket to be reimburse by auditors. Remarks: <sup>/1</sup> This remuneration Excluded Out-of-pocket to be reimburse by auditors.

## Corporate Social Responsibility

The Company has the policy to ensure that its business is socially responsible to the environment and stakeholder. This is in line with the Corporate Social Responsibility (CSR) approach the Stock Exchange of Thailand (SET), which defines 8 principles: 1) fair business; 2) anti-corruption; 3) respect for human rights, 4) fair labour practices, 5) consumer responsibility, 6) Environmental care, 7) Community or social development, and 8) innovation and dissemination of innovations that have been executed or carried out with responsibility toward the society, environment and stakeholders.

### • Policy overview

The Company takes into account the importance of good corporate governance in order to serve as a guideline for the management, so that the management and employees have confidence in their responsibilities to the stakeholders as well as the community, society and environment (Corporate Social Responsibility). Good Corporate Governance has been set for the purpose to ensure that the management and staff of the Company are aware of the important policies of the organization. And also Their responsibility to perform their work with moral and ethical standards. The standard practices have been set as a guideline to achieve success with accuracy and completeness.

The Board of Directors Meeting No. 1/2017 ( first meeting after the transformation of the company to public limited company) on September 5, 2017, approved the Good Corporate Governance Policy and anti-corruption policy. This is a guideline for the operation of the Company. The management and staff strictly adhere to the regulations to be effective in all areas of business operations, the Company must have efficient, and transparent management system which enhances the confidence of shareholders, investors, stakeholders and related parties. All parties passed normal business since the procurement process with partners, study and research on products, services that do not affect the environment, including raising awareness about the role of being good members in society. It emphasizes participation and good relationship between the Company and society on the basis of accuracy, transparency and fairness, and promotes various activities that are beneficial for social and community development. For employee welfare, the regulations are clearly defined and enforced strictly for safety and work equality including guidelines for directors, executives and employees who must perform their duties with honesty. Focusing on and caring for customers is done by providing quality products at fair prices to customers and consumers, based on the ideals of a company that is sincere and honest in the business for more than 20 years.

In addition, the Company has a system of effective management and prevention of conflicts of interest, including corruption. The auditor has been approved by the Securities and Exchange Commission and internal auditors ensure that the Company recognizes the rights of all stakeholders, which are required bylaws and policies set by the Company, whether it be for the shareholders, employees, customers, business partners.

In this regard, the Board of Directors Meeting No. 1/2019 on February 22, 2019, has reviewed and approved the revision of the good corporate governance policy and business ethics to be more appropriate.

### • Implementation and reporting

The Company has set the Corporate Social Responsibility in Code of Business Conduct as follows:

#### Fair Business

The company will operate the business by adhering to the correctness and complying with the relevant rules and regulations under moral principles and transparency. Also avoid actions that may cause conflicts or arguments incorrectness by adhering to the responsibility to stakeholders and generate appropriate returns for investors. Including create progress and growth and sustainable.

The company also gives importance to conducting its business operations with fairness and operates under business ethics. The company, therefore, respects the rights and intellectual property of others as well as the rights and intellectual property of the company as follows:

### Policy on respecting rights and intellectual property

1. Conduct business in accordance with laws, regulations and contractual obligations related to rights and intellectual property.
2. Encourage executives and employees to work under respect for the rights and intellectual property of both the company and others. Do not violate copyright trademark or use other people's works for their own benefit or the company.
3. Every department is obliged to help or try to obtain patent rights and protect and protect the rights of the company with intellectual property. Trade secrets which are necessary to maintain business competitive advantage by having to exercise those rights responsibly including respecting the rights of intellectual property owners. Intellectual property might be copyrights, patents, trademarks company's name, logo or commercial confidentiality. In addition, any information such as inventions, data, innovation, creative ideas, etc.

The company has provided important guidelines for executives and employees such as;

- Executives and employee must perform their duties strictly in compliance with laws relevant to the business of the company and work regulations, and avoid any acts that might cause negative impact on the company's reputation.
- Executives and staffs have duty to preserve the best security of the Company's trade secrets and information.
- Executives and staffs should not disclosed company accessibility password to the outsider or the irrelevant person.
- Executives and employees must strictly conform to the Company's rules and regulations regarding computers.

### Anti-corruption

The Company policy is committed to anti corruption has been set as a guideline for directors, management and staff to implement as follows: Do not demand money, or interests or things that are not appropriate, or excessively normal practice. Also, it does not pay as it claimed but offers to give money or benefits or something to the person or related company, or the relevant government agencies involved either directly or indirectly .Exception shall be applied in case of laws, regulation, statement, standard, custom, or business traditions enable to do so.

The company has disseminated anti-corruption policies to external parties, directors, executives and employees through the company website. And have communicated guidelines for employees in the organization by posting announcements within the public relations companies Campaign and encourage serious action.

In the year 2019, the Company has been set the Business Partner Code of Conduct to be a guideline for customers, raw material suppliers and key suppliers, both domestically and internationally. That guideline send to all of parties to sign for acknowledgment .Also to notifying directors, executives, and supervisors and the employees who are involved shall adhere to that guidelines in performing their duties.

### Risk assessment and monitoring the evaluation

The Risk Management Committee review and evaluate corruption risk also will be report to The Audit Committee and Board of Directors.

The Internal Audit Division audits and reviews their performance in compliance with the internal control system, risk management system, corporate governance system according to the audit plan.

The Risk Management unit has monitored and summarized the Company's revision of corporate risk management. That unit also review and evaluate the risk management outcomes as practice guidelines for employees in preventing corruption from occurring and conformance to the Code of Conduct and Anti-corruption Policy .



### The channel for whistle – blowing and complaints

The company provided the channel for whistle-blowing or complaint-making that stakeholders are or may be affected by the damage caused by the company's operation, or the employees are involved in unlawful, dishonest acts or corruption via post to the email of

The Audit Committee                      audit\_committee@sunsweetthai.com.

The company secretary                  company\_secretary@sunsweetthai.com

or phone number 053 106538 - 40 to 68 to present to the Audit Committee and report to the Board of Directors.

In addition, the internal channels for receiving complaints from many employees as mentioned in "Complaints channel and employee complaint management process".

### Respect for human rights

The company recognizes the respect for human life and dignity of all people, which is the foundation of human resource management and development. Including the creation of human relations in society. The Company therefore promotes the observance of basic human rights and equality principles regardless of race, color, gender, language, religion, political belief or belief in any other way. Ethnic or social background, property, origin or status.

The company never employed child labors or violate human rights in any way In this regard, the company employs 12 people with disabilities that are suitable for their work conditions in order to encourage the disabled to use their potential. And able to survive Not a burden to the family

### Fair treatment

The Company has set the appropriate compensation structure that in line with market rate, abilities, responsibility and behavior through strategic assessment process at all levels: corporate strategy, business strategy and / Division Strategy /Department Strategy and Skill Behavior in which supervisor to assess the subordinate, review their as vice versa subordinate can review their supervisor and also self-assessment, In addition, the Company strives to improve and provide good welfare benefits which exceed the legal requirements i.e. provident fund accident insurance for employees and executives who work outside or go abroad, health insurance and Annual Health Check .

Companies want to empower their employees in their goals, roles and responsibilities, provide opportunities for growth, authenticity. Rewarding and punishing employees must be based on authenticity and providing an appropriate environment and safe area for the employee.

### Consumer Responsibility

In terms of customer responsibility, the Company has set a fair pricing policy by considering commercial terms, business negotiations were without no special item that is based on the arm's length basis. In addition, the Company has the policy to procure and improve the service according to commercial terms, and disclose relevant information that is useful, accurate, timely, and without distortion. Taking into account the confidentiality of customer information as company information and not using it for the company and relative benefit.

The responsibility for consumers of the company is having the policy to deliver quality products in accordance with specified standards to the consumer and paying attention to every process, taking into account the customer's highest satisfaction and focus on providing customers with good quality products.

### Product

Currently, the company and its subsidiaries sell products to foreign customers in more than 50 countries around the world and consists of various customer groups such as importers, exporters, retailers and the food and restaurant industry both domestically and internationally. Therefore, all products of the company delivered to customers are through the production process with modern technology and quality control according to an international certification standard such as British Retail Consortium (BRC), International Featured Standard (IFS), and Hazard Analysis Critical Control Point (HACCP) to boost consumers' confidence in product quality and compliance with Good Manufacturing Practices (GMP). In addition, the company also attach importance to the development of the highest quality products along with taking care of the environment under ISO 14001: 2015 quality policy.

In 2019, the company awarded an A+ grade in unannounced British Retail Consortium (BRC) audits.

## Product and service satisfaction

The company takes importance of customer satisfaction conducting customer satisfaction surveys to measure their needs and expectations. Moreover, the company also provides channels for the customers to have an opportunity to express their opinions regarding the operations of the company and a complaint which includes a complaints handling procedure.

The company send the customer satisfaction surveys to customers on an annual basis and surveys can be conducted by telephone calls, by sending via email, and via social media. And during the year, the company visited customers at the customer's workplace and participated in trade shows in various countries to meet the customers, which helped the company to monitor the market situation.

### Exhibition and fairs

- |                                     |   |
|-------------------------------------|---|
| • Anuga Food Fair in Germany        | • THAIFEX World of Food Asia in Thailand  |
| • Foodex Japan in Japan             | • Food Taipei in Taiwan                   |
| • Prodexpo in Russia                | • Fine Food Australia in Australia        |
| • Seoul Food & Hotel in South Korea | • Specialty & Fine Food Asia in Singapore |

In addition, the company gave the opportunity for customers to visit the business in order to inspect the production process and exchange business information, which in the year 2019, the customers visited the number of 92 persons, 17 countries, 149 times.

## Environmental protection

The company foresees the importance of the environment, being aware of the social and community responsibilities. It is one of the Company's major missions. Management and staff must conserve natural resources and preserve the environment. The environmental laws are strictly adhered to so that they do not affect the environment in the vicinity or cause the least impact. Also included are activities or supporting the activities of stakeholders, which are activities for public benefit and social services on a continuous basis.

The company has driven the efficient use of resources in every supply chain process from sweet corn which is the main raw materials of the company. It can be used for all benefits such as stem and leaves. For post-harvest, these also can be used as animal feed or fertilizer. The peel and corncobs which leftover from the production process are considered valuable and low-cost food sources for dairy farms.

The company has changed the using fuel for steam production from previously using fuel oil, changed to use biomass fuel. Currently, biomass fuels are palm shell and corncobs which can reduce steam production costs. The company produces biogas from using wastewater from the production process to store in organic digesters which can support up to 750 cubic meters per day of wastewater. Biogas can be produced up to 4,000 cubic meters per day. This biogas is ready to generate electricity and use as fuel to produce steam for the factory.

In addition, the company has used renewable energy by installing solar panels on the 500 Kw (Solar PV Rooftop) roof to generate electricity from solar energy which can reduce the electrical charge in peak load during the day and reduce the temperature in the factory because the solar roof is like another layer of sun protection roof.

Educating and training employees on environmental issues.

The company has assigned all new employees to receive environmental training in accordance with the environmental management system standards, ISO 14001:2015 .

## Joint development with the community or society

The company has a good sense of responsibility for society. There is a guideline to practice or enforce to comply with laws and regulations. It also, support and volunteerism for community and social activities as it should be.

## Innovation and innovation dissemination through social responsibility, environment and stakeholders

The Company has a clear policy on society, community and environment and plans for ISO14001 for social and environmental projects which is an appropriate benefit for the overall environment.

## • Activities for social and environmental benefits

The Company is committed to engaging in good relationships between the Company and society and the environment by supporting the promotion of various activities.

The Company wants to develop and enhance the agricultural industry in Thailand by working closely with the farmers and the public sector. The company has organized training courses on the cultivation of vegetables, with standard and quality, such as smart farming to reduce the loss of corn farmers. In Chiang Mai and northern areas, support for the reduction in the use of chemical fertilizers and pesticides. Including /anti to GMO (Genetically Modified Organisms)

Since 2016, the company has initiated the annual Sun's Innovation and agriculture Technology at its KC Farm Learning Center. Participated by companies and stores in the activities to educate farmers on agricultural innovations and technologies.to interested parties like farmer, students, and interested people who live nearby During Sunsweet Agriculture Innovational Technology Day in 2017 the company has sign memorandum of understanding regarding sweetcorn course between Non-formal education of Mae Wang district and the company to build and develop a learning curriculum to cultivate sweet corn. The course aims to create knowledgeable people with the ability and understanding of sweet corn. This will help improve the quality of personnel in the sweet corn industry.

In 2018, the company provided training for drone or unmanned aircraft to farmers and interested parties. This project can help farmers to use in spraying drugs, taking care of plant diseases and eliminating pests, helping to reduce the amount of chemical use and reduce exposure or inhalation of chemicals that may be directly received

In addition, the company has focused on transferring knowledge about environmental care, such as placing a good wastewater treatment system. And using the remaining raw materials or waste from the production process to be used as an energy source in the production of renewable energy Such as biogas and biomass fuel.

## Cooperation in research and development of renewable energy

The company has entered into a memorandum of cooperation with Maejo University on the development of alternative energy to support the use of clean energy in the study and development of renewable energy.

At present, the company supports learning about the biogas system for students by coming to learn from the actual practice and can use the company's laboratory to analyze the control of biogas systems.





### Solar power generation project on the roof

In 2018, the company implemented a project to produce electricity from solar power on the roof of 500 Kw (Solar PV Rooftop) to produce electricity for use within the factory and building. Which is considered as one of the useful renewable energy because it is the use of sunlight Which is an existing natural resource and is pure clean energy Does not cause any reaction That makes the environment toxic It also helps to reduce the temperature in the factory because the Solar roof is like a roof to protect the sun.



In addition, the Company also gives importance to participation and building good relationships between companies and communities and society to promote activities that are beneficial to social and community development. As well as organizing activities to practice public benefits for society every year, with the main objective to ensure that all employees are conscious of social development such as;

### White community and green factory project

The company strives to create a good working environment, free from drugs and illegal issue by tree planting activity.



Sunsweet Public company Limite collaborate with sub district oranization,community and private sectors working on donation of medical tools and equipment for hospital.





## Other Activity



## • Internal Control and Risk Management

### Internal Control and Risk Management

The Board of Directors' Meeting No. 1/2017 (first registered as a public company) was held on September 5, 2017. In the name of the Audit Committee, an independent director that consist of 3 persons convened the meeting. The Board of Directors has assessed the adequacy of the Company's internal control system in five aspects: Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitory. The Board of Directors considered that the Company has adequate and appropriate internal control system for the business operation of the Company.

In addition, The Board of Directors' Meeting No. 1/2020 was held on February 20, 2020 has assessed the adequacy of the Company's internal control system in five aspects .The Board of Directors considered that the Company has adequate and appropriate internal control system for the business operation of the Company.

For the implementation of the internal control system. The Audit Committee has reviewed the internal control system. and control activities of the company by coordinating with the internal auditor. Internal Auditor and Management Review the financial statements to ensure adequate and reliable disclosure. To ensure that the Company comply with the Securities and Exchange Act, SET regulations, and laws relating to the business operation of the Company.

### Internal Audit and Corporate Governance

The Company has appointed Ms. Soontaree Mulmao as Internal Audit Division Manager who responsible for reviewing the internal control system and assess the adequacy of the internal control system. The internal auditor will report to the Audit Committee meeting as well as prepare the annual internal audit plan for approval. Monitor and verify the accuracy of the operation in accordance with the plans and policies set by the company. The Company has continually improved the quality of its internal controls.

## Related Party Transactions

### Relationship type

The Company has transactions with persons who may have conflict of interest. The related transactions are transactions with directors and / or executives and / or major shareholders. And related companies which have conflict of interest as directors and / or executives and / or major shareholders of the Company. For the years ended 31 December 2018 and 2019, the details are as follows:

Interconnection (Yes = ✓, No = X)

Company / Individual That may have conflicts.	Relationship type	Year 2018 Until 31 Dec 2018	Year 2018 Until 31 Dec 2019
1. Mrs. Jiraporn Kttikhunchai	<ul style="list-style-type: none"> <li>• A director, an authorized director, a member of Executive Board, a member of Risk Management Committee, and a major shareholder of the company.</li> <li>• Holds 69.77% of paid-up capital as of 31 December 2019.</li> </ul>	✓	✓
2. Mr. Ongart Kittikhunchai	<ul style="list-style-type: none"> <li>• A spouse of Ms. Jiraporn Kittikhunchai, the Company's director, an authorized director, a member of nominate and remuneration committee, the Chairman of Executive Board, Chief Executive Officer .</li> <li>• Holds 2.09% of paid-up capital as of 31 December 2019.</li> </ul>	✓	✓
3. Ms.Morakot Kittikhunchai	<ul style="list-style-type: none"> <li>• Mr. Ongart Kittikhunchai's older sister and being the deputy chairman of the Board of Director, an authorized director, the deputy chairman of Executive Board,</li> <li>• Holds 0.47% of paid-up capital as of 31 December 2019.</li> </ul>	✓	✓
4.Mrs.Suraporn Prasatngamloet	<ul style="list-style-type: none"> <li>• Mr. Ongart Kittikhunchai's younger sister and being the Company's director, an authorized director, and Director of General.</li> </ul>	✓	✓



Company / Individual That may have conflicts.	Relationship type	Year 2018 Until 31 Dec 2018	Year 2018 Until 31 Dec 2019
5. So Sweet Co., Ltd. The business of selling sweet corn to franchise business. There are 4 directors.	<ul style="list-style-type: none"> <li>• A company in which Mr.Ongart Kittikhunchai is a director and holds 99.99% of the paid-up capital of So Sweet Co., Ltd. as of December 31, 2019.</li> </ul>	X	✓
1) Mr.Ongart Kittikhunchai 2) Mrs.Suraporn Prasatngamloet 3) Mr.Metha Prasartngamloet 4) Miss Phanida Kittikhunchai	<ul style="list-style-type: none"> <li>• A company in which Ms. Morakot Kittikhunchai holds 0.005% of the paid-up capital of So Sweet Co., Ltd. as of December 31, 2019.</li> <li>• A company that Mrs.Suraporn Prasatngaloet Holds 0.005% of the paid-up capital of So Sweet Co., Ltd. as at December 31, 2019.</li> </ul>		
6.Sunsweet Bio Energy Co.,Ltd. The objective of the business is to use renewable energy business regarding biogas systems to generate electricity. There is 1 director	<ul style="list-style-type: none"> <li>• A company in which Mr.Ongart Kittikhunchai is a director and holds 99.99% of the paid-up capital of Sunsweet Bio Energy Co.,Ltd. as of December 31, 2019.</li> <li>• A company in which Ms. Morakot Kittikhunchai holds 0.005% of the paid-up capital of Sunsweet Bio Energy Co.,Ltd. as of December 31, 2019.</li> <li>• A company that Mrs.Jiraporn Kittikhunchai Holds 0.005% of the paid-up capital of Sunsweet Bio Energy Co.,Ltd. as at December 31, 2019</li> </ul>	X	✓
1) Mr.Ongart Kittikhunchai			

## Related transaction

Details of the connected transactions between the Company and those who may have conflict of interest in 2018 (ended 31 December 2018) and 2019 (ended 31 December 2019) are as follows.

Type of transaction	The Necessary and Responsibility	Transaction value (Million baht)	
		As of 31 December 2018	As of 31 December 2019
Persons who may have conflicts : Mrs.Jiraporn Kittikhunchai			
<u>Guarantee credit line arranged by a financial institution for the Company and its subsidiary.</u>	The subsidiary is required to use a loan facility from a local financial institution to use as working capital. By guaranteeing the loan facility No compensation or guarantee fees.		
• Mrs. Jiraporn Kittikhunchai, guaranteed by the local financial institution for the subsidiary. With a total loan amount of 82 and 80 million baht for the forward exchange trading limit Without compensation for such guarantees.	<u>The Audit Committee's opinion</u> The Audit Committee opined that the transaction is reasonable as it is a normal business operation and it is a necessary condition in order to be granted the financial support from financial institution for business operation.		
• The Company has outstanding balance from such transaction.		Balance 0.11	--
Persons who may have conflicts : Mr. Ongart Kittikhunchai			
<u>Guarantee credit line arranged by a financial institution for the Company and its subsidiary.</u>	The subsidiary is required to use a loan facility from a local financial institution to use as working capital. By guaranteeing the loan facility No compensation or guarantee fees.		
• Mr. Ongart Kittikhunchai guarantees loans to local financial institutions for the subsidiaries. With a total loan amount of 82 million baht and 80 million baht for the forward exchange trading limit Without compensation for such guarantees.	<u>The Audit Committee's opinion</u> The Audit Committee opined that the transaction is reasonable as it is a normal business operation and it is a necessary condition in order to be granted the financial support from financial institution for business operation.		
• The Company has outstanding balance from such transaction.		Balance 0.11	--

Type of transaction	The Necessary and Responsibility	Transaction value (Million baht)	
		As of 31 December 2018	As of 31 December 2019
• <u>Land rental expense</u>	In 2018, the company used 25 rai 1 ngan 30 square wah of the total land area which is located at Thung Pi Subdistrict, Mae Wang District, Chiang Mai. The land ownership is	0.17	0.21
• The company has expenses from land lease. Prepaid rental	Mr. Ongart Kittkhunchai, Mrs. Jiraporn Kittikhunchai and Miss Morakot Kittikhunchai for the development and research of sweet corn. In the term of land and building lease agreement owned by Mr. Ongart Kittikhunchai, Mrs. Jiraporn Kittikhunchai and Miss Morakot Kittikhunchai, the agreement condition shows Mr. Ongart Kittikhunchai is only 1 representative for receiving the payment for 1 year of agreement period from January 1, 2019 to December 31, 2019 at 209,760 baht of a rental rate per year. The rental price is in accordance with the ground lease appraisal by using the market price comparison method as a basis for determining the value of the property and objective for public evaluation. According to the appraisal report on February 10, 2017 from Year Appraisal Co., Ltd., Ms. Benjawan Chongyot who is the appraiser of the primary grade, No. 111 and in the list of the valuation company and principal valuers company approved by the Securities and Exchange Commission, Thailand	--	--
<p>Remark :</p> <p>The additional land lease agreements for 12 rai 2 ngan 65.10 square wah of the total area were made at Thung Pee Subdistrict, Mae Wang Subdistrict, Chiang Mai. On July 1, 2018, payment with the same rate as the original lease agreement due to the nearby area.</p>			
<p><u>The Audit Committee's opinion</u></p> <p>The Audit Committee acknowledged and commented that this investment is reasonable and necessary for the benefit of the business. The conditions and price of the agreement are reasonable when compared to the appraised value of the land and buildings lease by the appraiser who is the appraiser of the primary grade, No. 111 and in the list of the valuation company and principal valuers company approved by the Securities and Exchange Commission, Thailand.</p>			

		Transaction value (Million baht)	
Type of transaction	The Necessary and Responsibility	As of 31 December 2018	As of 31 December 2019
<u>Other income</u>	In 2018, the company allowed the directors to rent the land with single storey house building for use as a residence where a located at No. 9/9 in the factory area .The land and building owned by the company by under the contract to lease with the rental period for 3 years from January 1, 2017 to December 31, 2019 at the rental rate of 18,600 baht per month including electricity. When the rental contract is due, if the tenant prefer to continu to rent , the contract will be renewed for 3 years with the terms and conditions of the lease in accordance with this contract except the rental rate. The lessee will have to pay an increasing rental fee of 10% of the previous rate. The rental price is in accordance with the appraised value of the rental fee by using the market comparison method as a basis for determining the asset value and has an objective for public evaluation which state on report dated 23 November 2016 of Year Appraisal Co., Ltd., with Ms. Benjawan Chongyot, the appraiser of the primary grade, the number No. 111, is the appraiser in the Valuation Company and Principal Valuers company list approved by the Securities and Exchange Commission.		
•The Company has other income from the directors to lease land with buildings for use as a residence		0.22	0.22
•The Company has other income from receiving electricity payment from such transaction.		1,178 Baht	1,561 Baht
<u>Other receivables</u>			
•The company has other receivables from rental income and accrued income from electricity.		--	--
<u>The Audit Committee’s opinion</u>			
The Audit Committee acknowledged and opinioned that the transaction was reasonable. The Company had already done for the rental contract under the reasonable condition and price comparing to the appraisal value by the appraiser who is on the list of valuer approved by the Securities and Exchange Commission.			

		Transaction value (Million baht)	
Type of transaction	The Necessary and Responsibility	As of 31 December 2018	As of 31 December 2019
Persons who may have conflicts : Ms. Morakot Kittikhunchai			
<u>Guarantee credit line arranged by a financial institution for the Company and its subsidiary.</u>			
<u>Other income</u>			
• The Company has other income from the directors to lease land with buildings for use as a residence	In 2018, the company allowed the directors to rent the land with single storey house building for use as a residence where a located at No. 9/9 in the factory area .The land and building owned by the company by under the contract to lease with the rental period for 3 years from January 1, 2017 to December 31, 2019 at the rental rate of 23,000 baht per month including electricity. When the rental contract is due, if the tenant prefer to continou to rent , the contract will be renewed for 3 years with the terms and conditions of the lease in accordance with this contract except the rental rate. The lessee will have to pay an increasing rental fee of 10% of the previous rate.  The rental price is in accordance with the appraised value of the rental fee by using the market comparison method as a basis for determining the asset value and has an objective for public evaluation which state on report dated 23 November 2016 of Year Appraisal Co., Ltd., with Ms. Benjawan Chongyot, the appraiser of the primary grade, the number No. 111, is the appraiser in the Valuation Company and Principal Valuers company list approved by the Securities and Exchange Commission.	0.28	0.28
• The Company has other income from receiving electricity payment from such transaction.		2,327 Baht	3,140 Baht
<u>Other receivables</u>			
• The company has other receivables from rental income and accrued income from electricity.		--	--
<u>The Audit Committee's opinion</u>			
The Audit Committee acknowledged and opinioned that the transaction was reasonable. The Company had already done for the rental contract under the reasonable condition and price comparing to the appraisal value by the appraiser who is on the list of valuer approved by the Securities and Exchange Commission.			

		Transaction value (Million baht)	
Type of transaction	The Necessary and Responsibility	As of 31 December 2018	As of 31 December 2019
Persons who may have conflicts : Mrs.Suraporn Prasatngamloet			
<u>Guarantee credit line arranged by a financial institution for the Company and its subsidiary.</u>	In 2018, the company allowed the directors to rent the land with single storey house building for use as a residence where a located at No. 9/7 in the factory area .The land and building owned by the company by under the contract to lease with the rental period for 3 years from January 1, 2017 to December 31, 2019 at the rental rate of 10,800 baht per month including electricity. When the rental contract is due, if the tenant prefer to continou to rent , the contract will be renewed for 3 years with the terms and conditions of the lease in accordance with this contract except the rental rate. The lessee will have to pay an increasing rental fee of 10% of the previous rate.The rental price is in accordance with the appraised value of the rental fee by using the market comparison method as a basis for determining the asset value and has an objective for public evaluation which state on report dated 23 November 2016 of Year Appraisal Co., Ltd., with Ms. Benjawan Chongyot, the appraiser of the primary grade, the number No. 111, is the appraiser in the Valuation Company and Principal Valuers company list approved by the Securities and Exchange Commission.	0.13	0.13
<u>Other income</u>			
• The Company has other income from the directors to lease land with buildings for use as a residence			
• The Company has other income from receiving electricity payment from the said transaction.		717 Baht	407 Baht
<u>Other receivables</u>			
• The company has other receivables from rental income and accrued income from electricity.		--	--
<u>The Audit Committee's opinion</u> The Audit Committee acknowledged and opinioned that the transaction was reasonable. The Company had already done for the rental contract under the reasonable condition and price comparing to the appraisal value by the appraiser who is on the list of valuer approved by the Securities and Exchange Commission.			

		Transaction value (Million baht)	
Type of transaction	The Necessary and Responsibility	As of 31 December 2018	As of 31 December 2019
<hr/>			
Persons who may have conflicts : So Sweet Co., Ltd.			
Revenue from accounting service	In the year 2019, the company has revenue from accounting services for Sunsweet Bio Energy Co.,Ltd.for a period of 1 year from January 1, 2019 to December 31, 2019 at the rate of 10,000 baht per year . The whole income was realize on 1 st quarter.The service fee is calculated by using the market price comparison method.	--	0.01
<u>Opinion of the Audit Committee</u> The Audit Committee acknowledged and opinioned that the transaction was reasonable since the company already prepared the contract under the conditions and reasonable prices.			
<hr/>			
Persons who may have conflicts : Sunsweet Bio Energy Co.,Ltd.			
Revenue from accounting service	In the year 2019, the company has revenue from accounting services for Sunsweet Bio Energy Co.,Ltd.for a period of 1 year from January 1, 2019 to December 31, 2019 at the rate of 10,000 baht per year . The whole income was realize on 1 st quarter.The service fee is calculated by using the market price comparison method.	--	0.01
<u>Opinion of the Audit Committee</u> The Audit Committee acknowledged and opinioned that the transaction was reasonable since the company already prepared the contract under the conditions and reasonable prices.			

Historical data is available on the link below :

<https://www.set.or.th/set/companyprofile.do?symbol=SUN&ssoPagId=4&language=th&country=TH>



# Key financial Information

## The Auditor's Opinion

Report of Independent Auditor who had audited the financial statements of the Company for the year 2017 ended December 31, 2017 and consolidated financial statements of the Company and its subsidiaries and the separate company financial statements for the year 2018 ended December 31, 2018 and year 2019 ended December 31, 2019 which are summarized belows:

### Financial Statements and Auditor's report

The Financial Statement for the fiscal year 2017 ended December 31, 2017

Auditors  
and the auditor's opinion

PricewaterhouseCoopers ABAS Limited, with Mr. Vichien Khingmontri, CPA No. 3977, who is the auditor in the list of auditors approved by Securities and Exchange Commission (SEC) has performed audit work in accordance with Thai Standards on auditing. In auditor's opinion, the Consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the Company. Present fairly, in all material respects, the financial position and its subsidiaries and of Sunsweet Public Company Limited as at 31 December 2017, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### Financial Statements and Auditor's report

The Financial Statement for the fiscal year 2018 ended December 31, 2018

Auditors  
and the auditor's opinion

PricewaterhouseCoopers ABAS Limited, with Mr. Vichien Khingmontri, CPA No. 3977, who is the auditor in the list of auditors approved by the securities and Exchange Commission (SEC) has performed audit work in accordance Thai Standards on auditing. In auditor's opinion, the consolidated financial statements of the Company and its subsidiaries, and the separate financial statements of the Company. Present fairly, in all material respects, the financial position and its subsidiaries and of Sunsweet Public Company Limited as at 31 December 2018, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### Financial Statements and Auditor's report

The Financial Statement for the fiscal year 2019 ended December 31, 2019

Auditors  
and the auditor's opinion

PricewaterhouseCoopers ABAS Limited, with Mr. Vichien Khingmontri, CPA No. 3977, who is the auditor in the list of auditors approved by the securities and Exchange Commission (SEC) has performed audit work in accordance Thai Standards on auditing. In auditor's opinion, the consolidated financial statements of the Company and its subsidiaries, and the separate financial statements of the Company. Present fairly, in all material respects, the financial position and its subsidiaries and of Sunsweet Public Company Limited as at 31 December 2019, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

## Financial Position and Financial Performance

Statements of Financial Position	Consolidated Financial Statement as at 31 December 2017 (Audited)		Consolidated Financial Statement as at 31 December 2018 (Audited)		Consolidated Financial Statement as at 31 December 2019 (Audited)	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Assets</b>						
Cash and cash equivalents	119.66	10.15	14.09	1.11	243.35	18.12
Short-term investment	100.00	8.49	0.00	0.00	0.00	0.00
Trade and other receivables, net	105.25	8.93	125.63	9.91	156.22	11.63
Inventories, net	191.84	16.28	403.29	31.82	197.51	14.70
Other current assets	17.73	1.50	9.55	0.75	7.44	0.55
<b>Total current assets</b>	<b>534.48</b>	<b>45.35</b>	<b>552.56</b>	<b>43.60</b>	<b>604.52</b>	<b>45.00</b>
Restricted deposits at a banks	71.88	6.10	6.78	0.53	5.78	0.43
Property, plant and equipment, net	559.41	47.47	697.69	55.05	712.23	53.02
Intangible assets, net	6.69	0.57	5.25	0.41	5.49	0.41
Deferred tax assets, net	5.97	0.51	5.18	0.41	15.29	1.14
<b>Total non-current assets</b>	<b>643.95</b>	<b>54.65</b>	<b>714.90</b>	<b>56.40</b>	<b>738.79</b>	<b>55.00</b>
<b>Total assets</b>	<b>1,178.43</b>	<b>100.00</b>	<b>1,267.46</b>	<b>100.00</b>	<b>1,343.31</b>	<b>100.00</b>
<b>Liabilities and equity</b>						
Bank overdrafts and short-term loans from financial institutions	0.95	0.08	94.02	7.42	213.57	15.90
Trade and other payables	107.43	9.12	222.31	17.54	208.10	15.49
Contract liabilities					16.29	1.21
Current portion of long-term loans from financial institutions	25.20	2.14	0.00	0.00	3.60	0.27
Income tax payable	6.91	0.59	0.04	0.00	0.13	0.01
Current portion of finance lease liabilities	6.50	0.55	6.41	0.51	3.91	0.29
Other current liabilities	2.55	0.22	0.81	0.06	0.94	0.07
<b>Total current liabilities</b>	<b>149.54</b>	<b>12.70</b>	<b>323.59</b>	<b>25.53</b>	<b>446.54</b>	<b>33.24</b>
Long-term loans from financial institutions	51.18	4.34	0.00	0.00	3.90	0.29
Finance lease liabilities, net	16.78	1.42	10.36	0.82	10.69	0.80
Employee benefit obligations	24.78	2.10	24.93	1.97	31.36	2.33
<b>Total non-current liabilities</b>	<b>92.74</b>	<b>7.86</b>	<b>35.29</b>	<b>2.78</b>	<b>45.95</b>	<b>3.42</b>

Statements of Financial Position	Consolidated Financial Statement as at 31 December 2017 (Audited)		Consolidated Financial Statement as at 31 December 2018 (Audited)		Consolidated Financial Statement as at 31 December 2019 (Audited)	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Total liabilities</b>	<b>242.28</b>	<b>20.56</b>	<b>358.88</b>	<b>28.31</b>	<b>492.49</b>	<b>36.66</b>
Issued and paid-up share capital	215.00	18.24	215.00	16.96	215.00	16.01
Premium on paid - up capital	665.53	56.48	665.53	52.51	665.53	49.55
Discount from business combination under common control	(20.64)	(1.75)	(20.64)	(1.63)	(20.64)	(1.54)
Retained earning (Deficit)	8.50	0.72	11.40	0.90	11.40	0.85
Appropriated – legal reserve						
Retained earning (Deficit)	72.66	6.17	40.16	3.17	(19.70)	(1.47)
Unappropriated						
Other component of equity	(4.90)	(0.42)	(2.87)	(0.23)	(0.77)	(0.06)
<b>Equity attributable to owners of the parent</b>	<b>936.15</b>	<b>79.44</b>	<b>908.58</b>	<b>71.69</b>	<b>850.82</b>	<b>63.34</b>
Non-controlling interests	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total equity</b>	<b>936.15</b>	<b>79.44</b>	<b>908.58</b>	<b>71.69</b>	<b>850.82</b>	<b>63.34</b>
<b>Total liabilities and equity</b>	<b>1,178.43</b>	<b>100.00</b>	<b>1,267.46</b>	<b>100.00</b>	<b>1,343.31</b>	<b>100.00</b>

The financial statements for the year ended 31 December 2019 have effects from the adoption of new Thai financial reporting standards. The statement of financial position as of 1 January 2016 has additional effects from the adoption of the new TFRS 15 by applying the Modified retrospective approach and comparative figures have not been restated and mainly effects the Group's accounting treatment as follows ;

- Sale of goods under customers' packaging and brands, under TFRS 15, would resulted in earlier recognition of revenue. The trade receivables were recognised by Baht 36.82 million, inventories decreased By Baht 31.34 million and trade pay able increased by Baht 1.96 million.

- The advance received from customers of Baht 8.73 million previously presented under trade and other payables is recognised as contract liabilities under TFRS 15

- The Extraordinary General Meeting of Shareholders No. 3/2017 held on May 11, 2017 passed a resolution to increase the registered share capital by Baht 42.00 million by issuing 420,000 new ordinary shares at a par value of Baht 100 per share, allocated to existing shareholders (right offering). The registered share capital of the Company increased to Baht 150.00 million, divided into 1,500,000 ordinary shares with a par value of Baht 100 per share.

- The Extraordinary General Meeting of Shareholders No. 4/2017 held on August 31, 2017 passed a resolution to change the par value of Baht 100.00 to Baht 0.50 per share, and resolved to increase the registered capital of Baht 65.00 million to Baht 215.00 million by issuing 130,000,000 new ordinary shares at a par value of Baht 0.50, offered to the public (IPO). The newly issued shares accounted for 30.23% of total paid-up capital after the IPO. The Company has already registered the capital increase with the Ministry of Commerce on September 4, 2017. Consequently, the Company has a registered capital of Baht 215.00 million consisting of 430,000,000 ordinary shares with a par value of Baht 0.50 each and paid up capital of Baht 150.00 million, consisting of 300,000,000 ordinary shares with a par value of Baht 0.50 each.

- The Company received cash from the Initial Public Offering by issuing 130,000,000 new ordinary shares at par value of Baht 0.50 per share. The Company has registered the capital increase with the Ministry of Commerce on December 25, 2017. The Company had registered capital of Baht 215.00 million, consisting of 430,000,000 ordinary shares with a par value of Baht 0.50 each and paid up capital of Baht 215.00 million consisting of 300,000,000 ordinary shares with a par value of Baht 0.50 each. As the result on December 31, 2017, the Company had registered capital of Baht 215.00 million, 430,000,000 ordinary shares and payment. Baht 215.00 million, 430,000,000 ordinary shares with a par value of Baht 0.50 per share

## Statement of Comprehensive Income

Statement of Comprehensive Income	Consolidated financial statement (Audited) 2017		Consolidated financial statement (Audited) 2018		Consolidated financial statement (Audited) 2019	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales	1,646.24	97.58	1,829.13	99.50	1,919.74	98.97
Other income	40.76	2.42	9.26	0.50	5.74	0.30
Exchange Gain					14.22	0.73
<b>Total Revenue</b>	<b>1,687.00</b>	<b>100.00</b>	<b>1,838.39</b>	<b>100.00</b>	<b>1,939.70</b>	<b>100.00</b>
Cost of Sales	1,331.70	78.94	1,561.18	84.92	1,774.81	91.50
<b>Gross Profit (Excluded other income)</b>	<b>314.54</b>	<b>19.11</b>	<b>267.94</b>	<b>14.64</b>	<b>144.93</b>	<b>7.55</b>
Selling expenses	120.30	7.13	133.92	7.28	141.01	7.27
Administrative expenses	85.94	5.10	75.06	4.08	69.69	3.59
Loss on exchange rate	0.00	0.00	8.10	0.44	0.00	0.00
<b>Total expenses</b>	<b>206.24</b>	<b>12.23</b>	<b>217.08</b>	<b>11.81</b>	<b>210.70</b>	<b>10.86</b>
<b>Profit (loss) before Financial cost and income tax</b>	<b>149.06</b>	<b>8.83</b>	<b>60.12</b>	<b>3.27</b>	<b>(45.81)</b>	<b>(2.36)</b>
Financial costs	24.80	1.47	3.24	0.18	5.75	0.30
<b>Profit (loss) before income tax</b>	<b>124.26</b>	<b>7.36</b>	<b>56.88</b>	<b>3.09</b>	<b>(51.56)</b>	<b>(2.66)</b>
Income tax	6.77	0.40	0.48	0.03	9.68	0.50
<b>Net profit (loss) for the year</b>	<b>117.49</b>	<b>6.96</b>	<b>56.40</b>	<b>3.07</b>	<b>(41.88)</b>	<b>(2.16)</b>
Other comprehensive income	(4.90)	(0.29)	2.03	0.11	2.10	0.11
Total comprehensive income (Expense) for the year	112.59	6.96	58.43	3.18	(39.78)	(2.05)
<b>Profit (loss) attributable to owners of the parent</b>	<b>117.49</b>	<b>6.67</b>	<b>56.40</b>	<b>3.07</b>	<b>(41.88)</b>	<b>(2.16)</b>
Non-controlling interests	-	-	-	-	-	-
<b>Total comprehensive income (expense) attributable to:</b>						
Owners of the parent	112.59	6.67	58.43	3.18	(39.78)	(2.05)
Non-controlling interests						
Basic earning per share (Calculated from the par value of 0.50 Baht)	0.44	-	0.13	-	(0.10)	-

## Statement of Cash Flows

Million baht

Statement of Cash Flows	2017	2018	2019
	(Audited)	(Audited)	(Audited)
<b>Cash flows from operating activities</b>			
Profit(loss) before income tax	124.26	56.88	(51.56)
<u>Adjustments for:</u>			
Depreciation and Amortisation	45.60	53.59	64.89
(Reversal of) allowance for doubtful and bad debt	0.35	(0.19)	1.55
Gain on disposal of equipment	(0.03)	(0.13)	(0.00)
Loss from Impairment of assets	3.52	0.73	0.08
Loss from write-off of assets	1.24	1.31	0.06
Unrealised (gain)loss on exchange rate	0.05	0.45	(0.46)
Employee benefit obligations	1.70	2.69	9.06
(Reversal of ) loss from decreased in value of inventories	1.36	(0.18)	3.20
Interest income	(0.86)	(1.36)	(0.95)
Finance costs	24.80	3.24	5.75
<b>Profit from operations before changes in operating assets and liabilities</b>	<b>201.99</b>	<b>117.03</b>	<b>31.62</b>
<u>Operating assets (increase) decrease</u>			
Trade and other receivables	(31.18)	(20.92)	5.10
Inventories	(127.23)	(211.27)	171.24
Other current assets	(6.14)	8.24	2.13
<u>Operating liabilities increase (decrease)</u>			
Trade and other payables	(21.96)	115.97	(11.78)
Contracts Liabilities	-	-	7.56
Other current liabilities	1.91	(1.74)	0.14
Income tax paid	(2.45)	(7.12)	(0.89)
<b>Net cash generated from (used in) operating activities</b>	<b>14.94</b>	<b>0.19</b>	<b>205.12</b>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of equipment	0.04	0.36	0.00
Proceeds from disposals of subsidiaries	2.47	-	-
Proceeds from interest income	0.89	1.58	0.95
Payment(Proceeds from) for short – term investments	(100.00)	100.00	
Decrease(increase) in restricted deposits at a bank	(3.14)	65.10	1.00
Payment for investments in subsidiaries under common control	-	-	-
Payment for purchase of plant and equipment	(93.23)	(193.68)	(59.03)
Payment for purchase of intangible assets	(3.05)	(0.17)	(2.00)
<b>Net cash from (used) in investing activities</b>	<b>(196.02)</b>	<b>(26.81)</b>	<b>(59.08)</b>

Statement of Cash Flows	2017	2018	2019
	Audited	Audited	Audited

#### Cash flows from financing activities

Interest paid	(26.05)	(3.13)	(5.92)
Proceeds from increase of ordinary shares	48.00	-	-
Proceeds from issuance of shares	730.53	-	-
Proceeds from (Payment for) on short – term loans,net	(384.41)	93.91	119.66
Payment on finance lease liabilities	(0.33)	(6.50)	(16.41)
Proceeds from short – term loans from a related person	5.00	-	-
Payment for short – term loans from a related person	(5.00)	-	-
Proceeds from long – term loans from a related person	0.16	-	-
Proceeds from long – term loans from financial institutions	103.19	-	9.00
Payment for long – term loans from a related person	-	-	-
Payment for long – term loans from financial institutions	(94.27)	(76.39)	(1.50)
Dividend payments	(91.98)	(86.00)	(21.50)
Dividend payments by subsidiaries to non – controlling interests	-	-	-
<b>Net cash generated from (used in) financing activities</b>	<b>284.84</b>	<b>(78.11)</b>	<b>83.33</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>103.76</b>	<b>(104.73)</b>	<b>229.37</b>
Cash and cash equivalents at the beginning of the year	14.95	118.71	13.98
Cash and cash equivalents at the ending of the year	119.66	14.09	243.35
Less Bank overdrafts	(0.95)	(0.11)	-
<b>Cash and cash equivalents</b>	<b>118.71</b>	<b>13.98</b>	<b>243.35</b>

#### Financial Ratios

Financial Ratios	2017	2018	2019
	Audited	Audited	Audited

#### Liquidity Ratios

Current Ratio (time)	3.57	1.71	1.35
Quick Ratio (time)	1.46	0.41	0.83
Cash flow current ratio (time)	0.04	0.00	0.69
Account receivable turnover (time)	19.25	16.93	15.59
Average of collection period (day)	19	21	23
Inventory turnover period (time)	14.36	6.08	6.77
Average selling period (day)	25	59	53
Payable turn over (time)	14.83	12.28	9.65
Payable payment period (day)	24	29	37
Cash cycle (day)	20	51	39

Financial Ratios	2017	2018	2019
	Audited	Audited	Audited

### Profitability Ratios

Gross profit margin (%)	19.11	14.65	7.55
Operating profit margin (%)	7.94	2.78	(2.69)
Operating cash flow to EBIT (%)	11.44	0.39	(397.85)
Net profit margin (%)	6.96	3.07	(2.16)
Return on equity (%)	21.98	6.12	(4.76)

### Efficiency Ratios

Return on assets (%)	12.16	4.61	(3.21)
Return on fixed assets (%)	30.59	17.50	3.27
Asset turnover (time)	1.75	1.50	1.49

### Financial Policy Ratios

Debt to equity ratio (time)	0.26	0.39	0.58
Interest coverage ratio (time)	0.60	0.06	35.70
Commitment coverage ratio (cash basis) (time)	(0.05)	(0.01)	2.42
Dividend payout ratio (%) (After deduction of legal reserve)	140.10 <sup>1</sup>	79.98 <sup>2</sup>	0 <sup>3</sup>

Note: <sup>1</sup>The Extraordinary General Meeting No. 3/2017, held on May 11, 2017 resolved to approve the distribution of the interim dividend from the unappropriate retain earning as of 31 December, 2016 with the company's separate financial statement 1,080,000 shares at baht 43.50 per share, totaling Baht 46,980,000 and the payment made on May 22, 2017

In addition, The Board of Directors Meeting No. 3/2017, held on November 13, 2017, resolved to approve the interim dividend at rate of Baht 0.15 per share totaling Baht 45,000,000 and the payment made on November 21, 2017.

The Annual General Meeting of Shareholders of 2018 held on April 23, 2018, resolved to approve the distribution of dividend at Baht 0.15 per share, totaling 64,500,000. and the payment made on May 15, 2018.

<sup>2</sup>The Board of Directors Meeting No. 4/2018, held on November 7, 2018, resolved to approve the interim dividend for Q3'2018 at rate of Baht 0.15 per share, totaling Baht 21,500,000 and the payment made on December 6, 2018.

The Annual General Meeting of Shareholders of 2019 held on April 22, 2019, resolved to approve the distribution of dividend at Baht 0.05 per share, totaling 21,500,000. and the payment made on May 17, 2019.

<sup>3</sup>The Board of Directors Meeting No. 1/2020, held on February 20, 2020, The board deemed appropriate to propose the Annual General Meeting of Shareholders held on April 20, 2020 to approve the omitting of allocation of net profits as a legal reserve and the omission of dividend payment due to the loss of company's operating performance of 2019.



## Management Discussion and Analysis

### Financial Performance

#### Overview

Sunsweet Public Company Limited (“the Company”) manufactures and sells processed sweet corn and other agricultural products. In addition, the Company manufactures according to customers’ orders under its own brand. Sun Sweet International Co., Ltd. (SI), a subsidiary of the Company. Sourcing (exporting and importing) of food products and agricultural products such as fresh onion, tapioca starch. Canned pineapple Corn oil Sunflower oil and ketchup, etc. to both domestic and foreign customers.

The revenue structure of the Company and its subsidiaries consisted of: 1) Revenue from the manufacture and sale of processed sweet corn and other agricultural products 2) Revenue from trading by SI, which was mainly operated by the Company. 3) Other income such as seed sales. 4) Other income such as interest income, export compensation income Electricity Revenue, and gain on exchange rate

Revenue from sales of sweet corn and other agricultural products in 2017, 2018 and 2019 were Baht 1,524.13 million, Baht 1,711.73 million and Baht 1,826.23 million, or 90.34%, 93.11% and 94.15% of the total revenues, respectively. In the year 2018, The company has revenue from sales of sweet corn products increasing Baht 187.60 million or 12.31% compared to the previous year. The main reasons are (1) increased orders from existing customers, and (2) new customers, especially in Canned and Pouch sweet corn from Asia and European customers.

For the year 2019, the company had sales revenue of sweet corn products increased by 114.50 million baht or equivalent to an increase of 6.69% when compared to the previous year. Mainly due to

(1) Expanding the market more in European countries And the Middle East Both for new customers and or former customers who win-back to take more order

(2) Increased domestic sales according to the addition of new products within the country Such as ready-to-eat sweet potatoes, bi colors sweet corn, waxy corn, tiger peanut, etc. There are also additional sales channels in the trade group.

Although export revenue is affected by trade barriers and the result of the baht’s appreciation, but the company and its subsidiaries still have strong growth with the growth rate of sales revenue for the year 2019 equal to 5.0 %. However, the cost of production for the year 2019 affected by drought situation of the fall armyworm in the area of Thailand which caused damage to the sweet corn farmers and affecting the Thai sweet corn industry resulting in reduced production And the slightly higher daily wage cost due to the adjustment of hiring outside contractors for better flexibility in management.

The Profit (loss) attributable to owners of the parent in 2017, 2018 and 2019 were Baht 117.49, Baht 56.40 million and Baht (41.88) million and the rate were 6.96%, 3.07% and (2.16) %, respectively. In 2019, the Profit (loss) attributable to owners of the parent become (2.16) %, decreased from the year 2018, which was 3.07% net profit margin

As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had current ratios of 3.57 times, 1.71 times and 1.35 times, and their quick ratios were 1.46 times, 0.41 times and 0.83 times respectively. In 2017, due to the company continued profitability and the proceeds from the initial public offering (IPO), the Company and its subsidiaries had got the money to use as working capital. This resulted the liquidity of the Company and its subsidiaries improved. In 2018, the Company and its subsidiaries had a high current liability, mainly due to the continuous flow production. The resulting in a low liquidity ratio over than the same period last year.

As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had a debt to equity ratio of 0.26 times, 0.39 times and 0.58 times, respectively. In 2017 ,D/E ratio significantly decreased due to profitability of the company and its subsidiaries carry to retained earing. For the year 2018, D/E ratio increase over than the same period last year, due to trade account payable and raw material such as packing, ingredient for production are increased from the more production . For the year 2019, the increasing debt to equity ratio was due to the company increasing the use of short-term loans from financial institutions for working capital.

## Analysis of Financial Performance

### Revenue

The Company and its subsidiaries' total revenues for the year 2017, 2018 and 2019 were, Baht 1,687.00 million, Baht 1,838.38 million and Baht 1,939.70 million, respectively, consisted of sales revenue of Baht 1,646.24 million, Baht 1,829.12 million and Baht 1,919.74 million, respectively. Other income were Baht 40.76 million, Baht 9.26 million and Baht 19.96 million, respectively.

Revenue	2017		2018		2019	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales	1,646.24	97.58	1,829.12	99.50	1,919.74	98.97
Other income <sup>1</sup>	40.76	2.42	9.26	0.50	19.96	1.03
<b>Total Revenue</b>	<b>1,687.00</b>	<b>100.00</b>	<b>1,838.38</b>	<b>100.00</b>	<b>1,939.70</b>	<b>100.00</b>

Note: <sup>1</sup>Other income includes interest income, Export compensation income, Sale of electricity income, Gain on exchange rate, etc.

### Revenue from sales

The Company and its subsidiaries total revenues for the year 2017, 2018 and 2019 had sales of , Baht 1,646.24 million, Baht 1,829.12 million and Baht 1,919.74 million, or 97.58%, 99.50% and 98.97% of total revenues, respectively. Details of revenue structure as per table below:

Revenue Structure by Product Type	2017		2018		2019	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>1. Revenue from manufacture and sale of processed sweet corn and other processed agricultural products</b>	<b>1,524.13</b>	<b>90.34</b>	<b>1,711.73</b>	<b>93.11</b>	<b>1,826.23</b>	<b>94.15</b>
1. Sweet corn products	1,519.89	90.09	1,706.80	92.84	1,825.14	94.09
- Canned sweet corn	1,110.82	65.85	1,229.90	66.90	1,292.11	66.61
- Pouch sweet corn	161.70	9.59	252.67	13.74	307.07	15.83
- Frozen sweet corn	247.37	14.66	224.23	12.20	225.96	11.65
2. Other processed agricultural products	4.24	0.25	4.93	0.27	1.09	0.06
<b>Revenue from trading Business</b>	<b>37.96</b>	<b>2.25</b>	<b>19.24</b>	<b>1.05</b>	<b>15.28</b>	<b>0.79</b>
<b>Total revenue from sales of products</b>	<b>1,562.09</b>	<b>92.59</b>	<b>1,730.97</b>	<b>94.16</b>	<b>1,841.51</b>	<b>94.94</b>
-Revenue from selling other products <sup>1</sup>	84.15	4.99	98.15	5.34	78.23	4.03
<b>Total revenue from sales</b>	<b>1,646.24</b>	<b>97.58</b>	<b>1,829.12</b>	<b>99.50</b>	<b>1,919.74</b>	<b>98.97</b>
-Other revenue <sup>2</sup>	40.76	2.42	9.26	0.50	19.96	1.03
<b>Total Revenue</b>	<b>1,687.00</b>	<b>100.00</b>	<b>1,838.38</b>	<b>100.00</b>	<b>1,939.70</b>	<b>100.00</b>

<sup>1</sup> Revenue from selling other products includes revenue from selling seed, fertilizer, revenue from selling waste from production process, etc.

<sup>2</sup> Other revenue includes interest receivables, revenue from export compensation, revenue from sale of electricity, profit from exchange rate, etc.

## (1) Revenue from production and distribution of processed sweet corn and other agricultural products

Company and its subsidiaries main income is from the production and distribution of sweet corn and other agricultural products. In 2017-2019, the sale of sweet corn and other agricultural products were Baht 1,524.13 million, Baht 1,711.73 million and Baht 1,826.23 million, representing 90.34%, 93.11% and 94.15% of total revenues respectively.

In the year 2017, the Company's income from sales of sweet corn decreased by Baht 64.94 million or 4.10% compared to the same period of the previous year due to the company had renovate the machine since the end of 2016, These resulted the company could not produce the product efficiently, and then the production and distribution volume was decreased in the first quarter of 2017.

In the year 2018, the company's income from sale of sweet corn increased by Baht 187.60 million or 12.31% over to the same period last year. The sale growth from increased in existing and new customer order. The sales was increase espacialy in both canned and pouch sweet corn products packed in vacuum bags from Asia and European customers. In addition,for the year 2018 the raw material (sweet corn) increased by 128,473 Ton or 24.5% compared to the same period of the previous year. Due to the company has expanded the area to promote farmers and bring technology to help farmers. As a result, the company has sufficient raw material for the production .

In the year 2019, the company had sales revenue of sweet corn products increased by 114.50 million baht or increase of 6.69% when compared to the previous year. The main reason is due to (1) Expanding the market more in European countries and the Middle East Both for new customers or former customers who win-back to buy more (2) Increased domestic sales due to the increase of new domestic products such as ready-to-eat sweet potatoes, bi colors sweet corn, waxy corn, tiger peanut, etc. There are also additional sales channels in the retail group.

## (2) Revenue from trading business

In 2017-2019, revenue of the company and its subsidiaries from trading business were amounting to , Baht 37.96 million, Baht 19.24 million and Baht 15.28 million, representing 2.25%, 1.05% and 0.79% of total revenues, respectively.

Currently, the subsidiary who engaged in sourceing (Importing and exporting) for other agricultural products. Sunsweet International Co.,Ltd.(SI) has been focusing on trading with the majority of the company customers. Customers are required to pay SI before the order in order to manage liquidity to match with current financial position. Therefore, the trading business is not so high.

## Revenue from selling other products

Revenue from selling other products of the Company and its subsidiaries are as follows: 1) Revenue from the sale of sweet cornseeds to the broker or farmers. 2) Revenues from by-products from the production process, such as corn husk and corn cob ect. for animal feed. The Company and its subsidiaries' revenue from selling other products in 2017, 2018 and 2019 were, Baht 84.15 million, Baht 98.15 million and Baht 78.23 million, or 4.99%, 5.34%and 4.03% of total revenue respectively.

In 2018, the Company's revenue from selling other products increased by Baht 14.00 million or an increase of 16.64 % from the previous year. This was due to the increase in sales of seeds to farmers by Baht 3.96 million as a result of increased crop production. The revenue from disposals of materials from the by-products of the production increased by Baht 10.04 million according to the production of sweet corn increased.

In the year 2019, the company had revenue from other sales decreased by 19.92 million baht or equivalent to a decrease of 20.30% of the previous year. The main cause was the decrease in production by 12.53% due to the outbreak of the fall armyworm consequently the revenue from by-products also decrease.

## Other income

Other income of the Company and its subsidiaries comprised of interest income, income tax, export tax refund Electricity Revenue, and gain on Exchange rate. The Company and its subsidiaries had other income in 2017, 2018 and 2019 at Baht 40.76 million, Baht 9.26 million and Baht 19.96 million, or 2.42%, 0.50% and 1.03% of total revenues respectively.

In 2018, the company has other income Baht 9.26 million which was an decrease of Baht 31.50 million from the same period of the previous year, due to high appreciation's Thai Baht, resulting to the company loss on exchange rate equal to Baht 8.10 million.

In the year 2019, the company had other incomes equal to 19.96 million baht, an increase of 10.70 million baht, mainly due to foreign exchange gain of 14.22 million baht due to the use of financial tools such as forward foreign exchange contracts which is appropriate for the situation of exchange rate fluctuations.

### Cost of sales and gross profit

Cost includes raw materials, ingredients, labels and packaging, salaries, wages, and overtime. Expenditure on sweet corn promotion, Electricity fuels, Miscellaneous Factory Expenses, and depreciation of the building. In 2017, 2018 and 2019, the Company and its subsidiaries had a cost of sales of, Baht 1,331.70 million, Baht 1,561.18 million and Baht 1,774.81 million, or 78.94%, 84.92% and 91.50% of the total revenue respectively.

The Company and its subsidiaries' gross profit for the year 2017, 2018 and 2019 was Baht 314.54 million, Baht 267.94 million and Baht 144.93 million, or 19.11%, 14.65% and 7.55% of total revenue respectively.

For the year 2017, the Company and its subsidiaries had gross profit margin rate 19.11%, which was increase from the same period of the previous year. This mainly increased due to the Company had manage of sweet corn promotion efficiency by more participation with grower in order to develop and educate of sweet corn cultivation. Throughout the period. The company can buy sweet corn and produce it regularly. In addition, at the beginning of the second quarter of 2017, the Company completed the installation of machinery. For example, Automatic Can Filling Machine which was able to reduce number of worker and increase accuracy of weight measurement and packaging resulting to reduce packaging time and waste rate. Moreover, the company invest a new automatic sterilizer machine that replace the batch retorts. The strength of the new machine is the reduction of time and energy on process of kill germs. This will increase product quality, reduce production costs,

For the year 2018, the Company and its subsidiaries had a gross profit Baht 267.94 million. that meas increased Baht 46.60 Million or 14.81% from the same period of last year. This mainly due to Baht appreciation against other currencies, and due to slightly decrease in selling price per unit.

For the year 2019, the Company and its subsidiaries had a gross profit of 144.93 million baht, a decrease of 123.01 million baht or a decrease of 45.91 % compared to the same period of last year. This mainly due to Baht appreciation then affecting to the decreasing of revenue per unit. In addition, production costs are also affected by drought. The outbreak of the fall armyworm caused damage to sweet corn farmers and affecting the Thai sweet corn industry resulting in reduced production and slightly increased labor costs from adjusting to hiring external contractors for greater flexibility in management.

### Selling expenses

The cost of sales includes freight charges, commissions, advertising and promotional, salary and other benefit of salesman, etc. In 2017, 2018 and 2019, the Company and its subsidiaries had selling expenses of Baht 120.30 million, Baht 133.92 million and Baht 141.01 million or 7.13%, 7.28% and 7.27% respectively.

For the year 2017, the Company and its subsidiaries had selling expenses of Baht 120.30 million, a decrease of Baht 2.12 million or a decrease of 1.73% from the same period of the previous year. due to increasing in export cost.

In 2018, Selling expenses for the year ended was Baht 133.92 million, increasing by Baht 13.63 million or 11.32% over the same period last year, This increase was mainly due to increase in domestic and export logistics activities along with higher sales volume.

For the year 2019, the company and its subsidiaries had selling expenses equal to 141.01 million baht, an increase of 7.09 million baht or 5.29 percent compared to last year's annual budget. (Year 2018 = 7.27 % of sales, Year 2019 = 7.28 % of sales). The increased selling expenses due to increased transportation and export expenses from increased sales.

## Administrative Expenses

Administrative expenses consist of salary and other benefit, consulting fee, other miscellaneous expenses depreciation of building, office equipment and vehicle, and other charge. The company and its subsidiary had the administrative expenses of 2017, 2018, and 2019 amount to Baht 85.94 million, Baht 75.06 million and Baht 69.69 million, or 5.10%, 4.08% and 3.59% of total revenue respectively.

For the year 2017, the Company and its subsidiaries had administrative expenses of Baht 85.94 million, an increase of Baht 27.92 million or an increase of 48.12% from the same period of the previous year. This is mainly due to the increase in administrative expenses such as personnel expenses (restructure of the basis salary), the remuneration for the members of Board of Directors, additional capital registration fee and noticing impairment losses of machine and factory equipment.

For the year 2018, the general and administrative expenses amounted to Baht 75.06 million, decreasing by Baht 10.88 million or 12.66% over the same period last year, due to the decrease in administrative expenses such as consulting fees and listing fees in mai.

For the year 2019, the company and its subsidiaries had administrative expenses equal to Baht 69.69 million, a decrease of 5.37 million baht or 7.15 percent compared to the same period of last year. This is mainly due to reducing of administrative expenses ,travel expenses , service and consultant costs.

## Financial Costs

Financial costs consisted of: Interest expenses arising from the use of credit facilities from financial institutions and / or other sources of funds, such as interest on the use of credit facilities, packing credit, promissory notes (P/N) and interest from long-term loan agreement. In 2017, 2018 and 2019, the Company and its subsidiaries have financial costs of Baht 24.80 million, Baht 3.24 million and Baht 5.75 million, or 1.47%, 0.18% and 0.30% of total revenues respectively.

For the year 2017, the Company and its subsidiaries had a financial cost of Baht 24.80 million, a decrease of Baht 0.65 million or a decrease of 2.55% compared to the same period of the previous year. This is due to The company has more working capital during the year and reduce the use of short-term loans from the bank. Although long-term loans are increase from investment in machinery. However, the Company has withdrawn such loan at the end of the second quarter of 2017, so the financial cost was not incurred in this period.

For the year 2018, the finance costs amounted to Baht 3.24 million, declining by Baht 21.56 million or 86.94% over the same period last year due to the company used proceeds from IPO to repay loans from financial institutions, leading the company to be able to rely more on internal working capital rather than using the short-term loan from bank, and then the finance cost had decreased.

For the year 2019, the company and its subsidiaries had financial costs equal to 5.75 million baht, an increase of 2.51 million baht or 77.47 percent compared to the previous year. The increased financial costs arise from the company increasing the use of short-term loans from financial institutions for working capital.

## Net Profit and Net Profit Margin

The Company and its subsidiaries had net profit (loss) attributable owners of the parent for the years 2017, 2018, 2019 amounting to Baht 117.49 million, Baht 56.40 million and Baht (41.88) million respectively.

For the year 2017, the Company and its subsidiaries had net profit attributable to owners of the parent of Baht 117.49 million, an increase of Baht 5.82 million or 5.21% over the same period of the previous year. The main reason is the higher gross margin when compared to the same period last year. Although there are higher selling and administrative expenses.

For the year 2018, The company's consolidated net profit for the year end December 31, 2018 amounted to Baht 56.40 million, dropping by Baht 61.08 million or 51.99% over the same period last year. This mainly due to Baht appreciation against other currencies, and due to slightly decrease in selling price per unit.

For the year 2019, even though export revenue is affected by trade protectionist measures and the result of the baht appreciation But the company and its subsidiaries still have strong growth With a growth rate for sales revenue in the year 2019 of 5.0 percent. However, the cost of production for the year 2019, there was an impact from drought, epidemics, and slightly higher daily labor costs due to the adjustment of hiring external contractors for management flexibility, resulting in the year 2019, the company and its subsidiaries having net loss 41.88 million baht, that means the net profit decrease Bath 98.28 million or representing a decrease of 174.20% compared to last year.

Net profit margin attributable to owners of the parent for the years 2017, 2018 and 2019 was 6.96%, 3.07% and 2.16%, respectively. The net profit margin continued to increased for the year 2017 and decreased in 2018 and 2019 can be explained as follows.

- For the year 2017, the net profit margin was 6.96%, increased from the same period of last year with the net profit margin of 6.47%, mainly due to effective production management led to higher gross profit margin. In addition ,other income increased due to higher gain on exchange rate and compensation from a financial institution in the case of the Company suing its ex-officer for corruption and forgery of signature on cheque, as mentioned above

- For the year 2018, the net profit margin was 3.07%, decreased from the same period of last year with the net profit margin of 6.96%, mainly due to Baht appreciation against other currencies, and due to slightly decrease in selling price per unit.

- For the year 2019, the company's net profit margin was (2.16)% , decreased from last year . The net profit margin of 2018 was 3.07 %.

### Return on equity

The Company and its subsidiaries' return on equity for the years 2017, 2018 and 2019 were 21.98%, 6.12% and (4.76)%, respectively. In 2017, the return on equity was decreased to 21.98% due to the increase in paid up share capital and premium on issue of IPO shares. Consequently, shareholders' equity at year-end 2017 had a higher value and effected to the return on equity is lower.

For the year 2018, the company's return on equity was decreased to 6.12%, mainly due to Baht appreciation against other currencies, and due to slightly decrease in selling price per unit.

For the year 2019, the return on equity decreased to a negative 4.76%, in accordance with the decreasing net profit as mentioned above.

## Financial position of the Company and its subsidiaries

### Total assets

As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had total assets of Baht 1,178.43 million, Baht 1,267.46 million and Baht 1,343.31 million respectively.

### Current assets

As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had current assets of Baht 534.48 million, Baht 552.56 million and Baht 604.52 million, representing 45.35%, 43.60% and 45.00% of total assets, respectively. Details of the major current assets mainly consisted of:

Cash and cash equivalents: As at 31 December 2017, 2018 and 2019, the values were Baht 119.66 million, Baht 14.09 million, and Baht 243.35 million, or accounted for the total assets. 10.15%, 1.11% and 18.12% respectively. It consist of petty cash, current deposits and savings accounts with financial institutions.

Short term Investments: As of December 31, 2017, the value was Baht 100.00 million or accounted for 8.49% of the total assets. This is a fixed deposit with a maturity of 6 months due to the company can raise the capital from initial public offering (IPO), which is part of investment plan in machinery, started in 2018.

Trade and other receivables, net: As of December 31, 2017, 2018, and 2019 the value was Baht 105.25 million, Baht 125.63 million and Baht 156.22 million or 8.93%, 9.91% and 11.63% of total asset respectively.

Trade and other receivables, net Million ( Baht )	31 December 2017	31 December 2018	31 December 2019
Trade receivables- third parties	98.70	117.32	149.70
Less Allowance for doubtful accounts	(0.35)	(0.10)	(1.55)
Trade receivables, net	98.35	117.22	148.15
Other receivables, net	2.08	4.57	3.51
Prepaid expenses	3.08	2.79	3.93
Advance payment	0.22	0.37	0.30
Others	1.52	0.68	0.33
<b>Total trade and other receivables, net</b>	<b>105.25</b>	<b>125.63</b>	<b>156.22</b>

Considering the value of trade accounts receivable as at 31 December 2017, 2018 and 2019,

In the year 2019, the Company and its subsidiaries set up an increase of allowance for doubtful accounts from 1.45 million baht in year 2018, a part of such allowance of 0.86 million baht was from one our foreign customer that Transfer money to others instead of company'account because of They received a fake email to change the bank account number. Currently, this debtor is in the process of legal action. The company realized full amount of allowance for doubtful. For the remaining amount of 0.69 million baht is caused by the sale of seeds and fertilizer to the farmers and raw material collectors which are affecting from the situation of the fall armyworm in the area .In addition ,that situation was impact Thai sweet corn industry and productivity in 2019 decreased. Also some farmers and raw material collectors unable to produce products for payment of seed and fertilizer .The company is currently negotiating for new planting. However, the company has considered to set aside full allowance for doubtful .

By the way,The Company has set a policy of allowance for doubtful accounts of 100% for overdue receivables over 360 days and 50% for overdue receivables over 180 days.



Trade receivables Million ( Baht )	31 December 2017	%	31 December 2018	%	31 December 2019	%
Not overdue	32.40	32.83	25.34	21.60	52.47	35.05
Overdue	63.49	64.32	91.24	77.76	94.85	63.36
- Less than 3 months	2.27	2.30	0.63	0.54	0.84	0.56
- More than 3 months to 6 months	0.07	0.07	0.01	0.01	0.86	0.57
- More than 6 months to 12 months	0.47	0.48	0.10	0.09	0.69	0.46
- More than 12 months						
	98.70	100.00	117.32	100.00	149.70	100
<b>Total trade accounts receivable</b>						
Less Allowance for doubtful accounts	(0.35)		(0.10)		(1.55)	
<b>Trade account receivable, net</b>	<b>98.35</b>		<b>117.22</b>		<b>148.15</b>	

The above table shows the aging of trade receivables. The trade receivables were mainly receivables not yet due and receivables overdue up to 3 months, which is equal to Baht 95.89 million, Baht 116.58 million and Baht 147.32 million or 97.15%, 99.36% and 98.41% of the total accounts receivable as of December 31, 2017, 2018, 2019 respectively.

The Company has a policy to provide credit term to domestic trade receivables for approximately 7-60days, based on the customer's financial status, payment history, the frequency of order and order value. However, the Company does not provide credit term for foreign customers. In 2017-2019, the Company and its subsidiaries have average collection period of 19, 21, and 23 days, respectively.

Other receivable i.e. Customs Department ,account receivable from selling waste including advance payment As at 31 December 2017, 2018 and 2019, the Company had other receivables of Baht 6.90 million, Baht 8.41 million and Baht 8.07 million, respectively.

• Inventories, net: As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had net inventories of Baht 191.84 million, Baht 403.29 million and Baht 197.51 million or 16.28%, 31.82% and 14.70%, respectively.

Inventories, net Million ( Baht )	31 December 2017	%	31 December 2018	%	31 December 2019	%
Raw material	4.85	2.51	1.65	0.41	1.76	0.88
Finished goods	151.03	78.18	362.82	89.70	161.41	80.42
Containers and packaging materials	30.76	15.92	32.73	8.09	29.52	14.71
Supplies	6.55	3.39	7.27	1.80	8.02	4.00
<b>Total inventories</b>	<b>193.19</b>	<b>100.00</b>	<b>404.47</b>	<b>100.00</b>	<b>200.70</b>	<b>100.00</b>
Less allowance for decreased in value of inventories	(1.35)		(1.18)		(3.20)	
<b>Inventories, net</b>	<b>191.84</b>		<b>403.29</b>		<b>197.51</b>	

The major inventories of the Company and its subsidiaries are finished goods. As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had the proportion of finished products to total inventories. 78.18%, 89.70% and 80.42%, respectively. Most finished goods of the Company are semi-products ,finished goods and seeds

As of December 31, 2018, the finished goods have increased from 2017 as the products were prepared for deliver to customers in early of 2019 according to customer schedules. Also in fourth quarter, the volume of production was increased over the same period as last year.

As of 31 December 2019, the value of finished goods has decreased significantly because of year 2019, the company received more orders from customers. Therefore, the products have been sold out. In addition, at the end of the year 2019, the amount of raw materials for sweet corn decreased due to the drought causing the company to have less raw materials for production. Therefore, inventories have not much storage in the warehouse at the end of the year 2019.

Based on the average selling period of the Company in 2017-2019, the average selling period were 25 days, 59 days and 53 days respectively. The average selling period of the Company and its subsidiaries in 2018 was increased due to the preparation to delivered to customers in early 2019 as mentioned above.

In the year 2019, the average selling period slightly decreased because of the finished products at the beginning of the year still have a high value from preparing to deliver to the customers. However, the value of finished products gradually decreases at the end of the year due to the company to have less raw materials for production which cause by drought during the year.

The Company and its subsidiaries have policy to set up allowance for obsoleted inventories from the obsolescence of inventories. Subjected to type of product. There are consist of canned sweet corn which shelf life more than 2 years, pouch whole kernel sweet corn which shelf life more than 1 year, and frozen sweet corn products which shelf life over 6 months from the date of manufacture. The Company will set allowance for all deteriorated inventories.

### Non-current assets

As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had non-current assets of Baht 643.95 million, Baht 714.90 million and 738.79 million, representing 54.65%, 56.40% and 55.00% of total assets, respectively. The details are as follows.

#### Property, plant and equipment - net:

As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had net book value of property, plant and equipment amounting to Baht 559.41 million, Baht 697.69 million and Baht 712.23 million or 47.47%, 55.05% and 53.02% respectively. Total assets The Company has invested in machinery and equipment continuously in the past 3 years.

In the year 2017, the company invested in major machinery which is Hydrolock, a continuous high temperature sterilizer (Continuous Sterilizer) that replaces the traditional batch sterilizer (Batch Retorts) the strength of this machine is the reduction of time and energy used to kill germs. This will increase product quality. Reduce production costs and flexible to use with multiple packages, Hydrolock has been installed and commercially launched on April 30, 2017. In addition, the company has invested in machinery for the production of sweet corn in pouch such as vacuum packing machine, corn trimming, blanching machine. Including investment in machinery to develop other production lines such as automatic corn cutter, automatic filling machine, improvement of batch sterilizer and the robots arranged the caned into automatic pallets.

In the year 2018, the company invested in major machinery are as follows:

- Frozen 3 Tons project to increase the production capacity from 1 ton per hour to 3 tons per hour.
- Solar PV Rooftop Project to utilize rooftop transformed to electricity. Solar is one of clean natural energy sources to help save the environment also save the operating costs.
- Automatic Corn Coblette project to increase the efficiency of chopping corn stick. As the result, saving labour and time.
- Seamer 12 oz. machine that increase seamer capacity to match with continuous sterilizer (Hydrolock) As a result, the company save electricity cost and labour cost.
- Color Sorter machines with high efficiency in the separation of items that are discoloured, extraneous Vegetable Matter (Such as husk, corn silk, cob).

#### Restricted bank deposits:

As at 31 December 2017, 2018 and 2019, restricted bank deposit of Baht 71.88 million, Baht 6.78 million and Baht 5.78 million, representing 6.10%, 0.53% and 0.43% of total assets respectively. The Company has secured savings and fixed deposit accounts with a financial creditors for guarantee of credit facilities, and the company's overdraft.

## Source of funds

### Liability

As at 31 December 2017, 2018, and 2019, the Company and its subsidiaries had total liabilities of Baht 242.28 million, Baht 358.88 million and Baht 492.49 million respectively, representing 20.56%, 28.31% and 36.66% of total liabilities and shareholders' equity. Significant changes are as follows:

#### Current liabilities

As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had current liabilities of Baht 149.54 million, Baht 323.59 million and Baht 446.54 million respectively, representing 12.70%, 25.53% and 32.24% of liabilities and shareholders' equity respectively. The details are as follows.

- Bank overdrafts and short-term loan from financial institutions: As at 31 December 2017, 2018 and 2019, bank overdrafts and short-term loan from financial institutions were Baht 0.95 million, Baht 94.02 million and Baht 213.57 million or 0.08%, 7.42% and 15.90% of total liabilities and shareholders' equity respectively. The major items such as short-term loan for packing credit, bank overdrafts and short-term loans and the liabilities under the promissory note (P/N) etc. The credit line is used for order and stock raw materials and working capital. However, in December 2017, the Company received cash from IPO and partially used for working capital. And then reduced the use of credit lines from financial institutions. As a result, the value of bank overdrafts and short-term loan from financial institutions as at December 31, 2017 significantly decreased.

In 2018 and 2019, short-term loans increased respectively due to the company increased the use of short-term loans from financial institutions for working capital in business operations.

#### Trade and other payables:

As at 31 December 2017, 2018 and 2019, the value was Baht 107.43 million, Baht 222.31 million and Baht 208.10 million or 9.12%, 17.54% and 15.49% respectively of total liabilities and shareholders' equity as detailed in the table below.

Trade and other payables (Million Baht)	31 December 2017	31 December 2018	31 December 2019
Trade payables	71.95	182.22	185.61
Other payables	2.79	2.95	0.75
Accrued expenses	9.51	27.10	20.53
Advances received from sales of goods	23.18	10.04	-
Other			1.20
<b>Total trade and other payables</b>	<b>107.43</b>	<b>222.31</b>	<b>208.10</b>

From the above information, it is found that most transactions are trade payables. The company has ordered sweet corn and other raw materials which related to production. The credit term of trade payable was approximately 30-90 days, depending on the type of raw materials. The payable payment period in 2017-2019 is 24 days, 29 days and 37 days, respectively. In the year 2019, is the decrease mainly due to the purchase of raw material which is payment period of approximately 7 days.

#### Non-current liabilities

As at December 31 2017, 2018, and 2019, the company and its subsidiary had non current liabilities of Baht 92.74 million, Baht 35.29 million and Baht 45.95 million representing a ratio of 7.86%, 2.78% and 3.42% of liabilities and shareholders' equity. Details of non-current liabilities are as follows:

Long-term loan : As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had long-term loan from financial institutions amounting to Baht 51.18 million, Baht 0.00 million and Baht 3.90 million or 4.34%, 0.00% and 0.29% of total liabilities and shareholders' equity, respectively. When combined with current portion of long-term loans, the Company and its subsidiaries have outstanding long-term loans totaling Baht 76.38 million Baht 0.00 million and Baht 7.50 million representing 6.48%, 0.00% and 0.56% of total liabilities and shareholders' equity respectively.

In the year 2017, the Company has withdraw additional long-term loans from financial institutions amounting to Baht 103.18 million for investment in machinery such as Hydrolock and labeling equipment and packaging line. In addition, The part of cash recived from IPO use for repayment of long-term loans from financial institutions amounted to Baht 50.00 million, which is in line with the IPO plan. As a result, at the end of 2017, The long-term loans totally slightly increased from previose year. In 2018, the company used cash from the initial public offering (IPO) to repay long-term loans from financial institutions. As a result, the company used more working capital.

In the year 2019, the company has withdraw the long tem loan in amount of Baht 9.00 million for the Corn-Cutter Machine, as at the end of the year 2019, the long-term loan outstanding is baht 7.50 million.

### Shareholders' Equity

As at December 31 2017, 2018, and 2019, the Company and its subsidiaries had shareholders 'equity of Baht 936.15 million, Baht 908.59 million and Baht 850.82 million representing a ratio to liabilities and shareholders' equity of 79.44%, 71.69% and 63.34% respectively, with the following details:

#### Issued and paid-up share capital:

- As at 31 December 2016, the Company's registered capital was Baht 108.00 million, divided into 1,080,000 ordinary shares with a par value of Baht 100.00 per share. The registered and paid-up share capital was Baht 102.00 million divided into 1,000,000 ordinary shares. Par value of Baht 100.00 each, fully paid.and 80,000 ordinary shares with a par value of Baht 100.00 per share, paid up Baht 25 per share. Subsequently, the company had fully paid up share capital of Baht 108.00 million on April 7, 2017.

- The Extraordinary Meeting of Shareholders No. 3/2017 held on May 11, 2017 passed a resolution approving the increase of registered capital of Baht 42.00 million by issuing 420,000 new ordinary shares at par value of Baht 100 per share by the original stock proportion. As a result, the company's registered capital increased to Baht 150.00 million, divided into 1,500,000 ordinary shares with a par value of Baht 100 each. The Extraordinary General Meeting of Shareholders No. 4/2017 held on August 31, 2017 resolved to change the par value. It was resolved to increase the registered capital by Baht 65.00 million to Baht 215.00 million by issuing 130,000,000 new ordinary shares at par value of Baht 0.50. For the initial public offering (IPO) or 30.23% of total paid-up capital after the IPO, the Company has registered the capital increase with the Ministry of Commerce. On September 4, 2017, the Company had registered capital of Baht 215.00 million, consisting of 430,000,000 ordinary shares with a par value of Baht 0.50 each and paid up capital of Baht 150.00 million consisting of 300,000,000 ordinary shares with a par value of Baht 0.50 each. In addition, the Company received money from the initial public offering of 130 million shares at a par value of Baht 0.50 per share. The Company registered the increase of paid-up share capital with the Ministry of Commerce on December 25, 2017. As a result, as of December 31, 2017, the Company had registered capital of Baht 215.00 million. 430,000,000 ordinary shares with a par value of Baht 0.50 each and paid-up capital of Baht 215.00 million

#### Share premium on issueing ordinary shares:

As at December 31, 2017, the Company had an excess of 665.53 million Baht, representing 56.48% of total liabilities and shareholders' equity. December 25, 2017 The Company received cash from the initial public offering of 130 million shares at a par value of Baht 0.50 per share. Baht 5.85 per share, totaling Baht 760.50 million, with expenses directly related to the offering to the public of Baht 29.97 million and presented as a deduction from premium on ordinary shares.

- Retained earnings - Unappropriated: As at 31 December 2017, 2018 and 2019, the Company had Unappropriated retained earning (Deficit) of Baht 72.66 million, Baht 40.16 million and Baht (19.70) million The share of debt and equity accounted for 6.17%, 3.17% and (1.47)% respectively. The Extraordinary Meeting of Shareholders No. 3/2017 held on May 11, 2017 passed a resolution approving the interim dividend payment from unappropriated retained earnings as at December 31, 2016 to Baht 43.50 per share. The total dividend payment was 46,980,000 Baht and the dividend was paid to the shareholders on May 22,2017. In addition, the Board of Directors Meeting No. 3/2017 held on November 13, 2017 passed a resolution approving the interim dividend payment to the existing shareholders (before the IPO) of 300,000,000 shares at the rate of Baht 0.15 per share, totaling Baht 45.00 million. Dividend payment will be made within November 24, 2017. The Company paid such dividend to the shareholders on November 21, 2017.

The Annual General Meeting of Shareholders of 2018 held on April 23, 2018 passed a resolution approving the dividend payment at December 31, 2017 to the shareholders of 430,000,000 share by Baht 0.15 per share. The total dividend payment was 64,500,000 Baht and the dividend was paid to the shareholders on May 15, 2018.

The Board of Directors Meeting No.4/2018, held on November 7, 2018 resolved to approve the distribution of the interim dividend to the shareholders of 430,000,000 share at the rate of Baht 0.05 per share. The total amount of Baht 21,500,000 and the dividend was paid on December 6, 2018.

At the 2019 Annual General Meeting of Shareholders on April 22, 2019, it was resolved to approve the dividend payment from the net profit of the year 2018 to the shareholders whose names are in the list of the shareholders of the company on May 2, 2019 to the shareholders of 430,000,000 shares at the rate of 0.05 baht per share, representing a total dividend of 21,500,000 baht. The company has already paid such dividends to shareholders on May 17, 2019

The Board of Directors Meeting No. 1/2020, held on 20 February 2020, The board deemed appropriate to propose the Annual General Meeting of Shareholders held on April 20, 2020 to approve the omitting of allocation of net profits as a legal reserve and the omission of dividend payment due to the loss of company's operating performance of 2019

#### Discount from business combination under common control as at 31 December 2017, 2018 and 2019.

The lower of the share capital of the business combination under common control is equal to (20.64) million baht (20.64) million baht and (20.64) million baht, respectively, as detailed in the following list.

- The Extraordinary Meeting of Shareholders No. 1/2016 held on May 16, 2016 approved the acquisition of all shares of So Sweet Company Limited from the existing shareholders. This is considered a business acquisition under the same control with the investment value of Baht 2.00 million. that subsidiary has a net debt of Baht 1.10 million, resulting in a net difference of Baht 3.10 million. However, the Company sold its investment in Sunsweet Bio Energy Co., Ltd. and So Sweet Co., Ltd. to the directors on July 17, 2017, totaling Baht 3.80 million, thus the two subsidiaries are not under control. Since the mention date of . In the consolidated financial statements, there was a reversal of that transaction from the business combination under the same control amounting to Baht 3.16 million.

- The significant component of the discount from business combination under common control was the adjustment of the KC brand that the company previously recorded as intangible assets of Baht 21.00 million and consider that the company purchased the trademark of Baht 21.00 million from KC Chiang Mai Industrial Foods Co., Ltd., in 2009 means purchased assets from affiliated companies under common control. In addition, the fair value is not appraised at fair value by the independent appraiser. Based on the facts and circumstances at the time, KC Chiang Mai Food Industry Co., Ltd. did not conduct any business for a period of time. The Company has continued to suffer losses from its business operations. The fair value of such assets is very low or close to zero. Therefore, the Company should not recognize the asset acquisition transaction, however, since such transaction is a purchase from a subsidiary under the common control. The management of the Company has adjusted the transaction by eliminating the intangible asset and recorded as discount from business combination under common control.

#### Debt to equity ratio

As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had a debt to equity ratio of 0.26 times, 0.39 times and 0.58 times respectively.

For the year 2017, the Company received cash from the initial public offering (IPO) and partially used it as working capital to reduce the use of credit lines from financial institutions. Some of the funds were used to repay long-term loans from financial institutions. As a result, the value of liabilities at the end of 2017 decreased, while the value of equity at the end of 2017 increased from the excess of the value of ordinary shares resulting from the IPO, resulting in a debt to equity ratio as of December 31, 2017, significant decreased.

For the year 2018, The debt to equity ratio increase over than the same period last year, due to trade account payable and raw material such as packaging ,ingredient for production are increased from more production.

For the year 2019, short-term loans increased due to the company need more working capital in business.

### Interest coverage ratio and commitment coverage ratio

In 2017, 2018 and 2019, the Company and its subsidiaries have an interest coverage ratio of 0.60 times, 0.06 times and 35.70 times respectively. In 2019, the interest coverage ratio decreased as the Company and its subsidiaries have increased cash flow from operating activities. This is due to the decreasing of inventory, trade receivable and others receivable.

In 2017, 2018 and 2019, the Company and its subsidiaries had commitment coverage ratio of (0.05) times, (0.01) times and 2.42 times respectively.

In the year 2019, the ratio of the ability to repay obligations of the Company and its subsidiaries has improved. Cash flow is cover for the obligations incurred because of the company has appropriate liquidity management.

### Liquidity

As at 31 December 2017, 2018 and 2019, the Company and its subsidiaries had current assets of Baht 534.48 million, Baht 552.56 million and Baht 604.52 million, while current liabilities were Baht 149.54 million, Baht 323.59 million and Baht 446.54 million, respectively. Consequently, The liquidity ratios were 3.57 times, 1.71 times and 1.35 times. The quick ratios were 1.46 times, 0.41 times and 0.83 times respectively.

In 2017, the continuous profitable performance, including the company received cash from the initial public offering (IPO) and partially used it as working capital. As a result, the liquidity of the company improved significantly, As a result, in the company having a temporary investment of 100.00 million baht, resulting The liquidity ratios getting better. However, the company has withdraw money for working capital used for business operations in since 2018 – 2019 so the liquidity ratios decreased.

### Cash Cycle

In 2017-2019, the Company and its subsidiaries had cash cycle days was 20 days, 51 days and 39 days respectively,

In the year 2019, the company and its subsidiaries had higher cash cycle. because of average selling period decreased in order to the average payment period increased. The mainly impact are low level of inventory and purchase of raw materials in 4th quarter. The payment term of that payable approximately 7 days.

### Cash Flows for the year ended December 31, 2019

#### Net cash generated from (used in) operating activities

The Company and its subsidiaries' cash provided by operating activities was 205.12 million baht due to the company's profit from operations before changes in assets and operating liabilities of 171.24 million baht, and as a result of the increase in trade payables and other payables. While inventories, accounts receivable, and others receivables were increased.

#### Net cash generated from (used in) investing activities

The Company and its subsidiaries had cash used in investing activities of Baht 59.08 million from machineries and equipments of Baht 59.03 million

#### Net cash generated from (used in) financing activities

The Company and its subsidiaries had cash from financing activities of Baht 83.33 million. Mainly cash received from long-term loans from financial institutions amounting to Baht 119.66 million while repay the bank overdrafts and short-term loan from the financial institution was Baht 16.41 million. and dividends paid to shareholders of Baht 21.50 million.

### Capital Expenditure

The objective of capital expenditure of the Company and its Subsidiaries is to invest in plant construction and investment in additional machinery to support future business growth. The details of the investment are as follows.

Capital Expenditure (Million bath)	2017	2018	2019
Expenditures for investments in fixed assets	93.23	193.68	59.03
Expenditure on investment in Short - Term investment	100.00	-	-

### Factors and influences that may affect future operations or financial position

#### Fluctuations in volume and price of sweet corn

Sweet corn is the main raw material used in most of the company's products. The agricultural products are fluctuating in terms of quantity and price. This is due to many factors, such as climate change, natural disasters, such as floods, droughts, may affect sweet corn yields on cultivated areas and the quality of sweet corn. This may also be a result of government policies such as the promotion of alternative energy crops. Renewable Energy Policy This may result in farmers switching to higher-yielding crops. As a result, the total sweet corn area was changed. Therefore, if the company can not supply enough quality sweet corn for production. As a result, the company has no raw material to produce enough products. To sell to customers or increase raw material costs.

However, the Company is aware of the risk from fluctuations in the quantity and price of sweet corn as mentioned above. The Company has managed such risks by making contract farming with brokers or farmers, the company also has a Smart Farming project to help farmers cultivate sweet corn in the project. The company can plan, control and monitor production volume to meet the needs of the company. In addition, the company has a raw material promotion team that is responsible for planning the crop with the brokers and farmers. It also raises additional planting areas to ensure adequate production.



## Document 1 : Details of Directors' Executives, and Company Secretary

## Mr.Krairit Boonyakiat

Name	: Mr.Krairit Boonyakiat
Age	: 75 years old
Nationality	: Thai
Address	: No.2 Rama 9 Soi 41, Suan Luang, Bangkok 10250
Position in the Company	: Chairman of the Board of Directors / Independent Director
No. of Rotation (term of office)	: 2 Terms
Attendance at the Meeting during 2019	: Board of Directors' Meeting 5/5
Starting date of directorship	: Sunsweet Co.,Ltd. – Since January 18, 2017 (Directorship tenure as of September 2017 is 7 months.) Sunsweet Public Company Limited – Since September 4, 2017 (Directorship tenure as of April 2020 is 2 years and 7 months.)
Educational qualification	: Bachelor of Science, Chulalongkorn University Master of Science and Management (MSC), Massachusetts Institute of Technology (USA)
Working Experiences	: 2017 – Present – Chairman of the Board of Directors / Independent Director of Sunsweet Public Company Limited 1989 – Present – Director of Pan Rajdhevee Group Public Company Limited 1987– Present – Director of Mittraphap Pockaphan Public Company Limited
Training	: Director Certification Program (DCP) 0/2000 by the Thai Institute of Directors Association (IOD)
Relationship	: None
The Company's securities holding as	: 170,900 Ordinary shares, equal to 0.0397% of paid up capital (Detail as of December 31, 2019)
In listed companies	: None
Position in non-listed companies	: 2 (Pan Rajdhevee Group Public Company Limited Mittraphap PockaphanPublic Company Limited .)
In other organization that may cause any conflict of interest to the Company	: None

## Document 1 : Details of Directors' Executives, and Company Secretary

## Mr. Pichai Kojamitr

Name	: Mr. Pichai Kojamitr
Age	: 70 years old
Nationality	: Thai
Address	: No. 99/44 Soi Ramintra 65, Tha Raeng, Bangkhen, Bangkok 10230
Position in the Company	: Director/ Chairman of the Audit Committee/ Member of the Nomination and Remuneration Committee / Member of the Risk Management Committee/ Independent Director
No. of Rotation (term of office)	: 2 Terms
Attendance at the Meeting during 2019	: Board of Directors' Meeting 5/5, Audit Committees' Meeting 4/4 Risk Management Committee' Meeting 4/4 Nomination and Remuneration Committees' Meeting 2/2
Starting date of directorship	: Sunsweet Co.,Ltd. – Since January 18, 2017 (Directorship tenure as of September 2017 is 7 months.) Sunsweet Public Company Limited – Since September 4, 2017 (Directorship tenure as of April 2020 is 2 years and 7 months.)
Educational qualification	: Bachelor of Economics,Thammasat University Master of Business Administration, Kasetsart University
Working Experiences	: 2017 – Present - Director/ Chairman of the Audit Committee/ Member of the Nomination and Remuneration Committee / Member of the Risk Management Committee/ Independent Director of Sunsweet Public Company Limited 2012 – Present – Investment Advisor, Dhipaya Insurance Public Company Limited
Training	: Director Certification Program (DCP) 0/2000 by the Thai Institute of Directors Association (IOD)
Relationship	: None
The Company's securities holding as	: 170,900 Ordinary shares, equal to 0.0397% of paid up capital (Detail as of December 31, 2019)
In listed companies	: None (at December 31, 2019)
Position in non-listed companies	: None
In other organization that may cause any conflict of interest to the Company	: None

## Document 1 : Details of Directors' Executives, and Company Secretary

## Mr. Warapong Nandabhiwat

Name	: Mr. Warapong Nandabhiwat
Age	: 63 years old
Nationality	: Thai
Address	: No. 245/2 Sukhumvit 21 Road, Khlong Toei Nuea, Wattana, Bangkok 10110
Position in the Company	: Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Independent Director
No. of Rotation (term of office)	: 2 Terms
Attendance at the Meeting during 2019	: Board of Directors' Meeting 5/5, Nomination and Remuneration Committees' Meeting 2/2, Audit Committees' Meeting 4/4
Starting date of directorship	: Sunsweet Co.,Ltd. – Since January 18, 2017 (Directorship tenure as of September 2017 is 7 months.) Sunsweet Public Company Limited – Since September 4, 2017 (Directorship tenure as of April 2020 is 2 years and 7 months.)
Educational qualification	: Bachelor's degree of Industrial Engineering Lehigh University, USA
Working Experiences	: 2017 → Present - Director/ Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Independent Director of Sunsweet Public Company Limited 2015 – Present – Director, Sanitnan Pattana Co.,Ltd. 2005 – Present – Director, Immunothai Co.,Ltd. 1987 – Present – Director, Sanitnan Brothers Co., Ltd. 1982 – Present – Director, Sanitnan Co., Ltd.
Training	: Director Certification Program (DCP) 16/2002 by the Thai Institute of Directors Association (IOD)
Relationship	: None
The Company's securities holding as	: * Spouse 179,900 Ordinary shares, equal to 0.0397 % of paid up capital (at December 31, 2019)
In listed companies	: None
In other organization that may cause	: 4 (Sanitnan Pattana Co.,Ltd., Immunothai Co.,Ltd., Sanitnan Brothers Co., Ltd.,Sanitnan Co., Ltd.)
any conflict of interest to the Company	: None

## Document 1 : Details of Directors' Executives, and Company Secretary

## Mr.Anucha Dumrongmanee

Name	: Mr.Anucha Dumrongmanee
Age	: 63 years old
Nationality	: Thai
Address	: No. 98 Siri Mangkalajarn Road, Suthep, Muang, Chiang Mai 50200
Position in the Company	: Director/ Member of Audit Committee/ Independent Director
No. of Rotation (term of office)	: 2 Terms
Attendance at the Meeting during 2019	: Board of Directors' Meeting 4/5, Audit Committees' Meeting 3/4
Starting date of directorship	Sunsweet Co.,Ltd. – Since January 18, 2017 (Directorship tenure as of September 2017 is 7 months.) Sunsweet Public Company Limited – Since September 4, 2017 (Directorship tenure as of April 2020 is 2 years and 7 months.)
Educational qualification	: Bachelor of Business Administration (Accounting), Chiang Mai University
Working Experiences	: 2018 – Present – Acting for Director Pinkanakorn Development Agency (Public Organization) 2017 – Present - Director (Independent) / Member of Audit Committee Sunsweet Public Co.,Ltd. 2015 – Present – Qualified Committee, Chiang Mai Rajabhat University 2013 – Present – Director The Cumpun 2012 Co.,Ltd. 2009 – Present - University Affairs Committee, Maejo University 2005 – Present – Lecturer Faculty of Business Administration Chiang Mai University
Training	: Director Certification Program (DCP) 136/2017 by the Thai Institute of Directors Association (IOD)
Relationship	: None
The Company's securities holding as	: 170,900 Ordinary shares,equal to 0.0397% of paid up capital (at December 31, 2020)
In listed companies	: None
In other organization that may cause any conflict of interest to the Company Position in non-listed companies	: 1 (The Cumpun 2012 Co.,Ltd.) : None

## Document 1 : Details of Directors' Executives, and Company Secretary

## Mr.Chaiyot Suntivong

Name	: Mr.Chaiyot Suntivong
Age	: 66 years old
Nationality	: Thai
Address	: No. 230/9 Moo 1 Chang Phueak, Muang, Chiang Mai 50300
Position in the Company	: Director/ Chairman of Risk Management Committee
No. of Rotation (term of office)	: 2 Terms
Attendance at the Meeting during 2019	: Board of Directors' Meeting 5/5, Risk Management Committees' Meeting 4/4
Starting date of directorship	: Sunsweet Co.,Ltd. – Since January 18, 2017 (Directorship tenure as of September 2017 is 7 months.) Sunsweet Public Company Limited – Since September 4, 2017 (Directorship tenure as of April 2020 is 2 years and 7 months.)
Educational qualification	: Master's degree, Graduated School of Development Economics National Institute of Development Administration The Honorary Award Ceremony, Maejo University
Working Experiences	: 2017 – Present - Director/ Chairman of Risk Management Committee Sunsweet Public Co.,Ltd. 2018 – Present - Board of committee Information Technology Service Center Chiang Mai University 1996 – 2013 - Lecturer Faculty of Business Administration Chiang Mai University
Training	: Director Certification Program (DCP) 141/2017 by the Thai Institute of Directors Association (IOD)
Relationship	: None
The Company's securities holding as	: 105,400 Ordinary shares,equal to 0.0245% of paid up capital (at December 31, 2020)
In listed companies	: None
In other organization that may cause	: None
any conflict of interest to the Company Position in non-listed companies	: None

## Document 1 : Details of Directors' Executives, and Company Secretary

## Mr.Ongart Kittikhunchai

Name	Mr.Ongart Kittikhunchai
Age	64 years old
Nationality	Thai
Address	: No.9 Moo1Toongsatok, Sanpatong, Chiangmai 50120
Position in the Company	: Director/ Member of Nomination and Remuneration Committee/ Chairman of Executive Committee
No. of Rotation (term of office)	: 2 Terms
Attendance at the Meeting during 2019	: Board of Directors' Meeting 5/5, Executive Committees' Meeting 6/12, Nomination and Remuneration Committees' Meeting 2/2
Starting date of directorship	: Sunsweet Co.,Ltd. - December 25, 1997 (Directorship tenure as of September 2017 is 19 years and 8 months.) Sunsweet Public Company Limited September 4, 2017 (Directorship tenure as of April 2020 is 2 years and 7 months.)
Educational qualification	: The Honorary Award Ceremony, Maejo University
Working Experiences	: 1997 – Present - Director/ Member of Nomination and Remuneration Committee/CEO Sunsweet Public Co.,Ltd. 2016 – Present - Director Chiang Mai Socail Enterprise Co.,Ltd. 2014 – Present - Director Sosweet Co.,Ltd. 2014 – Present – Director Sunshie Travel Co.,Ltd. 2005 – Present - Director Sunsweet International Co.,Ltd. 2005 – Present - Director Sunsweet Bio Energy Co.,Ltd. 1992 – Present - Director Sunsweet Agrotech Co.,Ltd.
Training	: Director Certification Program (DCP) 31/2016 by the Thai Institute of Directors Association (IOD) Capital Market Academy Programs - Executive Education (CMA26) by Capital Market Academy Chief Transformation Officer (CTO Course) 26 June – 28 August 2019 by The Stock Exchange of Thailand
Relationship	: Mrs.Jiraporn Kittikhunchai's spouse, Ms.Morakot Kittikhunchai's brother Mrs.Suraporn Prasatngamloet's brother
The Company's securities holding as	: 9,000,000 Ordinary shares,equal to 2.0930% of paid up capital (at December 31, 2020)
In listed companies	: None
In other organization that may cause any conflict of interest to the	: 6 (Chiang Mai Socail Enterprise Co.,Ltd., Sosweet Co.,Ltd., Sunshie Travel Co.,Ltd., Sunsweet International Co.,Ltd., Sunsweet Bio Energy Co.,Ltd., Sunsweet Agrotech Co.,Ltd.
Company Position in non-listed companies	: None

## Document 1 : Details of Directors' Executives, and Company Secretary

## Mrs.Jiraporn Kittikhunchai

Name	Mrs.Jiraporn Kittikhunchai
Age	62 years old
Nationality	Thai
Address	: No.9 Moo1Toongsatok, Sanpatong, Chiangmai 50120
Position in the Company	: Director/ Member of Executive Committee / Member of Risk Management Committee
No. of Rotation (term of office)	: 2 Terms
Attendance at the Meeting during 2019	:Board of Directors' Meeting 5/5, Executive Committees' Meeting 12/12, Risk Management Committees' Meeting 4/4
Starting date of directorship	: Sunsweet Co.,Ltd. - December 25, 1997 (Directorship tenure as of September 2017 is19 years and 8 months.) Sunsweet Public Company Limited September 4, 2017 (Directorship tenure as of April 2020 is 2 years and 7 months.)
Educational qualification	: Vocational Certificate Program in Accountancy from The Institute of Technology and Vocational Education
Working Experiences	: 1997 – Present - Director/ Member of Executive Committee Member of Risk Management Committee Sunsweet Public Co.,Ltd. 2014 – Present – Director Sunshie Travel Co.,Ltd. 2005 – Present - Director Sunsweet International Co.,Ltd.
Training	: Director Certification Program (DCP) 31/2016 by the Thai Institute of Directors Association (IOD)
Relationship	:Mr.Ongart Kittikhunchai's spouse
The Company's securities holding as	: 300,000,000 Ordinary shares,equal to 69.7674% of paid up capital (at December 31, 2020)
In listed companies	: None
In other organization that may cause any conflict of interest to the Company Position in non-listed companies	: 2 (Sunshie Travel Co.,Ltd., Sunsweet International Co.,Ltd.)  : None



## Document 1 : Details of Directors' Executives, and Company Secretary

## Ms. Morakot Kittikhunchai

Name	: Ms. Morakot Kittikhunchai
Age	: 69 years old
Nationality	: Thai
Address	: No.9 Moo1Toongsatok, Sanpatong, Chiangmai 50120
Position in the Company	: Director/ Member of Executive Committee
No. of Rotation (term of office)	: 2 Terms
Attendance at the Meeting during 2019	: Board of Directors' Meeting 5/5, Executive Committees' Meeting 12/12,
Starting date of directorship	: Sunsweet Co.,Ltd. - December 25, 1997 (Directorship tenure as of September 2017 is 19 years and 8 months.) Sunsweet Public Company Limited September 4, 2017 (Directorship tenure as of April 2020 is 2 years and 7 months.)
Educational qualification	Mini MBA Chiangmai University Class of 10
Working Experiences	: 1997 – Present - Director/ Member of Executive Committee Member of Risk Management Committee Sunsweet Public Co.,Ltd. 2014 – Present – Director Sunshie Travel Co.,Ltd. 2005 – Present - Director Sunsweet International Co.,Ltd.
Training	: Director Certification Program (DCP) 31/2016 by the Thai Institute of Directors Association (IOD)
Relationship	: Mr.Ongart Kittikhunchai's sister, Mrs.Suraporn Prasatngamloet's sister
The Company's securities holding as	: 2,000,000 Ordinary shares, equal to 0.4651% of paid up capital (at December 31, 2020)
In listed companies	: None
In other organization that may cause any conflict of interest to the	: 2 (Sunshie Travel Co.,Ltd., Sunsweet International Co.,Ltd.)
Position in non-listed companies	: None

## Mrs. Supaporn Prasatngamloet

Name	: Mrs. Suraporn Prasatngamloet
Age	: 60 years old
Nationality	: Thai
Address	: No.9 Moo1Toongsatok, Sanpatong, Chiangmai 50120
Position in the Company	: Director/ Member of Executive Committee
No. of Rotation (term of office)	: 2 Terms
Attendance at the Meeting during 2019	: Board of Directors' Meeting 5/5, Executive Committees' Meeting 12/12,
Starting date of directorship	: Sunsweet Co.,Ltd. - December 25, 1997 (Directorship tenure as of September 2017 is 19 years and 8 months.) Sunsweet Public Company Limited September 4, 2017 (Directorship tenure as of April 2020 is 2 years and 7 months.)
Educational qualification	: Mini MBA Chiangmai University
Working Experiences	: 1997 – Present - Director/ Member of Executive Committee Member of Risk Management Committee Sunsweet Public Co.,Ltd. 2014 – Present – Director Sunshie Travel Co.,Ltd. 2014 - Present – Director Sosweet Co.,Ltd. 2005 – Present - Director Sunsweet International Co.,Ltd.
Training	: Director Certification Program (DCP) 31/2016 by the Thai Institute of Directors Association (IOD)
Relationship	: Ms.Morakot Kittikhunchai's sister, Mr.Ongart Kittikhunchai's sister
The Company's securities holding as	: None (at December 31, 2020)
In listed companies	: None
In other organization that may cause any conflict of interest to the	: 3 (Sunshie Travel Co.,Ltd., Sosweet Co.,Ltd., Sunsweet International Co.,Ltd.)
Position in non-listed companies	: None

## Document 1 : Details of Directors' Executives, and Company Secretary

## Mr.Vira Nopwattanakorn

Name	: Mr.Vira Nopwattanakorn
Age	: 57 years old
Nationality	: Thai
Address	: No.223/71 Moo 3, Sanphakwan, Hangdong, Chiang Mai 50230
Position in the Company	: Member of Executive Committee / Chief Financial Officer
Educational qualification	: Bachelor of Business Administration (Accountant) Ramkhamhaeng University
Working Experiences	: 2017 – Present – Member of Executive Committee/ Chief Financial Officer of Sunsweet Public Company Limited 2005 – 2017 – Chief Financial Officer of Sunsweet Co.,Ltd.
Training	: Strategic CFO in Capital Markets Class7(17 August – 22 September 2018) by Thailand Securities Institute: TSI Risk Management Program for Corporate Leaders Class 12/2018' by Thai Institute of Directors Deferred tax and Employee benefit course10 by CPD Tutor
Relationship	: None
The Company's securities holding as	: 65,800 Ordinary shares, equal to 0.0153% of paid up capital (Detail as of December 31, 2019)
In listed companies	: None
Position in non-listed companies	: None
In other organization that may cause any conflict of interest to the Company	: None

## Document 1 : Details of Directors' Executives, and Company Secretary

## Mr.Kovit Sitthiyos

Name	: Mr.Kovit Sitthiyos
Age	: 58 years old
Nationality	: Thai
Address	: No.129/122 Moo 5, Ban Petchburin, Maehia, Hangdong, Chiang Mai 50100
Position in the Company	: Director of Sales and Marketing
Educational qualification	: High School Srisawat wittayakran school
Working Experiences	: 2017 – Present – Director of Sales and Marketing of Sunsweet Public Company Limited 2016-2017 - Assistant Vice President Sunsweet Co.,Ltd. 2013– 2016 – Sales and Marketing Manager of Sunsweet Co.,Ltd.
Training	: None
Relationship	: None
The Company's securities holding as	: 80,000 Ordinary shares, equal to 0.0186% of paid up capital (Detail as of December 31, 2019)
In listed companies	: None
Position in non-listed companies	: None
In other organization that may cause any conflict of interest to the Company	: None

## Document 1 : Details of Directors' Executives, and Company Secretary

## Mrs.Amphun Suriyoung

Name	: Mrs.Amphun Suriyoung
Age	: 51 years old
Nationality	: Thai
Address	: No.173 Moo 5, Banmae, Sanpatong, Chiang Mai 50120
Position in the Company	: Director of Production
Educational qualification	: Bachelor of Education Program in General Science, Chiang Mai University Masters of Agricultural Production in Rural Development Management, Maejo University
Working Experiences	2019 – Present – Director of Production of Sunsweet Public Company Limited 2017-2019 - Production manager of Sunsweet Public Company Limited 1993–2017 – Raw Material Promotion Manager of Sunsweet Co.,Ltd.
Training	: None
Relationship	: None
The Company's securities holding as	: 58,700 Ordinary shares, equal to 0.0136% of paid up capital (Detail as of December 31, 2019)
In listed companies	: None
Position in non-listed companies	: None
In other organization that may cause any conflict of interest to the Company	: None

## Document 1 : Details of Directors' Executives, and Company Secretary

## Mrs.Varaporn Kammanid

Name	: Mrs.Varaporn Kammanid
Age	: 49 years old
Nationality	: Thai
Address	: No. 333/212 Ban Pimook4, 700th Anniversary Chiang Mai Road, San Phra Net, San Sai, Chiang Mai, 50210
Position in the Company	: Accounting Department Manager
Educational qualification	: Bachelor of Accounting Thammasat University Master of Business Administration, Thammasat University
Working Experiences	: 2018 – Present – Accounting Department Manager of Sunsweet Public Company Limited 2013-2017 - Assistant Vice President Finance & Accounting Department of Berli Jucker Public Compncy Limited
Training	: None
Relationship	: None
The Company's securities holding as	: 58,700 Ordinary shares, equal to 0.0136% of paid up capital (Detail as of December 31, 2019)
In listed companies	: None
Position in non-listed companies	: None
In other organization that may cause any conflict of interest to the Company	: None

## Document 1 : Details of Directors' Executives, and Company Secretary

## Ms.Soontaree Mulmao

Name	: Ms.Soontaree Mulmao
Age	: 53 years old
Nationality	: Thai
Address	: No.282/1 Moo 3, Sunklang, Sanpatong, Chiang Mai 50120
Position in the Company	: Company Secretary/ Internal Audit Manager
Educational qualification	: Bachelor of Finance and Banking, Payap University
Working Experiences	: 2017 – Present – Company Secretary/ Internal Audit Manager of Sunsweet Public Company Limited 2014-2017 - Accounting Manager of Sunsweet Co.,Ltd. 2011-2014 – Chief Financial Officer of AFM Flower Seeds (Thailand) Co., Ltd.
Training	: Directors Certification Program (DCP 77/2017) by Thai Institute of Directors Association
Relationship	: None
The Company's securities holding as	: 43,900 Ordinary shares, equal to 0.0102% of paid up capital (Detail as of December 31, 2019)
In listed companies	: None
Position in non-listed companies	: None
In other organization that may cause any conflict of interest to the Company	: None



## Attachment 2: Board of directors' statement of responsibility for financial reports

The Board of Directors is responsible for the financial statements and the consolidated financial statements of Sunsweet Public Company Limited and its subsidiaries including financial information presented in the annual report. The financial statements are prepared according to Generally Accepted Accounting Standards. The Board of Directors has selected and consistently followed an appropriate accounting policy. The aforementioned financial statements are prepared using careful judgment and the best estimation. In addition, important information is adequately disclosed in the notes to the financial statements. The financial statements can be used for the benefit of the shareholders and investors.

The Board of Directors has established a risk management system to maintain an appropriate and effective internal control system that ensures accurate accounting information is and sufficient to keep the property as well as prevent corruption or abnormal operations.

The Board of Directors has appointed the Audit Committee which comprises of independent directors to review the quality of financial reports, internal control system, and internal audit and also consider the disclosure of connected transactions and finally report the results of the review to the Board of Directors.

Financial Statements and the consolidated financial statements of the Company and its subsidiaries have been audited by the Company's auditor, PricewaterhouseCoopers ABAS Limited. The auditor can review and express opinion in accordance with the auditing standard and the auditor's opinion appear in the auditor's report as shown in the annual report.

The Board of Directors believe that the effectiveness of the Company's overall internal control system is satisfactory and able to create credibility and reliability for the Company's financial statements and the consolidated financial statements of Sunsweet Public Company Limited and its subsidiaries for the period ended December 31, 2019.

Mr. Krairit Boonyakiat



Chairman

Mr. Ongart Kittikhunchai



Chief Executive Officer

### Attachment 3: Audit Committee Report

To Shareholders of Sunsweet Public Company Limited:

The Board of Directors of Sunsweet Public Company Limited appointed the Audit Committee on February 1, 2016 that consisted of 3 independent directors who are qualified in finance, accounting and management as specified in the Audit Committee Charter. This is also in line with the guidelines and requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). They are as follows:

- |                             |                             |
|-----------------------------|-----------------------------|
| 1. Mr. Pichai Kojamitr      | Chairman of Audit Committee |
| 2. Mr. Warapong Nandabhiwat | Member of Audit Committee   |
| 3. Mr. Anucha Dumrongmanee  | Member of Audit Committee   |

Ms. Soontaree Mulmao, Internal Audit Division manager acted as Secretary to the Audit Committee. For the year 2019, the Audit Committee convened 4 times, performed completely duties in accordance with the scope of the Audit Committee Charter and the duties assigned by the Company's Board of Directors. Mr. Pichai Kojamitr and Mr. Warapong Nandabhiwat attended all the 4 meetings while Mr. Anucha Dumrongmanee attended 3 meetings out of 4 meetings. The activities of the Audit Committee for 2019 can be summarized as follows:

1. The Audit Committee has reviewed the accuracy, completeness, and reliability of both quarterly and annual financial statements for the year 2019, reviewed and audited by the Company's auditor. They also discussed with the management and auditors to consider important accounting policies and the Audit Committee commented that the Company's internal accounting and financial reporting process has an appropriate internal control system. The auditor has independent or ease in the performance of his duties without any limitation on the scope of audit. This ensures that the financial statements show that the Company's financial position and results of operations are in accordance with the accounting standards. The information is sufficiently disclosed and approved by the Board of Directors.
2. The Audit Committee reviewed the effectiveness and adequacy of the internal control system based on the quarterly internal audit report for the year 2019 to acknowledge the notices and propose ways to prevent possible damage to management including consider and follow up feedback performance in the report of the internal auditor and the auditor. In addition, the Audit Committee reviewed the competence and efficacy of the internal control system in the important areas; for example, delegation of authority manual, and policy on transactions of major shareholders, directors, executives and related persons. The Audit Committee assessed that the Company has adequate internal control in the important work flow.
3. The Audit Committee considered the related transactions or transactions that may have conflicts of interest with the Company. The Audit Committee believes that the management has decided to make such transactions for the benefit of the Company and treat as important to outsiders, and with normal trading conditions of reasonable prices. The rating is based on the appraised value of assets in the capital market and major appraisers listed on the SEC approved list.
4. The Audit Committee has approved the appointment of an internal audit unit for internal auditing that included reviewing and approving the annual internal audit plan to be in line with the work system. The Internal Audit Committee considers that the internal audit unit is competent and experienced in internal audit and that is related to the important work and cycle which is sufficient to ensure that the financial statements are reliable and in compliance with the law and company terms.
5. The Audit Committee reviewed the risk management system of the Company by acknowledging the report from the representative of the Risk Management Committee who also suggested that the company's risk management system be more effective. The Company however has a significant and aptly risk management system.

### Attachment 3: Audit Committee Report

6. The Audit Committee has reviewed the compliance with the Securities and Exchange Act, the Stock Exchange of Thailand and the law relating to the business of the company, to strictly comply with the laws and regulations.

7. The Audit Committee has prepared a report on the performance of the Audit Committee to the Board of Directors on a quarterly basis, providing useful suggestions for the administration of the Management which subsequently made the appropriate adjustments.

8. The Audit Committee has considered, selected, proposed the establishment of and the remuneration of the auditor for the year 2019; evaluated based on the independent of the auditor, skills of the team, experience in monitoring, and other services beneficial to the business to be received, and the appropriateness of the audit fee. The Audit Committee has resolved to propose to the Board of Directors for approval from the shareholders' meeting to appoint the auditors from the Company, PricewaterhouseCoopers ABAS Limited, as the Company's auditor for the year 2019 and the audit fee of the Company and its subsidiaries, the amount of Baht 2,800,000

For the Audit Committee



( Mr. Pichai Kojamitr )  
Chairman of Audit Committee

**SUNSWEET PUBLIC COMPANY LIMITED**  
**CONSOLIDATED AND SEPARATE FINANCIAL STATE-**  
**MENTS 31 DECEMBER 2019**



## Independent Auditor's Report

To the shareholders of Sunsweet Public Company Limited

### My opinion

In my opinion, the consolidated financial statements of Sunsweet Public Company Limited (the Company) and its subsidiary (the Group) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

### What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2019;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

### Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the 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 consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Revenue recognition from sales of goods. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.



Key audit matter	How my audit addressed the key audit matter
<p><b>Revenue recognition from sales of goods</b></p> <p>The Group's revenue from sales of goods for the year ended 31 December 2019 was Baht 1,920 million. This comprised both domestic and export sales of agricultural products including fresh and processed of fruits and vegetables. As a result, the conditions of revenue recognition is different and the Group manufactured and sold products under its own brand, and also in customers' branding and packaging that use to considered the revenue recognition point when the customers obtain control of that goods.</p> <p>I focused on the accuracy and cut-off of revenue recognition from sales of goods because of the magnitude of the value of revenue. The recognition depends on the conditions stipulated in each contract, differences in the shipment terms and differences in the point at which goods were transferred to the purchaser.</p>	<p>I performed the following procedures regarding the revenue recognition:</p> <ul style="list-style-type: none"> <li>• Understood of the process, evaluated the design, and tested the Group's internal controls with respect to the revenue cycle. I did this by making enquiries with the responsible people, and testing a sample to assess the effectiveness of the Group's internal controls.</li> <li>• Selected a sample of sales documents to assess whether the recognition was consistent with the conditions in the relevant agreement, and whether it complied with the Group's policy.</li> <li>• Examined supporting documents for actual sales transactions occurring during the year and near the end of the accounting period with sales contracts, invoices, delivery notes, bills of lading and other related shipping documents.</li> <li>• Reviewed credit notes that the Group issued after period-end to verify whether the underlying sales and credit notes were recorded in the correct period.</li> <li>• Observed the inventory of Group's own brand and also in customers' branding and packaging at year end and reconciled with management's report to adjust the revenue amount in accordance with the new Thai Financial Reporting Standard (TFRS) no. 15.</li> <li>• Performed analytical procedures of disaggregated data to detect possible irregularities in sales transactions throughout the accounting period.</li> </ul> <p>As a result of procedures, I found that the revenue recognition from sales of goods was appropriate and supported by available evidences.</p>

#### Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

#### Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and the Company's financial reporting process.



### Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.



**Vichien Khingmontri**  
 Certified Public Accountant (Thailand) No. 3977  
 Bangkok  
 20 February 2020



## Sunsweet Public Company Limited

## Statement of Financial Position

As at 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	243,351,249	14,089,326	241,561,273	13,658,509
Trade and other receivables, net	8	156,218,527	125,633,668	156,187,523	125,628,693
Inventories, net	9	197,510,349	403,287,825	197,487,584	403,116,726
Other current assets	10	7,438,398	9,549,476	7,233,857	9,030,076
<b>Total current assets</b>		<b>604,518,523</b>	<b>552,560,295</b>	<b>602,470,237</b>	<b>551,434,004</b>
<b>Non-current assets</b>					
Restricted deposits at banks	11	5,783,700	6,783,700	783,700	1,783,700
Investments in subsidiary	12	-	-	7,369,971	7,369,971
Property, plant and equipment, net	13	712,226,723	697,689,836	712,220,835	697,273,810
Intangible assets, net	14	5,489,521	5,254,177	5,489,521	5,254,177
Deferred tax assets, net	15	15,287,690	5,176,787	15,287,690	5,175,389
<b>Total non-current assets</b>		<b>738,787,634</b>	<b>714,904,500</b>	<b>741,151,717</b>	<b>716,857,047</b>
<b>Total assets</b>		<b>1,343,306,157</b>	<b>1,267,464,795</b>	<b>1,343,621,954</b>	<b>1,268,291,051</b>



The accompanying notes on pages 12 to 47 are an integral part of these consolidated and separate financial statements.

Sunsweet Public Company Limited  
Statement of Financial Position  
As at 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	16.1	213,570,223	94,015,011	213,570,223	93,907,000
Trade and other payables	17	208,101,919	222,310,857	207,864,180	222,332,044
Contract liabilities	18	16,290,296	-	16,290,296	-
Current portion of long-term loans					
from financial institutions	16.2	3,600,000	-	3,600,000	-
Income tax payable		125,503	42,979	-	-
Current portion of finance lease liabilities, net	19	3,906,136	6,412,407	3,906,136	6,412,407
Other current liabilities		939,783	804,101	939,474	802,882
<b>Total current liabilities</b>		<b>446,533,860</b>	<b>323,585,355</b>	<b>446,170,309</b>	<b>323,454,333</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions	16.2	3,900,000	-	3,900,000	-
Finance lease liabilities, net	19	10,690,017	10,364,034	10,690,017	10,364,034
Employee benefit obligations	20	31,359,773	24,930,065	31,359,773	24,923,073
<b>Total non-current liabilities</b>		<b>45,949,790</b>	<b>35,294,099</b>	<b>45,949,790</b>	<b>35,287,107</b>
<b>Total liabilities</b>		<b>492,483,650</b>	<b>358,879,454</b>	<b>492,120,099</b>	<b>358,741,440</b>

**Sunsweet Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2019**

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital					
430,000,000 ordinary shares					
at par value of Baht 0.50 each					
		215,000,000	215,000,000	215,000,000	215,000,000
Issued and paid-up share capital					
430,000,000 ordinary shares paid-up					
of Baht 0.50 each					
		215,000,000	215,000,000	215,000,000	215,000,000
Premium on paid-up capital					
		665,525,655	665,525,655	665,525,655	665,525,655
Discount from business combination					
under common control					
		(20,637,124)	(20,637,124)	(21,000,000)	(21,000,000)
Retained earnings (deficit) -					
Appropriated - legal reserve					
22		11,400,000	11,400,000	11,400,000	11,400,000
Unappropriated					
		(19,698,194)	40,166,871	(18,655,319)	41,494,668
Other component of equity					
		(767,830)	(2,870,061)	(768,481)	(2,870,712)
Equity attributable to owners					
of the parent					
		850,822,507	908,585,341	851,501,855	909,549,611
Non-controlling interests					
		-	-	-	-
Total equity					
		850,822,507	908,585,341	851,501,855	909,549,611
Total liabilities and equity					
		1,343,306,157	1,267,464,795	1,343,621,954	1,268,291,051

**Sunsweet Public Company Limited**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2019**

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Sales		1,919,737,747	1,829,125,081	1,904,899,779	1,809,938,862
Cost of sales		(1,774,807,691)	(1,561,184,367)	(1,762,320,052)	(1,544,667,077)
<b>Gross profit</b>		<b>144,930,056</b>	<b>267,940,714</b>	<b>142,579,727</b>	<b>265,271,785</b>
Other income	24	5,738,718	9,258,560	5,791,080	9,670,667
Gain (loss) on exchange rate, net		14,219,476	(8,096,064)	14,176,282	(8,012,703)
Selling expenses		(141,015,446)	(133,920,247)	(140,134,196)	(132,872,945)
Administrative expenses		(69,691,589)	(75,062,550)	(68,654,869)	(73,753,410)
Finance costs	25	(5,745,058)	(3,238,560)	(5,743,482)	(3,227,336)
<b>Profit (loss) before income tax</b>		<b>(51,563,843)</b>	<b>56,881,853</b>	<b>(51,985,458)</b>	<b>57,076,058</b>
Income tax	27	9,684,432	(477,607)	9,821,125	(414,507)
<b>Net profit (loss) for the year</b>		<b>(41,879,411)</b>	<b>56,404,246</b>	<b>(42,164,333)</b>	<b>56,661,551</b>
<b>Other comprehensive income:</b>					
Items that will not be reclassified to profit or loss					
Remeasurement employee benefit obligations	23, 27	2,102,231	2,030,731	2,102,231	2,030,080
<b>Other comprehensive income: for the year, net of tax</b>		<b>2,102,231</b>	<b>2,030,731</b>	<b>2,102,231</b>	<b>2,030,080</b>
<b>Total comprehensive income (expense) for the year</b>		<b>(39,777,180)</b>	<b>58,434,977</b>	<b>(40,062,102)</b>	<b>58,691,631</b>
<b>Profit (loss) attributable to:</b>					
Owners of the parent		(41,879,411)	56,404,246	(42,164,333)	56,661,551
Non-controlling interests		-	-	-	-
		<b>(41,879,411)</b>	<b>56,404,246</b>	<b>(42,164,333)</b>	<b>56,661,551</b>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parent		(39,777,180)	58,434,977	(40,062,102)	58,691,631
Non-controlling interests		-	-	-	-
		<b>(39,777,180)</b>	<b>58,434,977</b>	<b>(40,062,102)</b>	<b>58,691,631</b>
<b>Earnings (loss) per share</b>					
Basic earnings (loss) per share	28	(0.10)	0.13	(0.10)	0.13

Sunsweet Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2019

Consolidated financial statements

Attributable to owners of the parent																		
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Other																		
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The accompanying notes on pages 12 to 47 are an integral part of these consolidated and separate financial statements.

Sunsweet Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2019

Separate financial statements												
Other component of equity												
Other comprehensive income (expense)												
Remeasurement of employee benefit obligations												
Total other component of equity												
Total equity												
Notes	Issued and paid-up share capital	Premium on paid-up capital	Discount from business combination under common control	Retained earnings (deficit) - Appropriated-legal reserve	Unappropriated	Baht	Baht	Baht	Baht	Baht	Baht	Baht
	215,000,000	665,525,655	(21,000,000)	8,500,000	73,733,117			(4,900,792)	(4,900,792)			936,857,980
22	-	-	-	2,900,000	(2,900,000)			-	-			-
21	-	-	-	-	(86,000,000)			-	-			(86,000,000)
	-	-	-	-	56,661,551			2,030,080	2,030,080			58,691,631
	215,000,000	665,525,655	(21,000,000)	11,400,000	41,494,668			(2,870,712)	(2,870,712)			909,549,611
Opening balance as at 1 January 2019												
- as previously reported	215,000,000	665,525,655	(21,000,000)	11,400,000	41,494,668			(2,870,712)	(2,870,712)			909,549,611
Effects from changes in accounting policy	-	-	-	-	3,514,346			-	-			3,514,346
Opening balance as at 1 January 2019												
- as restated	215,000,000	665,525,655	(21,000,000)	11,400,000	45,009,014			(2,870,712)	(2,870,712)			913,063,957
Changes in equity for the year 2019												
Dividends paid	-	-	-	-	(21,500,000)			-	-			(21,500,000)
Total comprehensive income (expense) for the year	-	-	-	-	(42,164,333)			2,102,231	2,102,231			(40,062,102)
Closing balance as at 31 December 2019	215,000,000	665,525,655	(21,000,000)	11,400,000	(18,655,319)			(768,481)	(768,481)			851,501,855

The accompanying notes on pages 12 to 47 are an integral part of these consolidated and separate financial statements.

**Sunsweet Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2019**

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
<b>Cash flows from operating activities</b>					
<b>Profit (loss) before income tax</b>		(51,563,843)	56,881,853	(51,985,458)	57,076,058
Adjustments for:					
Depreciation	13	63,142,348	51,993,717	62,732,210	51,289,842
Amortisation	14	1,759,928	1,601,287	1,759,928	1,601,287
(Reversal of) allowance for doubtful and bad debt		1,552,199	(189,557)	1,552,199	(189,557)
Employee benefit obligations		9,057,497	2,686,215	9,064,489	2,683,143
(Reversal of) loss from decrease in value of inventories		3,198,409	(177,352)	3,198,409	(177,352)
Gain on disposal of equipment		(41)	(134,012)	(41)	(134,012)
Loss from write-off of assets	13	60,701	1,314,336	60,701	1,314,336
Loss on impairment of assets	13, 26	78,300	732,054	78,300	732,054
Unrealised (gain) loss on exchange rate		(460,395)	448,076	(460,395)	448,076
Interest income	24	(945,762)	(1,354,991)	(949,032)	(1,425,814)
Finance costs	25	5,745,058	3,238,560	5,743,482	3,227,336
		31,624,399	117,040,186	30,794,792	116,445,397
<b>Changes in working capital</b>					
Operating assets decrease (increase)					
Trade and other receivables		5,099,085	(20,923,666)	5,125,114	(22,014,586)
Inventories		171,240,433	(211,273,423)	171,092,099	(211,280,075)
Other current assets		2,129,488	8,240,387	1,783,812	7,934,539
Operating liabilities increase (decrease)					
Trade and other payables		(11,776,499)	115,968,144	(12,035,425)	116,489,993
Contract liabilities		7,558,211	-	7,558,211	-
Other current liabilities		135,682	(1,736,662)	136,592	(1,733,157)
<b>Cash flows from operating activities</b>		206,010,799	7,314,966	204,455,195	5,842,111
Income tax paid		(887,915)	(7,116,873)	(804,327)	(7,058,204)
<b>Net cash generated from (used in) operating activities</b>		205,122,884	198,093	203,650,868	(1,216,093)
<b>Cash flows from investing activities</b>					
Decreases in restricted deposits at a bank		1,000,000	65,100,000	1,000,000	61,600,000
Proceeds from short-term investment		-	100,000,000	-	100,000,000
Payment for purchase of plant and equipment		(59,027,828)	(193,676,991)	(59,027,828)	(193,676,991)
Proceeds from disposals of equipment		45	359,409	45	359,409
Payment for purchase of intangible assets	14	(1,995,272)	(169,390)	(1,995,272)	(169,390)
Payment for loans to a subsidiary	29.4	-	-	(5,500,000)	(6,400,000)
Proceeds from loans to a subsidiary		-	-	5,500,000	11,400,000
Proceeds from interest income		945,762	1,575,005	949,032	1,644,988
<b>Net cash used in investing activities</b>		(59,077,293)	(26,811,967)	(59,074,023)	(25,241,984)



*Signature*

The accompanying notes on pages 12 to 47 are an integral part of these consolidated and separate financial statements.



**Sunsweet Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2019**

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
<b>Cash flows from financing activities</b>					
Proceeds from short-term loans					
from financial institutions	16.1	722,191,398	102,500,000	722,191,398	102,500,000
Payments on short-term loans					
from financial institutions	16.1	(602,528,175)	(8,593,000)	(602,528,175)	(8,593,000)
Proceeds from long-term loan from					
financial institution	16.2	9,000,000	-	9,000,000	-
Payment for long-term loan from					
financial institution	16.2	(1,500,000)	(76,385,000)	(1,500,000)	(76,385,000)
Payments on finance lease liabilities		(16,413,933)	(6,503,546)	(16,413,933)	(6,071,559)
Interest paid		(5,924,947)	(3,129,954)	(5,923,371)	(3,118,730)
Dividend payments	21	(21,500,000)	(86,000,000)	(21,500,000)	(86,000,000)
<b>Net cash generated from (used in)</b>					
<b>financing activities</b>		83,324,343	(78,111,500)	83,325,919	(77,668,289)
<b>Net increase (decrease) in cash and</b>					
<b>cash equivalents</b>		229,369,934	(104,725,374)	227,902,764	(104,126,366)
Cash and cash equivalents at the beginning					
of the year		13,981,315	118,706,689	13,658,509	117,784,875
<b>Cash and cash equivalents at the end</b>					
<b>of the year</b>		243,351,249	13,981,315	241,561,273	13,658,509
<b>Cash and cash equivalents at the end</b>					
<b>of the year comprise of:</b>					
Cash and cash equivalents	7	243,351,249	14,089,326	241,561,273	13,658,509
<u>Less</u> Bank overdrafts	16.1	-	(108,011)	-	-
<b>Total cash and cash equivalents</b>		243,351,249	13,981,315	241,561,273	13,658,509
<b>Non-cash items:</b>					
- Outstanding purchase of fixed assets under					
finance lease liabilities		14,233,645	-	14,233,645	-
- Purchase of fixed assets which					
have not been paid		4,732,760	175,993	4,732,760	175,993

**Sunsweet Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2019**

## 1 General information

Sunsweet Public Company Limited ('the Company') is a public limited company which listed in the Stock Exchange of Thailand. The Company is incorporated and resident in Thailand on 25 December 1997. The address of its registered office is as follows:

No. 9 Moo 1, Thung Satok Sub-district, Sanpatong district, Chiang Mai, 50120.

The principal business operations of the Company and its subsidiary (together "the Group") are manufacture and distribute in agricultural products including fresh and processed of fruits and vegetables.

These consolidated and separate financial statements were authorised by the Board of Directors on 20 February 2020.

## 2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

### 2.1 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 4.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

### 2.2 New and amended financial reporting standards that are relevant and have significant impacts to the Group

#### 2.2.1 The Group has applied the following standard and amendments for the first time for their annual reporting commencing 1 January 2019

##### **Thai Financial Reporting Standard no.15 (TFRS 15), *Revenue from contracts with customers***

The standard provides principle and approach of revenue recognition under five-step process. The underlying principle is that the Group will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It replaces the principles of transferring the significant risks and rewards of ownership of the goods or services to the buyer in accordance with TAS 11, Construction contracts, TAS 18, Revenue and related interpretations.

The Group has adopted the new TFRS 15, Revenue from contracts with customers from 1 January 2019 (initial application date) by applying the modified retrospective approach and the comparative figures have not been restated. The Group did not apply practical expedient relates to completed contracts and contract modifications as allowed by TFRS 15 and mainly affects the Group's accounting treatment as follows;

- Sale of goods under customers' packaging and brands, under TFRS 15, would resulted in earlier recognition of revenue. The trade receivables were recognised by Baht 36.82 million, inventories decreased by Baht 31.34 million and trade payable increased by Baht 1.96 million.
- The advance received from customers of Baht 8.73 million previously presented under trade and other payables is recognised as contract liabilities under TFRS 15.

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The following tables show the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of TFRS 15.

<b>Consolidated financial statements</b>				
<b>Statement of financial position</b>	<b>As at 31 December 2018 (As previously reported) Baht</b>	<b>Adjustments Baht</b>	<b>Reclassification Baht</b>	<b>As at 1 January 2019 (As restated) Baht</b>
Trade and other receivables, net	125,633,668	36,816,711	-	162,450,379
Inventories, net	403,287,825	(31,338,634)	-	371,949,191
Trade and other payables	222,310,857	1,963,731	(8,732,085)	215,542,503
Contract liabilities	-	-	8,732,085	8,732,085
Deficit - Unappropriated	40,166,871	3,514,346	-	43,681,217

<b>Separate financial statements</b>				
<b>Statement of financial position</b>	<b>As at 31 December 2018 (As previously reported) Baht</b>	<b>Adjustments Baht</b>	<b>Reclassification Baht</b>	<b>As at 1 January 2019 (As restated) Baht</b>
Trade and other receivables, net	125,628,693	36,816,711	-	162,445,404
Inventories, net	403,116,726	(31,338,634)	-	371,778,092
Trade and other payables	222,332,044	1,963,731	(8,732,085)	215,563,690
Contract liabilities	-	-	8,732,085	8,732,085
Deficit - Unappropriated	41,494,668	3,514,346	-	45,009,014

The following tables show the amounts of affected line items in the current year from the adoption of the TFRS 15 compared to the previous revenue recognition standards.

<b>Consolidated financial statements</b>			
<b>As at 31 December 2019</b>			
<b>Statement of financial position</b>	<b>Amounts as reported Baht</b>	<b>Impacts from TFRS 15 Baht</b>	<b>Amounts under the previous revenue standards Baht</b>
Trade and other receivables, net	156,218,527	(20,507,768)	135,710,759
Inventories, net	197,510,349	23,012,644	220,522,993
Trade and other payables	208,101,919	19,616,698	227,718,617
Contract liabilities	16,290,296	(16,290,296)	-
Deficit - Unappropriated	(19,698,194)	(821,526)	(20,519,720)

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<b>Consolidated financial statements</b>			
<b>For the year ended 31 December 2019</b>			
	<b>Amounts as reported Baht</b>	<b>Impacts from TFRS 15 Baht</b>	<b>Amounts under the previous revenue standards Baht</b>
<b>Statement of comprehensive income</b>			
Sales	1,919,737,747	11,374,009	1,931,111,756
Cost of sales	(1,774,807,691)	(8,297,593)	(1,783,105,284)
Selling expenses	(141,015,446)	(383,596)	(141,399,042)
Net loss for the year	(41,879,411)	2,692,820	(39,186,591)
Total comprehensive expense for the year	(39,777,180)	2,692,820	(37,084,360)
<b>Statement of cash flows</b>			
<b>Cash flows from operating activities</b>			
Loss before income tax	(51,563,843)	2,692,820	(48,871,023)
Adjustments for:			
Loss from decrease in value of inventories	3,198,409	504,478	3,702,887
<b>Changes in working capital</b>			
Trade and other receivables	5,099,085	(16,308,943)	(11,209,858)
Inventories	171,240,433	7,821,512	179,061,945
Trade and other payables	(11,776,499)	12,848,344	1,071,845
Contract liabilities	7,558,211	(7,558,211)	-
<b>Separate financial statements</b>			
<b>As at 31 December 2019</b>			
	<b>Amounts as reported Baht</b>	<b>Impacts from TFRS 15 Baht</b>	<b>Amounts under the previous revenue standards Baht</b>
<b>Statement of financial position</b>			
Trade and other receivables, net	156,187,523	(20,507,768)	135,679,755
Inventories, net	197,487,584	23,012,644	220,500,228
Trade and other payables	207,864,180	19,616,698	227,480,878
Contract liabilities	16,290,296	(16,290,296)	-
Deficit - Unappropriated	(18,655,319)	(821,526)	(19,476,845)
<b>Separate financial statements</b>			
<b>For the year ended 31 December 2019</b>			
	<b>Amounts as reported Baht</b>	<b>Impacts from TFRS 15 Baht</b>	<b>Amounts under the previous revenue standards Baht</b>
<b>Statement of comprehensive income</b>			
Sales	1,904,899,779	11,374,009	1,916,273,788
Cost of sales	(1,762,320,052)	(8,297,593)	(1,770,617,645)
Selling expenses	(140,134,196)	(383,596)	(140,517,792)
Net loss for the year	(42,164,333)	2,692,820	(39,471,513)
Total comprehensive expense for the year	(40,062,102)	2,692,820	(37,369,282)
<b>Statement of cash flows</b>			
<b>Cash flows from operating activities</b>			
Loss before income tax	(51,985,458)	2,692,820	(49,292,638)
Adjustments for:			
Loss from decrease in value of inventories	3,198,409	504,478	3,702,887
<b>Changes in working capital</b>			
Trade and other receivables	5,125,114	(16,308,943)	(11,183,829)
Inventories	171,092,099	7,821,512	178,913,611
Trade and other payables	(12,035,425)	12,848,344	812,919
Contract liabilities	7,558,211	(7,558,211)	-

## 2.2.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2020

### a) Financial instruments

The new financial standards relate to financial instruments are:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These new standards address the classification, measurement, derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

### b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

### c) Other new/amended standards

The new and amended financial reporting standards that will have impact on the Group are:

TAS 12	Income tax
TAS 19	Employee benefits
TAS 23	Borrowing cost
TFRS 9	Financial instruments
TFRIC 23	Uncertainty over income tax treatments

**Amendment to TAS 12, Income tax** - clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

**Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement)** - clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

**Amendment to TAS 23, Borrowing costs** - clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

**Amendment to TFRS 9, Financial instruments (prepayment features with negative compensation)** - enabling entities to measure certain prepayable financial assets with negative compensation at amortised cost instead of fair value through profit or loss. These assets include some loan and debt securities. To qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model.

**TFRIC 23, Uncertainty over income tax treatments** - explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored.
- that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- That the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Group's management is currently assessing the impact of initial adoption of these standards.

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## **2.3 Principles of consolidation accounting**

### **a) Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investment in subsidiary is accounted for using cost method.

### **b) Intercompany transactions on consolidation**

Intra-group transactions, balances and unrealised gains on transactions are eliminated.

## **2.4 Business combination under common control**

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree as predecessor accounting. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus (discounts) arising from business combination under common control" in equity and is derecognised when the investment is disposed of (transferred to retained earnings).

## **2.5 Foreign currency translation**

### **a) Functional and presentation currency**

The financial statements are presented in Thai Baht, which is the Company's and Group's functional and presentation currency.

### **b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains or losses on a non-monetary item is recognised in profit and loss on the non-monetary items.

## **2.6 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

In the statement of financial position, bank overdrafts are shown in current liabilities.

## **2.7 Trade accounts receivable**

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Group presented trade receivables at cost less allowance for doubtful accounts.

## 2.8 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity. It excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories, and presented as cost of goods sold.

## 2.9 General investments

Investments other than investments in subsidiaries, associates and joint venture are classified into the short-term investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Short-term investments are fixed deposits that have maturity between 3 to 12 months from the date of acquisition and carried at cost.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to profit or loss.

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

## 2.10 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follow:

Land improvement	5 - 10 years
Buildings and buildings improvement	5 - 30 years
Machinery and equipment	5 - 20 years
Furniture, fixtures and office equipment	5 years
Vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see more information in Note 2.12).

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

## 2.11 Intangible assets

### Acquired computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 5 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.



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## **2.12 Impairment of assets**

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

## **2.13 Leases**

### *Leases - where the Group is the lessee*

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

### *Leases - where the Group is the lessor*

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

## **2.14 Borrowings**

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

## **2.15 Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take time to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

## 2.16 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

### *Current tax*

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### *Deferred income tax*

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiary where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## 2.17 Employee benefits

### *a) Short-term employee benefits*

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, and profit-sharing and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

### *b) Defined contribution plan*

The Group pays contributions to a separate fund on a voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

### *c) Defined benefit plans*

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are presented as a separate item in statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

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## **2.18 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

## **2.19 Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown in equity.

## **2.20 Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service in the ordinary course of the Group's activities. Revenue is shown net of returns, rebates and discounts, and after eliminating sales within the Group for the consolidated financial statements. Revenue from sales of goods is recognised when the customers obtain control of that goods.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

### *Revenue recognition from sales of goods*

The Group manufactures and sells in agricultural products including fresh and processed of fruits and vegetables in both domestic and export. The revenue is recognised when the customers obtain control of that goods in following case:

1. In case that the specific packaging is used such as address and brands of buyers, the revenue is recognised when the products are completely packed.
2. In general cases the revenue is recognised when the buyers possess the products.

### *Payments to customers*

Payments to customers or on behalf of customers to other parties, including credited or subsequent discounts, are recognised as a reduction in revenue.

### *Contract liabilities*

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

Interest income and other income are recognised on an accrual basis unless collectibility is in doubt.

## **2.21 Dividend distribution**

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

### 3 Financial risk management

#### 3.1 Financial risk factors

The Group exposes to a variety of financial risks: market risk (currency risk, interest rate risk, fair value risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The board of directors provides written principles for overall risk management which is carried out by a central treasury department (the Group treasury), including identification, evaluation and hedge of financial risks in close co-operation with operating units.

##### 3.1.1 Foreign exchange risk

The Group use forward contracts to hedge their exposure to foreign currency risk in connection with measurement currency. The Group treasury is responsible for hedging the net position in each currency by using currency borrowings and external forward currency contracts.

The Group also hedges foreign currency at least 70% of anticipated export sales in each major currency based on customer orders.

##### 3.1.2 Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group has interest rate risk from loans with interest charged at the floating rates. However, the Group does not use interest rate swaps to hedge certain exposures because the management believes that the fluctuation in interest rates does not have significant impact to the Group.

##### 3.1.3 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that contracts are made with customers who have an appropriate credit history, limiting customers' credit limit as well as obtaining appropriate guarantees from customers. Derivative counterparties and deposits are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any one financial institution.

##### 3.1.4 Liquidity risk

The Group manages cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions.

#### 3.2 Accounting for derivative financial instruments and hedging activities

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts. Such instrument is not recognised in the financial statements on inception.

Foreign currency forward contracts protect the Group from movements in exchange rates. The Group enters into contract establishing the rate at which a foreign currency asset will be realised or a foreign currency liability will be settled in the future. The Group does not recognise foreign currency forward contracts transaction in the financial statements until the contracts are settled. The realised gain (loss) from the settlement of foreign currency forward contracts will be included in gain (loss) on exchange rate in profit or loss. The fee incurred in establishing each agreement is amortised over the contract period.

The Group's derivation financial instruments are disclosed in note 30.1.

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### 3.3 Fair value

The following methods and assumptions are used to estimate the fair value of each class of financial assets and liabilities.

Cash and cash equivalents and trade and other receivables - the carrying amounts of these financial assets approximate their fair values due to the relatively short-term maturity of these financial assets.

Short-term borrowings from financial institutions and trade and other payables - the carrying amounts of these financial liabilities approximate their fair values due to the relatively short-term maturity of these financial liabilities.

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price or the closing price by reference to the Stock Exchange of Thailand or the Thai Bond Dealing Centre.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

The Group discloses fair values of financial assets and financial liabilities in the following note.

Foreign currency forward contracts : Note 30.1

Long-term loans from financial institutions : Note 16.2

## 4 Critical estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 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. The management will fully set up allowance for outstanding amounts overdue more than 1 year and without any collateral.

### Reduction of inventory cost to net realisable value

In determining a reduction of inventory cost to net realisable value, the management makes judgement and estimates the net realisable value of inventory based on the amount of the inventories are expected to realise. These estimates take into consideration fluctuations of selling price or cost directly relating to events occurring at the year ended.

### Property, plant and equipment

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 estimated 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.

### Deferred tax assets

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences can be deducted. The Group has determined the future taxable profits by referencing to the latest available financial forecasts. The recognition, therefore, involves judgement regarding the future financial performance of the Group in which the deferred tax assets have been recognised.

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### Defined retirement benefit obligations

The present value of the retirement benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement benefits obligation.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefits obligations. In determining the appropriate discount rate, the Company considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement benefits liability.

Additional information of other key assumptions for retirement benefits obligations other is disclosed in Note 20.

## 5 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

## 6 Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The highest operational decision-making authority is the Board of Directors which measure its performance from segment profit.

For the purpose of operational management the Group separated the business into 2 operating segments as follows:

- Sales of goods in domestic segment.
- Export of goods to overseas segment.

The segment revenue information for the year ended 31 December 2018 has been prepared in accordance with TFRS 18 (old revenue recognition standards). Therefore, the segment revenue information presented in the current and prior years are not comparable. The comparable revenue has been is disclosed in Note 2.2.1.

Significant information relating to revenue and profit of the reportable segments are as follows:

	Consolidated financial statements					
	Domestic sales segment		Export sales segment		Total	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Sales	319,878,410	317,098,216	1,599,859,337	1,512,026,865	1,919,737,747	1,829,125,081
Cost of sales	(184,664,427)	(223,061,257)	(1,590,143,264)	(1,338,123,110)	(1,774,807,691)	(1,561,184,367)
<b>Segment profit</b>	<b>135,213,983</b>	<b>94,036,959</b>	<b>9,716,073</b>	<b>173,903,755</b>	<b>144,930,056</b>	<b>267,940,714</b>
Other income					19,958,194	9,258,560
Unallocated costs						
- Selling and administrative expenses and finance costs					(216,452,093)	(220,317,421)
<b>Profit (loss) before income tax</b>					<b>(51,563,843)</b>	<b>56,881,853</b>
Income tax					9,684,432	(477,607)
<b>Net profit (loss) for the year</b>					<b>(41,879,411)</b>	<b>56,404,246</b>
<b>Timing of revenue recognition</b>						
At a point in time	319,878,410	317,098,216	1,599,859,337	1,512,026,865	1,919,737,747	1,829,125,081

### Major customers

The Group has no revenue transactions with a single external customer that amounts to 10% or more of the Group revenue. Therefore, the Group does not present the information about major customers.

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**7 Cash and cash equivalents**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2019 Baht</b>	<b>2018 Baht</b>	<b>2019 Baht</b>	<b>2018 Baht</b>
Cash on hand	36,169	36,000	33,169	33,000
Cash at banks - current accounts	286,855	4,744,588	205,152	4,662,135
- savings accounts	128,213,596	9,308,738	126,508,323	8,963,374
- fixed accounts	114,814,629	-	114,814,629	-
	243,351,249	14,089,326	241,561,273	13,658,509

As at 31 December 2019, cash at banks - savings accounts carry interest at the rates of 0.01% to 0.375% per annum (2018 : at the rates of 0.10% to 0.375% per annum) and cash at banks - fixed accounts carry interest at the rate of 1.50% to 1.75% per annum (2018 : Nil).

Cash, cash equivalents and bank overdrafts included the following for the purposes of the statements of cash flows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2019 Baht</b>	<b>2018 Baht</b>	<b>2019 Baht</b>	<b>2018 Baht</b>
Cash and cash equivalent	243,351,249	14,089,326	241,561,273	13,658,509
<u>Less</u> Bank overdrafts (Note 16.1)	-	(108,011)	-	-
	243,351,249	13,981,315	241,561,273	13,658,509

**8 Trade and other receivables, net**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2019 Baht</b>	<b>2018 Baht</b>	<b>2019 Baht</b>	<b>2018 Baht</b>
Trade receivables - third parties	149,704,047	117,317,719	149,703,547	117,317,719
<u>Less</u> Allowance for doubtful accounts	(1,553,309)	(103,230)	(1,553,309)	(103,230)
Total trade receivables, net	148,150,738	117,214,489	148,150,238	117,214,489
Others receivables - third parties	3,598,814	4,629,959	3,598,814	4,629,959
- subsidiary (Note 29.3)	-	-	15,700	37,100
<u>Less</u> Allowance for doubtful accounts	(86,240)	(55,540)	(86,240)	(55,540)
Total other receivables, net	3,512,574	4,574,419	3,528,274	4,611,519
Prepaid expenses	3,930,906	2,794,240	3,884,702	2,760,513
Advance payment	293,245	369,748	293,245	369,748
Others	331,064	680,772	331,064	672,424
	156,218,527	125,633,668	156,187,523	125,628,693



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Outstanding balance of trade receivables as at 31 December 2019 and 2018 classified by aging are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Not overdue	52,465,064	25,339,114	52,464,564	25,339,114
Less than 3 months	94,851,925	91,237,467	94,851,925	91,237,467
3 - 6 months	835,493	632,478	835,493	632,478
6 - 12 months	860,203	10,860	860,203	10,860
Over 12 months	691,362	97,800	691,362	97,800
	149,704,047	117,317,719	149,703,547	117,317,719
<u>Less</u> Allowance for doubtful accounts	(1,553,309)	(103,230)	(1,553,309)	(103,230)
Total trade and other receivables, net	148,150,738	117,214,489	148,150,238	117,214,489

## 9 Inventories, net

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Raw materials	1,761,149	1,646,555	1,761,149	1,646,555
Finished goods	161,405,566	362,820,040	161,397,801	362,817,841
Containers and packing materials	29,521,110	32,730,044	29,506,110	32,561,144
Supplies	8,020,933	7,270,677	8,020,933	7,270,677
	200,708,758	404,467,316	200,685,993	404,296,217
<u>Less</u> Allowance for decrease in value of inventories	(3,198,409)	(1,179,491)	(3,198,409)	(1,179,491)
	197,510,349	403,287,825	197,487,584	403,116,726

During the year 2019 and 2018, amounts recognised as cost of sales in profit or losses are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cost of sales	1,772,788,773	1,561,361,719	1,760,301,134	1,544,844,429
Write-down of inventories to net realisation value	3,198,409	1,179,491	3,198,409	1,179,491
Reversal of write-down inventories to net realisation value	(1,179,491)	(1,356,843)	(1,179,491)	(1,356,843)

The Group sold inventory that was previously write-down to a customers at original cost. Therefore, the Group reversed the allowance for decrease in value of inventories during the year.

## 10 Other current assets

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Value added tax refundable	5,974,709	7,314,100	5,801,293	6,805,055
Undue input value added tax	1,304,286	1,417,937	1,304,227	1,407,831
Withholding tax deducted at source	79,077	60,667	48,011	60,418
Others	80,326	756,772	80,326	756,772
	7,438,398	9,549,476	7,233,857	9,030,076

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### 11 Restricted deposits at banks

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cash at banks - savings accounts	5,000,000	6,000,000	-	1,000,000
- fixed accounts	783,700	783,700	783,700	783,700
	5,783,700	6,783,700	783,700	1,783,700

As at 31 December 2019, restricted deposits at a banks comprise of cash at banks - savings accounts which bear interest rate at 0.375% per annum (2018 : at the rate of 0.10% per annum) and cash at banks - fixed deposits accounts which redeemable in 12 months bear interest rate at 1.05% per annum (2018 : at the rate of 1% per annum). The Group has been used as collateral against bank overdrafts and borrowings from financial institutions (Note 16).

### 12 Investments in subsidiary

As at 31 December 2019, the subsidiary included in consolidated financial statements is as follows. The subsidiary have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiary held by the Group.

Entity name	Nature of business	Country of incorporation	Separate financial statements					
			Paid-up share capital		Ownership interest held by company		Investment in cost method	
			2019 Baht	2018 Baht	2019 %	2018 %	2019 Baht	2018 Baht
SunSweet International Co., Ltd.	Trading in Agricultural products	Thailand	5,000,000	5,000,000	100	100	7,369,971	7,369,971

13 Property, plant and equipment, net

	Consolidated financial statements						
	Land improvement Baht	Land improvement Baht	Buildings and buildings improvement Baht	Machinery and equipment Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht
<b>As at 1 January 2018</b>							
Cost	98,706,503	9,010,528	134,768,791	596,559,524	11,694,810	22,341,384	900,156,712
Less Accumulated depreciation	-	(6,532,667)	(47,009,443)	(257,355,257)	(8,248,657)	(18,077,210)	(337,223,234)
Less Allowance for impairment	-	-	-	(3,122,965)	-	-	(3,519,630)
Net book amount	98,706,503	2,477,861	87,759,348	336,081,302	3,446,153	4,264,174	559,413,848
<b>For the year ended 31 December 2018</b>							
Opening net book amount	98,706,503	2,477,861	87,759,348	336,081,302	3,446,153	4,264,174	559,413,848
Additions	-	2,145,820	747,330	9,501,640	2,041,445	-	178,105,257
Transfer in (out)	-	442,790	9,093,211	62,758,426	293,750	-	(72,588,177)
Disposals, net	-	-	-	(204,731)	(20,665)	(1)	(225,397)
Write-off, net	-	-	(241,737)	(1,072,415)	(184)	-	(1,314,336)
Depreciation charge	-	(691,705)	(5,985,632)	(42,588,392)	(1,110,627)	(1,617,361)	(51,993,717)
Reversal of (impairment) charge	-	-	-	(1,104,391)	(24,328)	-	396,665
Closing net book amount	98,706,503	4,374,766	91,375,520	363,371,439	4,625,544	2,646,812	697,689,836
<b>As at 31 December 2018</b>							
Cost	98,706,503	11,599,138	144,310,267	661,025,807	12,536,121	20,688,112	1,081,458,200
Less Accumulated depreciation	-	(7,224,372)	(52,937,747)	(293,427,012)	(7,886,249)	(18,041,300)	(379,516,680)
Less Allowance for impairment	-	-	-	(4,227,356)	(24,328)	-	(4,251,684)
Net book amount	97,706,503	4,374,766	91,372,520	363,371,439	4,625,544	2,646,812	697,689,836

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Consolidated financial statements															
Furniture, fixtures and office equipment															
		Land improvement		Buildings and buildings improvement		Machinery and equipment				Vehicles		Construction in progress		Total Baht	
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>As at 31 December 2018</b>															
Cost		98,706,503	11,599,138	144,310,267	661,025,807	12,536,121	20,688,112	132,592,252	1,081,458,200						
Less Accumulated depreciation		-	(7,224,372)	(52,937,747)	(293,427,012)	(7,886,249)	(18,041,300)	-	(379,516,680)						
Less Allowance for impairment		-	-	-	(4,227,356)	(24,328)	-	-	(4,251,684)						
Net book amount		97,706,503	4,374,766	91,372,520	363,371,439	4,625,544	2,646,812	132,592,252	697,689,836						
<b>For the year ended 31 December 2019</b>															
Opening net book amount		98,706,503	4,374,766	91,372,520	363,371,439	4,625,544	2,646,812	132,592,252	697,689,836						
Additions		-	8,000	2,591,539	5,125,640	1,072,027	1,283,178	67,737,856	77,818,240						
Transfer in (out)		-	4,556,636	14,960,104	128,671,607	662,305	-	(148,850,652)	-						
Disposals, net		-	-	-	(1)	(3)	-	-	(4)						
Write-off, net		-	(60,701)	-	-	-	-	-	(60,701)						
Depreciation charge		-	(916,592)	(7,149,821)	(52,397,025)	(1,354,929)	(1,323,981)	-	(63,142,348)						
Impairment charge		-	-	-	(78,300)	-	-	-	(78,300)						
Closing net book amount		98,706,503	7,962,109	101,774,342	444,693,360	5,004,944	2,606,009	51,479,456	712,226,723						
<b>As at 31 December 2019</b>															
Cost		98,706,503	15,984,599	161,861,910	794,816,154	14,255,555	21,971,290	51,479,456	1,159,075,467						
Less Accumulated depreciation		-	(8,022,490)	(60,087,568)	(345,817,138)	(9,226,283)	(19,365,281)	-	(442,518,760)						
Less Allowance for impairment		-	-	-	(4,305,656)	(24,328)	-	-	(4,329,984)						
Net book amount		98,706,503	7,962,109	101,774,342	444,693,360	5,004,944	2,606,009	51,479,456	712,226,723						

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**As at 1 January 2018**

	Land Baht	Land improvement Baht	Buildings and buildings improvement Baht	Machinery and equipment Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht	Total Baht
Cost	98,706,503	9,010,528	134,768,791	595,957,448	11,008,224	18,821,874	27,075,172	895,348,540
Less Accumulated depreciation	-	(6,532,667)	(47,009,443)	(256,753,181)	(7,562,072)	(15,677,600)	-	(333,534,963)
Less Allowance for impairment	-	-	-	(3,122,965)	-	-	(396,665)	(3,519,630)
Net book amount	98,706,503	2,477,861	87,759,348	336,081,302	3,446,152	3,144,274	26,678,507	558,293,947

**For the year ended 31 December 2018**

Opening net book amount	98,706,503	2,477,861	87,759,348	336,081,302	3,446,152	3,144,274	26,678,507	558,293,947
Additions	-	2,145,820	747,330	9,501,640	2,041,445	-	178,105,257	192,541,492
Transfer in (out)	-	442,790	9,093,211	62,758,426	293,750	-	(72,588,177)	-
Disposals, net	-	-	-	(204,731)	(20,665)	(1)	-	(225,397)
Write-off, net	-	-	(241,737)	(1,072,415)	(184)	-	-	(1,314,336)
Depreciation charge	-	(691,705)	(5,985,632)	(42,588,392)	(1,110,627)	(913,486)	-	(51,289,842)
Reversal of (impairment) charge	-	-	-	(1,104,391)	(24,328)	-	396,665	(732,054)
Closing net book amount	98,706,503	4,374,766	91,372,520	363,371,439	4,625,543	2,230,787	132,592,252	697,273,810

**As at 31 December 2018**

Cost	98,706,503	11,599,138	144,310,267	660,995,103	12,536,121	17,168,603	132,592,252	1,077,907,987
Less Accumulated depreciation	-	(7,224,372)	(52,937,747)	(293,396,308)	(7,886,250)	(14,937,816)	-	(376,382,493)
Less Allowance for impairment	-	-	-	(4,227,356)	(24,328)	-	-	(4,251,684)
Net book amount	98,706,503	4,374,766	91,372,520	363,371,439	4,625,543	2,230,787	132,592,252	697,273,810

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	Separate financial statements						
	Land Baht	Land improvement Baht	Buildings and buildings improvement Baht	Machinery and equipment Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht
<b>As at 31 December 2018</b>							
Cost	98,706,503	11,599,138	144,310,267	660,995,103	12,536,121	17,168,603	132,592,252
Less Accumulated depreciation	-	(7,224,372)	(52,937,747)	(293,396,308)	(7,886,250)	(14,937,816)	-
Less Allowance for impairment	-	-	-	(4,227,356)	(24,328)	-	-
Net book amount	98,706,503	4,374,766	91,372,520	363,371,439	4,625,543	2,230,787	132,592,252
<b>For the year ended 31 December 2019</b>							
Opening net book amount	98,706,503	4,374,766	91,372,520	363,371,439	4,625,543	2,230,787	132,592,252
Additions	-	8,000	2,591,539	5,125,640	1,072,027	1,283,178	67,737,856
Transfer in (out)	-	4,556,636	14,960,104	128,671,607	662,305	-	(148,850,652)
Disposals, net	-	-	-	(1)	(3)	-	-
Write-off, net	-	(60,701)	-	-	-	-	(60,701)
Depreciation charge	-	(916,592)	(7,149,821)	(52,397,025)	(1,354,929)	(913,843)	-
Impairment charge	-	-	-	(78,300)	-	-	-
Closing net book amount	98,706,503	7,962,109	101,774,342	444,693,360	5,004,943	2,600,122	51,479,456
<b>As at 31 December 2019</b>							
Cost	98,706,503	15,984,599	161,861,910	794,785,450	14,255,555	18,451,781	51,479,456
Less Accumulated depreciation	-	(8,022,490)	(60,087,568)	(345,786,434)	(9,226,284)	(15,851,659)	-
Less Allowance for impairment	-	-	-	(4,305,656)	(24,328)	-	-
Net book amount	98,706,503	7,962,109	101,774,342	444,693,360	5,004,943	2,600,122	51,479,456

Additions include Baht 16.20 million (2018 : Nil) assets leased under finance leases (where the Group is the Group is the lessee) and no disposal of assets sold under finance lease.

During the year 2019, the management decide to recognised the impairment of certain part of machinery and equipment, which no longer usable of Baht 78,300. The recoverable amount (the higher of the value in use or fair value less costs of disposal) was determined at the individual assets and the net selling price was determined with reference to market prices for equivalent assets.

As at 31 December 2019, a certain part of machinery and equipment Baht 356.73 million (2018 : a certain part land, land improvement and machinery at the cost of Baht 494.94 million) has been pledged as collateral against borrowings from financial institutions (Note 16).

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Included in property, plant, and equipment are leased assets, where the Group is a lessee under a finance lease which comprise of machinery, vehicle and office equipment as follows:

	<b>Consolidated and separate financial statements</b>	
	<b>2019 Baht</b>	<b>2018 Baht</b>
Cost of assets under a finance lease	21,082,231	39,845,843
<u>Less</u> Accumulated depreciation	(3,278,449)	(8,253,933)
Net book amount	17,803,782	31,591,910

#### 14 Intangible assets, net

	<b>Consolidated and separate financial statements</b>		
	<b>Computer software Baht</b>	<b>Computer software under installation Baht</b>	<b>Total Baht</b>
<b>As at 1 January 2018</b>			
Cost	7,938,773	-	7,938,773
<u>Less</u> Accumulated amortisation	(1,252,699)	-	(1,252,699)
Net book amount	6,686,074	-	6,686,074
<b>For the year ended 31 December 2018</b>			
Opening net book amount	6,686,074	-	6,686,074
Additions	169,390	-	169,390
Amortisation charge	(1,601,287)	-	(1,601,287)
Closing net book amount	5,254,177	-	5,254,177
<b>As at 31 December 2018</b>			
Cost	8,108,163	-	8,108,163
<u>Less</u> Accumulated amortisation	(2,853,986)	-	(2,853,986)
Net book amount	5,254,177	-	5,254,177
<b>For the year ended 31 December 2019</b>			
Opening net book amount	5,254,177	-	5,254,177
Additions	137,785	1,857,487	1,995,272
Transfer in (out)	1,834,987	(1,834,987)	-
Amortisation charge	(1,759,928)	-	(1,759,928)
Closing net book amount	5,467,021	22,500	5,489,521
<b>As at 31 December 2019</b>			
Cost	10,080,935	22,500	10,103,435
<u>Less</u> Accumulated amortisation	(4,613,914)	-	(4,613,914)
Net book amount	5,467,021	22,500	5,489,521



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**15 Deferred income taxes**

Deferred tax assets and liabilities comprise the following:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2019 Baht</b>	<b>2018 Baht</b>	<b>2019 Baht</b>	<b>2018 Baht</b>
<b>Deferred tax assets</b>				
Deferred income tax assets to be recovered within 12 months	8,960,544	275,699	8,960,544	275,699
Deferred income tax assets to be recovered more than 12 months	6,765,038	5,836,350	6,765,038	5,834,952
<b>Deferred tax liability</b>				
Deferred income tax liability to be settled within 12 months	(437,892)	(935,262)	(437,892)	(935,262)
<b>Deferred tax assets, net</b>	<b>15,287,690</b>	<b>5,176,787</b>	<b>15,287,690</b>	<b>5,175,389</b>

The movements of deferred income tax are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2019 Baht</b>	<b>2018 Baht</b>	<b>2019 Baht</b>	<b>2018 Baht</b>
As at 1 January	5,176,787	5,972,497	5,175,389	5,971,550
Charged (credited) in profit or loss (Note 27)	10,636,461	(288,027)	10,637,859	(288,641)
Charged (credited) relation to other comprehensive income (Note 27)	(525,558)	(507,683)	(525,558)	(507,520)
As at 31 December	<b>15,287,690</b>	<b>5,176,787</b>	<b>15,287,690</b>	<b>5,175,389</b>

The movements of deferred tax assets and deferred liabilities are as follows:

	<b>Consolidated financial statements</b>			
	<b>As at 1 January 2018 Baht</b>	<b>Recognised in profit or loss Baht</b>	<b>Recognised in other comprehensive income Baht</b>	<b>As at 31 December 2018 Baht</b>
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	-	31,754	-	31,754
Employee benefit obligations	4,956,452	537,244	(507,683)	4,986,013
Amortisation expenses of trademark which differences between accounting and tax basis	663,945	(420,000)	-	243,945
Impairment of assets	703,926	146,411	-	850,337
Allowance for decrease in value of inventories	271,369	(271,369)	-	-
	<b>6,595,692</b>	<b>24,040</b>	<b>(507,683)</b>	<b>6,112,049</b>
<b>Deferred tax liability</b>				
Finance lease obligations	(623,195)	(312,067)	-	(935,262)

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<b>Separate financial statements</b>				
	<b>As at 1 January 2018 Baht</b>	<b>Recognised in profit or loss Baht</b>	<b>Recognised in other comprehensive income Baht</b>	<b>As at 31 December 2018 Baht</b>
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	-	31,754	-	31,754
Employee benefit obligations	4,955,505	536,630	(507,520)	4,984,615
Amortisation expenses of trademark				
which differences between	663,945	(420,000)	-	243,945
accounting and tax basis	703,926	146,411	-	850,337
Allowance for decrease in value of				
inventories	271,369	(271,369)	-	-
	6,594,745	23,426	(507,520)	6,110,651
<b>Deferred tax liability</b>				
Finance lease obligations	(623,195)	(312,067)	-	(935,262)
<b>Consolidated financial statements</b>				
	<b>As at 1 January 2019 Baht</b>	<b>Recognised in profit or loss Baht</b>	<b>Recognised in other comprehensive income Baht</b>	<b>As at 31 December 2019 Baht</b>
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	31,754	296,156	-	327,910
Employee benefit obligations	4,986,013	1,811,500	(525,558)	6,271,955
Amortisation expenses of trademark				
which differences between	243,945	(243,945)	-	-
accounting and tax basis	850,337	(357,252)	-	493,085
Impairment of assets				
Allowance for decrease in value of				
inventories	-	639,682	-	639,682
Loss carry forward	-	7,992,950	-	7,992,950
	6,112,049	10,139,091	(525,558)	15,725,582
<b>Deferred tax liability</b>				
Finance lease obligations	(935,262)	497,370	-	(437,892)
<b>Separate financial statements</b>				
	<b>As at 1 January 2019 Baht</b>	<b>Recognised in profit or loss Baht</b>	<b>Recognised in other comprehensive income Baht</b>	<b>As at 31 December 2019 Baht</b>
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	31,754	296,156	-	327,910
Employee benefit obligations	4,984,615	1,812,898	(525,558)	6,271,955
Amortisation expenses of trademark				
which differences between	243,945	(243,945)	-	-
accounting and tax basis	850,337	(357,252)	-	493,085
Allowance for decrease in value of				
inventories	-	639,682	-	639,682
Loss carry forward	-	7,992,950	-	7,992,950
	6,110,651	10,140,489	(525,558)	15,725,582
<b>Deferred tax liability</b>				
Finance lease obligations	(935,262)	497,370	-	(437,892)

Deferred tax asset from tax loss carried forward will be recognised to the extent to which it is highly probable that the Group will have enough profit to utilise tax benefits in the future.

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## 16 Borrowings

### 16.1 Bank overdrafts and short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Bank overdrafts	-	108,011	-	-
Short-term loans - promissory notes	159,000,000	30,000,000	159,000,000	30,000,000
- trust receipt	44,930,223	-	44,930,223	-
- packing credit	9,640,000	63,907,000	9,640,000	63,907,000
	213,570,223	94,015,011	213,570,223	93,907,000

Bank overdrafts and short-term loans from financial institutions are secured by restricted deposit at a bank (Note 11) and certain part of machinery and equipment (Note 13).

Movement of short-term loans from financial institution is as follows:

	Consolidated and separate financial statements	
	2019 Baht	2018 Baht
Opening balance	93,907,000	-
Additions during the year	722,191,398	102,500,000
Repayments during the year	(602,528,175)	(8,593,000)
Closing balance	213,570,223	93,907,000

Bank overdrafts and short-term loans from financial institutions as at 31 December 2019 and 2018 are as follows:

No.	Credit limit Baht	Significant condition of loans agreement		Consolidated financial statement		Separate financial statement	
		Interest rate (% per annum)	Secured by	2019 Baht	2018 Baht	2019 Baht	2018 Baht
1	2,000,000	Saving+2%	Cash at bank and directors	-	108,011	-	-
2	200,000,000	MMR+0.25%	Certain part of machinery and equipment	159,000,000	-	159,000,000	-
3	105,000,000	MMR	None	46,676,551	-	46,676,551	-
4	787,281,000	MMR	Certain part of machinery and equipment	-	93,907,000	-	93,907,000
5	50,000,000	MMR	None	7,893,672	-	7,893,672	-
				213,570,223	94,015,011	213,570,223	93,907,000

The fair value of bank overdrafts and short-term loan are equal to their carrying amounts because the maturity is within one year. The impact of discounting is not material.

### 16.2 Long-term loans from financial institutions

Outstanding balances of long-term loans from financial institutions as at 31 December 2019 and 2018 are as follows:

	Consolidated and separate financial statements	
	2019 Baht	2018 Baht
Current portion of long-term loans from financial institutions	3,600,000	-
Non-current portion of long-term loans from financial institutions	3,900,000	-
	7,500,000	-

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The movement of long-term loans from financial institutions are as follows:

	Consolidated and separate financial statements	
	2019 Baht	2018 Baht
Opening balance	-	76,385,000
Additions during the year	9,000,000	-
Repayments during the year	(1,500,000)	(76,385,000)
Closing balance	7,500,000	-

Details of long-term loans as at 31 December 2019 and 2018 are as follows:

No.	Credit limit Baht	Objective	Interest rate (%)	Principal repayment	Interest repayment	Secured by	Consolidated and separate financial statements	
							2019 Baht	2018 Baht
1	150,000,000	Investing in machinery	First 12 months MLR-2 Afterwards MLR-1.75	108 periods (monthly) minimum repayment at Baht 0.30 million	Monthly	Certain part of machinery and equipment	7,500,000	-

#### Fair value

The carrying amounts and fair values of long-term loans are as follows. The fair values are based on discounted cash flows using a discount rate based upon the borrowing rate of MLR minus fixed rate (2018 : Nil) and are within the level 2 of fair value hierarchy.

	Consolidated and separate financial statements			
	Carrying amount		Fair value	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Long-term loans from financial institutions	7,500,000	-	7,498,969	-

The effective interest rates at the statement of financial position date were as follows:

	Consolidated and separate financial statements	
	2019 per annum	2018 per annum
Effective interest rate - Long-term loans from financial institutions	4.16%	-

#### Unused credit facilities

Unused credit facilities as at 31 December 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Bank overdrafts	64,000,000	12,891,989	62,000,000	11,000,000
Short-term loans				
- promissory notes	41,000,000	170,000,000	41,000,000	170,000,000
- packing credit and trust receipt	897,710,777	533,374,000	887,710,777	523,374,000
Long-term loans from financial institutions	159,825,000	165,491,237	159,825,000	165,491,237
	1,162,535,777	881,757,226	1,150,535,777	869,865,237

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**17 Trade and other payables**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2019 Baht</b>	<b>2018 Baht</b>	<b>2019 Baht</b>	<b>2018 Baht</b>
Trade payables - third parties	185,615,334	182,224,169	185,583,330	182,148,356
Other payables - third parties	748,156	2,951,439	748,156	2,951,439
Advance received from sales of goods	-	10,034,503	-	10,034,503
Accrued planting promotion expense	7,965,135	12,829,646	7,965,135	12,829,646
Accrued wages	4,564,887	4,208,987	4,564,887	4,208,987
Accrued expenses	8,004,057	10,062,113	7,798,322	10,159,113
Other	1,204,350	-	1,204,350	-
	<b>208,101,919</b>	<b>222,310,857</b>	<b>207,864,180</b>	<b>222,332,044</b>

**18 Contract liabilities**

The Group has recognised the following liabilities related to contracts with customers:

	<b>Consolidated and separate financial statements</b>	
	<b>2019 Baht</b>	<b>2018 Baht</b>
Contract liabilities		
- Current	16,290,296	-
- Non-current	-	-
<b>Total contract liabilities</b>	<b>16,290,296</b>	<b>-</b>

Revenue recognised in the current reporting period relates to carried-forward contract liabilities.

	<b>Consolidated and separate financial statements</b>	
	<b>2019 Baht</b>	<b>2018 Baht</b>
Revenue recognised that was included in the contract liabilities balance at the beginning of the period		
- Advance received from customers	8,732,085	-

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## 19 Finance lease liabilities

Minimum lease payments under finance lease contract are as follows:

	Consolidated and separate financial statements	
	2019 Baht	2018 Baht
Not later than 1 year	4,658,305	7,272,113
Later than 1 year but not later than 5 years	11,623,973	11,065,130
<u>Less</u> Future finance charges on finance lease	(1,686,125)	(1,560,802)
Present value of finance lease liabilities	14,596,153	16,776,441
Finance lease liabilities:		
- Current	3,906,136	6,412,407
- Non-current	10,690,017	10,364,034
	14,596,153	16,776,441

The present value of finance lease liabilities is as follows:

	Consolidated and separate financial statements	
	2019 Baht	2018 Baht
Not later than 1 year	3,906,136	6,412,407
Later than 1 year but not later than 5 years	10,690,017	10,364,034
	14,596,153	16,776,441

## 20 Employee benefit obligations

The movement of employee benefit obligations is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance	24,930,065	24,782,264	24,923,073	24,777,530
Current service cost	2,568,146	2,152,371	2,562,358	2,149,391
Interest cost	405,900	533,844	405,690	533,752
Past service cost	6,083,451	-	6,080,721	-
Remeasurement				
- Gain from change in actuarial assumptions (Note 23)	(2,627,789)	(2,538,414)	(2,627,789)	(2,537,600)
Increase in obligation of transferred staffs from subsidiary	-	-	15,720	-
Closing balance	31,359,773	24,930,065	31,359,773	24,923,073

Current service cost came from change in estimation on compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay in accordance with an amendment bill to the Labour Protection Law which was published in the Government Gazette.

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The principal actuarial assumptions used as at the date of consolidated and separate statements of financial position are as follows:

	<b>Consolidate and separate financial statements</b>	
	<b>31 December 2019</b>	<b>31 December 2018</b>
Discount rate	1.43%	2.4%
Expected future salary increase	3.5%	5%
Staff turnover rate		
- Age less than 31	23%	25%
- Age between 31 to 40	12%	12%
- Age between 41 to 50	7%	8%
- Age above 50	0%	0%
Retirement age	60 years	60 years

Sensitivity analysis for each significant assumptions are as follows:

	<b>Change in assumption</b>	<b>Consolidated and separate financial statements</b>			
		<b>Impact on defined benefit obligation</b>			
		<b>Increase in assumption</b>		<b>Decrease in assumption</b>	
		<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Discount rate	1%	Decreased by 5.34%	Decreased by 4.67%	Increased by 6.32%	Increased by 5.52%
Salary growth rate	1%	Increased by 6.12%	Increased by 5.32%	Decreased by 5.29%	Decreased by 4.61%
Staff turnover rate	1%	Decreased by 5.62%	Decreased by 4.99%	Increased by 2.32%	Increased by 2.07%
Life expectancy	1 year	Increased by 0.31%	Increased by 0.28%	Decreased by 0.31%	Decreased by 0.28%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Through its defined benefit retirement, the Group is exposed to a number of risks, the most significant of which are detailed below:

*Changes in bond yields*

A decrease in government bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings.

The weighted average duration of the defined benefit obligation for the Group is 7.71 years.

The Group use the cash flows from operating activities to pay the retirement and other long-term benefits.

Expected maturity analysis of undiscounted retirement is as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Retirement benefits				
- Less than 1 year	2,295,685	-	2,295,685	-
- Between 1 to 5 years	20,244,740	20,964,298	20,244,740	20,964,298
- More than 5 years	141,976,088	163,418,196	141,976,088	161,729,002
	<b>164,516,513</b>	<b>184,382,494</b>	<b>164,516,513</b>	<b>182,693,300</b>



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## 21 Dividend payment

At the Annual General meeting of Shareholders for the year 2018 held on 23 April 2018 the Shareholders approved the dividend payment for the year 2017 to Shareholders for 430 million ordinary shares at Baht 0.15 per share, totalling Baht 64.50 million. The dividend was paid to the Shareholders on 15 May 2018.

At the Company's Board of Directors' meeting No. 4/2561 on 7 November 2018, the Board approved a payment of interim dividend from the nine-month period ended 30 September 2018 operational results at Baht 0.05 per share totalling Baht 21.50 million. The dividend was paid to Shareholders on 6 December 2018.

At the Annual General Meeting of Shareholders for the year 2019 held on 22 April 2019, the Shareholders approved the dividend payment for the year 2018 for 430 million ordinary shares at Baht 0.10 per share, totaling to Baht 43 million. However, the Company has paid the interim dividend at Baht 0.05 totalling to Baht 21.50 million on 6 December 2018 and the remaining amount of Baht 21.50 million was paid on 17 May 2019.

## 22 Legal reserve

	Consolidated and separate financial statements	
	2019 Baht	2018 Baht
As at 1 January	11,400,000	8,500,000
Appropriation during the year	-	2,900,000
As at 31 December	11,400,000	11,400,000

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

## 23 Component of other comprehensive income (expense)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
<b>Other comprehensive income (expense):</b>				
Remeasurements of employee benefit obligations (Note 20)	2,627,789	2,538,414	2,627,789	2,537,600
<b>Total other comprehensive income (expense)</b>	2,627,789	2,538,414	2,627,789	2,537,600
<u>Less</u> Income tax relating to comprehensive income	(525,558)	(507,683)	(525,558)	(507,520)
<b>Other comprehensive income (expense) for the year, net of tax</b>	2,102,231	2,030,731	2,102,231	2,030,080

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## 24 Other income

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Interest income	945,762	1,354,991	949,032	1,425,814
Others	4,792,956	7,903,569	4,842,048	8,244,853
	5,738,718	9,258,560	5,791,080	9,670,667

## 25 Finance costs

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Interest expense				
- loans from financial institutions	4,721,065	2,016,251	4,719,489	2,012,104
- finance lease liabilities	1,023,993	1,222,309	1,023,993	1,215,232
	5,745,058	3,238,560	5,743,482	3,227,336

## 26 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Raw materials and consumables used	1,116,858,795	1,268,497,398	1,116,858,795	1,268,497,398
Change in work in process and finished goods	175,204,951	211,787,148	175,199,384	211,862,700
Staff costs and other benefits	269,650,218	239,129,808	269,139,998	238,650,078
Transportation expenses	121,111,530	97,671,271	120,139,488	96,122,324
Depreciation and amortisation charges	64,902,275	53,595,004	64,492,138	52,891,129
Utilities expenses	40,730,195	37,987,661	40,729,950	37,987,161
Planting promotion expense	32,936,798	37,950,871	32,936,798	37,950,871
Rental expenses	26,440,146	19,546,945	26,740,146	19,846,945
Labour costs	15,740,604	16,668,389	15,740,604	16,668,389
Repair and maintenance expenses	14,593,158	18,541,294	14,593,158	18,541,294
Advertising and promotion expenses	8,804,229	6,744,414	8,804,229	6,684,458
Plant and office expense	8,436,347	7,932,352	8,436,347	7,932,352
Commission and incentive	8,222,398	12,563,876	8,211,689	12,563,876
Services and consultation expenses	7,115,967	10,441,250	6,896,167	10,216,450
Traveling and entertainment expenses	7,354,275	9,128,163	7,163,085	8,981,166
Loss from impairment of assets	78,300	732,054	78,300	732,054

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## 27 Income tax

Income tax expense for the year comprises the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current tax:				
Current tax on profits for the year	(135,295)	(63,714)	-	-
Adjustments in respect of prior year	(816,734)	(125,866)	(816,734)	(125,866)
<b>Total current tax</b>	<b>(952,029)</b>	<b>(189,580)</b>	<b>(816,734)</b>	<b>(125,866)</b>
Deferred tax:				
Increase (Decrease) in deferred tax assets (Note 15)	10,139,090	24,040	10,140,488	23,426
(Increase) Decrease in deferred tax liabilities (Note 15)	497,371	(312,067)	497,371	(312,067)
<b>Total deferred tax</b>	<b>10,636,461</b>	<b>(288,027)</b>	<b>10,637,859</b>	<b>(288,641)</b>
<b>Income tax expense</b>	<b>9,684,432</b>	<b>(477,607)</b>	<b>9,821,125</b>	<b>(414,507)</b>

Income taxes disclosed in statement of income were calculated from taxable income at tax rate of 19% for the Group (2018 : 0%).

The tax charge (credit) relating to component of other comprehensive income is as follows:

	Consolidated financial statements					
	2019			2018		
	Before tax Baht	Tax charge (credit) Baht	After tax Baht	Before tax Baht	Tax charge (credit) Baht	After tax Baht
Remeasurement on retirement benefit obligation	2,627,789	(525,558)	2,102,231	2,538,414	(507,683)	2,030,731
<b>Other comprehensive income</b>	<b>2,627,789</b>	<b>(525,558)</b>	<b>2,102,231</b>	<b>2,538,414</b>	<b>(507,683)</b>	<b>2,030,731</b>
	Separate financial statements					
	2019			2018		
	Before tax Baht	Tax charge (credit) Baht	After tax Baht	Before tax Baht	Tax charge (credit) Baht	After tax Baht
Remeasurement on retirement benefit obligation	2,627,789	(525,558)	2,102,231	2,537,600	(507,520)	2,030,080
<b>Other comprehensive income</b>	<b>2,627,789</b>	<b>(525,558)</b>	<b>2,102,231</b>	<b>2,537,600</b>	<b>(507,520)</b>	<b>2,030,080</b>

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The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Profit (loss) before income tax	(51,563,843)	56,881,853	(51,985,458)	57,076,058
Tax calculated at a tax rate of 20% (2018 : 20%)	(10,312,769)	11,376,371	(10,397,092)	11,415,212
Tax effect of:				
Exemption from BOI promotion privilege	-	(11,837,960)	-	(11,837,960)
Expenses not deductible for tax purpose	427,928	355,529	375,315	252,770
Expenses additionally deductible for tax purpose	(1,269,679)	(608,715)	(1,269,436)	(607,897)
Tax losses for which deferred tax assets had not been recognised	-	887,601	-	887,601
Previously unrecognised tax losses used to reduce deferred tax assets	(225,350)	-	(225,350)	-
Temporary differences which deferred tax assets had not been recognised	878,704	178,916	878,704	178,916
Adjustment in respect of prior year	816,734	125,865	816,734	125,865
Income tax	(9,684,432)	477,607	(9,821,125)	414,507

## 28 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares issued during the year.

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Profit (loss) attributable to the ordinary equity holders of the Company used as the denominator in calculating basic earnings per share (Baht)	(41,879,411)	56,404,246	(42,164,333)	56,661,551
Weighted average number of ordinary shares outstanding used as the denominator in calculating basic earnings per share (Shares)	430,000,000	430,000,000	430,000,000	430,000,000
Basic earnings (loss) per share (Baht per share)	(0.10)	0.13	(0.10)	0.13

The Company has no potential dilutive ordinary shares in issue during the year ended 31 December 2019 and 2018. There are no dilutive ordinary shares in issue for the years ended 2019 and 2018.

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## 29 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Relationships between the Company and related parties are as follows:

Company	Nature of business	Relationship
<b><u>Subsidiary</u></b>		
SunSweet International Co., Ltd.	Trading in agricultural products	Direct shareholding, common shareholders and directorship
<b><u>Related parties</u></b>		
SunSweet Bio-Energy Co., Ltd.	Produce and sell electricity power and processed scraps from agricultural products	Common shareholders and directorship
So Sweet Co., Ltd.	Retail sweet corn products in franchise business	Common shareholders and directorship
SunSweet Agrotech Co., Ltd.	Manufactured canned fruits and agricultural products	Common shareholders and directorship
Sunshine Travel Co., Ltd.	Travel agency and other related services	Common shareholders and directorship
Coffee Link Co., Ltd.	Sell foods and beverages	Common shareholders and directorship
Wiangjedlin Co., Ltd.	Sell and distributor of ice-cream	Common shareholders and directorship
Chiangmai Social Enterprises Company Limited	Social enterprises	Common shareholders and directorship

The following transactions were carried out with related parties:

### 29.1 Sales of goods and services

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Service rendered to				
- subsidiary	-	-	120,000	360,000
- related persons	25,107	4,132	25,107	4,132
	25,107	4,132	145,107	364,132
Rental income from				
- subsidiary	-	-	60,000	60,000
- related persons	628,800	628,800	628,800	628,800
	628,800	628,800	688,800	688,800
Interest income from subsidiary	-	-	26,370	105,009

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**29.2 Purchases of goods and services**

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Rental expense to				
- subsidiary	-	-	300,000	300,000
- related persons	209,760	171,120	209,760	171,120
	209,760	171,120	509,760	471,120

**29.3 Outstanding balances arising from sales and purchases goods and services**

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Other receivables - subsidiary	-	-	15,700	37,100
Accrued rental expense - subsidiary	-	-	-	300,000

**29.4 Short-term loans to subsidiary**

	Separate financial statements	
	2019 Baht	2018 Baht
As at 1 January	-	5,033,666
Additions during the year	5,500,000	6,400,000
Interest increased during the year	26,370	105,009
Repayments during the year	(5,526,370)	(11,538,675)
As at 31 December	-	-

The short-term loans to subsidiary were made on commercial terms and conditions which unsecured and bearing interest at the rate of 3.5% per annum and received all principle and interest in full.

**29.5 Key management compensation**

Key management includes directors and executive management (regardless of whether they are in the managerial level or not), top management, corporate secretary and internal audit department head. Compensation paid or payable to key management as follows:

	Consolidated and separate financial statements	
	2019 Baht	2018 Baht
Salaries and other short-term benefits	22,159,439	21,439,824
Post-employment benefits	4,974,686	1,013,329
	27,134,125	22,453,153

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### 30 Commitments

#### 30.1 Foreign currency forward contracts

##### a) Sale foreign currency forward contracts

As at 31 December 2019, the settlement date on open sales forward contracts are 6 months (2018 : 6 months). The local currency amounts and contractual exchange rates of the outstanding contracts were:

Foreign currency	Consolidated and separate financial statements					
	Foreign currency contract amount		Contract rate		2019 Baht	2018 Baht
	2019	2018	2019	2018		
USD	10,082,295	10,892,389	30.00 - 30.21	32.1125 - 33.2350	303,507,929	355,111,491

##### Fair value

The net fair value of forward foreign exchange contracts as at 31 December 2019 is favorable forward foreign exchange contracts amount Baht 559,285 (2018: Favorable Baht 2,817,424).

##### b) Purchase foreign currency forward contracts

As at 31 December 2019, these was no open purchase foreign currency forward contract (2018 : 3 months). The local currency amounts and contractual exchange rates of the outstanding contracts were:

Foreign currency	Consolidated and separate financial statements					
	Foreign currency contract amount		Contract rate		2019 Baht	2018 Baht
	2019	2018	2019	2018		
USD	-	86,899	-	32.523	-	2,819,350

##### Fair value

The net fair value of purchase foreign forward contracts as at 31 December 2018 is unfavorable forward foreign exchange contracts amount Baht 6,856.

The fair value of forward foreign exchange contracts have been calculated using rate quoted by the Company's banker to terminate the contract on 31 December 2019. The valuation is classified as level 2 of the fair value hierarchy.

#### 30.2 Bank guarantees

The Group had letter of guarantee as at the statement of financial position date issued by banks for normal business operations are as follows:

	Consolidated and separate financial statements	
	2019 Baht	2018 Baht
Guarantee for electricity usage	3,554,000	3,502,700

#### 30.3 Sales of goods in advance agreement

The Group has sales of goods in advance agreement with customers within the period of 1 month to 1 year but not recognised in the financial statements are as follows:

	Consolidated and separate financial statements	
	2019	2018
Agreement for sales of goods in advance		
- Baht	47,907,940	932,610,999
- USD	17,650,074	13,385,995
- Yen	89,423,890	51,309,730
- Euro	968,967	2,005,444

The amounts shown in table above are presented in currency shown in the contracts which may differences from the actual amount.



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### 30.4 Operating lease commitments - where a Group is the lessee

The Group leases office equipment and vehicles under non-cancellable operating lease agreement, and the majority of the leases are renewable at the end of the lease period at market rate.

Commitments for minimum lease payment in relation to non-cancellable operating leases are payable as follows:

	<b>Consolidated and separate financial statements</b>	
	<b>2019 Baht</b>	<b>2018 Baht</b>
Within 1 year	4,014,000	3,109,500
Later than 1 year but not later than 3 years	2,934,500	3,141,000
	<b>6,948,500</b>	<b>6,250,500</b>

### 30.5 Capital expenditure commitments

Capital expenditure contracted as at the statement of financial position date but were not recognised as liabilities is as follows:

	<b>Consolidated and separate financial statements</b>	
	<b>2019 Baht</b>	<b>2018 Baht</b>
Property, plant and equipment	1,552,603	19,533,406

## 31 Promotional privileges

The Company received five promotional privileges from the Board of Investment as follows:

On 7 May 2009, the Company received promotional privileges for the produce electricity power from biogas. The main privileges comprise a reduction in the import duty on imported machinery and exemption from corporate income tax for the promoted activities for a period of eight years from the date of first income earned. In case of the Company has loss during an exemption from payment of corporate income tax period, loss for the year can reduction from the net profit which occur after the exemption period for a period of five years from the date on which its overdue. Exemption to include dividend derived from a promoted entity to taxable income computation during the exemption period. The Company also receives a 50% reduction in the corporate income tax rate for another five years.

On 9 November 2010, the Company received promotional privileges for the manufacture of frozen fruits. The main privileges comprise a reduction in the import duty on imported machinery and exemption from corporate income tax for the promoted activities capped at 100% of the investment amount (excluding the cost of land and working capital) for a period of eight years from the date of first income. On 7 September 2018, the Company received additional rights and benefits for exemption from corporate income tax for the promoted activities capped at 200% of the investment amount (excluding the cost of land and working capital) for a period of eight years from the date of first income earned on 29 March 2018. In case of the Company has loss during an exemption from payment of corporate income tax period, loss for the year can reduction from the net profit which occur after the exemption period for a period of five years from the date on which its overdue. Exemption to include dividend derived from a promoted entity to taxable income computation during the exemption period.

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On 25 October 2016, the Company received promotional privileges for the manufacture of canned vegetables and fruits. The main privileges comprise a reduction in the import duty on imported machinery and exemption from corporate income tax for the promoted activities capped at 100% of the investment amount (excluding the cost of land and working capital) for a period of eight years from the date of first income earned and maximum exemption of corporate income tax is Baht 28,630,000. On 7 September 2018, the Company received additional rights and benefits for exemption from corporate income tax for the promoted activities capped at 200% of the investment amount (excluding the cost of land and working capital) for a period of five years from the date of first income earned on 29 March 2018. In case of the Company has loss during an exemption from payment of corporate income tax period, loss for the year can reduction from the net profit which occur after the exemption period for a period of five years from the date on which its overdue. Exemption to include dividend derived from a promoted entity to taxable income computation during the exemption period.

On 3 September 2018, the Company received promotional privileges for the manufacture of canned vegetables and fruits due to the modification of machinery to increase production efficiency. The main privileges comprise a reduction in the import duty on imported machinery and exemption from corporate income tax for the promoted activities capped not exceed 50% of the investment amount (excluding the cost of land and working capital) for a period of three years from the date of first income earned and maximum exemption of corporate income tax is Baht 53,055,000. In case of the Company has loss during an exemption from payment of corporate income tax period, loss for the year can reduction from the net profit which occur after the exemption period for a period of five years from the date on which its overdue. Exemption to include dividend derived from a promoted entity to taxable income computation during the exemption period.

On 9 February 2019, the Company received promotional privileges for the manufacture of frozen vegetables and fruits. The main privileges comprise a reduction in the import duty on imported machinery and exemption from corporate income tax for the promoted activities capped not exceed 100% of the investment amount (excluding the cost of land and working capital) for a period of five years from the date of first income earned and maximum exemption of corporate income tax is Baht 146,500,000. In case of the Company has loss during an exemption from payment of corporate income tax period, loss for the year can reduction from the net profit which occur after the exemption period for a period of five years from the date on which its overdue. Exemption to include dividend derived from a promoted entity to taxable income computation during the exemption period.

To be entitled to the rights and privileges, the Company must comply with conditions and restrictions specified in the promotional certificates.

Revenues from sales are classified into the promoted business and the non-promoted business and presented in the financial statements for the years ended 31 December 2019 and 2018 as follows:

	Separate financial statements		
	BOI Baht	Non-BOI Baht	Total Baht
<b>2019</b>			
Revenue from sales	1,313,230,345	591,669,434	1,904,899,779
<b>2018</b>			
Revenue from sales	985,610,914	824,327,948	1,809,938,862





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