



ANNUAL REPORT 2018

I.C.C. International Public Company Limited



*My girl
chooses BSC*

*Ben
Sun*

Dr. Thiam Chokwatana's Philosophy



Dr. Thiam Chokwatana
Founder & First Chairman of Saha Group

**Change and develop
to create growth.**



Born : June 14, 1916 in Bangkok.

Died : June 29, 1991 in Chonburi.

Honors Received :

1. Decorations

- 1963 : The Most Noble Order of the Crown of Thailand (Fifth Class)
- 1978 : The Most Noble Order of the Crown of Thailand (Fourth Class)
- 1979 : The Most Exalted Order of the White Elephant (Fourth Class)
- 1981 : The Most Exalted Order of the White Elephant (Third Class)
- 1982 : The Most Noble Order of the Crown of Thailand (Second Class)
- 1985 : The Third Order of the Sacred Treasure from Japan.

2. Other Honors

- 1985 : An Honorary doctorate degree in Business Administration from Srinakharinwirot University.
- 1988 : A Thai Marketing Man of The Year Award (Hall of Fame)
- 1989 : An Outstanding Thai Industrialist Award.

“We must have ideas to develop our business in keeping with constantly changing circumstances.”

My father was in the business of retailing sugar, milled rice, beans and wheat flour, etc. He was making profit of only 20 satang per sack or carton. My duty was to carry the goods to the warehouse and to deliver them to customers. It was a back-breaking job.

It occurred to me that if we continued with the purchase and sale of these kinds of goods, I would never fare better nor earn enough to feed my family. The existing business did not rely on any know-how and anyone could do it if they are strong and diligent. So I must look for ways to find other kinds of trade that had a better future.

I noticed then that by selling some sundry goods, such as a dozen vests, we could make as much as 1.50 Baht in profit. I could carry 10 dozen of these to sell at a time, and made 15 Baht in profit. Consequently, I proposed this new trade to my father who disagreed with me at first. I asked for his permission to set up Hiap Seng Chieng store to operate the new trade that yielded higher returns. This trade in sundry goods is the origin of Saha Pathanapibul Public Company Limited.

It may be concluded from this incident that what was done right before may no longer be right with the changing times. To imitate other does not advance one's cause easily, because there is no initiative, no development, hence no growth. Everything needs change, development and creativity.

Message from the Chairman



In the previous year, there was the milestone that greatly delighted all Thai people, namely the auspicious occasion of *His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun's* gracious ascension to the throne as *King Rama X* of the Chakri Dynasty.

On behalf of all shareowners, Board of Directors, executives and officers of I.C.C. International Plc., we join together in sending His Majesty best wishes for health and happiness, Long Live His Majesty the King.

The significant policy of I.C.C. International Plc. in the economic era 4.0, is the selection of appropriate technologies to suit the Company's business. The Board of Directors and executives continually take time to orientate policy in implementing the appropriate IT system for application in the Company's business to ensure efficient management of the Company's activities in accordance with the changing market situation. Furthermore, the continuous monitoring of the implementation of the Management's plans has enabled the Company to more fully deploy the IT system in administration in 2019, resulting in a closer relationship between the Company and customers and satisfying customers' requirements more efficiently. Additionally, the IT system applied to the Company's administration can lessen usage of paper, benefiting society in helping to mitigate global warming.

I am pleased to report to our shareholders that the Company's business operation in 2018 had net profit in the amount of 920.47 million Baht, 15.29 percent higher than the previous year, resulting in earnings per share of 3.17 baht in comparison with the market price of shares of I.C.C. International Plc. in the Stock Exchange, returns of investment are at the rate higher than 7.00% which is more than returns of investment in bonds and general investment in deposits with any commercial bank. I hereby would like to thank the Board of Directors, executives and all officers, who have jointly endeavored to perform their duties for the satisfactory achievement of the Company.

On the occasion of this New Year, I would like to pray that the sacred would bless all shareowners, directors, executives and officers of I.C.C. International Plc. with happiness, prosperity and success as well as the realization of all their wishes.

On the occasion of this New Year

I would like to pray that the sacred would bless all shareowners, directors, executives and officers of I.C.C. International Plc. with happiness, prosperity and success as well as the realization of all their wishes.

A handwritten signature in black ink, appearing to read 'Boonkiet Chokwatana'.

Mr. Boonkiet Chokwatana
Chairman



Boonkiet Chokwatana
Chairman and Executive Chairman



Thamarat Chokwatana
President and Vice Executive Chairman



Thiraphong Vikitset Ph.D.
Independent Director and Audit Committee Chairman



Amorn Asvanunt
Independent Director and Audit Committee Member



Nophorn Bhongsvej
Independent Director and Audit Committee Member



Duangphorn Sucharittanuwat
Independent Director and Audit Committee Member



Assoc. Prof. Dr. Seri Wongmonta
Independent Director



Manu Leelanuwatana
Director



Somphol Chaisiroj
Director



Munchusa Terapongpipat
Director



Kobsuk Saengsawad
Director



Surat Wongrattanapassorn Ph.D.
Director



Boonkiet Chokwatana
Chairman and Executive Chairman



Thamarat Chokwatana
President and Vice Executive Chairman



Munchusa Terapongpipat
Vice President Company Administration Division



Surat Wongrattanapassorn Ph.D.
Vice President Information Technology Division



Pennapha Dhanasarnsilp, D.B.A.
Vice President Division V



Nonglaks Techaboonanek
Vice President Division M, O



Nattapat Petchratanaporn

Vice President Accounting and Finance Division



Ramida Russell Maneesatiean

Vice President Division B



Bussabong Mingkwanyeon

Vice President Division H



Viritpol Chaithavornsathien

Vice President Division I

Boonsithi Chokwatana

Honorary Counselor

Experience

1. Chairman of Saha Pathana Inter-Holding Plc.
2. Chairman of Thai President Foods Plc.
3. Honorary Chairman of Saha Pathanapibul Plc.
4. Member of the Advisory Committee of Thai Wacoal Plc.
5. Member of the Advisory Committee of Thanulux Plc.
6. Member of the Advisory Committee of Textile Prestige Plc.



Company Advisor

Samreng Manoonpol

Advisor

Experience

1. Chairman of Thai Hoover Industry Co., Ltd.
2. Director and Member of the Executive Committee of Saha Pathana Inter-Holding Plc.
3. Member of the Advisory Committee of Saha Pathanapibul Plc.



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Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2018 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
*1. Boonkiet Chokwatana Chairman and Executive Chairman Year 1973	72	- Honorary Doctorate Degree in Business Administration (Management) from Sripitruam University - Honorary Doctorate Degree in Business Administration College of Commerce from Burapha University - Honorary Doctorate Degree in Business Administration from Naresuan University - B.S. Mechanical Engineering, Worcester Polytechnic Institute, Massachusetts, U.S.A.	DAP, DCP	2.09	- Father of Kityaporn Chaithavorn-sathien - Uncle of Thamarat Chokwatana	1993 - Present 1994 - Present 2013 - Present 2016 - Present	<u>Listed Companies</u> 6 - Chairman of S&J International Enterprises Plc. and 6 Subsidiary Companies - Chairman of People's Garment Plc. - Chairman of Pan Asia Footwear Plc. and 7 Subsidiary Companies - Chairman and Executive Chairman of I.C.C. International Plc. and 3 Subsidiary Companies - Executive Chairman of I.C.C. International Plc. - President and Executive Chairman of I.C.C. International Plc. - Director of Saha Pathana Inter-Holding Plc. - Chairman of Sahacogen (Chonburi) Plc. and 1 Subsidiary Companies
							<u>Other Non-Listed Companies</u> 56
							<u>Competing / Similar / Related Businesses</u>
						1987 - Present	- Chairman of H & B Intertex Co., Ltd.
						1994 - Present	- Chairman of Tiger Distribution & Logistics Co., Ltd.
						2000 - Present	- Chairman of Better Way (Thailand) Co., Ltd. and Train Time Test Co., Ltd.
						2001 - Present	- Chairman of Make Up Technique International Co., Ltd.
						2002 - Present	- Chairman of Sukhatasana Co., Ltd.
						2011 - Present	- Chairman of Thai Itokin Co., Ltd.
						2013 - Present	- Chairman of WBLP Co., Ltd.
						2018 - Present	- Chairman of WBHF Co., Ltd. and Scentimental (Thailand) Co., Ltd.
						1977 - Present	- Director of Intanin Chiangmai Co., Ltd.
						1980 - Present	- Director of Intersouth Co., Ltd.
						1981 - Present	- Director of Can Co., Ltd.

Notes:
* Director binding to the company as in the Company's Certificate
** 31 March 2018 (calendar year)
*** Including shares held by spouse and minor children

Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2018 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
*1. Boonkiet Chokwatana	(cont.)						<u>Other Non-Listed Companies</u>
Chairman and Executive							<u>Competing / Similar / Related Businesses</u>
Chairman						1989 - Present	- Director of Sun and Sand Co., Ltd.
Year 1973						1991 - Present	- Director of Eastern I.C.C. Co., Ltd.
						1993 - Present	- Director of Koraj Wattana Co., Ltd.
						1995 - Present	- Director of Paknumpo Wattana Co., Ltd.
						1996 - Present	- Director of Maharachapreuk Co.,Ltd. Director of E F Co., Ltd.
						2009 - Present	- Director of T-Way Co., Ltd.
						2015 - Present	- Director of Sahachol Food Supplies Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
*2. Thamarat Chokwatana	50	B.A., Bachelor of Arts, Assumption University	CSP, DAP, DCP	0.64	- Nephew of Boonkiet		<u>Listed Companies</u> 4
President						2001 - 2018	- Director of Thai Wacoal Plc. and 3 Subsidiary Companies
Vice Executive Chairman					Chokwatana	2018 - Present	- Director, Executive Director and Vice President Marketing of Thai Wacoal Plc. and 3 Subsidiary Companies
Vice President Division G, S						2016 - Present	- Director of Thanulux Plc.
24 March 1999						2017 - Present	- Director of Saha Pathanapibul Plc.
						2016 - Present	- President and Vice Executive Chairman of I.C.C. International Plc. and 1 Subsidiary Company
						2015 - 2016	- President of I.C.C. International Plc.
						2007 - 2015	- Executive Vice President of I.C.C. International Plc.
							<u>Other Non-Listed Companies</u> 40
							<u>Competing / Similar / Related Businesses</u>
						1999 - Present	- Director of International Commercial Coordination Co., Ltd.
						2000 - Present	- Director of Thai Arusu Co., Ltd.
						2005 - Present	- Director of International Laboratory Co., Ltd.
							- Director of Can Co., Ltd.
							- Director of Intersouth Co., Ltd.

Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2018 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
*2. Thamarat Chokwatana	(cont.)						<u>Other Non-Listed Companies</u>
President							<u>Competing / Similar / Related Businesses</u>
Vice Executive Chairman						2006 - Present	- Director of Intanin Chiangmai Co., Ltd.
Vice President Division G, S						2009 - Present	- Director of Sun 108 Co., Ltd.
24 March 1999						2010 - Present	- Director of Pens Marketing & Distribution Co., Ltd.
						2011 - Present	- Director of Tsuruha (Thailand) Co., Ltd.
						2014 - Present	- Director of Canchana International Co., Ltd.
						2015 - Present	- Director of Transcosmos (Thailand) Co., Ltd.
							- Director of Sun and Sand Co., Ltd. , Director of Koraj Wattana Co., Ltd.
						2016 - Present	- Director of Eastern I.C.C. Co., Ltd. , Director of Chokwatana Co., Ltd.
						2017 - Present	- Director of WBT Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
3. Thiraphong Vikitset Ph.D.	73	Ph.D. (Economics), West Virginia University, U.S.A.	DAP, DCP, ACP, FND, QFR	- None -	- None -		<u>Listed Companies 2</u>
Independent Director and Audit Committee Chairman							
26 April 1999							<u>Other Non-Listed Companies 1</u>
						1991 - Present	- Independent Director of Better Way (Thailand) Co., Ltd.
							<u>Administration of National Institute of Development Administration (NIDA)</u>
						1984 - 1985	- Associate Dean of School of Development Economics
						1985 - 1986	- Dean of School of Development Economics
						1986 - 1991	- Vice President for Academic Affairs
						1995 - 1997	- Director of Academic Council
						2001 - 2002	- Director of NIDA Council
						Present	- Professor of School of Development Economics, National Institute of Development Administration (NIDA)
							<u>Other notable experiences</u>
						1986 - 1991	- Member of Subcommittee on Energy Policy Formulation
						1991	- Member of Subcommittee on Energy Planning for the 7 th Economic and Social Development Plan
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
							- None -

Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareholding at 31 Dec 2018 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
4. Amorn Asvanunt Independent Director and Audit Committee Member 26 May 1999	71	- MBA Bowling Green State University, U.S.A. - Bachelor of Accountancy, Chulalongkorn University	DAP, FGP	- None -	- None -	2002 - Present 2005 - Present	<u>Listed Companies 5</u> - Member of Audit Committee of Far East Fame Line DDB Plc. - Member of Audit Committee of Sahacogen (Chonburi) Plc. - Director, Independent Director, Director of Risk Management Committee & Chairman of Nomination and Remuneration Committee of Krungthep Sophon Plc. - Member of Audit Committee of S&J International Enterprises Plc. <u>Other Non-Listed Companies 1</u> - Independent Director of BNH Medical Center Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
5. Nophorn Bhongsvej Independent Director and Audit Committee Member 27 April 2015	72	- MBA (Economics), Oregon State University, U.S.A. - Bachelor of Economics, University of Oregon, U.S.A.	DAP, DCP, ACP	- None -	- None -	2010 - Present 2005 - Present 2017 - Present	<u>Listed Companies 4</u> - Audit Committee Chairman of Saha Pathana Inter-Holding Plc. - Audit Committee Chairman and Director of Remuneration & Nomination Committee of Sahacogen (Chonburi) Plc. - Audit Committee Chairman of Kantana Group Plc.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
6. Duanghorn Sucharitanuwat Independent Director and Audit Committee Member 25 April 2011	67	- Master of Business Administration (MBA), Thammasat University - Bachelor of Accountancy (Accounting), Chulalongkorn University, Second Class Honor - Certified Public Accountant (CPA) No. 5228	DCP, RCP, ACP, CMAA8, ASMP2, TPL1, TEPCOT3, DCPU2	- None -	- None -	2012 - Present 2014 - Present 2013 - Present 2015 - Present 2015 - 2016 2002 - 2012 1997 - 2014	<u>Listed Companies 3</u> - Chairman, Independent Director and Audit Committee Director of Lease IT Plc. - Independent Director and Audit Committee Director of SENA Development Plc. <u>Other Non-Listed Companies 1</u> - Director of Foundation of the 50 th Anniversary Maha Vajiralongkorn Hospital - Director of Aspiration One Co., Ltd. - Independent Director and Audit Committee Director of Professional West Technology (1999) Plc. - Senior Executive Vice President of CIMB Thai Bank Plc. - Councilor of Thailand Management Association - None -
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							

Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2018 *** (%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
7. Assoc. Prof. Dr. Seri Wongmonta Independent Director 17 March 2017	70	- Doctorate, Journalism Southern Illinois University, Carbondale, Illinois, U.S.A. - Master of Science in Journalism, Northwestern University, Evanston, U.S.A. - M.A. for Teachers (English), University of Washington, Seattle, U.S.A. - B.A. (Honor), English Literature and Foreign Language, Thammasat University	- None -	- None -	- None -	2004 - Present Present	<u>Listed Companies</u> 2 - Independent Director of NFC Plc. <u>Other Non-Listed Companies</u> 1 - Chairman of Good Communication Limited Partnership
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
*8. Manu Leelanuwatana Director 26 April 2004	74	Bachelor of Mechanical Engineering, Chiba University, Japan	DAP, DCP	0.004	- None -	1980 - Present 1990 - Present 1987 - Present 2007 - Present	<u>Listed Companies</u> 5 - Chairman of Textile Prestige Plc. - Chairman of Thai Wacoal Plc. - Director of O.C.C. Plc. - Director of Saha Pathana Inter-Holding Plc. <u>Other Non-Listed Companies</u> 18 <u>Competing / Similar / Related Businesses</u> - Chairman of Raja Uchino Co., Ltd. - Chairman of Thai Arusu Co., Ltd. - Chairman of Thai Gunze Co., Ltd. - Chairman of Pattaya Manufacturing Co., Ltd. - Chairman of Wien International Co., Ltd. - Chairman and Managing Director of Bangkok Tokyo Socks Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
- None -							

Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2018 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
*9. Somphol Chaisitroj	62	Master of Arts, Ohio University, U.S.A.	DAP, DCP	0.022	- None -		Listed Companies 1
Director						2009 - Present	- Director of I.C.C. International Plc.
29 September 2009						1990 - 2016	- Vice President of Division W, I.C.C. International Plc.
						2018 - Present	- Advisor of Business Division, Thanulux Plc.
							<u>Other Non-Listed Companies 6</u>
							<u>Competing / Similar / Related Businesses</u>
						2000 - Present	- Chairman of Sun and Sand Co., Ltd.
						2003 - Present	- Chairman of Can Co., Ltd.
						1993 - Present	- Director of Koraj Wattana Co., Ltd.
						1995 - Present	- Director of Paknumpo Wattana Co., Ltd.
						1996 - Present	- Director of Eastern I.C.C. Co., Ltd.
							- Director of Maharachapreuk Co., Ltd.
							- None -
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
*10. Munchusa Terapongpipat	61	Bachelor of Public Administration,	ACPG, DCP	0.004	- None -		Listed Companies 1
Director and Vice President		Ramkhamhaeng University					<u>Other Non-Listed Companies 4</u>
Company Administration Division							<u>Competing / Similar / Related Businesses</u>
25 April 2016						2000 - Present	- Director of Train Time Test Co., Ltd.
							- Director of Sun and Sand Co., Ltd.
						2011 - Present	- Director of Eastern I.C.C. Co., Ltd.
						2015 - Present	- Director of Paknumpo Wattana Co., Ltd.
							- None -
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
*11. Kobsuk Saengsawad	58	Bachelor of Law,	DCP	0.0005	- None -		Listed Companies 1
Director		Ramkhamhaeng University					<u>Other Non-Listed Companies 3</u>
25 April 2016							<u>Competing / Similar / Related Businesses</u>
						1999 - Present	- Director of Vira Law Office Co., Ltd.
						2000 - Present	- Director of Tiger Distribution & Logistics Co., Ltd.
						2014 - Present	- Director of WBRE Co., Ltd.
							- None -
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							

Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareholding at 31 Dec 2018 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
*12. Surat Wongrattanapassorn, Ph.D. Director and Vice President Information Technology Division 1 May 2013	53	- Master of Engineering (Computer), Assumption University - Ph.D. (Business Administration), Nova Southeastern University, U.S.A.	ITG, DCP	0.007	- None -	2014 - Present	<u>Listed Companies 2</u> - Director, Pan Asia Footwear Plc. <u>Other Non-Listed Companies 4</u> <u>Competing / Similar / Related Businesses</u> - Director of Thai Itokin Co., Ltd. - Director of Eastern I.C.C. Co., Ltd. - Director of Tiger Distribution & Logistics Co., Ltd. - Director of WBHF Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
13. Pennapha Dhanasamsilp, D.B.A. Vice President Division V Year 2003	65	Doctorate of Business Administration, Nova Southeastern University, U.S.A.	DAP, DCP	0.006	- None -	2013 - Present	<u>Listed Companies 2</u> - Independent Director of Plan B Media Plc. 2015 - Present - Director of Pioneer Motor Plc. <u>Other Non-Listed Companies 1</u> <u>Competing / Similar / Related Businesses</u> - Chairman of Pens Marketing and Distribution Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
14. Nonglaks Techaboonanek Vice President Division M, O 1 September 2005	64	- Bachelor of Communication Arts, Chulalongkorn University - Bachelor of Marketing, Ramkhamhaeng University	DAP	- None -	- None -	2010 - Present	<u>Listed Companies - None -</u> <u>Other Non-Listed Companies 3</u> <u>Competing / Similar / Related Businesses</u> - Chairman of I.D.F. Co., Ltd. 2001 - Present - Managing Director of SRP Nanasat Co., Ltd. 2015 - Present - Director of Intersouth Co., Ltd. - None -
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							

Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2018 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
15. Nattapat Petchratanaporn	60	Bachelor of Science (Accounting), Bangkok University	DCP	0.003	- None -		Listed Companies - None - Other Non-Listed Companies 12
Vice President Accounting and Finance Division							Competing / Similar / Related Businesses
25 May 2010					1999 - Present		- Director of Vira Law Office Co., Ltd.
					2000 - Present		- Director of Intanin Chiangmai Co., Ltd.
							- Director of Sun and Sand Co., Ltd.
							- Director of Eastern I.C.C. Co., Ltd.
							- Director of Paknumpo Wattana Co., Ltd.
					2001 - Present		- Director of Sukhatasana Co., Ltd.
					2011 - Present		- Director of Thai Itokin Co., Ltd.
					2014 - Present		- Managing Director of WBRE Co., Ltd.
					2018 - Present		- Director of Scentimental (Thailand) Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
16. Ramida Russell Maneesatit	50	- Master in Communication	FSD, TLP 7, DCP	0.003	- None -		Listed Companies - None - Other Non-Listed Companies 6
Vice President Division B		Arts (Mass Communication), Chulalongkorn University					Competing / Similar / Related Businesses
25 May 2010		- Bachelor in Business Administrations BBA, Assumption University			2011 - Present		- Managing Director of Thai Itokin Co., Ltd.
					2003 - Present		- Director of Sukhatasana Co., Ltd.
					2013 - Present		- Director of Shop Global (Thailand) Co., Ltd.
					2015 - Present		- Director of Koraj Wattana Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
17. Bussabong Mingkwanyeon	53	Bachelor Degree, Major Microbiology, Faculty of Science, Chulalongkorn University	- None -	0.0002	- None -		Listed Companies - None - Other Non-Listed Companies 1
Vice President Division H							Competing / Similar / Related Businesses
1 May 2015					2015 - Present		- Director of Intersouth Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
							- None -

Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareholding at 31 Dec 2018 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
18. Viritpol Chaithavornsathien	48	- M.B.A. Cleveland State University, U.S.A.	- None -	- None -	- Husband of	2016 - Present	<u>Listed Companies</u> 1 - Director of People's Garment Plc.
Vice President Division I 1 March 2014		- Bachelor of Business Administration, University of Kentucky, U.S.A.			Chaithavorn-sathien		<u>Other Non-Listed Companies</u> 5 <u>Competing / Similar / Related Businesses</u> - Chairman of Paknumpo Wattana Co., Ltd. - Chairman of Maharachapreuk Co., Ltd. 2015 - Present - Director of Can Co., Ltd. 2015 - Present - Director of Intersouth Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
19. Khanisorn Suvanand	74	- Master of Arts, Economics (Monetary), Northeastern University, Boston Mass. U.S.A.	- None -	0.0001	- None -		<u>Listed Companies</u> - None - <u>Other Non-Listed Companies</u> 1 <u>Competing / Similar / Related Businesses</u> - Director of WBLP Co., Ltd. 2014 - Present - Advisory Director of International Leather Fashion Co., Ltd. 2009 - 2017
Vice President Division A 1 June 2010		- Bachelor of Economics, Thammasat University			Chokwatana		- None -
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
20. Kitiyaporn Chaithavornsathien	44	Bachelor in Business Administrations (BBA), Assumption University	DCP	2.06	- Daughter of Boonkiet		<u>Listed Companies</u> - None - <u>Other Non-Listed Companies</u> 9 <u>Competing / Similar / Related Businesses</u> - Director of Vira Law Office Co., Ltd. 1999 - Present - Director of Sukhatasana Co., Ltd. 2003 - Present - Director of Intanin Chiangmai Co., Ltd. 2015 - Present - Director of H & B Intertex Co., Ltd. Present - Director of International Laboratories Co., Ltd. 2017 - Present - Director of Better Way (Thailand) Co., Ltd.
Vice President Division D 24 May 2011					sathien		- None -
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							

Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareholding at 31 Dec 2018 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
21. Pranot Vesaruchavit Vice President Division R 1 October 2015	48	- Master Degree, Faculty of International Business, Azusa Pacific University, California, U.S.A. - Bachelor Degree, Faculty of General Management, Assumption University	- None -	- None -	- None -	2015 - Present	Listed Companies - None - Other Non-Listed Companies 5 Competing / Similar / Related Businesses - Director of Can Co., Ltd., Director of Sun and Sand Co., Ltd. - Director of Eastern I.C.C. Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
22. Sawat Posinsomwong Vice President Division W 1 November 2014	51	- MBA Assumption University - Bachelor of Business Administration, Assumption University	- None -	- None -	- None -	2010 - 2014	Listed Companies - None - Other Non-Listed Companies - None - Competing / Similar / Related Businesses - None - - Managing Director of Swarovski (Thailand) Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
23. Thitipoom Chokwatana Vice President Division X 1 September 2018	41	- Bachelor of Computer Science, Seattle University U.S.A.	- None -	0.50	- Nephew of Boonkiet Chokwatana - Brother of Thamarat Chokwatana	2013 - Present 2018 - Present	Listed Companies - None - Other Non-Listed Companies 2 Competing / Similar / Related Businesses - None - - Director of B S T R 408 Co., Ltd. - Director of Watsadoramai Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
24. Pairoj Hirunwongsawang Vice President Sales Administration Division 1 July 2005	66	Bachelor of Science in Statistics, Ramkhamhaeng University	- None -	0.002	- None -	2008 - Present 2013 - Present 2000 - Present 2005 - Present 2006 - Present	Listed Companies - None - Other Non-Listed Companies 8 Competing / Similar / Related Businesses - Chairman of Eastern I.C.C. Co., Ltd. - Chairman of Intersouth Co., Ltd. - Director of Can Co., Ltd. - Director of Intanin Chiangmai Co., Ltd., Director of Sun and Sand Co., Ltd. - Director of Koraj Wattana Co., Ltd., Director of Maharachapreuk Co., Ltd. - Director of Paknumpo Wattana Co, Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							
- None -							

Detail of the director of subsidiaries

Name of Directors		Subsidiaries Company			
		WBRE	ADM	ITOKIN	CANCHANA
1. Mr.Boonkiet	Chokwatana	A		A	F
2. Mr.Pacharabha	Bhakdeerat	F			
3. Mr.Sarote	Moolamai	F			
4. Mr.Nattaphat	Petchratanaporn	D		F	
5. Mrs.Kobsuk	Sangsawat	F			
6. Mr.Pranot	Vesaruchavit		D		
7. Mrs.Ramida Russell	Maneesatiean		D	D	
8. Mr.Yozo	Yamanishi			F	
9. Mr.Manus	Ongsaranakom			F	
10. Dr.Surat	Wongrattanapassorn			F	
11. Mrs.Suporn	Chantharatluxa			F	
12. Mr.Pimapatt	Talalak			F	
13. Mr.Tanongchai	Chongpiyawareng				A
14. Mrs.Pasook	Raksawonkse				F
15. Mr.Vathit	Chokwatana				F
16. Mr.Thamarat	Chokwatana				F

Note: WBRE = WBRE Co., Ltd. A = Chairman
ADM = Amis Du Monde SARL. D = Managing Director
ITOKIN = Thai Itokin Co., Ltd. F = Director
CANCHANA = CANCHANA INTERNATIONAL CO., LTD

DATA	2018	2017	2016
Per share data (baht)			
Net profit	3.20	2.91	3.22
Book value	69.64	68.51	59.85
Market price	41.50	39.25	36.50
Dividend	*1.21	1.10	1.15
Financial position analysis			
Liquidity ratios (times)			
Current ratio	3.87	3.43	3.58
Quick ratio	1.82	1.40	1.36
Leverage ratios (times)			
Debt-equity ratio	0.16	0.17	0.16
Time interest earned ratio	614.47	577.61	554.58
Efficiency ratios			
Accounts receivable turnover (times)	6.61	7.24	7.99
Collection period (days)	54.43	49.74	45.08
Inventory turnover (times)	2.31	2.21	2.09
Inventory coverage (days)	155.77	162.90	172.14
Fixed assets turnover (times)	3.44	3.50	3.63
Total assets turnover (times)	0.57	0.62	0.69
Profitability ratios			
Net profit (millions baht)	934.02	846.99	936.26
Return on sales (%)	6.99	6.29	6.98
Return on equity (%)	4.64	4.54	5.61
Return on total assets (%)	3.98	3.89	4.83
Price earning ratio	12.97	13.49	11.34
Growth (%)			
Percentage increase (decrease) of sales	(0.78)	(1.33)	2.21
Percentage increase (decrease) of net profit before tax	8.08	(9.44)	27.54
Percentage increase (decrease) of total assets	1.16	15.25	8.80
Percentage increase of equity	1.66	14.46	8.71
Percentage increase (decrease) of numbers of employees	(9.94)	(3.46)	(1.38)

** The Board of Directors' Meeting has resolved to pay dividend Baht 1.21 per share and to submit this agenda for approval at the Annual General Shareowners' Meeting to be held on 22 April 2019

I.C.C. International Public Company Limited originated from the commitment of only 7 employees in 1964 under the name of International Cosmetics (PIAS) Limited Partnership with registered capital of 100,000 Baht as the licensed distributor of PIAS cosmetics.

In 1965, the Company changed its name to International Cosmetics (PIAS) Co., Ltd. and subsequently to International Cosmetics Co., Ltd. in 1973, with a total of 1,200 employees.

In 1994, the Company was listed as a public company with the Commercial Registration Department, Ministry of Commerce.

In 1996, it changed its name from International Cosmetics Public Company Limited to I.C.C. International Public Company Limited along with the change of its logo.

The corporate headquarters is presently a six-storey twin building near the original office site on Sathupradit Road and employs a total of 6,088 staff, with registered capital of 500 million Baht, 290.63 million Baht of which is paid up.

Taking Special Care and facilitate customers throughout the Country

The Company has cooperated with its alliances in major provinces to facilitate and render services to its customers more closely.

1977	Chiang Mai	: Intanin Chiang Mai Co., Ltd.
	Song Khla	: Inter South Co., Ltd.
	Khon Kaen	: Can Co., Ltd.
1988	Phuket	: Sun and Sand Co., Ltd.
1991	Chonburi	: Eastern I.C.C. Co., Ltd.
1992	Nakhon Ratchasima	: Koratwatana Co., Ltd.
1995	Nakhonsawan	: Paknumpowatana Co., Ltd.
1996	Pitsanulok	: Maharachapruerk Co., Ltd.

Responding to Everyone and Every Lifestyle with Quality Products

From its beginnings as the licensed distributor of PIAS cosmetics and the expansion of its business base into other products and brands, namely "WACOAL" lingerie from Japan, including "ARROW" men's wear, the Company, as a leader in its field, has created innovations, and always presented the market with modern quality goods as well as services. At present, the Company is a distributor of a variety of products more than 100 brands encompassing cosmetics, perfume, lingerie, men's and women's apparels, men's undergarments, sportswear and equipment, children's clothing, leather ware, watches, consumer products including beverages and soybean milk mixed with corn etc. All of these products have been created with innovation for both products and services continually launched into the market.

Moreover, the Company has expanded its business into service industry to meet the need of customers for example;

- His & Her Plus Point card is a project to invite our customers to join the membership with special privileges by collecting the reward points from purchase of the Company's products at participated sales counters nationwide. Members shall receive one point for every Baht 25 purchase and the collective points can be redeemed for gifts in catalogue or for other privileges especially prepared only for the members.
- His & Her Shop is the retail shop that congregates the Company's fashion products focusing on the store decoration in modern and warm atmosphere while providing best services to the customers. By the end of 2018, there are 87 His & Her shops throughout the country.
- His & Her ShopSmart, the lifestyle shopping catalogue is an alternative channel of distribution for the Company's products where customers can place their order of catalog products via telephone, website, fax and postal service. Home delivery can be made in response to the modern and comfortable lifestyle.
- ICC Line Official Account was set up in response to on-line demand for a channel of communication in the social network system to create awareness and sharing of information, news and promotions of the Company's products, under "Let's Shop ICC"
- eThailandBEST.com is the online shopping mall, with complete product line in many categories. By simple fingertip touch, you can select to purchase quality and complete line of goods conveniently throughout 24 hours at best prices directly from manufacturers and distributors within Saha Group, a conglomerate group of leading companies which has been established in Thailand for over 60 years.
- Beauty Station : a new channel to discover the integrated cosmetic products of interest to customers from both local and foreign brands in one place. This one-stop-service shop can fit customers' lifestyle and provide choices for customers, while retaining excellent counter service style. By the end of 2018, there are 15 Beauty Station throughout the country.

- The partnership with Lazada, a globally renowned online marketplace, expands online distribution channels with the website www.lazada.co.th, as we are determined to build on our strength in physical shop-based sale to online platform, in consistency with consumer behavior these days.
- We have opened the Plus Nine shop, where shoes and sports equipment of famous brands, such as Mizuno, Le coq, Lacoste and CWX, are available. Plus Nine has several outlets located at leading department stores in and outside Thailand.

Increasing registered capital

1966	Registered capital is increased to Baht 1.5 million.
1972	Registered capital is increased to Baht 3 million.
1978	Registered capital is increased to Baht 12 million and the Company is listed on the Stock Exchange of Thailand.
1979-1987	Registered capital is increased to Baht 82.5 million.
1988	Registered capital is increased to Baht 300 million with a paid-up capital of Baht 110 million. Par value of ordinary shares convert from Baht 100 to Baht 10 per share.
1989	Registered capital is increased to Baht 500 million with a paid-up capital of Baht 120.45 million.
1993-1995	Call for more paid-up capital of Baht 26.63 million. Paid-up capital is increase to Baht 147.08 million.
1996	Paid-up capital is increased to Baht 290.63 million.
2003	Ordinary share value is split from Baht 10.- to Baht 1.- per share.

Securitization

1987	First debentures is issued at the amount of Baht 50 million.
1989	First convertible debentures are issued at the amount of Baht 120 million.
1990	Second convertible debentures are issued at the amount of Baht 200 million.

Company's Awards received

1988	Company receives "The 2 nd TOKYO CREATION AWARD" from Japan for outstanding Creativity in South East Asia for the promotion and development of Thai apparel.
1999	The Company is accredited with ISO 9002 for its standard of quality management system in Bangkok Metropolitan area by SGS Yarsley International Certification Services, United Kingdom.
2000	The Company receives nationwide ISO 9002 certification for the standard quality management system of all its products nationwide from SGS Yarsley International Certification Services, United Kingdom.
2003	The company is accredited on January 21, 2003 with ISO 9001 : 2000 for the standard quality management system of all its products nationwide from SGS Yarsley International Certification Services, United Kingdom.
2008	The company is accredited on March 31, 2008 with new version of ISO 9001 : 2008 for the standard quality management system of all its products nationwide from SGS Yarsley International Certification Services, United Kingdom.
2012	ICC won INVESTORS' CHOICE AWARD, thanks to the top 100 score for quality assessment of Annual General Shareholders' Meeting arrangement for 4 consecutive years (2009-2012), by the Thai Investors Association, under the Right Protection Volunteer Project.
2016	<ul style="list-style-type: none"> • Being awarded the INVESTORS' CHOICE AWARD 2016 from the Thai Investors Association under Rights Protection Volunteer Project in appreciation of the top 100 score for quality assessment of the Annual General Shareholders' Meeting arrangement for 8 consecutive years. • Being certified a Member of Private Sector Collective Action Coalition Against Corruption Council (CAC) • On 17 June 2016, received a Certificate for greenhouse gas reduction from Thailand Greenhouse Gas Management Organization (a public organization) and Thailand Textile Institute in appreciation of using CoolMode clothing.



I.C.C. International Public Company Limited, a member company of Saha Group, is a licensed distributor of many global brand name products, such as Wacoal, Arrow, Lacoste, BSC Cosmetology, Daks, Elle, Guy Laroche, Mizuno to name a few. It also distributes some original brand names, still highly popular in the market, for instance, BSC cosmetics and Enfant baby products, etc., all of which demonstrate premium quality and completely respond to the diverse needs of buyers. They are well known among consumers both at home and abroad.

The Company has augmented longtime experience and dedication to creating products and services of world-class standards, which have been well received by valued customers in all regions across the nation. Thus, it has placed significant emphasis on creating cordial relationships with customers, always ready to provide them with notable quality products and additional privileges. To reflect our sincerity to valued customers, His & Her Plus Point Card Project was initiated, allowing all our special customers and premium patrons to accumulate their bonus points and enhance their happy shopping experience by subscribing for membership of the His & Her Plus Point Card.

His & Her Plus Point Card

“His & Her Plus Point Membership Card : Accumulate Points to Enhance Shopping Pleasure” is a premium card that provides ultimate privileges such as accumulation of reward points in exchange for gifts, participation in special activities and other additional privileges in the period coinciding with customers’ special occasions. This is to respond to all lifestyles with a selection from a wide variety of products from I.C.C. International Public Company Limited. It aims primarily at ensuring satisfaction of products and services. His & Her Plus Point Card now has more than 2.7 million members nationwide.

Along with the worthwhile value of purchasing the Company’s products, the more spending on purchases, the more points are accumulated which can subsequently be used to redeem free gifts as well as numerous other special privileges. Card application is also convenient and communication channels are easily accessible through multiple modern media. Moreover, His & Her Plus Point recognizes the importance of further online integration through the development of its His & Her Application as a new and much more convenient communication channel with its customers and members. This application has comprehensive functions to access members’ data i.e. membership number, members’ accumulated points, as well as available promotion campaigns and eligible privileges. This latest channel of communication enables faster and more direct contact with customers, combined with existing channels namely His & Her Call Center, IVR System, SMS, www.hisherpoint.com, Facebook: His & Her Plus Point (www.facebook.com/hisherpoint) and Line: @hisher, ensures continuing growth of His & Her Plus Point membership.

In addition His & Her Plus Point membership card also collaborated with various business allies such as leading department stores, His & Her Shops and other stores under the His & Her banner such as Atoms and Plus Nine of which there are currently more than 80 branches nationwide, restaurants, beauty parlors, cinemas and hotel resorts to offer exclusive special privileges to His & Her Plus Point card members.

In the future, the Company remains committed to further building up good relationships with customers nationwide as well as offering even more special exclusive privileges directly responsive to His & Her Plus Point members’ requirements, making their shopping experiences more worthwhile and fulfilling.

Shop more... receive more points with His & Her Plus Point membership card for special discounts in purchasing ICC products with a wide variety of more than 60 leading brands at 4,500 counters. Customers can use accumulated points to redeem special gifts especially prepared for His & Her Plus Point membership card holders throughout the year.

In order to make it easier to select and purchase goods and redeem points for goods or premium, the Company has initiated a new shopping channel which can reach out to customers by shopping through His & Her ShopSmart. Customers can select products from catalogues and its Website: www.hishershopsmart.com that compiles more than 1,500 items of quality products from imported goods and local made products carefully selected to meet every type of lifestyle under the logo Only@ShopSmart and are sold at His & Her ShopSmart only. From electrical appliances, kitchenware, household care products and decorations, IT products, developmental toys, health and beauty products with leading fashion brands such as Wacoal, BSC, Elle etc., all available for purchase by calling 0-2123-4789. Furthermore, to provide greater convenience, we deliver goods to your home nationwide and guarantee customers’ satisfaction by accepting product return within 7 days. Customers will also receive accumulated His & Her Plus Point of 1 point for every 25-baht purchase.

All these are the new marketing trend, initiated and developed continuously by the Company to make your shopping easy and fun. It is a return of profit to customers in appreciation of their continuing trust in our quality products. His & Her Plus Point card will strengthen our solid tread ahead to ensure the highest satisfaction for our valued customers.

Apply for His & Her Plus Point card at ICC counters in department stores nationwide

HisHer Application



@hisher



www.facebook.com/hisherpoint

His & Her Call Center 0-2296-9900

Website : www.hisherpoint.com

อัปเดตความเคลื่อนไหว สิทธิพิเศษต่างๆ ของบัตรสมาชิก His & Her



- ✓ สะดวก
- ✓ ง่าย
- ✓ ไม่ต้องพกบัตร

- ❄️ **REDEMPTION (แลกคะแนน)**
แลกคะแนนได้ง่ายๆ
- ❄️ **PROMOTION (โปรโมชั่น)**
รวมทุกโปรโมชั่นจากแบรนด์ดังสุดฮอต
- ❄️ **PRIVILEGE (สิทธิพิเศษ)**
รับสิทธิพิเศษสุดเอ็กซ์คลูซีฟ
- ❄️ **MY CARD (บัตรของฉัน)**
สะสมคะแนนออนไลน์ เช็กระบุคะแนนได้ทันที

ได้ที่ HISHER App



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อูฐแท้
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Happy Face
ในหนึ่ง!
พืชมหัศจรรย์มีประโยชน์ไม่หมด

ผิวนุ่ม
สะอาด
ใสฉ่ำ

bsc
BeWitch
Black

ครีมร้อยยาในหลอดทำ

Right Hand
Moisturizer Cream

PVD
bsc

STUDIO
PHOTOGENIC
COLLECTION

bsc
BAG & LUGGAGE

BSC Leather Goods

bsc
TIMEPIECES

bsc
TIMEPIECES

bsc
ENFANT
BABY CARE

bsc

bsc
LINGERIE

bsc
Signature

bsc
Streamline

bsc
ก่อนดอย
ก่อนดอย

เพื่อประโยชน์ๆ
พดิมบีเอสซี ก่อนดอย
สำหรับดอยพดิมบีเอสซี



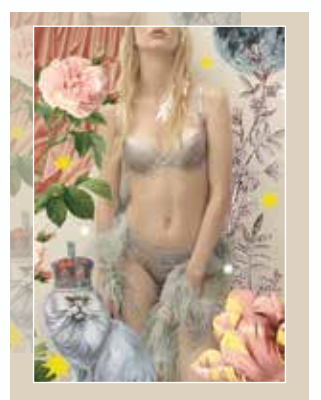

Wacoal




CURVE
DIVA



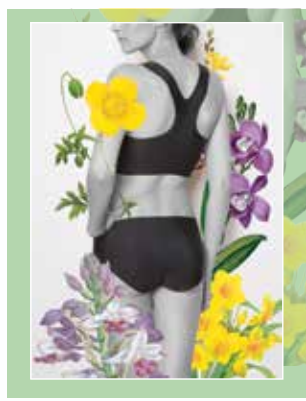

Glam
High Art for Your Body




BRABERRY




Shape



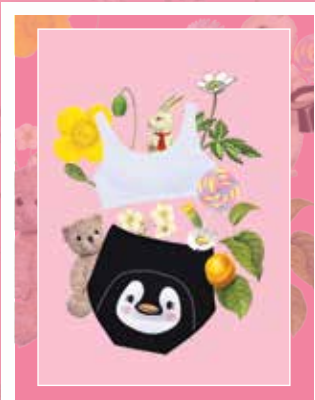

Oh my
NUDES!




Mood




MOTION




bloom




maternity




Gold




Wacoal

ARROW
EXCELLENCY



ARROW
USA • 1851



ARROW
USA • 1851



ARROW
USA • 1851





RENÉ LACOSTE



NOVAK DJOKOVIC

LACOSTE 
NEW PARISPOLO



By Appointment
to Her Majesty The Queen
DAKS Limited
London



By Appointment
to H.M. The Duke of Edinburgh
DAKS Limited
London

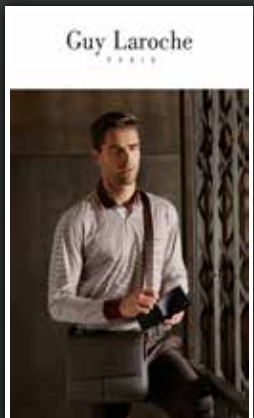
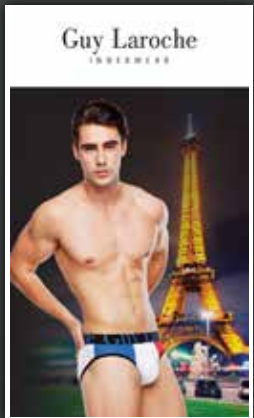


By Appointment
to H.M. The Prince of Wales
DAKS Limited
London

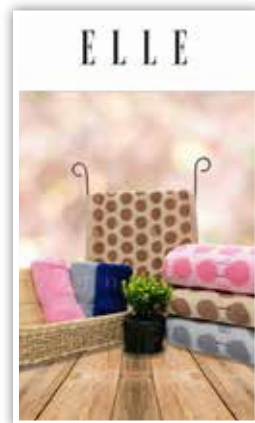
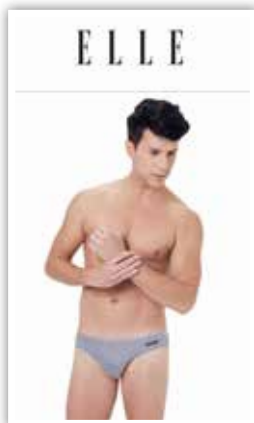
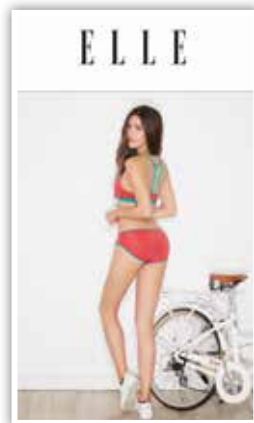
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Guy Laroche

PARIS



ELLE



Company Products





Due to tougher business competition either in terms of cost or marketing along with change in the way how the consumers purchase products, their life style with more options, diversity of products and services and their other channels to access products and services, inter alia the convenient and fast online channel, the Company has to adjust its business direction, product structure and management including strategies and working procedures. To this end, the Company has implemented the new organization administration called BNBM (Big Data New Business Model) with more flexibility in management and promptness to modify tasks according to the potential changes where the Company could capture customer insight and bridge communication with any individual customer responsively to his or her different requirements (the 'one-to-one marketing'). In that connection, the Company has linked with its business alliance network, logistics, digital media providers, manufacturers, shops, outlets, aiming to interact and bring experience of its product brands, goods and services to customers through every customer touch point especially digital communications and online social media which create the ecosystem enhancing the potential connection to its external business alliances and customers subsequently.

In 2019, the Enterprise Resource Planning (ERP) system and the software 'Oracle E-Business Version R12' which control the administration of accounting, procurement, cost, inventories and selling system of the Company will completely be integrated where to retrieve primary organization information for rapid business plan formulating.

Upgrading of API (the Application Programming Interface) with various systems, receiving of purchase orders from business alliances, e-Commerce and TV Shopping, namely Lazada, Shopee, etc., including linking to the government agencies, i.e. the Customs Department, all of which facilitate rapid duties and tariffs payment of products imported from other countries which result in fast distribution of the products to outlets; while connecting with the e-Payment system lessens cash payments either to staff members and business alliances and simultaneously upgrading payments made between financial institutions in the capacity as business alliances as well as promoting new payment patterns through the payment gateway such as Alipay, Samsung Pay. Additionally, the Company has upgraded e-Wallet and customer relationship management (CRM) in collaboration with its alliances, namely Rabbit Reward/Line Pay. It is to enhance fast and convenient purchase of the customers.

For the purpose of business sustainability, the Company has applied His & Her Plus Point Membership as the key in rendering services and communication with customers on the one-to-one marketing basis. In this connection, mechanisms for directly linking products, services and transmitting value to the customers have been developed through the LINE Business Connect enabling the customers to access news, products, services rendered by the entire Sahapat Group solely with their fingertips everywhere and every time on LINE of the customers own selves. It is to provide the customers with convenience, quickness in receiving privileges, participating in activities including discounts of products.

The Company focuses on strengthening of quality, precision and rapidity of responding and communicating with customers whilst reducing cost of work and marketing as a whole with the aim of immediately adapting itself consistent with customer demand and achieving the sustainable competitive advantage.



Corporate Business

The Company was established in 1964 as International Cosmetics (PIAS) Part., Ltd., with registered capital of 100,000 Baht and 7 employees, to serve as the legitimate distributor of PIAS cosmetics. It was later renamed International Cosmetics (PIAS) Co., Ltd., in the following year. Since 1970, the Company has expanded its product lines to become the legitimate distributor of women's lingerie brand "Wacoal", "Arrow" Men's apparel, and many more. In 2005, the company launched a cosmetic product "BSC Cosmetology" under Saha Group brand for international marketing. The company has always continued developing innovative products, as well as introducing quality modern merchandises and services. Presently the company is the legitimate distributor of over 100 branded name products, covering cosmetics, fragrance, lingerie, women's wear, men's wear and innerwear, sportswear and equipment, children's wear, leather products, watches, home appliances, foods, soy milk mixed with corn, drinking and spring water, etc. The company has collaborated with its 8 business alliances in major provinces to facilitate and render better services to its customers as follows:

Chiang Mai	Inthanin Chiang Mai Co., Ltd.
Songkhla	Inter South Co., Ltd.
KhonKaen	Can Co., Ltd.
Phuket	Sun and Sand Co., Ltd.
Chonburi	Eastern I.C.C. Co., Ltd.
NakhonRatchasima	Koratwattana Co., Ltd.
Nakhonsawan	Paknampowattana Co., Ltd.
Phitsanulok	Maharachapruek Co., Ltd.

I.C.C. International Public Company Limited is the leader in distribution of fashion products, both imported foreign brands and also innovations of the Company and its affiliates. The corporate main industries are cosmetics and perfumeries, hair and skin care products, full line of textile and garment products including underwear, outerwear, sportswear, apparel for physical exercise, fabric care and leather goods, etc.

The Company runs a wholesaling and retailing business with both domestic and international distributors. The corporate core merchandises are mainly products related to beauty, as stated in the company's motto "We make people happy, healthy and beautiful."

Moreover, the Company has expanded its business into service industry for example,

- His & Her Plus Point: the program invites our customers to join and gives special privileges for members through accumulation of points from their purchase of the Company's products at sales counters nationwide. Members receive one point for every Baht 25 purchase and the collective points can be redeemed for gifts in the membership catalogue or for other privileges especially offered only to members.
- His & Her Shop: The retail shop which emphasizes modern interior decorating style has brought together the Company's wide-range of fashion products in a warm and service-minded ambience. In 2018, there were a total of 87 His & Her Shops nationwide.
- His & Her ShopSmart: is the Company's lifestyle shopping catalogue. Customers can place their order via telephone, website, fax and postal service. The goods can be delivered door to door, effectively responding to the modern and comfortable lifestyle.
- ICC Line Official Account: was our response to online customers, providing a communication channel via a social media network in order to build awareness and render access to timely information news and promotions regarding our products, under the "Let's Shop ICC" banner.
- www.eThailandBEST.com: is an online shopping mall, with complete product lines in many categories. With just a touch of your fingertip, you can select to purchase quality goods conveniently throughout 24 hours at best prices directly from manufacturers and distributors within Saha Group, a conglomerate of leading companies which has been established in Thailand for over 60 years.
- BEAUTY STATION: is a new sales channel where leading brands of beauty products, from both inside and outside the Company, popular with or of interest to consumers, are available as a One-Stop Service Shop in response to customers' lifestyle and convenience by providing freedom and easy access to a wide range of products for them to pick and choose while also retaining quality service as if shopping at exclusive counters.
- Collaboration with Lazada: Lazada is a global online marketplace service-provider with whom we are now partnered as part of the Company's expansion into online sales channel through the website www.lazada.co.th to strengthen our business from storefront sales to online platforms in alignment with today's consumer behavior.
- Plus Nine: specializes in footwear and sports equipment by many leading brands such as Mizuno, Le coq, Lacoste, CWX situated in leading department stores inside Thailand and abroad.

New Business and Products 2018

- Collaborated with BTS Group Holdings as a Big Data Partnership & Business Collaboration to add value to our respective business database, using new technological applications to share/exchange information as well as to enhance product and service presentations to more effectively meet consumer demands.
- **Arrow No 5 No. 5 Energy Saving Shirt** certified by the Electricity Generating Authority of Thailand (EGAT) indicating “no ironing required”, the No. 5 Energy Saving Shirt label therefore represents the smooth pressed look of fabric and seams, of which ARROW was the first brand to have been certified by EGAT with the label.
- **Arrow Max Move** The ultimate men’s pants, most comfortable to wear from innovative development of special fabric and tailoring to provide flexibility while allowing shape retention. The fabric consists of fibers which render softness, wicks moisture and is highly breathable. The fabric is flexible, retains shape and does not require ironing. When worn, these pants are so comfortable and soft while also well-fitted and easy to care for.

Vision / Mission / Objectives and Working Strategies 2019 - 2021

The Board of Directors is aware of the significance of the Company’s performance, and therefore fully engages in setting the corporate vision/ mission based on ensuring its business operations is in line with the competitive direction of the market so that all executives and employees have shared objectives. Careful consideration and review are undertaken each year in order for the corporate vision/ mission to be in tune with the current economic situation.

The Board of Directors and Company executives jointly considered and reviewed the corporate vision, mission and business strategies for the next 3 years 2019-2021, subsequently reviewed and approved by the Board of Directors on 22 February 2019.

Vision

To become the leading company that is driven by innovation and creativity in Thailand and South East Asia in Fashion & Lifestyle industries.

Mission

1. Conduct research and development for innovations, design and provide a variety of new, exciting products.
2. Collaborate with business partners to develop new brands as well as management, selling, and new marketing to strengthen reputation and leading position of our existing branded products.
3. Develop a variety of up-to-date distribution channels that can serve lifestyles and demands of each group of customers.
4. Enhance managerial performance and competence by integrating state-of-the-art technology throughout the company and our supply chain.
5. Determine to develop the company in compliance with the Good Governance principle for the continuous growth.

The Board of Directors recognizes the importance of marketing and being competitive with its business rivals in both the domestic and foreign markets and, in accordance with the corporate vision and mission, has prescribed 7 Principles of Thought for all executives and employees in the organization to adhere to as guidelines for common practice under the Company’s philosophy for business operation.

- Create good people values
- Create business value
- Create social opportunities

Principles of Thought

1. **Fight for Glory:** Enhance fighting spirit among employees which shall start from one’s self and become role models for others in achieving their goal and winning in business competition by using strategic planning along with consistent follow-up and being open-minded for any improvement and adjustment.
2. **Think positive:** Place emphasis on the ideal of positive thinking among employees to instill confidence that they can surely succeed and achieve their goal by always thinking of achieving success without condition.
3. **Discipline:** Build up working discipline including in communication and operation, with honesty, integrity and loyalty to the organization as well as consistent follow up and improvement of work performance.
4. **Faith:** Promote self-motivation among employees to make them confident of their capability to achieve their goals and be good to themselves and others, as well as creating good faith towards their managers, colleagues, subordinates, the Company and the country in order that employees shall take pride, be confident and committed to their work.

5. **Readiness:** Undertake personnel development to promote awareness in providing rapid customer services, courage to be decisive and proactive based on respect for customers with full responsibility as the Company's employees.
6. **Integrity:** Cultivate values of honesty and fairness among employees so that they may apply these values to themselves, other people, the Company, society and also the nation in both open and hidden places.
7. **Unity:** Promote unity among employees by enhancing good cooperation and solidarity in striving to achieve the corporate goal.

The Company is committed to creating competitive advantages and added value to customers through a variety of brand aimed at satisfying all of customers' needs, by focusing on developing business networks with trading partners and customers in various distribution channels. Many systems and working procedures have also been improved to conform to rules, regulations, and changing customers' needs by applying information and digital technology to create good value to new customer groups with efficient and quick response to the needs of customers and trading partners for mutual and sustainable business growth. The Company has produced a business plan for 2019-2021 setting out the Company's financial and growth targets, as well as to enhance its capability to attain highest profitability. The Company is fully committed to achieving the set targets by using the following strategies:

Business Targets

1. The strategy to create, design and provide new products which are appealing and interesting through research and development of innovation which are diverse and responsive to customers' demands both domestically and internationally.
2. The strategy to develop new products based on collaboration with business partners, as well as effective management of sales and marketing suitable to the times in order to promote and strengthen its position as a market leader.
3. The strategy to combine modernity with diversity through development of new models of sales and distribution channels which coincide with the requirements of each customer group by applying technology to facilitate convenience, rendering the highest satisfaction and impression among customers.
4. The strategy to enhance and develop management capacity of technology and supply chain in collaboration with business partners, from production to logistics, for rapid delivery and response to customers' demands.
5. The strategy of continued growth based on good corporate governance for the best interest and sustainable returns to shareholders, investors, business allies, related persons, as well as continued human resources development to enhance their potential and preparedness for change and competitiveness.

Additionally, the Board of Directors is monitoring and following-up on implemented business strategies with the Management Team reporting on operational plans and formulation of strategy implementation to the Executive Committee and the Board of Directors respectively on a monthly basis. At such platforms, the reporting is a key agenda to be acknowledged and discussed in the meetings, and a review undertaken of the quarterly strategic plan, so that the Management team may take the comments and advice from the Board of Directors and the Executive Committee to make further improvement.

Future Project

The Company has set a policy to establish new branded products and to expand its on - line business and Specialty Shops under the Company's own management in response to the current market situation and the changing behavior of new generation of consumers, as well as introducing other products to serve a wider and more diverse customer base.

Conglomerate Structure

1. The Company has four subsidiary companies and acquiring seven affiliated companies. Namely:

Name of companies	Type of business	Shares held by ICC (%)	
		Subsidiary companies	Affiliated companies
1. WBRE Co., Ltd.	Properties development	99.9994	-
*2. Amis Du Monde Sarl. (France)	Trading products in France and abroad including Import and export	81.92	-
3. Thai Itokin Co., Ltd.	Manufacturing and distributing women's wear	58.16	-
4. Worldclass Rent a Car Co., Ltd.	Operating car rental business	-	25.00
5. International Leather Fashion Co., Ltd.	Manufacturing genuine and artificial fashion leather goods	-	28.00
6. Issara United Co., Ltd.	Properties development	-	25.00
7. Boon Capitalholding Co., Ltd.	Operating investment business	-	32.00
8. Canchana International Co., Ltd. (Kingdom of Cambodia)	Distribution of products	60.00	-
9. Nanan Cambo Solution Co., Ltd. (Kingdom of Cambodia)	Real Estate Investment	-	49.00
10. Issara United Development Co., Ltd.	Hotel	-	25.00
11. Thai Secom Security Co., Ltd.	Security	-	25.00

Note : Currently in liquidation process

2. Shareowning in the company that may have conflicts of interest per notes of investment in related companies on page 50-55 of this Annual Report
3. Information about related, subsidiary and affiliated companies that operate the similar or related business and cross share owning as of December 31, 2018 is as following:

Name of companies	Shares held by ICC (%)	The company's shares held in ICC (%)	Similar or related business	Cross-Shareowning	Subsidiary companies	Affiliated companies
1. Saha Pathana Inter-holding Plc.	9.97	22.49	-	√	-	-
2. Sahapathanapibul Plc.	10.19	8.53	√	√	-	-
3. Thai Wacoal Plc.	5.09	3.80	√	√	-	-
4. Thanulux Plc.	11.09	3.44	√	√	-	-
5. O.C.C. Plc.	19.73	0.55	√	√	-	-
6. S & J International Enterprises Plc.	14.61	0.35	√	√	-	-
7. Textile Prestige Plc.	10.43	0.43	√	√	-	-
8. People's Garment Plc.	5.25	0.12	√	√	-	-
9. Far East Fame Line DDB Plc.	10.29	0.29	√	√	-	-
10. First United Industry Co., Ltd.	9.12	0.35	-	√	-	-
11. I.D.F. Co., Ltd.	9.00	9.53	-	√	-	-
12. Tiger Distribution & Logistics Co., Ltd.	19.90	-	√	-	-	-
13. International Laboratories Corp., Ltd.	19.56	1.10	√	√	-	-
14. Thai Arusu Co., Ltd.	4.17	0.03	√	√	-	-
15. Pattaya Manufacturing Co., Ltd.	5.33	0.14	√	√	-	-
16. Lion Corporation (Thailand) Co., Ltd.	12.00	0.07	√	√	-	-
17. Kai I.T. Service Co., Ltd.	10.00	0.01	√	√	-	-
18. Thai Itokin Co., Ltd.	58.16	-	√	-	√	-
19. International Leather Fashion Co., Ltd.	28.00	-	√	-	-	√
20. Shop Global (Thailand) Co., Ltd.	17.42	-	√	-	-	-
21. Canchana International Co., Ltd. (Kingdom of Cambodia)	60.00	-	√	-	√	-
22. Amis Du Monde Sarl. (France)	81.92	-	√	-	√	-

Remark : The Company has adopted the cross shareowning structure or pyramid type due to the Company's original business operation characteristic before being listed in the Stock Exchange of Thailand. However, such cross shareowning structure is not contrary to the Article No.14 of the Notification of Capital Market Supervisory Board No. TorChor 28/2551 on Application for and Approval of Offer for Sale of Newly Issued Shares.

1. Nature of Corporate Business

I.C.C. International Public Company Limited is the leader in distribution of both imported fashion brands as well as brands developed by innovation of the Company and its affiliates. The corporate main industries are cosmetics and perfumeries, hair and skin care products, full line of textile and apparel including underwear, outerwear, sportswear, apparel for physical exercise, fabric care and leather goods, etc.

The Company also conducts wholesale business through shops and department stores both in domestic and international markets. Most of our company's products are in the line of fashion and beauty as can be described in our slogan "We make people happy and beautiful".

- Cosmetics and Perfumeries Industry

From its incorporation in 1964, the Company's core business has been in the sale of cosmetics under the Japanese brand name PIAS. Since then, the Company has expanded our cosmetic business by continuously introducing various other brands, such as BSC Pure Care, Sheene, Arty Professional, Honei V. In October 2005, the Company introduced a new cosmetic brand - BSC COSMETOLOGY, under Saha Group brand for international marketing. Compact powder is the main product for advertising to create brand awareness within the target group. The celebrity and testimonial marketing approaches have been adopted by using celebrities as its presenter to generate trial interest. Consumer behaviors have changed considerably in line with advancement of technology, especially cloud technology. The introduction of new communication system such as LINE Application enhances more rapid communication and access to consumers immediately, as well as being a new channel of sales.

- Women's Wear Industry

The Company has been promoting every brand of women product groups which we have dealership on a continuous basis. There are 5 main brands: Wacoal, BSC, BSC Signature, Elle and Kullastr. By adding variety to products as well as functionality, customers can choose to wear them appropriately to suit the occasions, combined with showcasing our outstanding innovations, result in customer awareness of our consistent and continued product developments.

- Men's Wear Industry

The Company is the distributor of men's wear under such brands as Arrow, Excellency, Daks, Guy Laroche, Guy Guy Laroche, Elle Homme, Lacoste, Getaway, BSC Cool, Hornbill, Gunze, Mizuno, Le Coq Sportif, Maximus and Felix Buhler. The main distribution channels are department stores in Bangkok and upcountry, with regular sales personnel providing product advice and after-sales service. A new distribution channel has also been opened in discount stores, as well as in shops that have opened in shopping malls, TV channel and E-COMMERCE.

2. Revenue Structure

The Company classified revenue as 3 principal segments are as follow:

(Unit: million baht)

Product Line	2018	%	2017	%	2016	%
Cosmetics, toiletries & perfumeries	1,142.32	8.54	1,273.62	9.44	1,299.79	9.65
Women's apparel	4,587.85	34.30	4,491.63	33.31	4,388.00	32.59
Men's apparel	3,131.27	23.41	3,211.01	23.81	3,356.02	24.92
Others	3,488.20	26.08	3,470.71	25.74	3,571.57	26.52
Other income						
Dividend income	528.01	3.95	469.66	3.48	526.68	3.91
Gain on disposal of property, plant and equipment and investment properties	33.62	0.25	82.48	0.61	35.18	0.26
Gain on disposal of investments held as available for sale	169.20	1.26	242.62	1.80	-	-
Share of profit investment in associates	48.55	0.36	28.73	0.21	51.13	0.38
Others	247.79	1.88	215.85	1.60	237.58	1.76
Total Revenue	13,376.81	100.00	13,486.32	100.00	13,465.95	100.00

3. Major changes and activities in 2018

- **BSC Cosmetology**

Established: October 2005

BSC Cosmetology has seen the change in Thai consumers' behavior toward a preference to search for information through social media and the Internet more than previously. They spend more time each day to surf the Internet and are more confident to buy goods online or through E-Commerce than ever before. Additionally, as we joined in Lazada's grand campaign the 'Birthday Lazada 11.11' and the 'End of Year Gifts 12.12' campaign, our sales saw increases in leaps and bounds reaching 3rd on the top best-sellers list of cosmetics in Thailand; inter alia there was the launch of special campaigns 'Pope's (nickname of a superstar presenter) Girl uses BSC', and 'Beauty to the Universe'. We also joined Lazada's online livestream, the considerably proactive channel, resulting in ongoing sales increase. Moreover, we further expanded our online business to access a wide variety of target groups and rendering sales whether via Shopee, Convey, Seven-Eleven Online Catalogue, O-Shopping, etc., including www.eThailandBEST.com, a new online sales channel of our company which has a very favorable response from consumers. At the same time, the Company simultaneously widened its online customer base to include new target groups of all ages and gender. In the past year, the Company's cosmetics products hit sales growth up to the Top of Best-selling Brands of Thailand-BEST channel. BSC Cosmetology, consequently, shifted its marketing strategy to satisfy the requirements of target groups by proportionately increasing its marketing communication via online digital media. Additionally, viral VDOs have been produced to enhance the image and the product brands to be widely known, as well as reviews of the products by blogger and influencers whom consumers trust. With respect to the upgrading of quality of the products, BSC Cosmetology has continually developed several innovations. In 2018, BSC Cosmetology launched a campaign with the hottest actor of the year 'Pope-Thanawat' as its first male presenter under the concept 'Pope's girl uses BSC' and organized vigorous marketing activities to introduce its new collection, the 'BSC Orchid Collection', a line of make-up products with consecutive growth in the cosmetics market. To this end, every marketing communication channel is applied aiming to maintain the company's original customer base and reach prospective new customers so as to encourage them to gain more collective experience with our brand.

- **Arty Professional by BSC** : Presented the Concept "Be Your Own Pro" to be beautiful in your own style with professional make-up application. There are diverse items of products to choose from, for multiple purposes to suit customers' requirements with complete functional technique recommended in a simple way. This ensures beauty under a comprehensive professional make-up care regimen such as skin adjusting products, color shading products and skin nourishing products.
- **Sheene'** : Presented the line of skin nourishing products called "Sheene' Water Beauty" Concept for teenagers, which prevent fine lines and wrinkles at their first appearance. Sheene' Water Beauty is simply used under the support and service model at mobile beauty stations of Sheene' Water Beauty that directly serve beauty to young women of the digital era, enabling them to gain a new form of experience of cosmetics shopping and access options to suit their lifestyles.
- **Pure Care** : Presented "Skin Expert" Products that provide solutions to all skin conditions. It still maintains a component of 'lotus spirit', extract of the Lotus flower pollen, and pure natural power, so it is safe and mild even for sensitive skin.
- **Wacoal Lingerie** :

In 2018, the Company as the leading distributor in the lingerie market has upgraded its products to be even more distinctive whether in terms of cloth texture, design or functionality, while at the same time continuing innovation development with the aim of manufacturing outstanding and interesting products. Our marketing strategies were also adjusted to be more responsive to consumers' changing lifestyles, especially their preference to select consumer goods through the digital world thereby allowing multiple purchase options available for them via both online and offline sales channels. In this connection, the Company has launched the campaign 'Wacoal Ensures All Beauty' to reassert its position as the leading lingerie brand in Thailand including a proactive marketing program for Wacoal Wireless Bras via online and offline strategies so as to maintain existing customer base and extend new age customers of all age groups who have active, modern and comfort-loving lifestyles where wireless bras more likely fit their shape beautifully. In addition, the Company also implemented integrated marketing to promote other product lines such as the Shape Beautifier whereby the Body Base products were launched based on the Triple Effect innovation: weaving 3 types of textile fibres within one piece of fabric able to shape, level out and closely fit the body, rendering a beautiful contour so that wearers can unveil their shape confidently. For every product line, proactive marketing was implemented both online and offline to promote a diversified variety of communication that provide better access in response to consumers in the new-age era. Moreover, the Company has analyzed its customer information and developed this into Big Data to better understand their purchase behavior and develop lingerie innovation focusing on the consumers' highest satisfaction.

- **Arrow : Fabric-Design Innovation**

Arrow No. 5: a collaboration between Arrow and the Electricity Generating Authority of Thailand (EGAT) as part of a joint energy-saving campaign encompassing both product production and usage which render electricity-saving. Arrow is the first brand which passed such testing criteria and is the only brand of menswear available in the market, which complies with the above-mentioned criteria.

The outstanding qualities of Arrow No. 5:

- No ironing required;
- Electricity-saving, economical and time-saving;
- Cool when wearing

Arrow Max Move : Excellent slacks providing comfortable wear, freedom of movement, manufactured using innovative technology of fabric and tailoring, having special properties that provide excellent elasticity and high flexibility. The innovative fabric is woven from fibers with properties to render smoothness, moisture absorption and ventilation. No ironing required. This product is highly flexible and retains shape, providing comfort, proper fitting, smoothness and easy care. Its delicate tailoring in every process enables the most comfortable wear.

- **Lacoste : Exotic Look**

Lacoste introduced novelty with its Leather Goods Shop in Shop; the first and only one in South East Asia. A Mood & Tone Lacoste Shop has been created as a department store counter, decorated in an exclusive and premium style offering high quality leather goods for ladies, in all new collections of every color and style responsive to all requirements at Central Pinklao Shopping Center, the popular shopping mall of people of all lifestyles.

- **Lacoste : Creative Innovation**

The new look Lacoste Boutique, Le Club New Store Concept: Number One Largest Store Le Club Concept in the World @ Central World.

Lacoste returns with a new look under the concept of lifestyle perfection, Le Club from France-the Lacoste Flagship Store, Central World Branch, 2nd Floor, the only store in Thailand as well as the largest 'Le Club' in the World with over 500 square meters in the heart of Bangkok fitted with large Polo bar and carrying the most range in terms of colors and designs. It meets customers' demand for variety and designs which are available in several sizes including the highlighted item, the newly launched iconic 'Paris Polo Shirt', produced based on the concept of integrating fashion innovation which is typically and perfectly iconic. It is the new designed polo shirt based on the original style of polo shirts (L.12.12); a combination of the uniqueness of leading sportswear and ultimate chic, ultramodern and on trend, upgraded with distinctive design from head to toe. It is the epitome of the leading classic polo shirt that won the hearts of people the world over. In the shop, there are apparel and accessories for ladies, gentlemen and children including leather products, bags, belts, shoes, perfume, watches, glasses and men's underwear considered to be one stop service for Lacoste Thailand which also provides custom monogram embroidery service on Lacoste polo shirts during special festive occasions in addition to its Surprise Delivery service to deliver those specially monogrammed polo shirts to their special recipients. You can follow the variety of Lacoste collections at www.lacoste.co.th and www.facebook.com/lacostethailand.

- **Lacoste : Technological Innovation**

Lacoste joined hands with Orthorite to produce shoe soles with 5 outstanding qualities: antibacterial properties, better air flow, comfort, durability and reusability.

Industry Conditions and Competition

1. Cosmetics and Perfumeries Industry

- State of Competition

State of Competition can be considered according to the following distribution channels :

1. Counter sale The cosmetics market is highly competitive, due to the continuing entry of new brands in the market. The market posts continuing growth every year and intense market competition continues to rise, resulting from the higher number of players in the market while brand loyalty tended to decline. Despite adverse economic and political problems, cosmetics and beauty care products still show promise for sales growth given the fact that most Thai women still care about looking after themselves. In 2018, BSC Cosmetology has adjusted its public relations model to gain highest access to all consumer groups. Nowadays, most people tend to follow news of popular stars which considerably affects the sales of goods. In response to this media consumption behavior and to efficiently gain access to prospective consumers, BSC Cosmetology therefore implemented a communication strategy to have popular

celebrity star 'Pope (nickname) or Thanawat' as its presenter under the concept 'Pope's Girl Uses BSC'. This campaign is measured from the number of hashtags in Twitter that hit the 1 ranking of the country. However, television remains a significant channel for advertising the brand to stimulate brand recognition to a wide audience, combined with online advertisement aimed at gaining fast access to customers. Movie theatre media, billboard media, as well as electronic media at airports, BTS sky train and MRT subway stations are also significantly taken into account because they are easily accessible to the public. The counter brands additionally implemented further marketing strategies by organizing vigorous sales promotion activities such as distribution of free premium limited edition products for trial use to impress prospective customers. BSC Cosmetology also applied AI technology to make the products look new, distinctive and modern.

2. Discount Store Presently, discount stores implement intensive and tough strategies in terms of pricing and expanding branches into large communities whether in Bangkok or the surrounding areas or the major provinces in all regions nationwide. This widely impacts on manufacturers, original market intermediaries or traditional trade, both wholesalers and retailers as well as smaller community stores. With respect to wholesalers and retailers, the Company has modernized administration and expanded branches to rural areas outside provinces and districts serving as their wholesale and retail representatives in each community particularly aiming at the real customers under the one-by-one marketing basis. BSC Cosmetology implemented said strategies to seize opportunities in advantageous geographical areas before its competitors by means of widely expanding branches into communities or various areas with intention to create 'Economy of Scale', partnering with local retailers and releasing new products particularly suited to the discount stores, as well as to vet and select products in which it is confident of quality, so that the products can be rapidly sold and highly competitive compared with its rivals.

- Product Acquisition

In terms of production, currently 90% of all of the Company's cosmetic products are manufactured domestically, mostly by International Laboratories Corp. Ltd., and S & J International Enterprise Plc., both of which belong to the Saha Group and are under the quality management of ISO 9001. Another 10% of the Company's products are imported.

In terms of product development, global sourcing involves the search for ingredients and packaging from all over the world.

- Industrial Trend and Future Competition

Cosmetics remain the fifth requisite of women, especially in the make-up market. The main products promoted to enhance the growth of the make-up sector are those in regular use such as eyebrow pencils, foundation powder and lipsticks, of which such growth can be attributed to demand for emotional fulfillment because make-up helps users feel more self-confident. Therefore, there remains large growth potential for make-up products in comparison with the entire market share of the beauty sector. In addition, the market trend focuses on online sale as it is apparent that such sale channel has dramatically grown in leaps and bounds. In the future, this channel is likely to become another major distribution channel.

2. Women's Wear Industry

- State of Competition

1. Competitive Situation

Competitive strategies in 2018 included the following:

- R&D for Women's Lingerie

Due to rapidly changing consumers behavior, it was important that the Company focused on consumer behavior research and analysis to improve and develop products. Big Data has been developed to enhance production planning to more efficiently meet consumers' demand, both in terms of sufficient quantity of products available as well as to product development to more effectively satisfy the target groups. Additionally, the Company has taken consumers' needs into account as a guideline for the launch of new products. The factory, merchandiser and sales department have worked together as One Body, starting from brainstorming to design products to meet consumers' needs in every age group, size, cup and lifestyle in terms of functionality and fashion based on good quality products. In the meantime, the Quick Response Management System (QRMS) was applied which resulted in more effective product management in shops as goods are sufficiently available and coincide with customers' demand to ensure customer satisfaction, while reducing loss opportunity for sales, expediting transportation and distribution to shops, as well as promoting more efficient and effective inventory management. As a result, the lead time for delivery and loss opportunity for sales decreased, hence product management is more effective.

- New Consumer Expansion and Maintain existing Consumer

To retain existing customer base systematically, the Company focused on giving customers continuing satisfaction through a variety of activities that impressed its existing customers of all ages ranging from counter sales promotion activities or giving special privileges.

In addition, the Company has implemented efficient administration of existing customers through His & Her Plus Point card, in order to build up good relationships with customers. Interesting activities are created so as to encourage participation of customers and render good impressions of the brand, as well as introduction of good service standard system in Customer Relationship Management (CRM), thereby customers are provided with several benefits either discount in purchase of products or premium items that continuously increase sales each year from the points accumulated by His & Her Plus Point card membership.

New Customer Acquisition Strategies have been mapped out in 3 parts:

- Maintaining and expanding existing customer groups to potential new customer groups: The Company has continually marketed products among their long-time loyal customers under the strategy of original customers recommending our good quality products to a younger generation of customers to build market share among female teenagers. The Company has undertaken rebranding of First Bra products for young women, becoming 'Wacoal Bloom' via multiple advertising media effectively achieved through fast communication with accessible and simply understood information gradually resulting in new customers. Moreover, sales promotion activities to customers' liking were launched to stimulate purchases and favorable communication by key influencers on social media was promoted to prospective customers.
- General customers, having never used the Company's products: The Company focused increasing efforts on more modern product design and manufacture to appeal to fashionable customers. In that connection, Wacoal Mood launched a line of products in collaboration with the famous painter 'Oh Futon', in ultra-modern designs and directly and most effectively posted to online customers, i.e. teenagers and working age customers, utilizing multiple marketing strategies in line with people's modern lifestyles through both offline and online media such as advertisements on television, newspapers and magazines. In addition, out-of-home media, media in department stores, media in movie theatres, social media channels such as Facebook, Fan Page, IG, Line, Email have also been used, which can save more time, expenses and provide ready access to targeted customers. This also includes building up relationships with TV Shopping channels for digital and cable TV advertisements. Giving special privileges to targeted customers for brand experience through physiological expertise and good services enabling increase in sales of every product line according to the set targets. Additionally, Wacoal has expanded markets to new customers in AEC, namely Myanmar, Cambodia and Laos through the online channels, i.e. Facebook so as to communicate with prospective customers, thereby expanding its customer base in AEC.
- Consumers with Cross Product Experience: The Company has offered special prices for some recommended items for buyers in order to create brand awareness and trials of other products of the Company.

- **Omni Channel Marketing**

Nowadays, fierce competition in ladies lingerie has been found in various distribution channels, starting from traditional channels such as department stores, discount stores, the Company's shops, necessitating the extension of sales to multiple online channels or TV Shopping. Growth in these new channels is expected to increase yearly due to its easy access and ability to meet customers' demand more rapidly and completely. As such, the Company has partnered with famous online sales websites, TV shopping channels or catalogue sales as the channels are those whereby producers can communicate their product innovations completely and totally while allowing consumers to be familiarized about the innovation of products before connecting them to visit the points of sale at Department Stores to see the real products. Such are components of Omni Channel marketing which is expected to post further growth in line with the changing consumers' behavior in this modern age.

2. Number and Size of Competitors

Only integrated business can survive in the various industries. However, women's lingerie is a specific industry, which has many challenges in entering the market, starting from importing raw materials, local production of some raw materials, sewing technique and distribution method that requires agents such as department stores or discount stores. The Company continues to place significance on all trading partners whether old channels or new, allowing it to retain and develop its potential to expand its customer base to all consumer groups and effectively respond to customer needs.

3. The Company's Status and Potential for Competition

The Company pays attention to new distribution channels as well as the purchase behavior of customers that is different in each channel. During the past year, the Company has adjusted its approach to proposing contents that are more appealing to the target groups, especially online customers who are likely to grow rapidly. In that connection, the Company uses integrated communication tools via 360° of online channels such as employing influencers of its business alliance media to assist in disseminating contents, adapting online communication methods to gain access to target consumers, resulting in the Company getting good feedback as evident from growing sales, both in number of pieces and amount of monetary gain. To this end, the Company additionally aims at further extending

its market base for the future. In the past year, the Company collaborated with Lazada, the major E-Commerce organization in South East Asia, by fully taking products to sell in this online channel in order to widen the distribution base of the Company to rapidly increasing online customers.

- Product Acquisition

ICC is currently carrying five lingerie brands, produced by two major manufacturers:

- 1) Thai Wacoal Plc., manufacturer of Wacoal.
- 2) Pattaya Manufacturing Co., Ltd., manufacturer of Kullastri, BSC, BSC Signature, Elle.

Suppliers of raw materials for both these companies are Textile Prestige Plc., Thai Takeda Lace Co. Ltd., and Thai Sakae Lace Co. Ltd., all three of which belong to the Saha Group with manufacturing standard accreditation of ISO 9001. Research and development of new materials have consistently been undertaken resulting in an advantage over competitors in terms of having a wide and diverse range of raw materials and also lower production costs.

- Industrial Trend and Future Competition

The overview of overall trends for the textiles and garment industry shows possible growth in both production and export sectors. Most of the production is for ASEAN market, due to the advent of the ASEAN Economic Community since the end of 2015, rendering increasing opportunity to expand production capacity, not to mention the increasing size of consumers' market from a population of 60 million to 600 million, which is a huge market with high potential.

In 2018, the Company still focused on research and development of new innovations and technology in designing women's apparel suitable for Asians and coinciding with consumers' behavior for every age group, lifestyle and fashion. This is based on creating good and quality products at worthwhile prices, using integrated product management systems to retain reasonable level of inventory to balance with sales volume-not too much nor too little, while also increasing transportation channels to distribute products to shops more rapidly instead of retaining large amounts of inventory at shops, as well as implementing strategies to create effective production to meet consumers' lifestyles in this Digital Age as much as possible.

3. Men's Wear Industry

- State of Competition

In 2018, menswear sales in department stores have decreased marginally in comparison with the previous year with continued decline in spending among consumers due to economic factors. Consumers were deliberately more selective to choose good quality products than previously, and continued taking into account the ongoing innovation of goods.

In addition, most producers emphasized pricing methods whether offering discounts, redemptions, giveaways and distribution of premium goods to stimulate sales and minimize products in their stocks, but rarely conducted new marketing campaigns. Many of them had to develop their production efficiency to achieve lower costs, and to ensure flexibility in management for higher competitiveness. In addition, they have to set aside budget for marketing activities for competitive advantages in the long run.

As far as the state of competition is concerned, some advantages still prevailed, namely:

1. The Company's menswear has created a wide range of product lines (portfolio) which can cover the whole target market in many various segments, resulting in wide distribution and a strong market share as well as the balance of negotiating power in distribution.
2. The Company's products are well-known and well-accepted for their high reputation and quality.
3. The Company's products have undergone development and it had successfully and consistently launched innovations into the market owing to support from major suppliers (belonging to the Group). There is an expansion of factories to cater for this growth, from the thread-spinning factory, dyeing factory, cloth decoration factory to ready-made shirts manufacturing factories, to support the Company in its potential to create a constantly growing market share.
4. The Company has strong personnel with good habits of thought and the determination to achieve corporate targets and they are consistently ready to learn and improve.
5. The Company has a Big Data policy to analyze relevant data and customer behavior ('Descriptive Analysis') and to make projections into future trends of customer demand ('Predictive Analysis') in order to be able to better respond to consumers' needs.

- Product Acquisition

The Company has acquired products from 3 major suppliers, namely:

1. Thanulux Plc., manufacturer of shirts, T-shirts, suits, bags and leather goods.
2. People's Garment Plc., manufacturer of T-shirts and trousers.
3. Bangkok Tokyo Socks Co.Ltd., manufacturer of socks.

Manufacturing technology used is medium-ranged, with a fair number of workers and the modern use of automated machinery for higher production efficiency.

Moreover, the manufacturing group has established factories within a BOI-promoted Industrial area (Zone 3), resulting in a decisive advantage in production costs.

- Industrial Trend and Future Competition

Although the market remains sluggish, the industry at large tends to remain stable and continue growing because consumers still continue to pay more attention to their dress. Meanwhile, fierce market competition is expected to rise due to foreign rivals including influx of cheap products from the People's Republic of China. Local producers will have to analyze the market and consumer behavior in each area, create innovations in various forms in terms of products, marketing channels and develop strengths of each product for each target group of buyers in order to survive in the market amid the more intense competition.

1. Production Risks

In terms of the potential risk factors which may impact on business operation, the Company recognizes the importance of closely monitoring and systematically formulating and implementing risk management plans to cover the following aspects:

Risks relating to production to ensure the quality of products and production timeline as set by the Company.

- Preventive Measures

The Company selects suppliers with operation management which have attained ISO 9001 accreditation to be confident that our business partners have the required management systems, capabilities and ability to comply with the production policy set by the Company to ensure that the manufactured goods achieve all set targets. These companies were all established with the objective to mutually support one another under the umbrella of the Saha Group, thereby strengthening each other's business operations and enhancing their potential and competitiveness, as well as collaborating immediately to resolve any problems or challenges which may arise.

2. Product Management Risks in Stores

These are risks pertaining to the imbalance of stock management not being in line with consumer demand or not having the desired products in the store, which impacted on sales targets and market opportunity, exacerbated by the rapid change in online marketing, has required that production planning to be more flexible so as to always be prepared to meet the variant challenges both in terms of fashion and production volume.

- Preventive Measures

1. The Company introduced the Quick Response Management System or QRMS to enhance its potential in stock management efficiency, resulting in more effective monitoring and management of stocks on a daily basis in every store and rendering effective data analysis to obtain more timely and accurate picture of market demand and product movement in order to mitigate opportunity loss and ensure availability of products in market demand, as well as modify production plans accordingly for optimum efficiency.

2. The Company has created an Auto Replenishment system, by adapting the QRMS to effectively and efficiently manage stocks at all stores to ensure that stocks can be replenished in accordance with customer demand in terms of desired products and their volume to ensure that stocks at all stores coincide with sales.

3. Risks Relating to Sales Channels

The Company's business is conducted through main sales channels which have limitations in terms of area size and number of branches.

- Preventive Measures

1. The Company policy is to further accelerate expansion of sales in Discount Stores, including modification of its sales and order placement systems especially for this sales channel in accordance with the demand and purchasing power of target clients of Discount Stores. This strategy is applied to all product categories through development of products with both quality and pricing that appeal to target clients, especially for apparel with the main emphasis on fashionable design and colors.

2. The Company policy is to accelerate the increase of sales channels, especially in E-Commerce of which online customers have rapidly increased. In the past year, the Company has partnered with Lazada to provide online sales. In addition, it has expanded its outlets under ICC direct management in the Specialty Store model, to enhance sales potential in addition to the sales channel in major department stores nationwide.

4. Risks Relating to Changing Customer Behavior

Risks from changing customer behavior derived from such fast pace of change that products cannot keep up, necessitated the use of modern technology which responds to customer demand and facilitate consumer convenience in their online shopping via enhanced online access by utilizing social media such as Facebook, Line, Youtube, Instagram and others. This has resulted in the rapid expansion of our online customer base. Factors which support the changing trend to more online shopping among consumers are convenience, timely delivery of goods, safety, effective use of technology to meet customers' demand, as well as business development to diversify services which required the Company to develop the knowledge base and capabilities of its personnel to be more tech-savvy so as to provide timely and appropriate response to changing customer behavior.

- Preventive Measures

1. The Company focused on developing product diversity in response to the quick pace of change in consumer demand, as well as its efforts to expand the market base to reach out to potential customers who may not have ever used certain types categories of products, and to encourage those who are regular customers to use the products more frequently.

2. The Company also focused on research into consumer behavior on a consistent and continuous basis by organizing focus groups to which customer groups are invited to attend small seminars, so that the information derived from all aspects of their views can be used for further product development and creation of new products which better respond to customer demand and are best suited to consumer behavior in all age groups and all lifestyles, both in terms of function and fashion.

3. The Company increased its communications channels to promote better understanding among customers of all ages and lifestyles by expanding its online communications in accordance with changing media consumption behavior. Furthermore, the Company also added to its online sales channels, for example, via eThailandBEST.com and Lazada websites, in order to offer additional options for customers to purchase products.

4. The Company is dedicated to creating quality products at appropriate pricing in more targeted response to specific consumer groups, thus building positive impressions in their hearts and minds. At the same time, the Company also continuously generated measures to stimulate the market by capturing the interest and attention of target consumer groups in its effort to maintain and expand its customer base, including adoption of a strong Customer Relationship Management system in the form of His and Her Membership.

5. The Company has focused on improvement and development of its modernization systems including its E-Commerce website www.eThailandBEST.com to facilitate easier access and transaction. Furthermore, its partnership with Tiger Distribution and Logistics Co., Ltd., whose long experience in warehousing and timely delivery of goods nationwide through its efficient distribution mechanism, provides consumer confidence to online customers that they will get safe and fast service.

5. Risk from the Government Sector's Free Trade Policy

The Government's free trade policy advocates 0 tariff in compliance with the ASEAN Free Trade Agreement of which cosmetics is also covered, rendering Thai companies having to ensure their preparedness, including adjustment in capital costs based on the required standard.

Such development has resulted in fierce market competition although the impact on the Company should not be much since the tariff base for the import of cosmetics is currently at 5%. Moreover, the Company is at an advantage in terms of its production technology.

6. Obsolete Inventories

The Company engages in the business of selling a wide range of fashion products whose popularity among consumers may change rapidly with fashion trends. In the Year 2018, the Company's inventory was in the total amount of THB 3,356.99 million, or equivalent to 43.85% of current assets and 14.25% of total assets, with inventory turnover cycle rate of 156 days which presented a risk of unsold products becoming outdated and classified as obsolete inventories, thereby resulting in additional administration costs, as well as possibly requiring allowance for obsolete or impaired inventories which would cause the Company's net profit and liquidity to decline.

The Company maintained its policy to decrease inventories, accelerate sales promotion of unsold products, use application of effective information technology systems in analyzing sales information and customers' demand in each sales channel resulting in the continual decrease of inventories in the Year 2018 in the amount of THB 69.80 million, or equivalent to 2.04% of total inventories of the previous year.

7. Investments

The Company has invested in a total of 118 affiliated and other companies, of which its equity does not exceed 50% of the total registered capital (of each company), In addition, there are 4 subsidiaries of which the Company's shareholding exceeds 50% of total registered capital. The number of subsidiaries increased by one company, mainly being cross-holding or reverse-holding of shares within the affiliated companies. The Company has no management control over such aforesaid companies, each being under direct control and management of their respective Board of Directors.

Nevertheless, the investment management and decision is in the nature of joint ventures in related businesses or businesses with mutual benefits and interest, as well as diversification of risks.

The Company receives returns on investment in the form of dividend. In case of any loss suffered by these invested companies, the Company would post allowance for diminution in value of investments in the Company's statements of income. As such, the aforesaid shareholding structure does not affect recognition of revenue sharing of the Company as represented in the Financial Statement.

The Company has investment risk preventive measures by appointing persons in the invested companies or in the related business of such invested companies, as the central point for monitoring and reviewing the financial statements and business situation of such invested companies. The appointed coordinator should report to the Company and Shareholders on an annual basis and immediately inform stakeholders in case of abnormal developments or crisis in order that joint efforts can be made to achieve remediation. Moreover, the meetings of the Board of Directors and the Executive Board would regularly review the financial performance of each invested companies, focusing on those suffering loss to address the problems and take corrective action to resolve any losses and achieve sustainable profits.

8. Loans and Guaranties

As at 31 December 2018, the Company has provided fixed-term loans to a total of 4 joint venture companies, in the amount of THB 232.51 million. Compared to loans in 2017 which amounted to THB 255.70 million, this was a decrease of THB 23.19 million due to loan repayment.

As at 31 December 2018, the Company provided loan guarantees to 12 joint venture companies totaling THB 333.08 million, equal to the previous year and the transaction aligned with obligations under the joint venture agreement in proportion to the Company's equity.

1. Name, Head office address, Telephone, Fax, Website, E-mail, Registered No., Type of business, Number and type of total paid-up shares of the company

Name : I.C.C. International Public Company Limited
 Head office address : 530 Soi Sathupradit 58, Bangpongpan, Yannawa, Bangkok 10120
 Tel. (662) 293-9000, (662) 293-9300 Fax. (662) 294-3024
 Website : <http://www.icc.co.th>
 E-mail : webmaster@icc.co.th
 Registered No. : 0107537001374
 Type of business : Commercial
 Number and type of total paid-up shares

Type	Number of Shares	Par value
Common Stock	290,633,730	1 Baht

Name, Head office address, Type of business, Number and type of total paid-up shares of the affiliated companies :

-None-

2. Name, Office address, Telephone and Fax of other reference persons :

Registrar : Thailand Securities Depository Co., Ltd.
 93 fl.14 Ratchadaphisek Road, Dindaeng, Bangkok 10400
 Tel. (662) 009-9000
 Fax. (662) 009-9992

Certified Public : 1. Mr. Ekkasit Chuthamsatid
 Accountant : 2. Miss Nittaya Chetchotiros
 3. Miss Napaporn Sathitthammaporn
 C.P.A. (THAILAND) Reg. No. 4195, 4439 and 7494
 KPMG Phoomchai Audit Ltd.
 Empire Tower, 50th - 51st Floors, 1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120
 Tel. (662) 677-2000 Fax. (662) 677-2222

Legal Advisor : Mr. Vira Ua-Arak
 Vira Law Office Co., Ltd.
 548/14 -15 Soi Sathupradit 58 Yaek 18, Bangpongpan, Yannawa, Bangkok 10120
 Tel. (662) 683-8023 Fax. (662) 683-8843

3. Other Significant Information : -None-

The Company's General and other Significant Information

Annual Report 2018

4. Name, location, type of business, issue and paid-up shares capital of companies with the company holding more than 10 % of the total paid-up shares.

No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
Distribution Companies								
1.	SAHAPATHANAPIBUL	Bangkok	Consumer Products	Common Share	330,000	33,630,158 (market price as of Dec 31, 2018)	1,740,360,676.50	10.19
2.	O.C.C.	Bangkok	Distributor	Common Share	60,000,000	11,839,980 (market price as of Dec 31, 2018)	203,647,656.00	19.73
*3.	INTERNATIONAL COMMERCIAL COORDINATION (HK)	Hong Kong	Distributor	Common Share	50,000	9,500	4,109,700.00	19.00
4.	BETTER WAY (THAILAND)	Bangkok	Direct Sale	Common Share	10,000,000	1,648,375	104,314,361.65	16.48
5.	FAIRYLAND DEPARTMENT STORE	Nakornsawan	Department Store	Common Share	1,000,000	106,200	15,930,000.00	10.62
6.	U C C UESHIMA COFFEE (THAILAND)	Bangkok	UCC Coffee Shop and Wholesaler of Instant Coffee and Office Coffee	Common Share	150,000	15,000	1,500,000.00	10.00
7.	E.P.F.	Bangkok	Distributor, Retailer	Common Share	65,000	6,500	390,000.00	10.00
8.	KAI I.T. SERVICE	Bangkok	Assembling and Selling Computer	Common Share	400,000	40,000	1,125,600.00	10.00
9.	MORGAN DE TOI (THAILAND)	Bangkok	Distributor of men's and women's apparels and leather products under the brand "MORGAN"	Common Share	400,000	48,000	4,800,000.00	12.00
10.	DAISO SANGYO (THAILAND)	Bangkok	One-price retail business of consumer products	Common Share	28,000,000	3,249,474	32,494,740.00	11.61
11.	SHISEIDO PROFESSIONAL (THAILAND)	Bangkok	Beauty salon and spa including import and export of cosmetic products	Common Share	7,000,000	1,050,000	10,500,000.00	15.00

No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
12.	TSURUHA (THAILAND)	Bangkok	Retail store, sale health and beauty products, other consumer products	Common Share	250,000	37,500	60,000,000.00	15.00
13.	SHOP GLOBAL (THAILAND)	Bangkok	TV Shopping (sale products via Satellite TV)	Common Share	10,850,000	1,890,000	189,000,000.00	17.42
*14	AMIS DU MONDE	France	Trading products in France and abroad including import and export	Common Share	145,641	119,304	48,923,857.35	81.92
*15.	CANCHANA INTERNATIONAL	Cambodia	Distribution of products	Common Share	1,000	600	13,825,570.00	60.00
Total					448,311,641	53,690,591	2,430,922,161.50	

Remarks : * Investment in other countries

The Company's General and other Significant Information

Annual Report 2018

4. Name, location, type of business, issue and paid-up shares capital of companies with the company holding more than 10 % of the total paid-up shares.

No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
Manufacturing Companies								
1.	TEXTILE PRESTIGE	Bangkok	Embroidered Lace, Sponge	Common Share	108,000,000	11,261,720	155,411,736.00 (market price as of Dec 31, 2018)	10.43
2.	S & J INTERNATIONAL ENTERPRISES	Bangkok	Cosmetics	Common Share	149,930,828	21,897,781	521,167,187.80 (market price as of Dec 31, 2018)	14.61
3.	THANULUX	Bangkok	Leather Products & Accessories	Common Share	120,000,000	13,307,040	246,180,240.00 (market price as of Dec 31, 2018)	11.09
4.	SAHACOGEN (CHONBURI)	Chonburi	Power Plant	Common Share	955,000,000	107,932,960	466,270,387.20 (market price as of Dec 31, 2018)	11.30
5.	LION CORPORATION (THAILAND)	Bangkok	Detergent	Common Share	5,000,000	600,000	60,000,000.00	12.00
6.	RAJA UCHINO	Bangkok	Towels	Common Share	1,215,000	165,150	16,322,496.00	13.59
7.	CHAMP ACE	Bangkok	Garment	Common Share	400,000	50,000	5,000,000.00	12.50
8.	T.U.C. ELASTIC	Bangkok	Elastic Bands	Common Share	1,600,000	192,000	18,200,000.00	12.00
9.	H & B INTERTEX	Bangkok	Soft and Plush Toys	Common Share	400,000	76,000	7,600,000.00	19.00
10.	INTERNATIONAL LEATHER FASHION	Bangkok	Leather Shoes	Common Share	500,000	140,000	21,727,300.00	28.00
11.	TOTAL WAY IMAGE	Bangkok	Leather Goods	Common Share	200,000	20,000	2,000,000.00	10.00
12.	TOP TREND MANUFACTURING	Chonburi	Plastic Packaging	Common Share	1,200,000	216,000	43,200,000.00	18.00
13.	THAI TAKAYA	Bangkok	Jean Trousers	Common Share	300,000	30,000	3,000,000.00	10.00
14.	SSDC (TIGERTEX)	Prachinburi	Bleaching & Dyeing	Common Share	32,400,000	6,345,520	33,135,122.78	19.58
15.	THAI ARAI	Chonburi	Automobile Parts	Common Share	1,260,000	135,450	14,162,504.36	10.75
16.	THAI SPORTS GARMENT	Bangkok	Garment	Common Share	100,000	12,000	1,200,000.00	12.00
17.	THAI GUNZE	Prachinburi	Knit Wear	Common Share	1,800,000	288,000	28,800,000.00	16.00

No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
18.	THAI CUBIC TECHNOLOGY	Chonburi	Surface Decorating Service	Common Share	400,000	76,000	7,600,000.00	19.00
19.	KEWPIE (THAILAND)	Bangkok	Food	Common Share	2,600,000	280,000	27,273,400.00	10.77
20.	THAI SHIKIBO	Bangkok	Textile (Spinning)	Common Share	2,375,000	278,900	26,539,112.00	11.74
21.	THAI TAKEDA LACE	Bangkok	Lace	Common Share	1,270,000	162,000	20,482,860.00	12.76
22.	THAI SUN FOODS	Bangkok	Producing and Trading Fruit Juice "Green mate" and Distribution of "Homey" Biscuits	Common Share	5,000,000	950,000	9,500,000.00	19.00
23.	INTERNATIONAL LABORATORIES	Bangkok	Cosmetics	Common Share	12,000,000	2,347,200	313,089,800.00	19.56
24.	BANGKOK TOKYO SOCKS	Chonburi	Socks Manufacturing and Export	Common Share	1,617,800	280,000	24,250,000.00	17.31
25.	ERAWAN TEXTILE	Samutprakarn	Producing and weaving threads from cotton and polyester T/C	Common Share	6,214,634	1,019,978	115,714,662.91	16.41
26.	THAI ITOKIN	Bangkok	Ladies' wear	Common Share	1,400,000	814,250	80,101,152.00	58.16
27.	SAHA NAM TEXTILE	Bangkok	Elastic yarn, twisted and texturized yarn	Common Share	360,000	64,800	3,123,864.00	18.00
Total					1,412,543,262	168,942,749	2,271,051,825.05	

The Company's General and other Significant Information

Annual Report 2018

4. Name, location, type of business, issue and paid-up shares capital of companies with the company holding more than 10 % of the total paid-up shares.

No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
Service Companies and Others								
1.	FAR EAST FAMELINE DDB	Bangkok	Advertising	Common	7,749,950	797,800	137,221,600.00	10.29
				Share		(market price as of Dec 31, 2018)		
2.	PAN ASIA FOOTWEAR	Chonburi	Investment	Common	540,000,000	102,112,778	76,584,583.50	18.91
				Share		(market price as of Dec 31, 2018)		
3.	SAHA RATTANAKORN	Bangkok	Industrial Estate	Common	1,800,000	225,000	22,500,000.00	12.50
				Share				
4.	SAHA UBOLNAKORN	Bangkok	Industrial Park	Common	1,250,000	237,500	1,484,375.00	19.00
				Share				
5.	K. COMMERCIAL AND CONSTRUCTION	Bangkok	Construction	Common	500,000	72,500	25,344,590.25	14.50
				Share				
6.	SAHAPAT REAL ESTATE	Bangkok	Real Estate Development	Common	36,000,000	7,164,000	82,087,500.00	19.90
				Share				
7.	WORLDCLASS RENT A CAR	Bangkok	Car Rent	Common	1,000,000	211,111	19,792,935.73	25.00
				Share				
				Preferred	2,800,000	738,889	73,888,900.00	
				Share				
8.	D F INTER	Bangkok	Made-to-Order Furniture	Common	50,000	9,500	1,060,200.00	19.00
				Share				
9.	THAI FLYING MAINTENANCE	Bangkok	Aircraft and Helicopter Maintenance Service	Common	20,000	3,000	300,000.00	15.00
				Share				
10.	UNITED UTILITIES	Bangkok	Real Estate	Common	3,500,000	649,457	72,315,002.82	18.56
				Share				
11.	TREASURE HILL	Chonburi	Golf Course	Common	2,000,000	240,000	16,178,000.00	12.00
				Share				
12.	PAN LAND	Chonburi	Land Development	Common	3,000,000	500,000	49,367,900.00	16.67
				Share				
13.	TIGER DISTRIBUTION & LOGISTICS	Bangkok	Distribution and Logistics	Common	2,000,000	398,000	6,982,399.12	19.90
				Share				
14.	WASEDA EDUCATION (THAILAND)	Bangkok	Institute of Japanese Language and Cultural Studies	Common	200,000	21,427	2,142,700.00	10.71
				Share				
15.	THAI SECOM SECURITY	Bangkok	Security	Common	3,788,572	966,282	196,982,375.50	25.50
				Share				
				Preferred	766	-	-	
				Share				

The Company's General and other Significant Information

No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
16.	ISSARA UNITED	Bangkok	Property Development	Common Share	3,000,000	749,997	74,999,700.00	25.00
17.	BOON CAPITALHOLDING	Bangkok	Investment	Common Share	34,300,000	10,975,999	109,759,990.00	32.00
18.	WBRE	Bangkok	Real Estate	Common Share	500,000	499,997	49,999,700.00	100.00
19.	BNC REAL ESTATE	Bangkok	Real Estate	Common Share	2,400,000	400,000	40,000,000.00	16.67
*20.	NANAN CAMBO SOLUTION	Cambodia	Real Estate Investment	Common Share	1,000	490	6,475,840.00	49.00
21.	SAHA TOKYU CORPORATION	Chonburi	Real Estate	Common Share	332,000	39,840	39,840,000.00	12.00
*22.	TIGER MK LOGISTICS (MYANMAR)	Myanmar	Logistics Service	Common Share	30,000	5,400	1,786,320.00	18.00
23.	ISSARA UNITED DEVELOPMENT	Bangkok	Hotel	Common Share	3,600,000	899,997	89,999,700.00	25.00
Total					649,822,288	127,918,964	1,197,094,311.92	
Grand Total					2,510,677,191	350,552,304	5,899,068,298.47	
<u>Less</u> : Provision for loss from impairment of investment							473,024,573.29	
Net					2,510,677,191	350,552,304	5,426,043,725.18	

Remarks : * Investment in other countries

(Million baht)

Transactions	Details	2018	2017	2016
Net revenues	Deriving from	13,376.80	13,486.32	13,465.95
	• sales	12,349.63	12,446.98	12,615.38
	• dividends	528.01	469.66	526.68
	• gain from disposal of assets	33.62	82.48	35.18
	• gain from disposal on investment	169.20	242.62	-
	• interest income	26.82	20.10	20.35
	• recovery of doubtful debt	-	-	-
	• other revenues	220.97	195.75	217.23
	• gain from impairment of investments	48.55	28.73	51.13
Net profit	After deducting	934.02	846.99	936.25
	• cost of sales	7,838.88	7,861.12	7,851.00
	• selling and administrative expenses	4,456.24	4,663.88	4,493.34
	• loss from impairment of investments	71.18	26.23	89.01
	• loss of investment in associates	-	-	-
	Total expenses	12,366.30	12,551.23	12,433.35
	• finance costs	1.64	1.61	1.86
	• corporate income tax	74.85	86.49	94.49
	equity attributable to owners of the equity			
	• owners of the equity	931.28	846.48	936.28
	• nons-controlling interest	2.74	0.51	(0.02)
Total assets	Consisting of	23,549.51	23,280.16	20,198.92
	• current assets	7,655.76	6,902.91	7,190.41
	• non - current assets	15,893.75	16,377.25	13,008.51
Current assets	Consisting of	7,655.76	6,902.91	7,190.41
	• cash and cash equivalents	1,404.37	911.10	1,175.49
	• trade accounts receivable	1,784.66	1,914.38	1,550.81
	• short-term loans to related parties	90.00	30.00	165.00
	• inventories	3,356.99	3,426.79	3,687.72
	• other current assets	1,019.74	620.64	611.39
Non-current assets	Consisting of	15,893.75	16,377.25	13,008.51
	• restricted deposits at financial institution	2.95	2.95	2.95
	• long-term loans to related parties	-	60.00	-
	• long-term loans given to employee	1.07	2.26	1.39
	• available-for-sale investments	9,091.80	9,068.04	6,586.04
	• investment in associated companies - cost method	837.17	826.91	695.81
	• other long-term investments	1,856.42	2,261.06	1,685.60
	• investment properties	1,005.02	1,031.77	979.43
	• property, plant & equipment	2,848.80	2,874.17	2,810.34
	• intangible assets	35.85	31.80	23.89
	• leasehold	14.11	18.64	23.22
	• goodwill	-	-	-
	• other non - current assets	200.58	199.65	199.84

(Million baht)

Transactions	Details		2018	2017	2016
Property, plant & equipment	Consisting of		2,848.80	2,874.17	2,810.34
	• land		1,988.12	1,988.36	1,964.81
	• building and improvements		802.46	838.29	803.15
	• office equipment and vehicles		1,339.51	1,287.26	1,209.06
	• furniture and fixtures		1,149.01	1,198.11	1,097.44
	• assets under construction and installation		99.66	40.07	40.46
	• accumulated depreciation		(2,529.96)	(2,477.92)	(2,304.58)
Current liabilities	Consisting of		1,980.54	2,013.87	2,007.57
	• short-term loans from financial institution		30.00	30.00	20.00
	• trade accounts payable		1,273.49	1,311.45	1,328.34
	• others payable		677.05	627.64	608.85
	• Income tax payable		-	44.78	50.38
Non - current liabilities	Consisting of		1,323.74	1,355.64	811.84
	• deferred tax liabilities		692.47	734.45	232.41
	• employee benefit obligations		588.81	577.74	532.59
	• other non-current liabilities		42.46	43.45	46.85
Equity	Consisting of		20,245.23	19,910.64	17,379.51
	• capital		290.63	290.63	290.63
	• premium on ordinary shares		1,487.14	1,487.14	1,487.14
	• premium on treasury stock		51.43	51.43	51.43
	• legal reserve		50.00	50.00	50.00
	• general reserve		1,869.15	1,789.31	1,706.71
	• unappropriated retained earnings		11,003.25	10,438.35	10,008.71
	• others components of equity		5,489.35	5,804.06	3,801.03
	• owners of the equity		20,240.96	19,910.94	17,395.65
	• nons-controlling interest		4.27	(0.29)	(16.14)
Cash flow cycle	The Company's cash flow cycle commences with the purchase and resale of merchandise and ending with the collection of cash	A	150.84	152.20	159.51
	resulting from	A	54.43	49.74	45.08
	• collection period	A	155.77	162.90	172.14
	• inventories coverage deducted payment period	A	59.36	60.44	57.71
Total employees	Consisting of	B	6,088	6,760	7,002
	• counter sales force	B	4,316	4,801	5,042
	• office work force	B	1,772	1,959	1,960
Net revenues per capital		C	2,189.27	1,990.77	1,915.86
Net profit per capital		C	152.97	125.22	133.72

A Unit shows number of days

B Unit shows number of employees

C Unit shows thousand baht per headcount

Transactions	2018	%	2017	%	2016	%
Operating results						
Revenues	13,328,256	100.00	13,457,587	100.00	13,414,820	100.00
• from sales	12,349,628	5.00	12,446,980	92.49	12,615,379	94.04
• from other income	978,628	7.34	1,010,607	7.51	799,441	5.96
Gross profit	4,510,752	33.84	4,585,864	34.08	4,764,378	35.52
Expenses	12,366,298	92.78	12,551,227	93.27	12,433,346	92.68
Profit before income tax and finance cost	1,010,506	7.58	935,090	6.95	1,032,607	7.70
Profit before income tax	1,008,866	7.57	933,478	6.94	1,030,751	7.68
Net profit	931,280	6.99	846,477	6.29	936,278	6.98
* Income per capital (baht/headcount)	2,189,267		1,990,767		1,915,855	
* Net profit per capital (baht/headcount)	152,970		125,218		133,716	
* Interest coverage (times)	614		578		555	
* Degree of financial leverage (times)	1.00		1.00		1.00	
Financial position						
Current assets	7,655,759	32.51	6,902,912	29.65	7,190,407	35.60
Investments	11,785,382	50.05	12,156,004	52.22	8,967,447	44.40
Fixed assets	3,853,815	16.36	3,905,939	16.78	3,789,775	18.76
Other assets	251,607	1.07	252,354	1.08	251,293	1.24
Goodwill	-	-	-	-	-	-
Total assets	23,549,512	100.00	23,280,157	100.00	20,198,922	100.00
Current liabilities	1,980,536	8.41	2,013,869	8.65	2,007,569	9.94
Non-current liabilities	1,323,742	5.62	1,355,643	5.82	811,839	4.02
Equity	20,245,234	85.97	19,910,645	85.53	17,379,514	86.04
* Number of shares	290,634		290,634		290,634	
* Par value per share	1.00		1.00		1.00	
Financial ratios						
* Current ratio (times)	3.87		3.43		3.58	
* Quick ratio (times)	1.82		1.40		1.36	
* Debt-equity ratio (times)	0.16		0.17		0.16	
* Inventory coverage (days)	155.77		162.90		172.14	
* Collection period (days)	54.43		49.74		45.08	
* Operating cycle days (days)	150.84		152.20		159.51	
* Return on total revenues (%)	6.99		6.29		6.98	
* Return on equity (%)	4.64		4.54		5.61	
* Return on total assets (%)	3.98		3.89		4.83	
* Earnings per share (baht)	3.20		2.91		3.22	
** Dividend per share (baht)	1.21		1.10		1.15	
** Dividend payout ratio (%)	38.20		40.04		40.49	
* Book value per share (baht)	69.64		68.51		59.85	

Unit : In thousands of Baht except percentages in parentheses and transactions with an asterisk *

The information from the separate financial statement **

2015	%	2014	%	2013	%	2012	%
12,924,068	100.00	12,562,824	100.00	13,933,301	100.00	14,405,599	100.00
12,342,816	95.50	12,033,001	95.78	13,328,678	95.66	13,677,439	94.95
581,252	4.50	529,823	4.22	604,623	4.34	728,120	5.05
4,701,910	36.38	4,597,530	36.60	5,155,542	37.00	5,252,197	36.46
12,115,898	93.75	11,960,780	95.21	13,134,891	94.27	13,147,333	91.27
809,115	6.26	602,045	4.79	805,799	5.78	1,263,268	8.77
808,170	6.25	602,044	4.79	798,410	5.73	1,258,226	8.73
703,195	5.44	545,186	4.34	684,547	4.91	1,050,435	7.29
1,814,001		1,778,177		1,793,910		1,806,566	
99,041		77,167		88,135		131,733	
855		662,314		107		249	
1.00		1.00		1.01		1.00	
6,891,968	37.12	6,918,605	37.43	6,786,075	38.08	7,413,757	38.47
7,783,542	41.93	7,836,406	42.39	7,414,730	41.61	8,384,910	43.51
3,559,268	19.17	3,513,996	19.01	3,389,154	19.02	3,308,704	17.17
263,976	1.42	216,999	1.17	230,301	1.29	164,440	0.85
66,409	0.36	-	-	-	-	-	-
18,565,163	100.00	18,486,006	100.00	17,820,260	100.00	19,271,811	100.00
2,022,536	10.89	2,119,235	11.46	1,983,799	11.13	2,751,950	14.28
556,837	3.00	624,529	3.38	545,792	3.06	652,915	3.39
15,985,791	86.11	15,742,242	85.16	15,290,669	85.80	15,866,946	82.33
290,634		290,634		290,634		290,634	
1.00		1.00		1.00		1.00	
3.41		3.26		3.42		2.69	
1.15		1.07		1.02		0.81	
0.16		0.17		0.17		0.21	
181.00		192.76		189.13		176.30	
48.46		53.10		53.47		52.20	
169.77		183.38		183.58		165.08	
5.46		4.34		4.91		7.29	
4.43		3.51		4.39		7.07	
3.80		3.00		3.69		5.85	
2.42		1.88		2.36		3.61	
1.05		1.05		1.20		1.25	
45.06		47.95		48.31		34.58	
55.06		54.17		52.61		54.59	

Distribution of Shareownership

Based on the number of shares held in succeeding periods

Period	2018		2017	
	No. of shareowners	%	No. of shareowners	%
1 - 100	494	35.04	494	34.72
101 - 500	402	28.51	407	28.60
501 - 1,000	96	6.81	97	6.82
1,001 - 3,000	123	8.72	123	8.64
3,001 - 5,000	55	3.90	54	3.79
5,001 - Upward	240	17.02	248	17.43
Total	1,410	100.00	1,423	100.00

Distribution of Shareownership

Based on different categories of shareowners

Categories	2018		2017	
	No. of shares	%	No. of shares	%
Limited companies and limited public companies	86,642,410	29.81	87,000,690	29.93
Commercial banks and financial institutions	15,980	0.01	16,980	0.01
General public	43,376,075	14.93	49,489,183	17.03
Company employees	14,487,355	4.98	15,259,285	5.25
Thailand Securities Depository Company Limited				
- For local depositors	143,079,990	49.23	135,698,762	46.69
- For foreign depositors	3,031,920	1.04	3,168,830	1.09
Total	290,633,730	100.00	290,633,730	100.00

Top ten major shareowners as of the closing date on March 15th 2018 (shareowner categories being sorted in accordance with in Section 258)

No.	Name	No. of Shares	%
1.	*Saha Pathana Inter-Holding Plc.	65,353,640	22.49
2.	*I.D.F. Co., Ltd.	27,710,410	9.53
3.	Mr. Weerapat Punsak-udomsin	25,937,940	8.93
4.	*Saha Pathanapibul Plc.	24,777,100	8.53
5.	*Thai Wacoal Plc.	11,097,070	3.82
6.	U.B. Chemical Industries Co., Ltd.	10,667,400	3.67
7.	Uniwealth Co., Ltd.	10,154,550	3.49
8.	*Thanulux Plc.	10,006,070	3.44
9.	Universe Beauty Co., Ltd.	9,953,920	3.42
10.	Mr. Boonsithi Chokwatana	6,558,940	2.26
Total		202,217,040	69.58

- Notes:**
1. Investors can view the top ten major shareowners' information on the closing date from the company website (<http://www.icc.co.th>) before the annual general meeting.
 2. *Shareowners of Saha Group
 3. Major shareowners of I.D.F. Co., Ltd. As follows.

No.	Name	No. of Shares	%
1.	Sinparadorn Co., Ltd.	43,150	47.95
2.	Saha Pathanapibul Plc.	17,644	19.60
3.	Watsadoramai Co., Ltd.	11,250	12.50
4.	I.C.C. International Plc.	8,100	9.00
Total		80,144	89.05
Other shareowners'		9,856	10.95
Total		90,000	100.00

Dividend Payment Policy

- Company

The company has determined to maintain the dividend payment to shareowners at the ratio of 0.20 Baht per share per annum (equivalent to 20% of per value), depending mainly on corporate performance and current economy.

- Subsidiaries

- None -

Data of Dividend Payment

	* Year 2018 pay Year 2019	Year 2017 pay Year 2018	Year 2016 pay Year 2017	Year 2015 Pay Year 2016	Year 2014 pay Year 2015
Earning per share (baht)	3.17	2.75	2.84	2.33	2.19
Dividend per share (baht)	1.21	1.10	1.15	1.05	1.05
Payout ratio (%)	38.20	40.04	40.49	45.06	47.95

Remark : * The Board of directors' Meeting has resolved to pay dividend Baht 1.21 per share and to submit this agenda for approval at the Annual General Meeting to be held on April 22, 2019

1. Operation Overview

Thailand's economic growth stood at approximately 4.3% in 2018, mainly due to tourism and export as the driving force. Investors were concerned about tension between the USA and Russia on issues of Syria, trade war between the US and China, including economic sanctions imposed by the US on Iran resulting in rising global oil prices. These factors caused global concern that such negative factors would obstruct and slow down the expansion of the global economy than earlier expected. Even though domestic consumption has risen compared with the previous year, with significant support from spending of high-income consumers, reflected in the total sales volume of durable goods especially passenger cars with rapid growth in the beginning of this year, for consumer spending among low-income groups did not increase as evident from higher unemployment, less overtime work and depressed prices of agricultural goods together with high household debt, resulting in lower household purchasing power. The business sector which relies mainly on domestic consumption are faced with slightly rising growth, but limited to goods which depend on high-income consumers.

In 2018, the Company and its subsidiaries had total sales volume of THB 12,349.63 million, decreasing by THB 97.35 million or 0.78% compared with 2017, net profit of THB 934.02 million, increasing by THB 87.03 million or 10.28% compared with 2017, cost of sales of THB 7,838.88 million, decreasing by THB 24.05 million or 0.31% compared 2017 and expenses in sales and administration of THB 4,527.42 million, decreasing by THB 160.88 million or 3.43% compared with year 2017. The Company had increasing net profit due to the fact that in the previous year, the Company increased marketing expenses in creating brand recognition among new customers which rendered continuous positive impacts this year, resulting in lower marketing expenses, lower cost for arranging marketing activities and lower personnel cost from the decline in the number of personnel and the Company's policy to only recruit additional staff in necessary cases only, which resulted in increasing net profit.

In addition to developing new sales channels with high growth such as electronic commerce, the Company also developed a communication system connecting with online business partner's social media platform. This system can directly and effectively communicate with customers via Application Line on mobile phones of individual customers and connect with the corporate internal system for efficient communications with individuals.

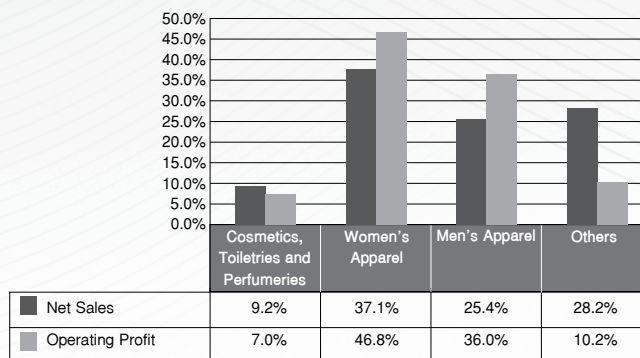
Business transformation of the organization is therefore vital for the Company to accelerate as a strategy, not only for changing business model, focusing on sustainability from understanding and communicating with individual customers, but also on connecting to supply chains to create a business ecosystem with emphasis on customer service processes and creating effective competition with demand forecasting system and network of trade partners system, whether it is in terms of services for inventory management, delivery and call center services, including trading platforms to provide convenience, speed, effectiveness and prompt response to customers and business partners.

In the 2018, the Company invested in a total of 4 subsidiary companies as follows;

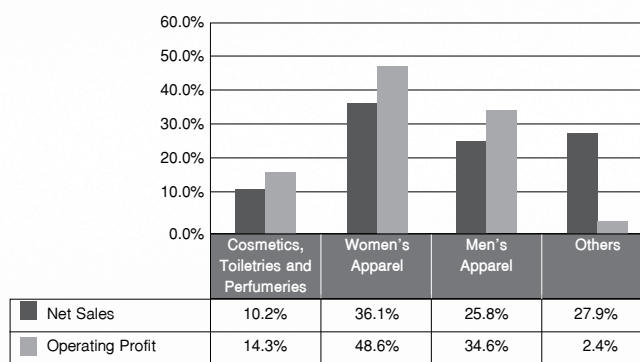
- 1) W B R E CO., LTD.: conducting real estate business in establishing Town House Project at Sriracha, near Sahaphat Group Industrial Estate, to expand new business channel for the Company.
- 2) Amis Du Monde SARL (in France): which had a shop in the Champs Elysees area, the leading shopping center of France, to bring the "BSC" brand into overseas markets as an international brand under BSC International initially operating as apparel brand. The Board of Directors' Meeting No.6/2016 held on 14 October 2016, considered and approved the winding-up of this operation due to continuous losses. The Company held 119,304 shares in Amis Du Monde SARL or 81.92% of registered capital at par value of EURO 10.00 amounting to EURO 1,193,040.00 or THB 48.92 million. The Company set aside an impairment of investment amounting to THB 48.92 million. In 2019, the Company is in the process of terminating operation and liquidation based on procedures under French Law.
- 3) Thai Itokin Co., Ltd.: being a manufacturer and distributor of readymade clothes and an important supply chain of the Company. Thai Itokin Co., Ltd. was licensed for the production and distribution of the brand on behalf of the Company including producing uniform apparel, producing products for domestic distribution and export to overseas markets. In this regard, the Company aimed to ensure that Thai Itokin Co., Ltd. continuously conduct business and achieve good operating result for the Company to obtain benefit in terms of dividend.
- 4) Canchana International Co., Ltd.: formerly, 400 shares or 40% of registered capital was held by the Company, with par value at USD 500 each amounting to USD 200,000.00 or THB 6,474,860.00. The Company additionally purchased shares of Canchana International Co., Ltd. from Saha Pathana Inter Holding PCL on 30 November 2017 amounting to 200 shares or 20% of registered capital at the price of USD 1,020.861 each (based on Book Value on 31 December 2016), amounting to a total of USD 204,172.20 or THB 7,350,710.00. Therefore, the Company's equity in Canchana International Co., Ltd. came to 600 shares or 60.00% of registered capital, rendering Canchana International Co., Ltd. to become subsidiary of the Company. Purposes for share purchase were to increase the Company's equity proportion since it is a supply chain in product distribution of the Company in the Kingdom of Cambodia, and to give the Company management control for the purpose of increasing operating results and receiving higher benefit in the form of dividend.

2. Performance and Profitability

Proportion of revenue from sale of goods and operating profit by segment 2018



Proportion of revenue from sale of goods and operating profit by segment 2017



Revenue from Sales

In 2018, the Company had revenue from sales amounting to THB 12,349.63 million, decreasing by THB 97.35 million or 0.78% compared with revenue from sales amounting to THB 12,446.98 million in 2017.

Revenue of the Company and subsidiaries comprised 3 main categories, namely cosmetics and fragrances, women's apparel and men's apparel. The details of revenue and profit in each category, compared between the years 2018 and 2017 are as follows;

(Unit : Million Baht)

Product Lines	Net Sales		%	Operating Profit		%
	2018	2017		2018	2017	
Cosmetics and Perfumeries	1,142.32	1,273.62	(10.31)	70.62	121.74	(41.99)
Women's Apparel	4,587.85	4,491.63	2.14	469.45	412.95	13.68
Men's Apparel	3,131.27	3,211.01	(2.48)	361.91	293.79	23.19
Others	3,488.20	3,470.71	0.50	101.93	20.56	395.79
Total	12,349.63	12,446.98	(0.78)	1,003.92	849.04	18.24

Cosmetics and Perfumeries

In 2018, the Company had revenue from cosmetics and fragrances amounting to THB 1,142.32 million, decreasing by THB 131.30 million or 10.31% compared with 2017 and posted profit from the operation in this category in 2018 amounting to THB 70.62 million, down by THB 51.12 million or 41.99% due to;

- 30% decreasing of customers behavior who purchasing products from department store.
- Increasing rapidly of a new entrepreneur who sell the products via online channel from-year-to-year, especially cosmetics line. Due to a small market investment cost.
- Low price high purchase competing campaign from a new entrepreneur.
- Continuing of Internal high brand competition.

Women's Apparel

In 2018, the Company and subsidiaries had revenue from women's apparel amounting to THB 4,587.85 million, increasing by THB 96.21 million or 2.14 compared with 2017 and posted profit from operation amounting to THB 469.45 million, increasing THB 56.51 million or 13.68% compared with 2017 mainly due to;

- Women's apparel have growth compared with last year, according to:
 - Product innovation which is aligned with customers needed.
 - New product order platform which is aligned with customers needed.
 - Development of product design and marketing strategy through Big Data.
- Closed shopping boots of ineffective Fashion Product, so decrease investment cost.
- Expand Direct Marketing channels such as Shopping, Web Partners and others.

Men's Apparel

In 2018, the Company had revenue from men's apparel amounting to THB 3,131.27 million, decreasing by THB 79.75 million or 2.48% compared with 2017 and posted profit from operation amounting to THB 361.91 million, increasing by THB 68.12 million or 23.19% compared with 2017 mainly due to;

- Decreasing of revenue from CLMV products sold in Myanmar due to the currency exchange crisis, resulting in a low demand for fabric purchasing.
- Casual Fashion products are in more demand than Business apparel products.
- Ordering products with higher margin and selling from low-cost promotional activities resulted high profit.

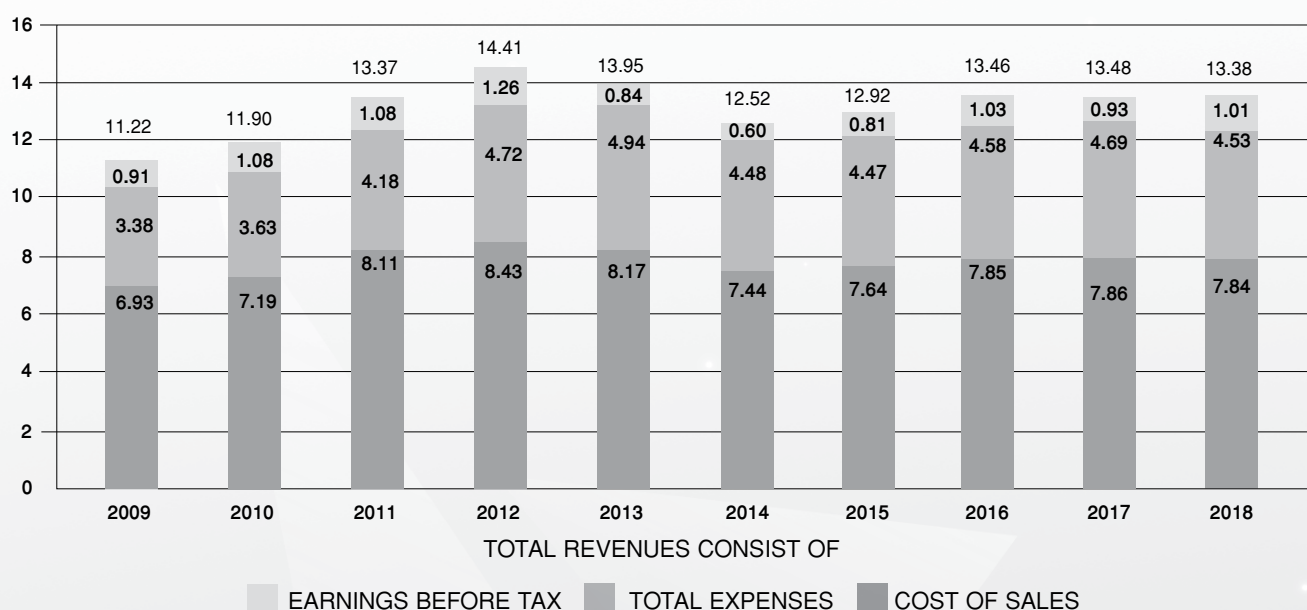
Others

Main revenues of other categories were children's clothes, active wear, sports clothing, leather goods and household products such as washing liquid and detergent as well as fabric care products. In 2018, the Company had revenue from the products in other categories amounting to THB 3,488.20 million, increasing by THB 17.49 million or 0.50% compared with 2017 and posted profit from operation amounting to THB 101.93 million, increasing by THB 81.37 million or 395.79% compared with 2017 due to;

- Growth in sale of household products sold from last year, due to celebrity marketing campaign and a new innovation of washing products which is aligned with customers' demand.
- Growth in sale of children's wear, resulting in higher sales revenue and rendering a higher margin.
- Increasing of product lines on online sales channels aligned with consumer behavior and preferences.

Other revenues

In 2018, the Company had revenue from other incomes amounting to THB 978.63 million, decreasing by THB 31.98 million or 3.16% compared with 2017 due to the decrease of gain on sale of investment amounting to THB 73.42 million, decrease of gain on sale of assets amounting to THB 48.86 million and the increase from dividend income amounting to THB 58.36 million and increase from other income amounting to THB 31.94 million.



Total Income Apportion (Million Baht)

Cost of sales of goods

In 2018, the Company and its subsidiaries had cost of sales of THB 7,838.88 million, decreasing by THB 24.05 million compared to 0.31% in 2017, cost to sales ratio in 2018 was 63.47% and compared to 63.17% in 2017, posted an increase by 0.30%, due to the sale and marketing campaign to clear products in stock and reduce inventories.

Selling and Administration Expenses

In 2018, the Company and its subsidiaries had selling and administration expenses amounting to THB 4,527.42 million, decreasing by THB 160.88 million or 3.43%, accounting for cost to sales ratio of 36.66% in 2018, compared with 37.67% in 2017. Following are additional details:

In 2018, the Company and its subsidiaries had selling expenses in the amount of THB 2,890.38 million, while in 2017 it stood at THB 3,078.12 million, decreasing by THB 187.73 million or 6.10%, due to the fact that in Year 2017, the Company had increased marketing budget for the purpose of promoting brand recognition which resulted in the Company being able to decrease its marketing budget and sale and marketing campaign expenses, including less personnel cost from more effective labor management in 2018.

In 2018, the Company and its subsidiaries had administration expenses in the amount of THB 1,637.04 million, compared to THB 1,610.18 million in 2017, increasing by THB 26.86 million or 1.67%, due to increasing depreciation of decoration assets in shopping booths or new shops and doubtful accounts.

Income Tax Expenses

In 2018, the Company's corporate income tax amounted to THB 74.85 million, compared to THB 86.49 million in 2017, decreasing by THB 11.64 million, due to the increasing of tax allowances in the amount of THB 38.90 million and defer tax expenses in the amount of THB 27.65 million (Year 2017 : THB 28.58 million, Year 2017 : THB 1.32 million respectively) resulting in the Company having less income tax expenses in 2018 than in 2017.

Net profit

In 2018, the Company and its subsidiaries had net profit in the amount of THB 934.02 million, increasing by THB 87.03 million or 10.28% compared with 2017, because of the Company's decreased marketing budget, effective labor management and dividend.

3. Financial Statements**Assets**

As at 31 December 2018, total assets of the Company and its subsidiaries amounted to THB 23,549.51 million, an increase of THB 269.35 million or 1.16% compared with 31 December 2017. The main changes are as follows;

As at 31 December 2018, current assets stood at THB 7,655.76 million, equivalent to 32.51% of total assets, an increase of THB 752.85 million or 10.91% compared to 2017. The main changes are as follows:

- Decrease of THB 493.27 million in cash and cash equivalents, THB 434.91 million in operating profit and THB 58.36 million in dividend.
- Increase of THB 412.80 million in short-term investments.
- Increase of THB 60.00 million in short-term loan, due to changing of loan investment from long-term loan to short-term loan within affiliated companies.
- Decrease of THB 136.41 million in account receivable due to accelerating for rapid repayment.
- Decrease of THB 69.80 million in inventories due to the Company's focus on efficiently inventory management, product distribution and adjusting purchase order corresponding with customer needs.

Non-current assets were THB 15,893.75 million, equivalent to 67.49% of total assets, a decrease of THB 483.49 million or 2.95% compared with 2017. The main changes are as follows:

- Decrease of THB 404.64 million in long-term investment due to convertible debentures of THB 398.69 million to ordinary shares, and change in long-term investment to available-for-sale investments.
- Increase of THB 60.00 million in short-term loan, due to changing loan investment from long-term loan to short-term loan within affiliated companies.
- Decrease of THB 26.75 million in investment property due to land and property sold.

Liabilities

As of 31st December, 2018, the Company and its subsidiaries had total liabilities of Baht 3,304.28 million, a decrease of THB 65.24 million or 1.94% compared to 2017, of which most were non current liabilities. The main changes are as follows:

Current liabilities amounted to Baht 1,980.54 million, equivalent to 59.94% of total liabilities, a decrease of THB 33.33 million compared to 31st December 2017 due to decrease of income tax payable in the amount of THB 44.75 million, decrease of trade accounts payable in the amount of THB 37.96 million.

Non-current liabilities were THB 1,323.74 million, equivalent to 40.06% of total liabilities, a decrease of THB 31.90 million or 2.35% compared to 31st December 2017, mainly from decrease of deferred tax liabilities totaling THB 41.98 million.

Shareholder's Equity

As of 31st December 2018, the Company and its subsidiaries had shareholders' equity of THB 20,245.23 million, an increase of THB 334.59 million or 1.68% compared to 2017, net profit in the amount of THB 934.02 million, cash reservable in the amount of THB 79.84 million, decreasing of other elements of shareholders' equity from change of fair value of available-for-sale investments in the amount of THB 314.71 million, dividend payment in amount of THB 319.70 million and increase of equity in subsidiaries in the amount of THB 4.56 million.

4. Asset Quality and Asset Management Capabilities

The Company considered quality receivables by conducting analysis of individual debtors before granting the credit term. The Company regularly tracked and collected outstanding debts and set allowance for doubtful accounts for long outstanding receivables. In 2018, the Company had allowance for doubtful accounts equivalent to 0.78% of trade accounts receivable (compared with 1.08% in 2017).

Policies for granting credit for trade accounts receivable as follows;

1. Ability to make payment for products
2. Attentiveness of managers
3. Potential for growth
4. Good, transparent and verifiable accounting system
5. Good management systems for inventory and distribution
6. Good internal control system, including effective entry-exit security control for employees and goods
7. Possess stable, substantial and sufficient collateral

Most of the assets of the Company and its subsidiaries comprise land, buildings and equipment collectively acquired throughout the past 53 years, with a net value of THB 2,848.80 million as of 31st December 2018.

Assets in terms of investment property held by the Company and its subsidiaries generated revenue from rental and sales in the amount of THB 1,005.02 million, as of 31st December 2018.

For investment, as of 31st December 2018, the Company had unrealized gains from fair value adjustment of securities totaling THB 6,861.14 million, shown in shareholders' equity and earning return on investment as a dividend at an annual rate of 10.60% in 2018 (previously 9.70% in 2017). The Company's investment management was delegated to appointed persons placed in the joint-venture companies or in companies engaged in related business with the invested business as the center to look after the investment, monitoring and reviewing financial statements and relevant information of the invested company, reporting any unusual event or crisis at the invested company back to the Company promptly in order to find solutions or seek remediation.

5. Liquidity and Capital Adequacy

Year	Current Ratio	Liquidities Ratio	Cash Flow from Operating Activities (Million)
2018	3.87	0.35	705.01
2017	3.43	0.08	156.00
2016	3.58	0.53	1,063.55

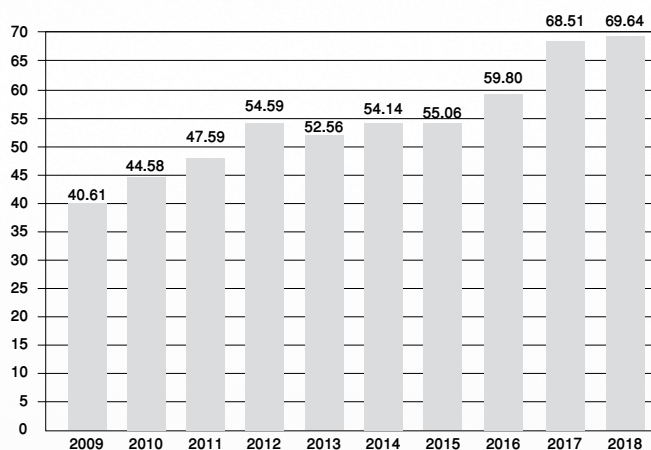
From the cash flow ratio, the Company and its subsidiaries had superior liquidity with more current assets than non-current assets. In 2018, liquidity ratio was 3.87 times, compared to 3.43 times in 2017, increasing by 0.44 times. In 2018, liquidity ratio of cash flow was 0.35 times, increasing by 0.27 times from 0.08 times in 2017. Cash flow from operation in year 2018 increased THB 549.01 million compared with year 2017 due to receiving cash from repayment from business debtors with higher amount than year 2017 by THB 495.49 million

The Company had 2 sources of funds, namely (1) funds from operating activities and (2) funds from investment activities in types of investment property and common stocks. In this regard, the Company's revenue generated from rental, sales of investment property and dividend received from common stocks at high rate. The Company managed business's liquidity well and used funds from business for expensing in business without seeking outside funds including enable to pay regular dividend to shareholders.

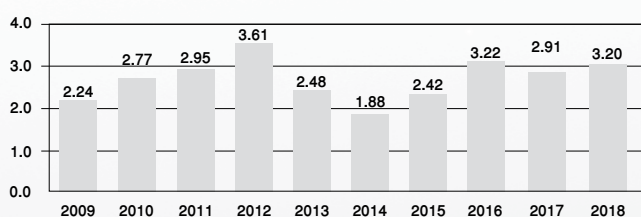
6. Profitability

Year	Profit/ Net Income (%)	Profit from Operating (%)	Profit/ Shareholders' Equity (%)	Profit/Share (%)	Market Price/ Earnings (times)
2018	6.99	8.17	4.64	3.20	12.97
2017	6.29	7.50	4.54	2.91	13.49
2016	6.98	8.17	5.61	3.22	11.34

In 2018, the Company's profitability decreased from the previous year with operating margin of 8.17% increase of 0.67% compared with 2017. Profit per share was THB 3.20, an increase of 0.29% from 2017 as a result from the fact that, in the previous year, the Company had increased marketing expenses in creating recognition of new customers which rendered positive impacts continuing into 2018, resulting in lower marketing expenses. Personnel expenses also decreased resulting from more effective utilization of existing personnel and limiting additional recruitment to only if necessary.



Book Value per Share(Baht)



Earnings per Share(Baht)

7. Cash Cycle

Year	Average selling period	Average collection period (day)	Average repayment period (day)	Cash Flow Life-Cycle
2018	155.77	54.43	59.36	150.84
2017	162.90	49.74	60.44	152.20
2016	172.14	45.08	57.71	159.51

In 2018, the Company had operating cash cycle of 150.84 days, down by 1 day from 2017 due to;

1. The average selling period decreased by 7 days, from 162.90 days in 2017 to 155.77 days in 2018, due to the Company's ability to decrease inventory by THB 69.80 million or 2.04 compared to 2017.
2. The average collection period increased by 5 days, from 49.74 days in 2017 to 54.43 days in 2018.
3. The average repayment period decreased by 1 day, from 60.44 days in 2017 to 56.36 days in 2018 due to the base figure used for calculating billing date of the Company's credit repayment always complied with the agreement with creditors regardless of economic condition, resulting in relative consistency in the repayment period as part of protecting stakeholders in accordance with Company policy.

8. Obligations which may have material impact on Company's financial position/performance

Obligations with unrelated parties/businesses are represented in Notes to Financial Statements (No 33 Page 182 of The Annual Report).

The Company had commitments as a guarantor for 12 joint-venture companies in the amount of THB 333.08 million under joint-venture agreement as per proportion of shares.

9. Factors affecting future performance

Following are factors which may affect the Company's future performance:

1. Increasing Competition with applied technology

Based on current competition, it is not only competition on difference of goods and services, but also creating difference and understanding in creating customer experience which impact on brand value and communication power via internet, whether using online social media or other websites. In this regard, the Company accelerated development of automatic communication systems to the mobile phone of customers along with targeted goods and services for particular groups, individual. Furthermore, the Company also improved a business model which emphasized only selling goods, creating platforms to service new customers, connecting off-line retail sales in shops to be on-line in other platforms such as Facebook of each brand, e-commerce websites or even online business partners (Lazada, Shopee and TV Shopping)

2. Competition of External Market

At present, there are many small business operators entering into online channels with low cost in communicating with customers for accessing products, direct sales to customers and also price competition which suit the new-generation behavior for satisfaction received and satisfaction within their online social group without real loyalty to any brand. Furthermore, there are famous imported brands at affordable prices, as well as products that have modern designs and acceptable quality.

Besides product quality and sales promotion, service excellence is the key for a business to ensure customer satisfaction to entice them to keep coming back and to sustain their loyalty. For this reason, each and every opinion of our customers is essential for us.

I.C.C. INTERNATIONAL PLC is very mindful of the importance of building customer relationship. To satisfy customers, on both products and services, we established a “Customer Relations Center” as our channel to communicate with customers. It is also our mean to create corporate image and to provide accurate information. The operation of Customer Relations Center has enabled us to acknowledge our customers’ preferences and demands; in consequence, we are able to always develop better products and services, including marketing activities and distribution channels expansion, to meet their needs.

Customer Relations Center primarily focus on service quality. Our professionally trained personnel offer customers excellent service with up-to-date technology to achieve speed and effectiveness. Customer Relations Center’s personnel and operation system developments have always been The Company’s commitment. Also, to mainly meet our customers’ needs, the Customer Relations Center does not only answer questions, solve problems, or receive customer complaints, but also collecting information regarding to customers’ spending behaviors and demands.

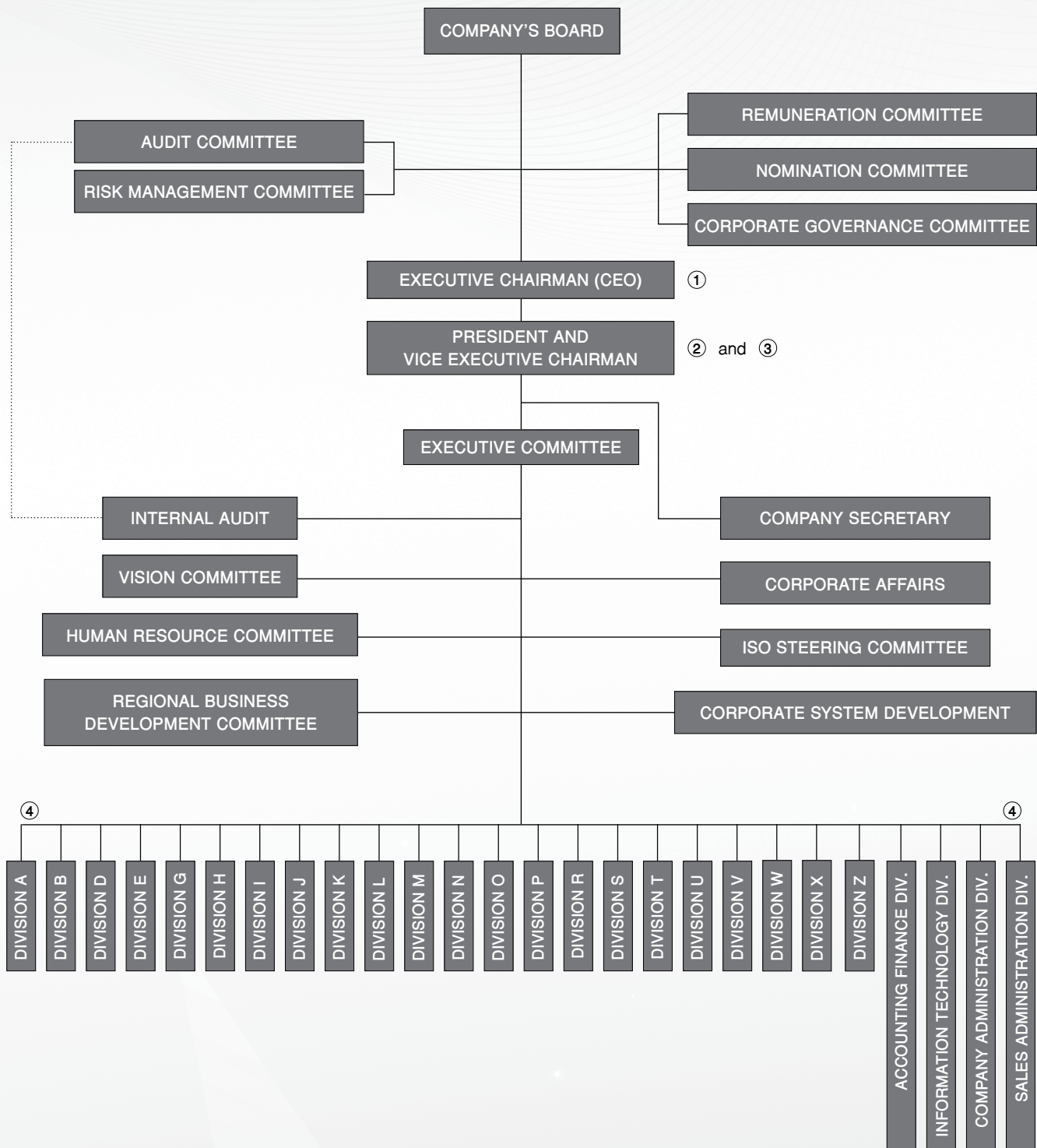
In addition, the Customer Relations Center is another channel of enquiry, where shareholders can ask questions or ask for advices pertaining to investment and The Company.

Should any customer has suggestion, complaint or comment, please contact Customer Relations Center at 0-2294-4999, or send a business reply mail (available at any of our retail counters nationwide) without stamp, or send an email to services@icc.co.th.

Customer Relations Center gather all customers’ enquiries, complements as well as complaints; and report directly to a team in charge of that particular issue. Our experienced team will handle and follow up with the case closely to ensure that every complaint get resolved in a timely manner. Furthermore, we conduct customer satisfaction surveys among the customers who made use of this service; so that we can provide our customers with more effective resolutions.

Structure of Organizational Management

The Company strives for sustainable development in all dimensions by assigning duties and responsibilities based on the corporate organizational structure of December 31, 2018 which is publicized on the company website <http://www.icc.co.th>



①-④ Company's executives as announced by The Securities and Exchange Commission (SEC)

Board of Directors

The Company appoints no less than 5 Directors (in compliance with the Public Company Act) to be on the Board with the following qualifications:

1. Is a natural person (non-juristic person)
2. Has attained legal age
3. Not being bankrupt, incompetent or quasi-incompetent
4. Has never served any prison term by a final judgment of a court for misconduct from fraudulent acquisition
5. Has never been expelled or dismissed from the civil service or from government organizations or agencies for fraud.

The Company's Board of Directors consists of 12 members as follows:

- Non-executive Directors	3	persons
- Audit Directors (independent director)	4	persons
- Independent Director	1	person
- Executive Directors	4	persons

The structure of Board of Directors and corporate administration has been established with an audit practice and appropriate balance of power of non - executive directors.

The Board of Directors consists of 5 independent directors, or 41.67 % of the entire Board which is higher than the stipulated standard (one third or 33.33%) by the Capital Market Supervisory Board. Moreover, the Board also has one independent director who is female.

The Board of Directors consists of 4 independent audit directors with duties and responsibilities as stipulated by regulations of the Stock Exchange of Thailand with knowledge and experience in auditing the credibility of financial statement, including other duties as being concurrently on the Audit Committee.

Furthermore, there are 3 directors on the Board who are non-executive directors with related business experience.

Name list and position including number of meetings and attendance are shown on page 78-79 of this annual report.

Profile of directors is shown on page 8-17 of this annual report.

Tenure of the company's directors, executives and authorized persons in the related companies can be observed on page 80-83 of this annual report.

The Authority of Board of Directors

Two out of the following seven directors shall co-sign and affix the company's common seal :

1. Mr. Boonkiet Chokwatana
2. Mr. Thamarat Chokwatana
3. Mr. Manu Leelanuwatana
4. Mr. Somphol Chaisiroj
5. Ms. Munchusa Terapongpipat
6. Mrs. Kobsuk Saengsawad
7. Surat Wongrattanapassorn Ph.D.

All directors and management have no disqualified characteristics and no criminal records.

Company Secretary: Mrs. Duangrudee Milintanggul

Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors, consisting of knowledgeable, capable, and diversely-experienced individuals, with expertise that benefit the Company. The Board possesses full understanding of their role, obligations, responsibility and leadership, including in terms of defining a clear vision for the company. They have complete independence in expressing their opinions and decision-making, so as to ensure business is conducted in order to achieve company objectives which optimize benefits to the company and shareowners. The Board of Director administrates the company by defining corporate Vision / Mission, Objectives, Strategies, Execution plans including annual financial plans in order to achieve the set targets. Good corporate governance is also used as a business management tool to increase added value to the business and shareowners.

The Company's Board of Directors monitors administrative performance of the Management team through a policy that assesses progress of work and the Company's business performance, as well as the share ownership of Directors and executives, all of which is to be reported to the Board meeting on a monthly basis. At the same time, it is also incumbent on the Board of Directors to approve the following year's corporate vision/mission, targets, strategies, plans and budget.

The Board and corporate management have performed their duties in the best interests of the company and shareowners under the current well-defined, balanced and auditable administrative structure.

In the past year, there was no record stating that the Company :

- committed any gross violation;
- committed any fraudulent and unethical conduct;
- had any case that a non-executive director resigned due to any corporate governance issue;
- had any case bearing negative impact on reputation due to failure in the discharge of duties as a member of the Board of Directors.

Executive Directors

As of 31 December 2018, the Company has 16 executives. The list of executives and their respective responsibilities, share-owning and meetings of the Board of Directors are shown on Page 78-79 in this annual report.

Their resumes are on Pages 8-17 in this annual report.

Company's Secretary

In order to provide efficient administration in accordance with the policy on good corporate governance, the Company has appointed Mrs. Duangrudee Milintanggul, who possesses the required qualifications and appropriate experience, to be responsible as Company Secretary as of September 1, 2009.

The Company Secretary has duties and responsibilities as follows:

1. To provide primary advice to the Board of Directors concerning legal matters, Company's rules and regulation including monitoring its operation to ensure compliance. In addition, she would report significant changes (if any) to directors as well.
2. To coordinate between the Board of Directors and management, provide supervision and coordination on legal matters including relevant rules & regulations, as well as to monitor and ensure that appropriate actions are taken according to the Board's resolutions.
3. To hold Shareowners' and the Board of Directors' meetings in compliance with the relevant laws, Company's Articles of Association and other normal practices.
4. To record the minutes of Shareowners' and the Board of Directors' meetings and monitor the implementation of such resolutions.
5. To coordinate with responsible agencies in charge of the SEC and SET, and take charge of disclosure and reporting of information to the public, in so far as regulations of the SEC and SET are concerned and legally binding.
6. To provide and keep the following documents;
 - Directors registration
 - Invitation letter and Minutes of the Board of Directors' meeting
 - Invitation letter and Minutes of shareowners' meeting
 - Report on the trading of Company shares by Directors and Executives
 - Annual report
 - Form 56-1
7. To keep and maintain reports of interests submitted by the Directors or Executives, as well as send copies to the President and Chairman of the Audit Committee within 7 days from the day of receipt.
8. To organize orientation and provide guidance to newly-appointed board members.
9. To communicate with general shareowners to ensure that shareowners have complete and continual knowledge and understanding of their rights including access to the Company's news and information.
10. To undertake other responsibilities as regulated by SEC and assigned by the Company.

Profile in brief

Name-Surname	:	Mrs. Duangrudee Milintanggul
Education	:	Bachelor in Business Administration & Economics, Kasetsart University
Training Background	:	<ol style="list-style-type: none"> 1. Strategic and Appreciative Business Development Program : THE MASTER 4 organized by Institute of Strategic and Appreciative Business Development 2. Company Secretary Program (CSP 31/2009) 3. Financial Statements for Directors (FSD 6/2009) organized by the Institute of Directors (IOD) 4. Registered Lead Auditor (QMS, EMS, SA 8000) organized by the IRCA, UK

Work Experience

:

Present

1. Member of the Corporate Governance Committee
2. Member and Secretary of the Risk Management Committee
3. Corporate System Development Manager
4. Quality Management Representative (ISO 9001)
5. The Company's Secretary and Investor Relations
6. Secretary of the Company's Audit Committee

Former

1989-1995 Sales & Marketing ; Bayer Thai Co., Ltd.

1995-2002 Registered Auditor (QMS, EMS, SA 8000); SGS (Thailand) Ltd.

2002-2003 Registered Auditor (QMS, EMS, SA 8000); RWTUV (Thailand) Ltd.

Remuneration Directors and Executives

1. The 2018 monetary remuneration for the operating year 2017

(a) Remuneration for directors of the board including gratuity, conference allowance. (A)

Remuneration for directors of sub-committees including conference allowance. (B)

Name	Position	Remuneration Directors * (Baht)			
		(A) Board of Directors	(B) Audit Committee/ Corporate Governance Committee	(B) Remuneration Committee/ Nomination Committee/ Risk Management Committee	Total
1. Boonkiet Chokwatana	Chairman	1,320,000		32,000	1,352,000
	Executive Chairman				
	Remuneration Committee Chairman				
	Nomination Committee member				
2. Thiraphong Vikitset, Ph.D.	Audit Committee Chairman and Independent Director	546,000	120,000		666,000
3. Thamarat Chokwatana	Managing Director	1,296,000		128,000	1,424,000
	Vice Executive Chairman				
	Remuneration Committee member				
	Nomination Committee member				
	Risk Management Committee member				
4. Amorn Asvanunt	Independent Director and Audit Committee Member	496,000	96,000	88,000	680,000
	Risk Management Committee member				
5. Nophorn Bhongsvej	Independent Director and Audit Committee Member	496,000	128,000		624,000
	Corporate Governance Committee Chairman				
6. Assoc.Pro.Dr.Seri Wongmonta	Director	364,000			364,000
7. Duangphorn Sucharittanuwat	Independent Director and Audit Committee Member	496,000	88,000		584,000
8. Manu Leelanuwatana	Director	380,000		16,000	396,000
	Nomination Committee member				
9. Somphol Chaisiroj	Director	480,000			480,000
10. Munchusa Terapongpipat	Director, Nomination Committee member,	496,000	32,000	120,000	648,000
	Risk Management Committee member,				
	CG Committee member, Remuneration				
	Committee member,				
11. Kobsuk Saengsawad	Director	496,000			496,000
12. Surat Wongrattanapassorn, Ph.D.	Director	496,000			496,000
Total		7,362,000	464,000	384,000	8,210,000

Remark : * Number of meetings attended by Directors of the Board and executives are based on their year of service since being elected during the shareholders' meeting, by taking into account of the meeting date which regularly falls in April of every year.

(b) Remuneration for the executive directors and the first 4 directors of the executive board ranking from the Managing Director and all other executives equivalent in rank to the 4th executive, totaling 16 persons amounted to Baht 59,596,241 including salary, gratuity, allowance and conference allowance.

2. Other remuneration

- Other remuneration for directors - None -
- Other remuneration for directors and senior management

Provident Fund

The Company and employees have jointly set up a Provident Fund according to the Provident Fund Act of 1987 on June 3, 1996 with the registration No. 41/2539. The Company has authorized a certified fund manager to manage the Fund by withholding from the employees' payroll and Company contribution. Directors and senior management will receive their eligible portions upon legitimate separation from the Company.

Criteria in considering directors' remuneration are as follows

1. To perform the duties of Company's director (Member, Board of Directors)
 - Annual Remuneration (Gratuity) paid to every director.
 - Conference Allowance paid to attending directors.
 - Chairman 10,000 baht / meeting
 - Director 8,000 baht / meeting
 - Director fee (only paid to the Chairman)
2. To perform the duties of Director of the Audit Committee.
 - Conference Allowance paid to attending directors.
 - Chairman 10,000 baht / meeting
 - Director 8,000 baht / meeting
3. To perform the duties of Director of the Remuneration Committee, Nomination Committee, Corporate Governance Committee and Risk Management Committee conference allowance shall be paid to attending directors at Baht 8,000 each per meeting.

Benefits, Shares, Debentures awarded to Directors by the Company in 2017

- None -

Other privileges awarded to Directors by the Company

- None -

Details reported to the Company by Directors

Direct or indirect profits or losses as a result of any agreement made by the Company during the accounting year.

- None -

Shares held by Directors and Executives in the Company and in affiliated companies

- Shares held by Directors and Executives in the company (including shares held by their spouse and children who are still minors) increase / decrease during the past year as stated on page 77 of this annual report
- Shares held by Directors in affiliated companies.
- None -

Human resources

Number of employees and remuneration

As of 31 December 2018, the Company has 6,088 employees and made payments of 1,816,283,821.- Baht in annual salary, commission, including short and long term remuneration in the form of retirement bonus and Provident Fund payout.

- Employee Compensation

The Company and employees have jointly set up a Provident Fund according to the Provident Fund Act of 1987 on June 3, 1996 with the registration No. 41/2539. The Company has authorized a certified fund manager to manage the Fund by withholding from the employees' payroll and Company contribution. Employees will receive their eligible portions upon legitimate separation from the Company.

Number of employees and remuneration

Description	Number of employees	Remuneration (Baht)
Office Staffs	1,772	812,894,334
Sales persons	4,316	1,003,389,487
Total	6,088	1,816,283,821

Significant change in the number of personnel or major labor dispute in the past 3 years - None -

Policy in human resource development

The Board of Directors recognizes that employees are a valuable resource and the major driving force which enable the organization to achieve success. Therefore, it has formulated policies and procedures regarding development of their knowledge and capabilities.

In addition to staff development rendering professional growth in their career path, the Company also attaches importance to taking care of all its employees in the organization through fair treatment thereby establishing a remuneration policy as one of its strategy to retain employees who are knowledgeable and capable, with senior executives heading each division being responsible for reviewing and considering annual remuneration in comparison with that of other businesses in similar industries based on fairness, in accordance with the Company's operational results in relation to employees' performance.

Employees Development Policy and Activities as stated in the 2018 Sustainability Report of the Company.

Shareowning of Directors and Executives

Name	December				Increase (Decrease)
	2018		2017		
	Shareowning		Shareowning		
	Directors / Executives	Spouse / Minor Children	Directors / Executives	Spouse / Minor Children	
1. Boonkiet Chokwatana	5,894,710	167,790	5,487,690	167,790	407,020
2. Thamarat Chokwatana	1,787,210	64,501	1,787,210	64,501	-
3. Thiraphong Vikitset, Ph.D.	-	-	-	-	-
4. Amorn Asvanunt	-	-	-	-	-
5. Duangphorn Sucharittanuwat	-	-	-	-	-
6. Nophorn Bhongsvej	-	-	-	-	-
7. Assoc. Prof. Dr. Seri Wongmonta	-	-	-	-	-
8. Manu Leelanuwatana	-	12,440	-	12,440	-
9. Somphol Chaisiroj	63,340	-	63,340	-	-
10. Munchusa Terapongpipat	12,510	-	12,510	-	-
11. Kobsuk Saengsawad	1,420	-	1,420	-	-
12. Surat Wongrattanapassorn, Ph.D.	20,000	-	20,000	-	-
13. Ramida Russell Maneesatien	10,000	-	10,000	-	-
14. Bussabong Mingkwanyeon	680	-	680	-	-
15. Viritpol Chaithavornsathien	-	-	-	-	-
16. Nonglaks Techaboonanek	-	-	-	-	-
17. Pennapha Dhanasarnsilp, D.B.A.	6,100	10,000	6,100	10,000	-
18. Nattapat Petchratanaporn	10,000	-	10,000	-	-
19. Khanisorn Suyanand	540	-	540	-	-
20. Kityaporn Chaithavornsathien	5,985,160	-	5,985,160	-	-
21. Pranot Vesaruchavit	-	-	-	-	-
22. Sawat Posinsomwong	-	-	-	-	-
23. Thitipoom Chokwatana	1,465,600	-	-	-	1,465,600
24. Pairoj Hirunwongsawang	6,970	-	6,970	-	-
25. Nichapa Piriypokin	-	-	1,220	-	(1,220)
Total	15,264,240	254,731	13,392,840	254,731	1,871,400

Note : # 2 was promoted to be Vice President Div. S on 1 April 2018 and no longer Vice President Div. X since 1 September 2018
23 was promoted to be Vice President Div. X on 1 September 2018
25 is no longer Vice President Div. T since 28 February 2018

Chart displaying Directors and Executives's position and attendance to the meetings

Name	Office period of company's Directors (end Dec31, 2018) (Year)	Position							Executive Committee (EC)
		Board of Directors (BOD)	Audit Committee (AC)	Remuneration Committee (RC)	Nomination Committee (NC)	Risk Management Committee (RMC)	Corporate Governance Committee (CG)		
1. Boonsithi Chokwatana					Chairman				
2. Boonkiet Chokwatana	45	Chairman and Executive Chairman		Chairman	√				Chairman and Executive Chairman
3. Thamarat Chokwatana	19	President and Vice Executive Chairman		√	√	√			President, Vice Executive Chairman and Vice President Div.G, S
4. Thiraphong Vikitset, Ph.D.	19	√	Chairman						
5. Amorn Asvanunt	38	√	√			Chairman			
6. Nophorn Bhongsvej	4	√	√			Chairman			
7. Duangphorn Sucharittanuwat	7	√	√						
8. Assoc.Prof.Dr.Seri Wongmonta	2	√							
9. Manu Leelanuwatana	14	√			√				
10. Somphol Chaisiriroj	9	√							
11. Munchusa Terapongpipat	3	√		√	√	√	√		Vice President Company Administration Div.
12. Kobsuk Saengsawad	3	√							
13. Surat Wongrattanapassorn, Ph.D.	2	√							Vice President Information and Technology Div.
14. Ramida Russell Maneesatlean									Vice President Div. B
15. Bussabong Mingkwanyeon									Vice President Div. H
16. Viritpol Chaithavornsathien									Vice President Div. I
17. Nonglaks Techaboonanek									Vice President Div. M, O
18. Pennapha Dhanasarnsilp, D.B.A.									Vice President Div. V
19. Nattapat Petchratanaporn							√		Vice President Accounting Finance Div.
20. Khanisorn Suyanand									
21. Kityaporn Chaithavornsathien									
22. Pranot Vesaruchavit						√			
23. Sawat Posinsomwong									
24. Thitipoom Chokwatana									
25. Pairoj Hirunwongsawang									
26. Pitacha Poosunthornsri						√			
27. Yauwaluk Namakorn						√			
28. Duangrudee Milintanggul						√	√		
29. Nichapa Piriyaopkin									
Total		12	4	3	5	7	4		10

A Executives	B Attendance to the Meetings								Attendance to the 53 rd shareowner's meetings 2018
	BOD's meeting	AC's meeting	RC's meeting	NC's meeting	RMC's meeting	CG's meeting	EC's meeting		
	12 meetings/year	12 meetings/year	2 meetings/year	2 meetings/year	12 meetings/year	4 meetings/year	Primary Meeting 33 meetings/year	Secondary Meeting 24 meetings/year	
				2/2					√
√	12/12		2/2	2/2			29/33	15/15	√
√	12/12		2/2	2/2	12/12		25/33	21/24	√
	12/12	12/12							√
	12/12	12/12			11/12				√
	12/12	12/12				4/4			√
	12/12	11/12							√
	8/12								√
	10/12			2/2					√
	10/12								√
√	12/12		2/2	2/2	11/12	4/4	32/33	24/24	√
	12/12								√
√	12/12						26/33	22/24	√
√							25/33	19/24	√
√							31/33	21/24	√
√							18/33	13/24	√
√							31/33	22/24	√
√							30/33	24/24	√
√						4/4	30/33	24/24	√
Vice President Div. A									√
Vice President Div. D									√
Vice President Div. R					11/12				√
Vice President Div. W									√
Vice President Div. X									√
Vice President Sales Administration Div.									√
					12/12				√
					12/12				√
					12/12	4/4			√
16									27

Notes : # 3 was promoted to be Vice President Div.S on 1 April 2018 and no longer Vice President Div.X since 1 September 2018
 # 24 was promoted to be Vice President Div.X on 1 September 2018
 # 29 is no longer Vice President Div.T since 28 February 2018

(A) Company's executives as announced by The Securities and Exchange Commission (SEC)
 (B) Number of meeting attended by the Board of Directors and Executives are based on their year of service since being elected during the shareowners' meeting by taking into account of the meeting date which regularly falls in April of every year

The Profile of Directors, Executives and Regulators in subsidiary, associated and other related companies

Name	Position							
	Boonkiet Chokwatana	Thamarat Chokwatana	Thiraphong Vikitset, Ph.D.	Amorn Asvanunt	Nophorn Bhongsevej	Duang-phorn Sucharittanuwat	Manu Leelanuwatana	Somphol Chaisiroj
1. I.C.C. International	A,E	C, EC	AC	AC	AC	AC	F	F
2. Textile Prestige							A	
3. Thai Wacoal		F					A	
4. Thanulux		F						
5. People's Garment	A							
6. Far East Fame Line DDB				AC				
7. Sahapathanapibul		F						
8. Saha Pathana Inter-Holding	F				AC		F	
9. S&J International Enterprises	A			AC				
10. O.C.C.							F	
11. Champ Ace	A	F						
12. International Laboratories		F						
13. I.D.F.								
14. International Commercial Coordination		F						
15. Can	F	F						A
16. Pan Asia Footwear	A							
17. Bangkok Tokyo Socks							A	
18. First United Industry		F						
19. Koraj Wattana	F	F						F
20. Sun and Sand	F	F						A
21. D F Inter		F					A	
22. Company Assets Saha		F						
23. Thai Gunze							A	
24. Tiger Distribution & Logistics	A							
25. Thai Cubic Technology	A							
26. Better Way (Thailand)	A		F					
27. Paknumpo Wattana	F							F
28. Maharachapreuk	F							F
29. Sukhatasana	A							
30. Thai Itokin	A							
31. Intersouth	F	F						
32. Intanin Chiangmai	F	F						
33. Eastern I.C.C.	F	F						F
34. Raja Uchino							A	
35. Thai Arusu		F					A	

Remarks: A = Chairman B = Vice Chairman C = President AC = Audit Committee Chairman EC = Director and Executive Vice President
 D = Director Manager E = Executive Chairman F = Director DE = Vice President FC = Director Advisor
 I = Vice President Division

Name	Position												
	Munchusa Terapongpipat	Kobsuk Saeng-sawad	Surat Wongratana-passorn, Ph.D.	Khanisorn Suyanund	Ramida Russell Maneesatien	Kityaporn Chaithavom-sathien	Bussabong Mingkwan-yeon	Viritpol Chaithavom-sathien	Nonglaks Techa-boon-anak	Pranot Vesa-ruchavit	Pennapha Dhanasarn-silp, D.B.A.	Pairaj Hirunwong-sawang	Nattapat Petchratana-porn
1. I.C.C. International	F	F	F	I	I	I	I	I	I	I	I	I	I
2. Textile Prestige													
3. Thai Wacoal													
4. Thanulux													
5. People's Garment								F					
6. Far East Fame Line DDB													
7. Sahapathanapibul													
8. Saha Pathana Inter-Holding													
9. S&J International Enterprises													
10. O.C.C.													
11. Champ Ace													
12. International Laboratories						F							
13. I.D.F.									A				
14. International Commercial Coordination													
15. Can								F		F		F	
16. Pan Asia Footwear													
17. Bangkok Tokyo Socks													
18. First United Industry													
19. Koraj Wattana							F					F	
20. Sun and Sand	F									F		F	F
21. D F Inter													
22. Company Assets Saha													
23. Thai Gunze													
24. Tiger Distribution & Logistics		F	F										
25. Thai Cubic Technology													
26. Better Way (Thailand)								F					
27. Paknumpo Wattana	F								A			F	F
28. Maharachapreuk									A		F	F	
29. Sukhatasana							F	F					F
30. Thai Itokin							F	D					F
31. Intersouth									F	F	F	F	
32. Intanin Chiangmai									F			F	F
33. Eastern I.C.C.	F									F		A	F
34. Raja Uchino													
35. Thai Arusu													

Corporate Governance

The Board of Directors is committed to sustainable business operation, based on sufficiency economy which emphasizes modesty, reasonableness and possession of immunity by utilizing knowledge, prudence and due diligence in business operation while adhering to good corporate governance and placing importance on building good corporate governance systems.

In the belief that having effective management systems requires transparency, accountability and an internal control system which is adequate and appropriate, together with a determined respect for the rights and equality of shareowners and responsibility towards all stakeholders, being free from corruption in all forms whether directly or indirectly. These are the key factors which contribute to the strengthening of the organization's immune system, enhancing its integrity and promoting balanced and sustainable growth in the long run.

Code of Conduct under Good Corporate Governance

In pursuit of the abovementioned aspirations, the Board of Directors has prescribed corporate governance policies based on the Corporate Governance Report of Thai Listed Companies (CGR) issued by the Thai Institute of Directors and is in line with the ASEAN CG Scorecard criteria, as a Code of Conduct for the Company's Directors, Executives and all its employees as follows:

1. Company Directors, Executives and all employees are fully committed to the application of corporate governance principles, business ethics and Codes of Conduct for Company Directors, executives and employees to Company operations.
2. Company Directors, Executives and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles of Association and Notifications.
3. Actions shall be taken to ensure that the Company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committees and Executives.
4. An internal control system shall be installed and risk management shall be implemented at suitable levels, including an accounting system and financial statement reports which are accurate and reliable.
5. Information shall be disclosed in a sufficient, reliable and timely manner to the extent that the legitimate interests of the Company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.
7. Any undertaking must take into account the Company's responsibility towards shareholders, stakeholders, communities, society and the environment.
8. Pursuit of business excellence shall be based on the commitment to creating customer satisfaction by being receptive to comments and self review in order to enhance management potential and continual creativity.
9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with firm commitment to their capacity building and professional development.
10. Misconduct, corruption and intellectual property violations shall be countered. Laws and human rights shall be respected.
11. Conflicts of interests shall be dealt with prudently and reasonably with due regard for the Company's best interests.

Review of Good Corporate Governance Principles

The Board of Directors has prescribed an annual review of the Company's Good Corporate Governance principles at least one a year so as to always be aligned with any new criteria and up-to-date with emerging business models.

In 2018, there were a number of activities according to its set work plans.


1. The Board of Directors raised the level of corporate governance principles in accordance with the Corporate Governance Code for listed companies 2017 prescribed by the Securities and Exchange Commission by preparing the "Corporate Governance Code" (revised version) in line with its business operation direction, business goals, annual budget, covering socio-economic and environmental objectives as operational guidelines acknowledged and adhered to by Company Directors, Executives and all employees.

The "Corporate Governance Code" (revised version) will be submitted to the Board of Directors for approval on April 12, 2019 to replace the current version and to prescribe a process of reviewing the application of the CG Code to suit the Company's business operations at least once a year as per the following details:

- The Good Corporate Governance Policy
- The 8 Good Corporate Governance Principles
- The Business Ethics
- The Code of Conduct for Directors, Executive Officers, and Employees

Complete details of the Good Corporate Governance (revised version) are available on the Company's website, <http://www.icc.co.th>.

2. Recognition

2.1 Corporate Governance Report of Thai Listed Companies Award granted by the Thai Institute of Directors Association under the support of the Securities and Exchange Commission and Stock Exchange of Thailand, classified at the level of "Excellence" (Five Stars) for two consecutive years. 

2.2 The assessment results of the quality of the Annual General Meeting of Shareowners for the year 2018 by the Thai Investors Association classified at the level of "Excellence".

Compliance with Good Corporate Governance Principles

The Board of Directors is mindful of its role and responsibility as leader of the organization, with full understanding of the benefits and the principles of Corporate Governance Code for listed companies 2017 in creating sustainable value to the business.

In 2018, the Board of Directors stipulated that the 8 Good Corporate Governance Principles shall be appropriately applied in business operations, covering 5 categories comprising the following:

1. Shareowners Rights

Realizing the importance of shareowners and in respect to their ownership rights, the Company's Board of Directors has set a policy to ensure protection of shareowners' equitable basic rights and equal and fair treatment as specified in the Company's Articles of Association and business ethics code in conducting its business operation, taking into consideration shareowners' legal rights, without encroaching or lessening it, and providing support and promotion of all shareowner groups, especially institutional investors, to attend shareholders' meetings. The basic rights of the shareowners are as follows:

- The right to own, trade and transfer the shares.
- The right to attend the shareowners' meetings.
- The right to appoint a proxy to attend the meeting and to vote on one's behalf.
- The right to vote and jointly make decision on crucial matters
- The right to receive dividends on an equal basis.
- The right to elect the Company's board of directors, and determine their remuneration.
- The right to appoint auditors and determine their remuneration.
- The right to provide comments and questions during the Shareowners' meetings, as well as to receive sufficient, timely and equitable information.
- Equal repurchase rights of the Company's shares to all shareowners.

Aside from the shareowners' basic rights, the Board of Directors have emphasized an importance on correctly, completely, timely and transparently disclosing of information and news with a view on benefit for shareowners to receive all information equally and thoroughly. Additionally, some other measures have been executed to promote the rights of shareowners and facilitate for exercise of their rights as follows:

1.1 Right to receive information

All shareowners have the right to equally receive the Company's information which the Company publishes in Thai and English via communication channel of the SET and company website (<http://www.icc.co.th>) to ensure all shareowners will be informed.

1.2 Right to attend shareowners' meetings

The Board of Directors considers as its important responsibility arrangement of the annual AGM within 120 days after the end of the Company's fiscal year at a convenient and proper date, time and venue for every shareowner to attend in order to allow them to participate in monitoring and supervising the company's operation.

Before the Annual General Meeting

In 2018, the Company organized the 53rd Annual General Meeting of 2018 on April 23, 2018 at the Montien Riverside Hotel.

1. The agenda and details of the meeting in both Thai and English was publicized in advance to all shareowners via the channel of the Stock Exchange of Thailand since February 23, 2018, approximately 60 days prior the meeting in order that shareowners can arrange their availability to attend the meeting. The information was also published on the Company's website (<http://www.icc.co.th>).

2. The Company publicized the invitation letter to the meeting and supplementary documentation, having identical content to the counterpart sent to shareowners in both Thai and English version on the company website more than 30 days prior to the meeting date. The disclosure was made on March 21, 2018 to enable quick and convenient access among Thai and foreign shareowners in order to have more time for consideration of all the information.

3. The Company sent out in advance the invitation letter and supplementary documentation with sufficient details containing facts with explanation and reasons clearly defined whether it is for acknowledgement or for approval including the Board of Directors' comments for each agenda as well as accompanying documents such as the Annual Report, financial statements, Proxy Form B, information on eligible candidates for the Board and a map of the meeting venue along with explanatory notes regarding list of necessary documents required to be presented to the meeting, the attendance procedure to enable shareowners to maintain their rights, and regulations concerning the AGM all of which were sufficient to allow informed consideration and voting on each agenda. The aforementioned letter and information was sent out 24 days prior to the meeting date, better than the required timeline standard, on March 30, 2018 in order to allow shareowners to consider the information. The invitation letter was also announced in Thai newspapers for 3 consecutive days during April 9 - 11, 2018 more than seven days prior to the meeting date.

For foreign investors or institutional investors, the Company sent out the invitation and supplementary documentation in both English and Thai as to encourage their attendance. They were also able to see more details relating to the meeting on our website www.icc.co.th.

In 2018, 4 foreign shareowners and institutional investors assigned proxy to the Audit Committee.

Furthermore, the shareowners were able to download from the website authorized proxy forms which have been prepared and complied with the announcement of the Ministry of Commerce in three options: types A, B, and C. Any one of the three available formats can be chosen to suit individual needs.

4. The Company provided the opportunity for shareowners to fully participate in the meeting in terms of providing comment and posing questions pertaining to the Company, including allowing minor shareowners to propose any agenda to the AGM and to nominate any person to be elected as a member of the board of directors.

In the 2018 AGM, the Company additionally allowed shareowners to propose agenda items for inclusion in the 53rd AGM of 2018 and nominate persons to be elected to the Board of Directors in advance during December 1 - 30, 2017. This process was publicized in both English and Thai language via the channels of the Stock Exchange of Thailand and the Company's website. However after the due date, no additional agenda nor candidates had been proposed.

In addition, the Company provided the opportunity for shareowners to pose questions regarding the AGM over 30 days in advance of the meeting via email to iccset@icc.co.th or via facsimile to 0-2294-1155 as stated in the invitation letter along with being published on the company website (<http://www.icc.co.th>). However, in 2018, shareowners did not pose any questions in advance.

Attendance at AGM

1. The Board of Directors has a responsibility to shareowners and recognizes the importance of their participation in the shareowners' meetings. It is regarded as the duty of the Board of Directors, members of every committee and every executive to attend every such meeting in order to allow all shareowners to ask about the company's information and respond to their questions.

In the 53rd AGM of 2018, all twelve members of the Board of Directors, including the Chairman of the Board and the chairman of the six Sub-committees, all members of Audit Committee, the Remuneration Committee, the Nomination Committee, Risk Management Committee, Corporate Governance Committee, the Executive Committee, corporate management represented by Vice Presidents from all divisions, including the Vice President of Finance and the Company's auditors, attended the meeting. The name list with title of all Company Board and committee members and executives who attended the AGM can be found in the minutes published on the Company's website (<http://www.icc.co.th>).

2. The Company extends fair treatment to all shareowners. Prior to commencement of the meeting, the Company Secretary announces the number /proportion of shareowners in attendance and the Chairman of the meeting clarifies the procedural rules.

- Method of voting and vote counting which, according to article 43 of the Articles of Association, is that the vote of one share is equivalent to one vote.
- Voting on each agenda is done openly with ballots handed out to shareowners to record their vote. Only ballots indicating disapproval and abstention are collected, except for the Election of Directors agenda whereby the ballots of every shareowner are collected.
- In vote counting, only disapproval and/or abstention votes, including votes on bad ballots, are deducted from the total number of votes of shareowners in attendance. The remaining number of votes is regarded as votes of approval of the respective agenda.
- The Barcode system is used in the vote counting. Voting results on each agenda are displayed on a projector for shareowners attending the meeting.

- Shareowners have the right to pose questions and express their opinion on each agenda. Should they have any questions regarding matters not on the agenda, they can pose these during the agenda 'Other Matters'.
- In cases where shareowners arrive for registration after the meeting has commenced, they are entitled to vote only on agenda items which had not yet been considered or voted upon, and their attendance will only be counted from the agenda on which they voted.

In addition, all shareowners attending the meeting are fully allowed the opportunity to ask questions, express opinions and propose recommendations on each agenda. All questions shall receive clear and succinct response to be duly recorded in the Minutes of Meeting. The Minutes of the Meeting also includes details of the voting method and summary of voting results on each agenda using the Barcode system to clearly record votes of approval, disapproval and abstention.

In the past year, the Company has provided such opportunity with shareowners posing questions on matters of their concern and the Board of Directors providing clear and accurate response all of which have been recorded in detail in the Minutes of the Meeting publicized in the company website (<http://www.icc.co.th>).

3. The Board of Directors promotes applying the use of technology in shareowners' meetings, in order to enhance accuracy and speed, by using the Barcode system for registration and vote counting to facilitate shareowners participation.

In counting votes for each item of the agenda by using the barcode system, officers from Vira Law Office, as the Company's legal adviser, witnessed and participated in the vote counting and cross-checked the voting result on every item of the agenda for accuracy, transparency and compliance with legal and regulatory requirements as well as the Company's Articles of Association. Company's Auditors also observe the vote counting and the results are disclosed to the meeting and recorded in the minutes of the meeting. In case that any shareowners question or contradict the voting result, they are able to double-check after the meeting.

In addition, prior to the start of consideration of each agenda, the registration officials shall re-announce the number of shareowners in attendance.

Following are the results of voting on each agenda at the 2018 AGM.

Agenda	Approval			Disapproval			Abstention		
	No. of persons	No. of shares	%	No. of persons	No. of shares	%	No. of persons	No. of shares	%
1 - 9	140	237,627,111	100.00	-	-	-	-	-	-

(Prior to commencing Agenda 1, 2 additional shareowners arrived; prior to commencing Agenda 3, 1 additional shareowner arrived; prior to commencing Agenda 4, 1 additional shareowner arrived; prior to commencing Agenda 5, 2 additional shareowners arrived; prior to commencement of Agenda 6, 2 additional shareowners arrived)

Details are stated in the Minutes of the AGM published on the company website.

4. The important agenda of the AGM were the following:

- **Dividend Payment** : the Company provided details of the profit appropriation, the proposed dividend payment ratio with rationale and related documents to comply with the dividend payment policy of the Company and provided dividend payment comparison between the current and previous years, as well as indicating the record date for eligible shareowners to receive dividend, the closing date for shares transfer registration and the dividend payment date.

- **Appointment of the Board of Directors** : Shareowners are entitled to elect individual directors and to propose candidates for directorship. The proposed candidate shall be approved by Nomination Committee. In case of independent director, he/she must possess the qualifications as stipulated by the Company and the notification of the Market Advisory Board. The list of candidate(s) shall be included in the invitation letter, having names, brief biography, age, position, education, work background, number of previous companies he/she had held directorship/executive position in listed and other companies, position(s) in any competing entity/any entity related to the Company's business, shareholding in the Company, criteria and method of nomination, type of director being proposed (according to the information sent in the invitation letter and as disclosed on the company website).

In the re-election of retiring directors, the company also provides attendance record at past meetings of the directors, as well as terms / years of their directorship.

In 2019, the Company still entitles shareowners to nominate candidate(s) to be elected as the Company's directors prior to the 54th Annual General Meeting of 2019. Details are as per item 1. Before the Annual General Meeting (Right of Shareowners) on page in this Annual Report.

- **Remuneration of Directors** : The Board of Directors has granted shareowners the right to approve the remuneration of Company Directors on a yearly basis as well as to determine the criteria for remuneration payment to each member of the Company committees and the value of all forms of remuneration for approval by shareowners at the AGM. The proposal for consideration and approval is scrutinized by the Remuneration Committee based on the Company's operational results, director's performance, appropriation

value of remuneration approved by the AGM, the previous year's remuneration and comparable remuneration in other companies engaged in the same type of business, as well as the director's authority, duties and responsibilities. The remuneration policy and criteria are set forth for each director position, divided in terms of their role(s) on the Board of Directors, Audit Committee, Nomination Committee, Remuneration Committee, Corporate Governance Committee, and Risk Management Committee. The approved budget is summarized in terms of actual amounts being paid and form of payment to individual members of each committee, namely the Board of Directors, Audit Committee, Nomination Committee, Remuneration Committee, Corporate Governance Committee, and Risk Management Committee as specified in form 56-1 and in pages 74-75 of this Annual Report.

- **Appointment of the Company's auditor and setting of audit fee** : The Company provides all relevant details pertaining to the auditors such as auditor's name, company affiliation, experience, capabilities, independence, past performance, number of years on duty, reasons for change of auditor, and auditor's fee, including comparable information on the auditing fee between the previous and current years along with any other service fees charged by the auditor's company, in comparative proportion to the amount of work and audit fees paid by other listed companies of the same level. All information included in the submission to the AGM has passed the consideration of the Audit Committee.

After the AGM

1. The Company discloses resolutions of the Annual General Meeting with voting results of each agenda in Thai and English versions via the channel of the Stock Exchange of Thailand on the day following the AGM and publicized through the Company's website.

2. The Company provides the Minutes of the Annual General Meeting both in Thai and English versions with sufficient, clear, accurate and complete factual details. Included in this are records of the names and titles of all directors who attended, questions raised by shareowners during the meeting and the answers, voting and vote counting methods, including the number of votes counted as Approval, Disapproval and Abstention on each agenda. Minutes of the meeting are submitted to the Stock Exchange of Thailand and all regulatory agencies concerned within 14 days after the AGM. The Minutes of the meeting in both Thai and English versions were publicized on the company's website so as to allow shareowners to check the data without having to wait until the next AGM, and also sent to the Department of Business Development, Ministry of Commerce within the time stipulated by law.

3. The Company also does a visual recording of the AGM and all proceedings throughout the meeting which is publicized on the company website (<http://www.icc.co.th>).

1.3 Shareholding Structure

The Company has not developed a mechanism to prevent domination of business, which may be exploited by management or authorized persons in case of inefficiency or mismanagement. In 2018, the Company disclosed the structure of related businesses in the business group with similar or related natures, or having cross-shareowning structures on page 37-38 of this Annual Report. Similar information was also posted on the Company's website.

In 2018, the Company did not repurchase company shares or made any agreement between the shareowners which may have a material impact on the Company or other shareowners. Moreover, it did not prevent or create obstacles to the opportunity for shareholders to communicate with each other.

In the year 2018, the Board of Directors and executives, including their spouses and minor children, held company shares totaling 5.34%, which does not exceed 25 % of the Company's issued shares, and the proportion of free float shareholding is at 30.43%, which is higher than 25 % of the Company's issued shares.

2. Shareowners' Right to Equitable Treatment

1. The Company fully respects the equity rights of shareowners, recognizes their importance and treats all shareowners on equal basis. The Company has no policy to provide unequitable benefits to any specific party whether they be major, minor or foreign shareowners. All shareowners are able to fully exercise their own rights in terms of voting on any matter as the business owner and are secured that their rights shall be protected on fair basis with proper provision of sufficient facility.

2. The Board of Directors treats all shareowners with equality and fairness. Owner of the same type of share have identical right to vote, whereby one share represents one vote.

3. The Board of Directors supports shareowners who cannot attend the meeting to assign a proxy to attend and vote on their behalf, by using the proxy form to direct their voting preference and assign at least one independent director as their proxy.

4. The Board of Directors allows minor shareowners to propose a candidate as a director in the Annual General Meeting.

5. The Board of Directors disseminates the invitation letter to the AGM, both in Thai and English versions, on the company website at least 30 days prior to the meeting date.

6. The Board of Directors supports all shareowners to exercise their right as a shareowner. The invitation letter to the meeting and supplementary documentation are sent out for consideration in advance including the English version for foreign shareowners.

7. The Board of Directors has established a policy to prevent unethical exploitation of insider information for personal interests or others' benefits. It prohibits members of the Board of Directors and committees, executives and all employees who have access to the confidential information (by their position) from trading in company assets in the period of 1 month prior to, as well as 24 hours following the public disclosure of the Company's financial statements

8. The Board of Directors requires company directors and executives to disclose their interests, their related persons' interests, as well as manage any possible conflict of interest with prudence, in compliance with the rules of the Securities and Exchange Commission.

According to the Corporate Governance Policy and Principles, in the section relating to Equitable Treatment of Shareowners, the Company treats all shareowners equally and fairly, based on recognition of the equitable rights and equality of all shareowners.

2.1 Exercising the right to attend the AGM

1. In the case of foreign shareowners, the Company prepares the invitation letter to the meeting as well as supplementary documentation and the minutes of the meeting in English which is sent out together with the Thai version. These can also be viewed on the company website, which provides both the Thai and English versions.

2. The right to vote in the meeting is in accordance with the number of shares owned by shareowners. One share is equivalent to one vote and the Company has only ordinary shares.

3. In the Annual General Meeting, the Company has a procedure and channel in place so as to provide the opportunity for minor shareowners to propose qualified candidates to be considered and elected as a director. The shareowners were required to submit their proposed candidates prior to the AGM meeting date as prescribed in the set criteria, which included the channel and timing of the submission during 1-30 December 2017. Such information, both in Thai and English versions, was distributed through channels of the SET and the company's website.

Shareowners are also allowed to send in their inquiry in advance. However for the 2018 AGM, no proposed candidate for a director position or inquiry was sent in advance.

4. In 2018, the Company held 1 general meeting of shareowners, the Annual General Meeting, on Monday 23 April 2018 and assigned the Depository for Securities (Thailand) Company Limited, the Company's share registrar to send the invitation letter to the meeting to shareowners 24 days in advance on March 30, 2018 and disclosed on the company website 30 days in advance in order to facilitate both local and foreign shareowners and institutional investors to have plenty of time to study details of each agenda item and appoint a proxy to attend and vote on their behalf in case they are unable to attend the meeting.

The Company facilitates foreign shareowners by sending out the invitation letter with relevant documents in English as well as Thai so as to support attendance by all shareowners, including institutional investors.

Furthermore, the details of the invitation letter with all supplementary documentation which present the same written information as that sent to the shareowners in both Thai and English versions are also published via the company website (<http://www.icc.co.th>), 30 days ahead of the meeting date, since March 21, 2018, allowing Thai and foreign shareowners to access the information conveniently and rapidly, including having more time for consideration.

For the 54th AGM on April 22, 2019, the Company will send out an invitation letter with all related documents as enclosure on March 29, 2019 which is 24 days prior to the meeting date. The supplementary documentation comprises the meeting agenda, annual report, financial statement, proxy Form B, proxy procedure, information on eligible candidates for the Board and a map of the meeting venue. These documents will be complete and sufficient to enable shareowners to prepare correct documents and make their decisions in voting on each item of the agenda.

5. The Company facilitates shareowners who themselves are unable to participate in the meeting to appoint a proxy so as to take part in the consideration and voting process on company activities according to the meeting agenda. For this purpose, a Proxy Form B is attached with the invitation letter providing sufficient information on the proxy appointment procedure, and relevant conditions were simplified to facilitate the process. Shareowners can authorize a proxy to attend the meeting on their behalf and the Proxy rights can be given to an individual or an Audit Committee member who is an independent director. Name list of the four audit committee members together with addresses and details of their stake in each meeting agenda have been provided in the invitation letter, and are also available in the company annual report sent to the shareowners along with the invitation letter. The authorization can be executed by using the Proxy Form B sent out with the invitation letter to set their voting direction or download the form prepared in compliance with regulations of Ministry of Commerce from the Company's website (<http://www.icc.co.th>) which contains three forms: Form A, Form B and Form C (used only in the case that the shareowner is a foreign investor and has appointed a custodian in Thailand). Only one form can be chosen.

In the 53rd AGM held on April 23, 2018

	Persons	No. Of shares	% (shares)
Shareowners as listed in share registration	2,088	290,633,730	100.00
Total number of attendants	140	237,627,111	81.76
Attended in person	57	31,203,347	10.74
Proxy	83	206,423,764	71.03
- Proxy to audit committee	10	3,740,580	1.29
- Proxy to individual	73	202,683,184	69.74

6. Registration and attendance by proxy are facilitated by the Company providing complimentary excise stamps for affixing on the proxy form.

7. For convenience of registration at the meeting, attendees may register at least two hours prior to the meeting time and also late attendees will be entitled to cast their vote on the remaining yet-to-be-deliberated items on the agenda counted as part of the quorum from the time they cast their votes.

8. The Company conducts the AGM in accordance with the set meeting agenda. No additional agenda items or change of important information are introduced without advance notice to shareowners.

9. To vote in each agenda, which is proceeded openly, the Company distributes ballots to all shareowners/proxy holders during the registration. Shareowner/proxy holder who disagree or abstain shall return the ballot with affixed signature only. The exception is on the agenda involving election of directors whereby the ballot is collected from all shareowners/proxy holders attending. The Company provides adequate personnel and technological support of the registration and voting procedures by using barcode system to enhance convenience, speed and transparency.

2.2 Supervision of Internal Information Usage

One of the long-standing admirable characteristics of corporate culture is a conscientious sense of business ethics that the Company belongs to the public at large and not to any individual or group of individuals. Hence, a major duty of all personnel at all levels is to safeguard the use of corporate property and to prevent its misuse for personal or any other purposes. This communal sense of responsibility is ingrained into the conscience of all staff at all levels.

Such sense of responsibility has resulted in the Company management being almost wholly by a collective group of people for many decades through a consultative process with meetings being held at the same levels and across departments at all times. This practice has prevented any one executive from causing material damage to the Company by acting alone without discretion.

In addition to collective management, the Company strictly adheres to the principles of ISO 9001: 2008, which upholds transparency in management and decision-making rendering the Company's good corporate governance in every aspect and resulting in the satisfaction that the Company's system of internal control is fully effective.

The company has policies and measures to supervise the use of internal data. Details can be found on page 116-117 of this annual report. It is also stated in the Company's code of business operation and specified in the code of conduct for company directors, executives and employees.

The Company has developed its IT control system in electronic documents interchange and determining access level (with password for each user), to suit the duties and responsibilities of particular users at every level.

In 2018, all these regulations and procedures have been strictly followed by all directors, executives and staff at all levels.

2.3 Trade in Securities of the Company and Report on Related Transactions

The Company has policies and measures in its Code of Conduct to supervise trade in securities of the Company and to report on related transaction of directors and executives, which prohibit directors, executives and employees, having access to inside information, from trading in securities of the Company, one month before and 24 hours following the public disclosure of the Company's financial statements except in cases of normal trading transactions irrelevant to the inside information.

The Company requires its directors and executives, including spouses and minor children to report the first holding of securities of the Company and any changes thereof to the Office of the Securities and Exchange Commission within 3 days from the date of such change, as well as send a copy to the Company Secretary for further reporting to the Board of Directors in the next meeting of the Board. In addition, the Company includes any item concerning the report on securities holding of directors and executives, including spouses and minor children, in the regular meeting agenda of the Board of Directors.

In 2018, the directors and executives of the Company acted in strict compliance with the policy, resulting in no trading of company securities during the silent period.

The Company has in place measures to control interest of the Board of Directors and executives. The Board of Directors and executives shall report their interest, or related person's interest as per following circumstances:

1. Holding directorship or executive position for the first time
2. Change of interest information
3. The Board of Directors and Executives are required to report such interest to the Company Secretary who further sends it to the Chairman and Chairman of the Audit Committee for acknowledgment within 7 working days from the date of receipt of the said report.

In 2018 the Board of Directors and executives have complied with the set criteria.

2.4 Conflict of interest

The Company carefully and reasonably manages conflict of interest based on the highest benefit of the Company. Pricing is based on the same fair trading conditions as trading with external persons. The Company sets operational system with transparency and strict adherence to the regulation of the Stock Exchange of Thailand by incorporating such principle into its good corporate governance policy as well as inclusion into the ethical code of conduct towards the Company and shareowners. Disclosure of information is provided in order to achieve equitable acknowledgment of information to all stakeholders.

Regarding related transactions that may bring about conflict of interest, these would be governed by the process of related transactions with fairness and according to market price as per normal business. The transactions are notified and disclosed to the meeting with specific details which include name and relationship of the related party, pricing policy, value of transaction, parties involved, the need for such transactions, as well as the opinions of the Audit Committee, the Executive Board and the Company's Board of Director as well as differing views (if any) as required by the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. At the Board of Directors' meeting, directors who have a stake in the transaction must leave the conference room and must refrain from voting on this agenda. All transactions are disclosed in Thai and English to the SET and posted on the Company's website (<http://www.icc.co.th>) in both Thai and English as well. In addition, the summary of transactions is also published in the Company's annual report and on the Form 56-1.

Related transactions likely to incur possible conflicts of interest when compared to the total income is equal to 5.06 % or when compared to total expense, is equal to 3.24 % , which is lower than 25 percent.

Furthermore, the Company has measures to control related transactions and limit financial support for non-subsidiary companies. In providing loans or loan guarantees, it is prescribed that these must be according to the proportion of the Company's equity under the joint-venture agreement. Related transactions in 2018 have been disclosed on page 126-132 of this annual report with complete, sufficient and transparent information.

In 2018 the Company has not provided financial support to associated or related companies, but to certain subsidiaries by renewal of loan agreement and joint loan guarantees to joint venture partners in proportion to the Company's equity. In 2018, there were neither related transactions nor trading of assets that violated and/or contravened the regulations of the SET or the SEC.

3. Role of Stakeholders

1. The Board of Directors appreciates and is firmly committed to its responsibility and respect for the rights of the various stakeholders whether internal or external, in the public sector and related agencies based on lawful provisions or legal agreements with the Company. In order for stakeholders to be ensured that their rights are protected and that they are treated fairly and equitably, a policy guideline has been prescribed for the treatment of each stakeholder group, which takes into consideration the community, society and the environment, to promote sustainable growth and development as well as mutual benefits which lead to sustainable business, while preventing and suppressing misconduct and corruption, refraining from intellectual property infringement, including giving due respect to human rights. The policy guideline for each stakeholder group is as follows:

Employees	<ul style="list-style-type: none"> - Appropriate compensation and welfare - Training and development of knowledge and skills - Equality and opportunity for advancement - Provision of safe work environment and quality of life
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Customers	<ul style="list-style-type: none"> - Access to accurate information regarding products and services - Quality products and services at appropriate pricing - Availability of alternative products which mitigate environmental impacts - Provision of warranty for products and services - Safeguarding the confidentiality of customers' information - Establishing the ICC Call Center to provide customer relations services - Providing channels for customers to give comments, suggestions and complaints 											
Shareowners	<ul style="list-style-type: none"> - Continuous provision of high returns - Continuous good operational results and sustainable growth - Ensuring effective and transparent corporate management and disclosure of information based on good corporate governance principles 											
Trade Partners	<ul style="list-style-type: none"> - Compliance with the terms and conditions of the trade agreement and provision of accurate information - Promotion of good cooperation and understanding - Promotion of knowledge transfer to jointly develop value-added products and services by holding joint meetings with trade partners regularly on an annual basis to promote and clarify direction of operations - Visit trade partners to listen to their views and suggestions. 											
Competition	<ul style="list-style-type: none"> - Conduct business operation with honesty and transparency based on fair competition framework 											
Trade Creditors	<ul style="list-style-type: none"> - Compliance with the terms and conditions of the trade agreement - Transparency in business operation by utilizing bank transfer facilities of Media Clearing system Media Clearing with a set billing and payment transfer schedule as follows: <table border="0" style="margin-left: 40px; width: 80%;"> <thead> <tr> <th style="text-align: left; width: 30%;"></th> <th style="text-align: left; width: 35%;">Billing Period</th> <th style="text-align: left; width: 35%;">Payment Transfer Date</th> </tr> </thead> <tbody> <tr> <td>• Goods</td> <td>everyday</td> <td>Wednesday of following week</td> </tr> <tr> <td rowspan="2">• Expenses</td> <td>on 1st - 6th of the month</td> <td>On 6th of the following month</td> </tr> <tr> <td>on 7th - end of month</td> <td>On 6th of month following first transaction</td> </tr> </tbody> </table> 		Billing Period	Payment Transfer Date	• Goods	everyday	Wednesday of following week	• Expenses	on 1 st - 6 th of the month	On 6 th of the following month	on 7 th - end of month	On 6 th of month following first transaction
	Billing Period	Payment Transfer Date										
• Goods	everyday	Wednesday of following week										
• Expenses	on 1 st - 6 th of the month	On 6 th of the following month										
	on 7 th - end of month	On 6 th of month following first transaction										
Lenders	<ul style="list-style-type: none"> - Compliance with the terms and conditions of the loan agreement with transparency and fairness - Provide advance notification if unable to meet any obligation under the loan agreement in order agreement in order to find joint resolution based on reasonableness - Always repay principle and interests on loans as scheduled. 											
Debtors	<ul style="list-style-type: none"> - Compliance with the terms and conditions of the loan agreement with transparency and fairness 											
Community, Society and Environment	<ul style="list-style-type: none"> - Availability of appropriate products and services for daily living - Promotion of knowledge and understanding on healthy living - Conduct business operations mindful to impacts on the community, society and the environment 											
Government	<ul style="list-style-type: none"> - Compliance with all relevant legal and regulatory requirements - Cooperation and support for development projects and charity activities - Pay taxes accurately, completely, in time according to the legal requirements. - Participate in meetings, express views and support state activities regularly and continuously 											
Media	<ul style="list-style-type: none"> - Disclosure of accurate information in a timely manner - Host visits by members of the media to see various corporate activities or business operations - Support and participate in activities organized by the media. 											

In case of any loss, the company and each group of stakeholders fully cooperate to seek possible resolution and determine the appropriate remediation measure favorable to all parties.

The Company has formulated stakeholders' policies and guidelines into a handbook: 'Business Code of Conduct and Ethics for the Board of Directors, Executives and Employees' published on the company intranet and website (<http://www.icc.co.th>) as the moral and ethical framework for best business practice, based on creating balance and fairness among stakeholders, as well as serving as a code of conduct for company directors, executives and employees in the engagement and interaction with the Company, shareowners, customers, employees, trading partners, trade creditors, lenders, competitors, government sector, society and the environment, as well as to enhance stakeholders' participation in promoting the Company's sustainable operation.

The Company has policies and directions regarding the treatment of interested parties, anti-corruption, anti-copyright violation, as well as the observation of human rights. Details of corporate social responsibility can be found in the Sustainability Report 2018 and posted on the Company's website (<http://www.icc.co.th>).

Moreover, the Company has implemented a code of conduct for Company Directors, Executives and Employees as guidelines for the management and all employees in undertaking operations conscientiously. The guidelines are available for directors, executives and staff of all levels via the Company's intranet and Company's website.

2. The Board of Directors has prescribed channels and procedures by which all groups of stakeholders can file a report or complaint on any matter that may result in damage to the Company, the accuracy of the financial report or unfair treatment.

The Company has provided a communication channel for stakeholders contact, complaint, and suggestion via the "Call Center" at Tel: 0-2294-4999 and e-mail: services@icc.co.th or via business response letters placed at the Company's sales counters nationwide. All the complaints and suggestions received by the Call Center have to be reported to the Audit Committee for investigation. Investigation results will be further reported to the Board of Directors and will be kept confidential.

3. The Board of Directors has formulated policy guidelines to protect its employees or whistle-blowers who bring to the Company's attention matters that may causes damage to the Company, or relating to misconduct or unfair treatment.

4. The Board of Directors supports the publishing of a 2018 Sustainability Report based on the framework of the Global Reporting Initiative (GRI) as a separate publication considered as an integral part of this annual report.

Sustainable business practice under environmental standards

The Company is committed to sustainable business practices, based on responsibility under environmental standards, and included as a key policy in the corporate mission statement and set forth in our Corporate Governance Policy and Business Ethics. This is to ensure that the Company's business operation places consideration to the impacts on natural resources and environment.

Thus, the Company has issued code of conduct under management of natural resources and environment, details of which are available in the 2018 Sustainability Report.

In 2018, the Company conducted business under environmental standards which applied within and outside the organization. For more details, please see our 2018 Sustainability Report Year.

Within the organization

- The Company has installed rooftop solar cell panels a continuation of its Solar Rooftop pilot project implemented since 2016 for its head office in Bangkok to support the use of alternative renewable energy.

Outside the organization

1. The Company's commitment to environmentally-friendly business operation is reflected in our carefully selected children's products. 'ENFANT', children's apparel, is manufactured to the highest standard under Health&Safety concept for your little loves, by a trading partner of ICC. ENFANT products are certified as 'Green Label' for its safety, non-toxic and environmentally-friendly properties.
2. Men's Wear "Arrow" certified by the Electricity Generating Authority of Thailand (EGAT) indicating "no ironing required", the **No. 5 Energy Saving Shirt** label therefore represents the smooth pressed look of fabric and seams, of which Arrow was the first brand to have been certified by EGAT with the label.

Human Resource Development Policy

The Board of Directors recognizes the importance of employees as a valuable asset and believe that our human resources are the heart of successful corporate management. The Company, therefore, attaches importance to recruitment, compensation, welfare, rights and privileges as well as continuous development for employees. As such, the Company has formulated policies and procedures pertaining to development of employees' knowledge and potential on the basis of equality, transparency, fairness, protection of human rights and promotion of team building values in order to enhance unity and create a lasting bond between the employees and the organization in the long run. Activities and projects have been initiated in relation to transforming the organization into an innovative organization, as well as

empowering employees to search for factual information on the Company from the Intranet system so that employees may have shared understanding, values and ethics, rendering unity and care in the use of electronic devices, enabling them to apply communications technology in driving business operations to successfully achieve set targets.

In addition to professional development, the Company also attaches importance to taking care of all employees in terms of fair treatment, hence our staff remuneration policy, formulated as part of the strategy to retain employees who are knowledgeable and capable whereby senior management at Vice President level who head all the corporate divisions review and consider staff remuneration in terms of salary, commission, transport allowance, allowance, overtime, target bonus and bonus, including short-term and long-term compensation in the form of retirement bonus and provident fund.

Moreover, the Company also has a provident fund for employees, welfare loans, a savings cooperative to promote savings among employees and to provide financial assistance among members, annual health checks, medical personnel stationed at the nursing room as well as a healthy and comfortable workplace conducive to work. In 2018, the Company paid remuneration to its employees in the form of monthly salary, commissions, transport allowance, allowance, overtime, incentive bonus, and bonus, including short-term and long-term remuneration in the form of retirement package and provident fund.

The Company is also concerned about safety of life, health and assets of its employees, and has in place appropriate policy and practice guidelines related to safety, hygiene and work environment. For more details please see the Company's Sustainability Report Year 2018.

In 2018, there is no report of any accident resulting in employee losing work time.

Anti-Corruption Policy and Guidelines

'Honesty' is one of the Company's 7 Principles of Thought leading to Success. Realizing the importance of internal organization management and business operation renders a firm commitment to transparency and integrity. The Company has therefore defined its anti-corruption policy and code of conduct, which were approved by the Board of Directors on 31 March 2015 and 15 March 2016 respectively, and serve as the practical guidelines for company directors, executives and employees at all levels. The Company has communicated its anti-corruption policy and guidelines for the best interest of corporate business to company directors, executives, senior management and managers at all levels, as well as being included in staff orientation for new employees, in engagement with our trading partners and suppliers. The policy and guidelines have been published in print version for distribution to Board members and directors, executives, trading partners and suppliers and posted on the company website.

Furthermore, the Company has also started publicizing a 'no gift' policy to employees, trading partners, suppliers and external business contacts urging them to refrain from giving gifts to company directors, executives or employees on every occasion. This policy has been communicated through various channels including posting announcements, sending out letters and emails, as well as on the company website.

The Company has also prescribed a transparent and fair procurement process which stipulates procurement proposal procedures and guidelines for transparent business operation for our trading partners. A central price list for materials and equipment as well as a comparison purchase price list, construction tenders, or store finishings in normal cases and in urgent cases is compiled for reference. Corporate management and employees are required to strictly adhere to this system. Any deliberate non-compliance with corrupt intent is regarded by the Company as serious misconduct.

In 2018, the Company organized the "Developer's Day" with the objective to allow new trade partners interested in joint investment to come in and present their products. In addition, plans are underway to award prizes to outstanding trading partners who conduct their business transparently and implement the good governance guidelines as prescribed by the Company, as well as being an acknowledgement of doing transparent business with the Company.

The Company's anti-corruption policy and guidelines are widely available both internally and externally via announcement boards, intranet system, e-Learning, arranging of such activities as "This is the one...ICC click LIKE" every month to celebrate people who do good deeds or demonstrate honesty, holding 'Anti-corruption Policy' training and test for employees via the internal e-Learning system, as well as publishing the policy on the company website (<http://www.icc.co.th>).

Moreover, the Company has developed the Complaints and Corruption Reporting System to receive any information about suspected fraud and corruption through email: iccauditcommittee@icc.co.th and P.O. Box 22, Yannawa, Bangkok 10120.

In 2018, there were no complaints or petitions from stakeholders.

4. Information Disclosure and Transparency

1. The Board of Directors oversees disclosure of significant information to ensure accuracy, transparency and timeliness as well as compliance with the relevant laws and regulations. These disclosures include reports filed in accordance with accounting periods and reports of events having an impact on shareowners' interests, as well as disclosure of other information pursuant to the principles of good corporate governance prescribed by the Stock Exchange of Thailand. Disclosure is made to the extent that the Company's legitimate interests are not prejudiced. Information is published in both Thai and English on the Company's website, disclosure channels of the Stock Exchange of Thailand and other channels which are comprehensive and equitably accessible.

The Board of Directors has established both English and Thai language websites which are easily and conveniently accessible in order to present and publicize up-to-date corporate information. The website is a communication channel between shareowners and investors in addition to being a marketing tool.

2. The Board of Directors is aware of the importance of preparing accurate and reliable financial statements in keeping with the most accredited accounting standard, recording accounting information carefully using discretion in estimation of the financial statements which reflect the actual performance of the Company and emphasizing the quality of the financial statements through a process of review and cross-checking by qualified and independent auditors approved by the Audit Committee and the Board of Directors. Significant additional information is adequately disclosed in the accompanying notes to the financial statements, together with explanations and analysis for the benefit of shareowners and public investors.

The company auditor is a person with knowledge and expertise, being independent and approved by the SEC. In addition, the Auditor must not be related in anyway to or have any interest in the Company/ subsidiary/ associated companies or with any executive/ major shareowner or related person of those. Thus, the auditor is independent in conducting audits and providing opinions on the Company's financial statements.

3. The Board of Directors assigns a work unit or a person responsible for investor relations to communicate with external parties with equality and fairness.

Corporate Governance Policy and Principles on 'Information Disclosure and Transparency'

The Board of Directors, recognizing the importance of the quality of information, as well as equitable disclosure of information with transparency and fairness, provides oversight to ensure the disclosure of important corporate information related to the Company, both financial and non-financial information, or information that may affect the Company's securities price to enable shareowners and interested persons to have access to significant corporate information which is accurate, transparent, equitable and timely.

The Company discloses the information through diverse channels that are easy to access, through SET channel and company website in Thai and English versions to ensure confidence among all stakeholders. Our principles are as follows.

1. Disclose the important information whether financial or non-financial.

The Company discloses the important information whether it is financial or non-financial according to the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission (SEC) . The Company submits financial and non-financial information to the Stock Exchange of Thailand and the SEC within the designated time and discloses information accurately, completely, timely and transparently both in Thai and English versions via channels of the SET and the Company's website (<http://www.icc.co.th>)

- Information disclosed in the Annual Information Report (Form 56-1) and in the Annual Report of the Company

The Company has been provided clearly and completely according to all regulations of the SEC, the SET and the 2012 good corporate governance principles so as benefit shareowners in their consideration. More information on each item is listed in form 56-1 and the Company's annual report as well as being publicized on the company website (<http://www.icc.co.th>)

- Annual financial statement and quarterly financial statement

The Company's annual financial statement and quarterly financial statements are prepared and approved by the Auditor, Audit Committee. The Board of Directors discloses such information to shareowners or investors prior the due time, so as to be a supporting factor for investors in making their decision.

- Report of quarterly operation results

The corporate operation result is reported on quarterly basis in case the net profit as shown in the latest financial statement exceeds 20% compared to the same period of the previous year. The explanation and analysis of the quarterly report is disclosed via SET disclosure channel and company website.

During the past year, the Company was not cited for any violation of the information disclosure regulations as prescribed by the SEC and SET.

In 2018, the Company's financial statements have been certified with unequivocal opinion by the Company's Certified Auditor and submitted to the SEC and the Stock Exchange of Thailand on time with no correction requirement.

2. The Board of Directors is aware of its responsibility for the accuracy and reliability of the financial statements which enable investors or shareowners to make informed decisions. Hence the Company has prepared a Report on the Board of Directors' Responsibilities for the Financial Statements as shown in page 133 of this Annual Report.

3. The Company has disclosed the corporate governance policies, the 5 categories of corporate governance principles, business ethics and code of conduct for company directors, executives and employees in writing and publicized through the company website.

In 2018, results of the implementation of the corporate governance policy were reported to be in conformity with the 2012 good corporate governance principles set by the Stock Exchange of Thailand, and publicized in the Company's Annual Report, the annual information report form (Form 56-1), and the company website.

4. The Board of Directors has set social and environmental policies, and promoted their continual and consistent implementation as shown in the Sustainability Report of 2018.

5. Regarding disclosure of related transactions, the Company follows the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand by disclosing the name of persons responsible for the transaction, relationship, transaction type, pricing policy, transaction value, including setting clear and fair guidelines for execution of the transaction at market price for normal business in order to prevent conflicts of interest reasonably so as to maximize the benefits to the Company and shareowners. For more information on the related transactions, see page 126-132 of this annual report.

6. Important related transactions must be considered and approved by the Board of Directors.

The Company set its Related Transaction Policy to be aligned with notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand. Any related transaction must be proposed to the Audit Committee for consideration, prior to submission to the Executive Committee and the Board of Directors. If such transaction is required to be disclosed pursuant to regulations of Stock Exchange of Thailand, the Company shall fully comply to such regulation.

7. The Company has measures in place to safeguard internal information usage together with a policy requiring company directors and executives, as well as their spouse and minor children to report their trading and holding of company securities, and to report any changes thereof to the Board of Directors meeting. Measures to control usage of internal information are described on page 116-117 of this annual report. The measures and practical guidelines are as follows;

- Report when assuming the directorship or executive position for the first time
- Report upon changes of interest.
- Report at the end of every year.
- Directors and executives are required to submit the Report of Interest to the Company Secretary within one month after being elected/appointed and upon any change thereof.
- The Company Secretary will submit the Report of Interest to the Chairman of the Board and Audit Committee within 7 days from the date of receipt such report.

In 2018 the Company did not receive any warning letter regarding non-compliance from the Office of Securities and Exchange Commission (SEC).

8. Long-term objective/target of the Company

The Company strives to be the leading company in the Fashion & Lifestyle business in Thailand and in the Southeast Asian region, driven by innovation and creativity, with a policy to create new brands and have diverse brands to rapidly meet all the needs of customers, and expand sales in online business and Speciality Shops operated and managed by the Company in response to the current market situation and changing consumer behavior trends among the younger generation. At the same time, the Company is committed to its focus on product development to attract more diverse customer groups, thereby preparing a business plan covering 2019-2021 with financial and corporate growth targets, including targets to enhance its potential to attain highest profitability for the Company, details of which are under Policy and Business Overview on page 34-36 of this annual report.

9. Meetings and communication between the Board of Directors, executives, senior management and vice presidents who head all the divisions are held regularly. The Company holds a meeting of senior management and all division heads on a monthly basis in order to acknowledge business targets and strategies which are compulsory to be communicated to all personnel to ensure their understanding and implementation in the same direction as well as to be a practical guideline in performing their duties and responsibilities to achieve the corporate goals.

10. Regarding investor relations, the Company has appointed the Office of the Secretary to the Board of Directors to be responsible for this matter, particularly to provide data and information to investors and concerned parties upon request. Contact address is as follows:

Mrs. Duangrudee Milintanggul
The Company's Secretary
Tel. 0-2295-0688 Fax. 0-2294-1155
E-mail : duangm@icc.co.th

Or Mrs. Thanyaluck Watanakularoj
Office of the Secretary to the Board of Directors
Tel. 0-2295-0688 Fax. 0-2294-1155
E-mail : iccset@icc.co.th

The Company also publicized the name of persons as well as convenient communications channel via the Investor Relations Information in the company's website (<http://www.icc.co.th>)

Moreover, the meeting with securities analysts is held annually within the Company's compound to provide them the opportunity for any inquiries. This meeting is also attended by the Company's Executive Board for the purpose of providing further clarification.

In 2018, the Company and other companies of the Saha Group jointly cooperated with the Stock Exchange of Thailand (SET) to organize the "Investors and Analysts Meeting with Saha Group", for the tenth consecutive year at the 22nd Saha Group Fair at Bangkok International Trade and Exhibition Centre (BITEC), Bang Na. At this event the President and Vice Executive Chairman welcomed the group of investors, analysts, press, and provided them with information on corporate business and operating results. ICC also provided a summary report on its company profile and operating results to all investors, analysts, press and their positive responses were publicized via the SET channel of communications and the Company's website (<http://www.icc.co.th>).

Moreover, in the past year the Company also provided information and responses to questions to shareowners, investors and other related parties via email and telephone.

11. The Company recognizes the importance of transparency in the equitable and comprehensive disclosure of information, which are easily accessible. The Company disseminates news and information to investors and parties concerned for acknowledgement via various channels including the Stock Exchange of Thailand and the Company's website (<http://www.icc.co.th>). Equity in various companies and press releases in relation to the Company's financial status are also reported on the company website.

12. Apart from disclosure of the financial statements and other information as strictly required by the SEC and the Stock Exchange of Thailand through various channels in a complete and timely manner, the Company also discloses the following, including continuously updated information, in the Company's Annual Report, Form 56-1, and the company website :

1. Name list of the directors, independent directors and sub-committees including profiles, roles and responsibilities thereof, including their record of attendance at meetings as stated on page 8-17 and page 78-79 respectively of this annual report. The information relating to the Board of Directors and Executive Committee has been publicized on the company's website (<http://www.icc.co.th>).
2. Remuneration payment policy for the directors and executives including the type, characteristic and the amount of remuneration paid to each details of which are disclosed on page 74-75 of this annual report.
3. The share-owning of directors and executives including spouses and minor children are disclosed on page 77 of this annual report and through the company website.
4. The share-owning structure: the Company discloses the top ten shareowners as at the closing date for the Share Register Book for the AGM as shown on page 61 of this annual report and through the company's website.

5. The corporate management structure has been disclosed on page 70 of this annual report. Moreover, the Company also discloses the structure of the business group according to equity on page 50-55, together with the structure of its share-owning on page 37-38 of this annual report. This information is also published on the company website.
6. Disclosure of business policy and performance overview on page 34-38 of this annual report.
7. The information on nature of the Company's business together with industry and competitiveness analysis, competitive status and potential of the Company and market share has been clearly disclosed in the Nature of Business on page 39-45 of this annual report.
8. Information on non-financial performance of the Company, measured by customer satisfaction with product and service standards, see the Sustainability Report of 2018.
9. The Company's operational risks, their nature, cause and impacts as well as prevention and mitigation have been disclosed on page 46-48 of this annual report and on the company website.
10. Internal control and internal audit systems, assessment results of the internal control system in five major areas based on the Securities and Exchange Commission requirements appear under Internal Control and Risk Management on page 123-125 and the Audit Committee Report on page 121 of this annual report and on the company website.
11. The company reports its Financial Statements on a quarterly basis in both Thai and English versions, also published on the company website which is available for public download as well.
12. Annual Reports for the last 10 years, Form 56-1, Invitation letter to the AGM in both Thai and English versions are publicized on the company's website, and also available for public download.
13. The general public have the opportunity to pose questions to the Company via the Office of the Secretary to the Board of Directors and the Company's Secretary who are responsible for investor relations for the Company. This Q&A is publicized on the company website.
14. Information on attendance of training courses of directors and executives is disclosed on page 104-105 of this Annual Report.
15. Qualifications and experience of the Company's Secretary is also disclosed and disseminated on the Company's website.
16. The Company's Articles of Association, Vision and Mission are publicized on the company website.
17. Charters, duties, responsibilities, qualifications and directorship terms of the Board of Directors and all Committees and their members are publicized on the company website.
18. Disclose the Whistle Blowing policy and publish on the Company website.
19. Disclose Corporate Governance Policy and Principles in 5 Sections, Business Code of Conduct, Code of Conduct for the Board of Directors, Executives and Employees on the company website.
20. Disclose the revised version of the Good Corporate Governance Policy, the 8 Good Corporate Governance Principles, Business Ethics, and the Code of Conduct for Directors, Executive Officers and Employees based on the 2017 CG Code for public listed companies on the company website.
21. Disclose the Anti-Corruption Policy and Procedures on the company website.
22. Disclose information about investor relations.
23. Prepare and disseminate the newsletter that presents the Company's operation result and post this on the company website.
24. Disclose Company's information and press releases through the company website.

5. Board of Directors' responsibilities

The Company's Board of Directors has an important role in determining the direction of the Company's business operation, and monitoring the management team as well as setting up corporate governance policy, the principles of corporate governance, business ethics and code of conduct for company directors, executives and employees. Such codes of conduct are published and distributed to company directors, executives and employees. The Board also has responsibility of implementing good corporate governance to ensure the best interest of the Company and shareholders, including supervising that corporate activities are undertaken appropriately and legally.

The Board of Directors has clearly stipulated the duties and responsibilities of all committees with the Executive Chairman as the Head of Management, who is appointed by the Board of Directors, to be responsible for overseeing business operations and ensure that corporate performance achieves its objectives, targets and is in line with the policies set by the Board of Directors.

In the past year, there was no record stating that the Company has :

- committed any gross regulatory violation;
- committed any fraudulent and unethical misconduct;
- any case that a non-executive director resigned due to corporate governance issues;
- any case bearing negative impact on reputation due to failure in the discharge of duties as the Board of Directors.

1. Board of Directors' Structure

1.1 Board of Directors Composition

The Board of Directors comprises	12	members as follows :
- Non-executive Directors	8	persons (5 Independent Directors)
- Executive Directors	4	persons

The Board of Directors has prescribed its structure as comprising persons having a diverse range of knowledge (Board Diversity), capabilities and experiences, whether in management, marketing, law and/or finance, without limitation to gender, and having the qualifications required by law. Two such Directors are Non-Executive Directors who have experience in the Company's business. There are also Independent Directors as required under the Notification of the Office of the Securities and Exchange Commission. For the Board of Directors' structure and checks and balance of Independent Directors see page 71-72 of this annual report.

1.2 Qualifications of Independent Directors

The Board of Directors consists of 5 of Independent Directors, all of whom are fully qualified to hold the position of Independent Directors under the Company's Articles and Association, equivalent to 41.67% of the total number of members of Board of Directors, which is higher than the minimum requirement of Capital Market Supervisory Board which specifies the proportion at 1:3 or 33.33% of total number of members of Board of Directors. Moreover, one Independent Director on the Board of Directors is a woman. There are no independent directors who hold the position of director in more than 5 registered companies.

The Board of Directors' definition of an Independent Director is stricter than the minimum requirements of the Office of the Securities and Exchange Commission. All Independent Directors of the Company and their related persons do not hold shares of the Company, as well as subsidiary and associated companies, as well as not being related to substantial shareholders or authorized persons of the Company. Definition of Independent Director is stated in the Form 56-1, an attachment to the invitation letter for the 54th Annual General Meeting of 2019 and is publicized on the company's website (<http://www.icc.co.th>).

1.3 Selection Process of Directors

The Board of Directors appoints the Nomination Committee to recruit and scrutinize qualified candidates through a clear and transparent selection process. The Nomination Committee is responsible for vetting candidates, with diverse knowledge and capabilities, by adopting the Board Skill Matrix as the criteria in considering the qualifications of the director to be selected, taking into consideration required skillset currently lacking in the Board of Directors and correlation with set business strategies, and giving due attention to knowledge and expertise, ability, and appropriate experiences of the individual candidates. The nomination list is then submitted to the Board of Directors' for consideration.

1.4 Term of the Independent Director

The Company's Board of Directors is elected by shareowners at the Annual General Meeting with the tenure specified in the Articles of Association of the Company. Upon completion of the term, a Director may be reappointed. The Company does not restrict the period of holding Independent Director's position even though there are 2 Independent Directors who have been on the Board of Directors for over 9 years. These long-serving Independent Directors are fully qualified according to the Company's articles of association and have the knowledge, expertise and experience desired by the Company, as well as being fully effective because each performs the duties and responsibilities of an Independent Director with independence from corporate management and major shareowners, no conflict of interest which might interfere with Company's interest and decision-making based on the highest benefit of the Company.

1.5 Directors' Positions in Other Companies

The Board of Directors does not restrict the holding the Director's position in other companies to not more than 5 companies, because the Board believes that business acumen and professional experiences are not subject to the number positions if all such Directors have the ability and intention of duly performing their duties and responsibilities as Company Directors entrusted by the Board of Directors and shareowners. The Company currently has 1 Director holding positions in more than 5 registered companies but remains confident that this does not pose any negative impact as this Director is fully effective and responsible in discharging the duties of Company Director, always attending meetings of the Board of Directors and making positive contributions for the benefit of the Company.

The Company has disclosed director's name list together with their profiles, experiences, portion of shareholding in the Company, and details of the positions and title held by each Director in other company / companies on page 8-17 of this annual report.

1.6 Holding the title of director in other companies by the Company's Directors, Managing Director and Executive Directors

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

Implementation of such policy and established practice to allow the Company directors and the executives to hold titles in

other companies, is that the Saha Group of companies by a top management team would consider whether it is necessary to assign any director or executive from which company in the Group to be its representative as a joint-venture partner or in accordance with a joint-venture agreement depending on the type of business and the individual's knowledge, capabilities and expertise in such business.

In addition, the Board of Directors prescribes a policy allowing the Executive Chairman to hold directorship in subsidiary and associated companies in order to ensure flexibility and consistency in management.

1.7 Consolidation or Segregation of Office

Due to the difference in the duties and responsibilities between the Chairman and the Board of Directors and top corporate management, the Company determined that the Chairman must not be the same person as the President of the Company, in order to clearly separate the monitoring of corporate governance from the executive management duties, rendering checks and balance in business operation. Furthermore, the Board of Directors determined the written scope of duties and responsibilities of the Board of Directors and sub-committees, Chairman of the Board of Directors and President of the Company for further accountability and transparency of business management, and disclosed on the Company's website.

The Chairman of the Board of Directors is not an Independent Director, however, it is firmly believed that he has always performed his duties with an understanding of good corporate governance principles and performs the role with independence, allowing all Directors the opportunity to express opinions and provide suggestions for the best interest of the Company. Consideration and decision on any important matter requires the prior approval of relevant committee(s) to ensure checks and balance and appropriate due process, a prerequisite which is strictly supported and implemented.

1.8 Company's Secretary

The Company has appointed Mrs. Duangrudee Milintanggul, who is fully qualified and appropriately experienced to be the Company's Secretary. Mrs. Duangrudee has completed full training on the responsibilities of Company Secretary and has been continuously acquiring development and knowledge through various trainings. She is thus qualified as Company Secretary to ensure the effectiveness of company operations according to the good governance policy and principles. Duties and responsibilities of the Company Secretary can be found on page 72-73 of this annual report.

2. Sub Committees

The Board of Directors has appointed a number of other sub committees whose members are appropriately qualified in the specific areas of responsibility to be in charge and report to the Board at all times. At present, the Sub-committees consist of the Executive Committee, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Risk Management Committee and the Corporate Governance Committee, with separate and independent scope of duties and responsibilities in order to enhance good corporate governance, details of which are on page 107-115 of this annual report.

The Board of Directors has issued a charter for each of the Sub-committees to prescribe the tenure and scope of their respective powers and duties to clearly define their roles and responsibilities which are differentiated from the Board of Directors, the Chairman and corporate management. These are disclosed on the company website.

The structure of the Sub-committees and the meeting attendance of each can be found on page 78-79 of this annual report.

The Nomination and Remuneration Committees do not comprise Independent Directors as members, but all of the committee members possess knowledge, capabilities and experience in the discharge of their duties for many years. They have performed their duties with responsibility and loyalty. Nor did they cast votes in the agenda items, in which they may possess vested interests.

3. Roles, Duties, and Responsibilities of the Board of Directors

3.1 Leadership and Vision

The Board of Directors comprises individuals who have knowledge, expertise and experience beneficial to the Company, as well as having leadership, independence and discretion in decision making, and qualities which enable them to ensure good corporate governance in accordance with the set objectives and targets for the highest benefit to the Company and shareowners.

The Board of Directors plays a crucial role in defining corporate vision and mission, as well as setting business targets and annual budgets to achieve the highest value increase for the business and security for shareowners. The Board also considers and approves important corporate policies and strategies especially financial targets and business plans which are part of the Key Performance Indicators (KPI). Targets and KPIs are established and approved at the beginning of each year and monitored regularly.

Corporate vision and mission are reviewed at least once a year. In the latest review of 2019, the Board of Directors on 22 February 2019 considered and approved the corporate vision, mission and strategies for business operations in the next 3 years from 2019 to 2021 in order to ensure that corporate vision and mission is still be well suited to the Company's business operation and aligned with the present economic situation. Business Policy can be found on page 34-36 of this annual report.

Moreover, the Board of Directors also monitors the operation results of management and presides over the application of corporate strategies. Corporate management reports operational plans and formulation of strategic plans to the Executive Committee and the Board of Directors for acknowledgment on a monthly basis as a compulsory agenda of the respective meetings (of the Executive Committee and the Board) in reviewing the Company's performance each month. The strategic plans are reviewed on a quarterly basis and the Executive Committee and the Board of Directors would give their views and suggestions to corporate management for further development and improvement.

3.2 Good Corporate Governance

The Board of Directors realizes the importance of good corporate governance, along with business ethics and a Code of Conduct for Company Directors, Executives and Employees in written as well as handbook forms, in 3 languages namely Thai, English and Japanese. Evaluation of implementation results and review are conducted on an annual basis at least once a year. The manuals are distributed to the Company directors, members of each sub-committee, executives, and employees at all levels as the same guidelines for working operation. It is publicized via the Company's intranet system and on the company website, and includes an animation video to promote a better understanding of good corporate governance among corporate management and employees. For new employees, business ethics and morality are included as topics in their orientation.

The Board of Directors also follows up the implementation of its corporate governance principles in order to promote good management systems which are transparent and effective in business operations. Those who do not adhere to such policy and principles may face disciplinary action as appropriate and may also face legal action in cases where any laws are violated. In cases where an employee is doubtful or unable to follow an instruction or make a decision, he/she may raise the issue with the supervisor up the chain of command. Should there be any dispute, a directive by the President, Executive Committee and the Board of Directors should prevail as a final judgment.

The Board of Directors has established the Corporate Governance Committee in order to monitor and assess corporate governance of the Company, to support the work of the Executive Committee and the Board of Directors in corporate governance so as to achieve success as set in the objectives and targets.

3.3 Conflict of Interests

The Board of Directors has judiciously considered the issue of conflict of interests and has defined a clear related policy and guidelines as part of the Policy on Good Corporate Governance and Business Ethics in order to eliminate conflict of interest. Such policy includes clear guidelines and procedures, formulated with care and reason for the best interest of the Company and shareowners and in compliance with the regulatory requirements of the SEC and the Stock Exchange of Thailand, of which details are published on the company website.

In 2018 had no related transaction which required approval of shareowners and had disclosed transactions which may have possible conflicts of interest in Related Transactions on page 126-132 of this annual report.

The Board of Directors has set a policy to prohibit Company Directors and executives from trading company securities during the one-month period prior to, and within 24 hours following the public disclosure of the Company's financial statements.

The Board of Directors has directed Company Directors and Executives as well as their spouses and minor children to have the duty to disclose shareholding and changes in shareholding of the Company shares to the Office of the Securities and Exchange Commission, and to submit a copy to the Company Secretary for reporting to the Board of Directors in the subsequent Board Meeting.

In addition, it is prescribed that Company Directors and senior Executives must disclose trading of company securities to the Chairman of the Board of Directors at least 1 day in advance of trading.

The Board of Directors has directed Company Directors and Executives to disclose their personal stakes, as well as those of persons related to them in accordance with the prescribed criteria.

More information as stated in Control of Internal Information Usage on page 116-117 of this annual report.

3.4 Internal Control and Internal Audit

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

The Board of Directors recognizes the significance of company's internal control systems in monitoring its operation, finance and corporate governance. The company's internal auditing unit checks, evaluates and follows up on those systems which also include the computer system, providing consultation to ensure efficiency and independence in their full capacity as auditors. Details are presented in Internal Audit and Risk Management on page 123-125 of this annual report.

The company has established an Internal Audit Unit, reporting directly to the Audit Committee, and is supervised by the Secretary of the Audit Committee. The Company has hired Dharmniti Internal Audit Co., Ltd., as an advisor on quality of internal audit work and internal control systems by working closely with the Secretary of the Audit Committee, and then reporting the findings to the Audit Committee continuously on a monthly basis. In the Board of Directors' Meeting No.10/2561, which was held on 22nd February 2019 and attended by all members of the Audit Committee, it was assessed that the internal control and risk management systems of the Company are appropriate and sufficient.

In 2018, the Audit Committee appointed Ms. Somcharee Kawkomdee, a Director of Dharmniti Internal Audit Co., Ltd. as the Company's internal auditor. Her resume and qualifications can be found on page 123 of this annual report.

3.5 Risk Management

The Board of Directors prioritized risk management which might impact on business targets, and established a systematic risk management process which is aligned with the Company's policy.

Board of Director appointed The Risk Management Committee, with members comprising of Mr. Amorn Asvanunt as a Chairman, and Mr. Thamarat Chokwatana, Ms. Munchusa Terapongpipat, Mrs. Pitacha Poothornsri, Mr. Pranot Vesaruchavit, Ms. Yauwaluk Namakorn as members, and Mrs. Duangrudee Milintanggul as member and Secretary. The Management Committee monitors risk management to ensure that it is effective and aligned with the necessary standard, provides risk assessment, follow-up plan and provide a report on the Company's risk management in 2018 to Audit Committee for further acknowledgement.

In 2018, the Finance and Accounting Division and the Information Technology Division proceeded to introduce modifications to the ERP : Enterprise Resource Planning system, and collaborated with the Corporate System Development unit and an assigned Working Committee to implement a new and improved work process in all the Company's database systems to create value-added applications in using the new ERP system as well as initiating a paperless system, rendering more efficient and effective usage under corporate risk assessment encompassing strategic and operational risks, as well as risks from fraud and corruption aligned with the Company's anti-corruption policy in order to enhance the company's preparedness in the face of changing internal and external situations and to bolster sustainable growth of its business.

4. Board of Directors' Meetings

The meeting schedule is pre-planned to be held on a monthly basis throughout the year. Invitation letter, meeting agenda, minutes of the previous meeting with annexes are sent by the Company's secretariat to all directors at least seven days before the meeting for acknowledgement and prior consideration as legally stipulated. The Chairman of the Board of Directors and the President jointly consult to consider matters which should be included on the meeting agenda. In addition, members of the Board of Directors may raise any issue as additional agenda by submitting their proposal to the Company's Secretary, and have it discussed and debated openly. All Company Directors are entitled to pose questions and seek additional information from the Chairman of the Board of Directors, President or the Company's Secretary on any matter. The Company's Secretary is responsible for preparing the minutes of meeting and keeping a record of the minutes of previous meetings which had been certified by the Board for any further review and/or audit by the Board and any relevant parties.

The Board of Directors attaches importance to attendance at meetings and considers it a duty for Board members to attend every meeting except in cases of unforeseen/uncontrollable necessity, incident or illness, and encourage the top corporate management to attend the meeting at least once a year in order to propose business targets and annual business plans so that they are aware and acknowledge what transpires in the meetings, participate in policy formulation and decision-making on the Company's business direction. In addition, the Chief Financial Officer attends every meeting of the Board of Directors.

In considering any agenda, the Chairman of the Board as the Chairman of the meeting, gives an opportunity to all directors and executives to freely express their opinions and comments. Directors with possible conflicts of interest are not eligible to vote on the agenda related to his or her interest. Furthermore, on any agenda related to any senior executive of the Company, the Board gives such senior executive an opportunity to attend the meeting to clarify relevant information as the person directly concerned in the matter.

To pass a resolution on each agenda item by the Board of Directors, requires that there should be no less than two-thirds of the directors present at the Meeting.

When the meeting is adjourned, the Company's Secretary shall prepare the minutes of the meeting to be subsequently approved, certified and signed by the Chairman, before being submitted and placed as the first agenda of the next meeting for approval by the Board. However, any member of the Board can express their opinions or request amendments to the minutes in order to ensure utmost clarity and accuracy.

The certified minutes of meeting shall be systematically filed at the Company's Head office in the form of original and electronic documents with annexes of each agenda for easy reference and detection.

The non-executive directors are provided an opportunity by the Board of Directors to regularly hold meetings amongst themselves as deemed necessary. Reports of such meetings shall always be sent to the President and Executive Chairman and to the Board of Directors' meeting for acknowledgement.

The Board of Directors has a policy to encourage Independent Directors to organize a Non-executive Meeting, at least once a year, without participation by the Executive Director and corporate executives, in order to consider and discuss managerial issues, or the issues of their interest. Minutes of every Non-executive Meeting are submitted to the Executive Chairman, and the Board of Directors for attention.

In 2018, independent directors held 1 meeting among themselves without any management participation. Every independent director participated in the Meeting.

In 2018, (according to tenure from April 2017 to April 2018) the Board of Directors held 12 meetings. The attendance of each director as stated in the Chart displaying Directors' and Executives' position, remuneration, shareowning and meeting attendance on page 78-79 of this annual report. Each director had attended more than 80% of all Board meetings.

5. Self Evaluation of the Board of Directors

The Board of Directors determines that Board members perform performance assessment of the entire Board and Sub-committees on an annual basis, where each Director could review and evaluate the overall performance, including problems and obstacles during the past year for further improvement to increase effectiveness.

In 2018, the Board of Directors approved the Individual Company Director Performance Assessment Form as amended from the previous year and proposed by the Corporate Governance Committee.

Criteria : The Assessment covers duties and responsibilities of Directors, self-development of the Company Directors and Committees, independence of opinion, transparency, collaborating with the Management Team and stakeholders, structure and qualifications of the Director, attendance in meetings of the Board of Directors and the Board's and Committees' compliance with good corporate governance principles.

The assessment criteria calculated in percentage score of the total score for each item.

More than	85 percent	=	Excellent
More than	75 percent	=	Very Good
More than	65 percent	=	Good
More than	50 percent	=	Fair
Lower than	50 percent	=	Need Improvement

Process : In 2018, the Company's Secretary sends the overall performance assessment form of Board of Directors, the Individual Company Director Performance Assessment Form and the performance assessment form of Sub-committees to all Directors and committees for evaluation, then collects, verifies and prepares the summary report to the Board of Directors' Meeting for acknowledgement and further discussion on an annual basis.

As for assessment of the CEO, that is the Executive Chairman & CEO, based on monthly operational results, implementation of policy and formulation of strategies, leadership, the company performance in terms of the annual sales turnover and profits, engagement with Company Directors and stakeholders as well as partly from consideration of the Remuneration Committee and partly from consideration of the Board of Directors and the participation in the assessment by all Executive Directors in the performance assessment of CEO under the prepared evaluation form.

Besides, the Board of Directors required each member of the Executive Committee to assess the performance of the Executive Committee as a whole, against the criteria topics, partly in order to set remuneration for members of the Executive Committee with another part resulting from the consideration of the Remuneration Committee.

The average assessment results of the Board of Directors and Sub-committees and CEO are as follows;

1. The average assessment of All the Board of Directors in 2018, the score is 81.93%, Very Good level.
2. The average assessment of the Board of Directors individual in 2018, the score is 84.85%, Very Good level.
3. The average assessment of the Executive Committee in 2018, the score is 77.09%, Very Good level.
4. The average assessment of the Audit Committee in 2018, the score is 85.53%, Excellent level.
5. The average assessment of the Remuneration Committee in 2018, the score is 84.29%, Very Good level.
6. The average assessment of the Nomination Committee in 2018, the score is 75.06%, Very Good level.
7. The average assessment of the Risk Management Committee in 2018, the score is 84.64%, Very Good level.
8. The average assessment of the Corporate Governance Committee in 2018, the score is 90.29%, Very Good level.

9. The average assessment of CEO in Year 2018, the score is 79.66%, Very Good level

6. Remuneration of Board of Directors and Executives

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

The Remuneration Committee is responsible for considering reasonable amount of remuneration of directors. Criteria for consideration are based on the experiences, duties, scope of work, roles, participation, and responsibilities of each individual director and executive. The amount shall be proposed to the Board of Directors for consideration before submission to the Annual General Meeting of shareowners for approval.

At the 53rd AGM of 2018, held on April 23, 2018, a resolution was passed to approve payment of remuneration to the Company's directors of no more than Baht 20 million per annum, and the Remuneration Committee was assigned and authorized by the Board of Directors to allocate this amount.

The Executive Chairman (CEO) remuneration is in accordance with the criteria and policy set by the Remuneration Committee, in the short term such as salary and bonus and in the long term, based on the company operation and performance and the Executive Chairman's (CEO) annual performance evaluation.

In 2017, the Executive Chairman (CEO) remuneration for Year 2018 consists of salary, bonus, pension and attendance fee amounting to a total of 9,060,230 baht.

Remuneration of corporate management is determined in accordance with criteria and policies stipulated by the Remuneration Committee, which correspond to the performance of each executive individually.

Criteria to consider directors' remuneration and amount of remuneration paid to directors and executives in 2018 on page 115-116 of this annual report.

As for the Employee Stock Option Program (ESOP), is not a factor in retaining executives and staff loyalty to the Company, also it is considered as a burden to employees who gain share allocation and must pay tax from shares transfer, since there is no law in Thailand facilitating this policy, the Company then disregards its implementation.

7. Directors and Executives Development

The Board of Directors has a policy of continually promoting and sponsoring the development of knowledge amongst Company Directors, Executives and employees.

All directors and executives are encouraged to develop their knowledge. The Company prioritizes their attendance at seminars which are useful to their performance as Directors. Seminars for training include the Director Accreditation Program (DAP), the Director Certification Program (DCP) and Audit Committee Program (ACP), Understanding the Fundamental of Financial Statements (UFS) and Finance for Non-Finance Directors (FND), as organized by the Thai Institute of Directors Association (IOD). Other seminars will be short seminars being useful for performance by the directors and executives, as well as other courses to be organized by IOD in the future.

In the past year, the Board of Directors had supported the directors and executives attended course organized by Thai Institute of Directors Association as follow:

Director and Executive's Name	Name of Training Course / Seminar
1. Mrs. Duangphorn Sucharittanuwat	- New Era Thai - Chinese Leader Organized by Huachiew Chalermprakiet University
	- IFRS 9 In Brief
	- EY Center for Board Matters Top Priorities in Digitalization : The Next Move Organized by EY Co., Ltd.
	- Major Changes of Financial Reporting TFRS 9,15, and 16
	- Cyber Security-Advances to the more complex level
	- GDPR - What will EU Data Protection Reform mean for Thai Companies
	- TFRS 15 Ready for the Challenges
	- Organized by KPMG Phoonchai Audit Ltd.
	- Insights into Accounting Practices regarding Revenue for NPAsEs, Class 2/2018

Director and Executive's Name	Name of Training Course / Seminar
	- The Principles of Assets Accounting for NPAEs in Summary, Class 1/61
	Organized by the Thailand Federation of Accounting Professions under the Royal Patronage of His Majesty the King
	- Advance management program for CEO & Successor (AMPC) Organized by TedPartner
	- Update of Auditing Standards and New Audit Report Format Mastering Accounting: Employee Benefits for All Businesses and Related Laws
	- Getting to know financial tools: (Draft) TFRS 9
	- Things to know when the standard changes from TFRS for NPAEs to TFRSs and Events after the reporting period
	Organized by the Department of Business Development
	- Director Dinner Talk 1/2018, 2/2018
	- Annual General Meeting 1/2018
	- Member Fee - Annual Fee 1/2018
	Organized by the Thai Institute of Directors
2. Mr. Nattapat Petchratanaporn	- Positive Business Strategist Executive : The Master Class 3
	Organized by the Institute of Strategic and Appreciative Business
	- Sustainable Growth in the Age of Information Based on Understanding of Accounts, Taxes and Duties related to Saha Group Businesses
	Organized by EY Co., Ltd.
3. Mr. Pranot Vesaruchavit	- Positive Business Strategist Executive : The Master Class 2
	Organized by the Institute of Strategic and Appreciative Business
4. Mrs. Kityaporn Chaithavornsathien	- Positive Business Strategist Executive : The Master Class 4
	Organized by the Institute of Strategic and Appreciative Business
5. All Executives	- Business Strategy for Sustainable Growth
	- Strategic Business Goal Plan and Action for 3 years
	By T-Way Co., Ltd.
	- Leadership Lead Team to Growth
	By M.L. Chaivat Jayangura

The Board of Directors and executives of the Company meet on a regular basis to discuss and exchange opinions with the Boards of Directors and top management of other organizations, including attending seminars and taking educational trips with business partners or other organizations, both domestic and international.

8. Orientation of New Directors

The Board of Directors organizes an orientation course for newly-elected directors of the Company, together with a new director's manual, in order to provide key information on the Company, Corporate Governance Policy, Business Ethics, Code of Conduct for Directors, Executives and Employees, Securities and Exchange Act, Public Limited Company Act, and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.

In addition, the Company distributed the Director's Manual to all directors in order that they can study and review the regulatory requirements at all times.

9. Plan for Successors

The Board of Directors has prescribed a succession plan for employees in various positions in view of their advancement to higher positions in their career path by preparing a succession plan for executives as follows :

1. To provide opportunity for middle managers to work closely with senior managers including the Vice President in both direct-functional and cross-functional lines.
2. To define appropriate career paths for potential middle managers.
3. To prepare rotation plan in other functional line for a senior manager, when necessary.
4. To prepare necessary skills and capability for specialized personnel for higher management positions.
5. To map out corporate strategies and strategic directions for cooperation between senior and middle managers.
6. To establish committees to handle several functions, such as marketing, advertising, research, etc., for development of works and potentials in a systematic process.
7. To provide more opportunity to middle managers in management of both direct-functional and cross-functional lines.
8. To hold systematic training courses that fit each area of work, such as inventory control, marketing, as well as product and design management.
9. To organize a training course for senior and middle managers to promote common awareness and understanding of accountability, integrity and corporate image as a whole.
10. To include training courses for managers of each department for development of higher potential, advance planning and systematic thinking.
11. Recruitment of qualified personnel for each operational division, such as DFO.
12. Provide training on systematic planning process for middle managers.
13. Rotate executives in some divisions to enhance efficiency in business administration.
14. Enhance charitable spirit and activities among managers at all levels for promoting happy living in the society.

Good Corporate Governance Policy and Resulting Implementation

The Board of Directors is well aware of its role and responsibilities as Head of the Organization, fully understands the benefits and the implementation of the CG Code for listed companies 2017 in creating sustainable value to business. Therefore, it has attached great importance to building good corporate governance systems and strive to continuously raise its standard of corporate governance in order to ensure transparent, efficient and stable business operation to achieve sustainable growth, as well as increase economic value and long-term prosperity for shareowners, promote fairness for all stakeholders by formulating balanced management policies based on sufficiency economy under the changing economic and social conditions, and aligned to the CG Code for listed companies 2017.

The Company has directed that the Good Corporate Governance Principles shall be reviewed at least once a year and revised in accordance with the CG Code for listed companies 2017 issued by the SEC, and aligned to guidelines of the ASEAN CG Scorecard, Corporate Governance Report (CGR) and the Quality Assessment Program for AGMs as well as the changing environment.

In 2018, the Board of Directors has considered the SEC's newly-revised CG Code for listed companies 2017 and reviewed the Company's Good Corporate Governance Principles accordingly, as well as adapting them as appropriate to corporate business operations. As for components not yet adopted, these will be used as guidelines for further application where appropriate.

Not in practice	Reasons
1. The Board of Directors has specified in the Company's Corporate Governance Policy that persons to be appointed Company Director must not hold director position in more than 5 other registered companies.	The Board of Directors has not specified as policy a limit on the number of listed companies a director may hold the position of director at 5 because the Board believes that business acumen and expertise of each director do not depend on the number of companies he or she serves as a director, as long as he or she has the capability and intention to carry out the duties and responsibilities of a Company Director as entrusted by the Board of Directors and shareowners.

Not in practice	Reasons
2. The Board of Directors has specified as a policy a limitation on the tenure of an Independent Director at not more than 9 years.	The Board of Directors has no policy to limit the tenure of an Independent Directors because such directors continue to carry out their duties and responsibilities with complete independence, with no personal interests which may be in conflict with the interest of the Company, and their decisions are based on the best interest of the Company with complete independence from the management or from major shareowners of the Company.
3. The Chairman of the Nomination Committee and Chairman of the Remuneration Committee are Independent Directors, as are most of the members of such committees.	Although the Chairman of both Committees, the Nomination Committee and Chairman of the Remuneration Committee, are not Independent Directors, similarly with the members of such committees, but all are qualified and have relevant expertise and long experience, as well as having carried out their responsibilities with honesty and integrity, never voting on any agenda which they may have interest.
4. The Chairman of the Board of Directors is an Independent Director.	Although the Chairman of the Board of Directors is not an Independent Director, he has provided supervision of the Company's operation in a fair and transparent manner based on the benefits and interests of the Company, without contributing to the personal interest of any person, as well as supporting and promoting engagement and free expression of views by directors and independent directors.

Sub Committees

Management structure consists of the following:

1. Board of Directors
2. Executive Committee
3. Audit Committee
4. Remuneration Committee
5. Nomination Committee
6. Risk Management Committee
7. Corporate Governance Committee

Name list of each set of directors are shown on page 78-79 of this annual report.

To give confidence to shareowners that the Company's operation is transparent, with due diligence and sufficient s-checks and balance as well as discreet consultations.

The Board of Directors has appointed other sub-committees to be in charge and report to the Board at all times. At present, the Sub-committees comprise the Executive Committee, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Risk Management Committee and the Corporate Governance Committee.

The Structure of the Board and the company's administration provides sufficient checks and balance. The scope of power and responsibilities of each committee are separate and not interdependent to promote corporate governance with the Chairman of each sub-committee providing direction in the discharge of the committee's duties in accordance with corporate policy. The committees are required to report their outcomes and findings to the Board of Directors' meetings.

- **Board of Directors** a group of twelve people, management structure consisted in page 98-100 in this annual report. The meeting schedule for the Executive Board of Directors is set on a monthly basis.

In 2018, (according to the year of service from April 2017 to April 2018) the Board of Directors arranged the meeting on a monthly basis. The attendance of each director is shown in the Chart displaying Directors and Executives' position, shareowning and attendance to the meeting on page 78-79 of this annual report.

- **The Executive Board of Directors** a group of ten people who is assigned and authorized by the Board of Directors, consists of four Directors and six executives. The Executive Board of Directors is responsible for the company administration with designated status as executive company staff or permanent employee. The meeting schedule for the Executive Board of Directors is set on a weekly basis.

In 2018, (according to the year of service from April 2017 to April 2018) the Executive Board of Directors arranged the meeting on a weekly basis. The attendance of each director is shown in the Chart displaying Directors and Executives' position, shareowning and attendance to the meeting on page 78-79 of this annual report.

- **The Audit Committee** is a group of four independent directors and two Audit Committee Members (Mr. Amorn Asvanunt and Mrs. Duangphorn Sucharittanuwat) who graduated and expertise in Accounting with two years term of office. The Audit committee has set their meeting at least once per quarter. An extraordinary meeting is available for considering any related transaction or other special issues which must be reported to the Board of Directors as well as a joint meeting with the Company's Auditor and the Chief Financial Officer on a quarterly basis. Member of the Auditor Committee must not own any company shares.

The Company has not set a limitation terms to be as a successor of Audit Committee Member at present, it would depend on consideration of the Nomination Committee together with the Board of Directors based on their past performance in the previous year.

In 2018, (according to the year of service from April 2017 to April 2018) the Audit Committee has arranged twelve meetings. The attendance of each Audit Committee Member is shown in the Chart displaying Directors and Executives' position, shareowning and attendance to the meeting on page 78-79 of this annual report.

- **The Remuneration Committee** consists of three members of the Board of Directors whose term of office is one year. This committee arranges their meeting annually, and an extraordinary one is also available as required.

In 2018, (according to the year of service from April 2017 to April 2018) the Remuneration Committee arranged two meetings. The attendance of the Remuneration Committee is shown on the chart on page 78-79 of this annual report, which also shows his position, shareholding and attendance to the meetings.

- **The Nomination Committee** consists of four members from the Board of Directors and 1 Honorary counselor whose term of office is one year. This committee arranges their meeting on a yearly basis, and an extraordinary one is also available as required.

In 2018, (according to the year of service from April 2017 to April 2018) the Nomination Committee arranged two meetings. The attendance of the Nomination Committee is shown on the Chart displaying Directors and Executives' position, shareowning and attendance to the meeting on page 78-79 of this annual report.

- **The Risk Management Committee** consists of one Audit Committee member, two Directors and four Management staffs with two years term of office. This committee arranges their meeting once per quarter at least, and an extraordinary one is also available as required.

In 2018, (according to the year of service from April 2017 to April 2018), the Risk Management Committee arranged twelve meetings. The attendance of the Risk Management Committee is shown on the Chart displaying Directors and Executives' position, shareowning and attendance to the meeting on page 78-79 of this annual report.

- **The Corporate Governance Committee** consists of one Audit Committee member, one Director and two Management staffs with one year term of office. This committee arranges their meeting twice per year at least, and an extraordinary one is also available as required. Name List of the Corporate Governance Committee is shown on the Chart displaying Directors and Executives' position, shareowning and attendance to the meeting on page 78-79 of this annual report.

In 2018, (according to the year of service from April 2017 to April 2018), the Corporate Governance Committee arranged four meetings. The attendance of the Corporate Governance Committee is shown on the Chart displaying Directors and Executives' position, share-owning and attendance to the meeting on page 78-79 of this annual report.

Term for company directors

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

1. At each annual shareholders' general meeting, one-third of the sitting directors are required to retire from directors, whereas if the number of directors cannot be divided into 3 equal portions, the closet to such number shall apply. Retiring directors are eligible for re-election. At present, The Board of Directors had 12 members, therefore each director shall have a 3-year term.
2. Apart from retiring upon term completion, the company director shall also relieved of his/her position upon resignation or death or having disqualifications as prohibited by laws or the resolution adopted by the shareholders' meeting to remove that person from the position, or court ruling remove that person from the position.

3. In the case where the position of Board member is left vacant due to reasons other than term completion, with such remaining term not less than 2 months, The Board of Directors are required to appoint other persons having full qualifications to succeed in that position. In such case, the newly-appointed Board member may only serve out the term remaining for the person he/she succeeds.
4. The company director resigning from the position before term completion is required to submit his/her resignation letter to the company, with such resignation coming into effect on the date of said submission.
5. The shareholders' meeting may vote for any of director to be out before retiring upon term completion, by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and the total number of shares being not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.

Scope of the Authority and Responsibilities

The Authority and Responsibilities of the Board of Directors

- Operational Authority

1. To consider and appoint the Executive Committee, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Risk Management Committee and determine their authorization.
2. To appoint, remove, and delegate authority to the advisors of the Board of Directors, committees and other parties for further actions.
3. To approve borrowing to more than Baht 50 million and debenture issuance for use as company's working capital.
4. To approve the granting / revoking of more than Baht 50 million loan.
5. To approve purchase / revocation / sales of assets, investment capitals and expenditure for the amount of more than Baht 50 million.
6. To approve collateral granting / revoking and liability granting / revoking of liability to individuals / companies for the amount of more than Baht 50 million.
7. To approve investment policies for investing in other companies for the amount of more than Baht 50 million.
8. To approve the renovation, demolition, retirement of fixed and intangible assets which are no longer in use, defective, lost, destroyed, deteriorated or so outdated as to be useless of which the total book value exceeds Baht 50 million.
9. To approve price adjustment and destruction of raw materials and/or deteriorated or outdated stock rendering reduced book value of the amount exceeding Baht 50 million.
10. To consider entering into transactions with all individuals involved.
11. To file a suit to either Civil or Criminal Court, to submit a request for Juridical Arbitration, to petition to an inquiry official, to charge against an offender of the company for legal proceedings under the Criminal Code, and to conduct sub-delegation of power to any party to act on behalf of the company. The sub-delegation of power shall include the power to revoke the petitions, to compromise on any conflict, and to accept compensation for the company. This includes the appointment of a lawyer to file suit or to attend trials in all courts on behalf of the company until the final court proceedings for any cases relevant to the irregular course of business, and / or vice versa.
12. All power of the Company's Board of Directors relating to acquisition or disposition of assets and entering into connected transactions must be in compliance with the notifications of the Capital Market Supervisory Board.
13. To propose a capital increase / decrease, change in stock value, amendment of the Memorandum of Association, Articles of Association, and / or objectives of the company to the General Shareowners' Meeting.
14. To approve the establishment, merger or liquidation of subsidiary companies.
15. To delegate authority to the Management, executives of the company or other party to act on behalf of the Board.
16. To invite the Management, executives and employees of the company involved in any particular issues to provide some explanation, to give comments, to participate in the Meeting, or to provide any documents as necessary.
17. To seek advice and consultation by experts or advisors of the company (if any), or to commission an external advisor or expert in any necessary cases under expenses of the company.
18. To appoint and remove the Secretary of the company.

- Duties and Responsibilities

1. To carry out corporate operation in accordance with the law and regulations of the Securities and Exchange Commission and of the Stock Exchange of Thailand, with the company's objectives and articles of association, and with the resolutions of the shareowners' meetings.
2. To act responsibly and consistently on behalf of the shareowners.
 - To run the business for the best interest of the shareowners.
 - To disclose an accurate, complete, up-to-standard and reliable information.
 - To report company's operation with correct, complete and up-to-date content.
 - To allocate compensation to shareowners with proper and worthwhile standard.
3. To set up policies and direction for corporate operation, to supervise and control the administration efficiently and effectively in accordance with the set policies so as to optimize economic value to the business and wealth to the shareowners.
4. To control corporate operation consistently, as well as to follow up on related contract obligation and liability.
5. To approve the annual business plan and budget, and to supervise efficient and effective actions by the Management in compliance with the regulatory requirements, policies and plans as specified.
6. To promote the formulation of a corporate governance policy, code of conduct, and code of business conduct in writing, for pursuance by the Board of Directors, executives and employees of the company in any business undertakings; and to supervise subsequent actions closely.
7. To adopt the sufficient and appropriate internal control system for assuring that all transactions have been conducted under legitimate approval authority, to review and prepare the right accounting procedures, as well as any systems to prevent misuse of the company's assets.
8. To adopt a prudent and clear consideration procedure of any transactions likely to create conflicts of interest in order to protect the benefits of the company and shareowners, by disallowing any related parties from participation in the decision-making process in compliance with the regulatory requirements governing related transaction procedures and disclosure of related transactions.
9. To review and approving the financial statements and financial reports as approved or reviewed by auditors, as well as approved by the Audit Committee.
10. To acknowledge administrative reports from the executive committee.
11. To call meetings of shareowners by announcing the date, time, venue of such meetings including the set agenda as well as determination of the dividend rate (if any) and opinions of the Board of Directors regarding matters to be proposed for consideration by the shareowners in a 21-day period before each shareowners' meeting. The company may set the date for suspension of share transfers registration, which shall be announced for acknowledgement by the shareowners at the Head Office and branch offices of the company for not fewer than 14 days before the suspension of transfer registration; or to set a record date (RD) of eligible shareowners' participation and dividend payment of not more than two months in advance before the meeting schedule.
12. To prepare a report on the "Board of Directors' Responsibility for the Financial Reports", for disclosure in the Annual Report of the company (56-2 Reporting Form) and the annual financial report (56-1 Form).
13. To supervise the submission of documents to regulatory agencies to ascertain that there are statements and entries of transaction in accordance with the data as shown in the book of account, registration or other documents of the company.
14. To approve Charters of the Board of Directors and / or other committees.
15. Other businesses as required in the Board of Directors' meeting.

The Authority and Responsibilities of the Company's Executive Board

The Executive Board has been empowered by the Board of Directors to sign on behalf of them for the business operation of the company as follows:

- Operational Authority

1. In accordance with the authority assigned by the Board of Directors
2. To consider and scrutinize the process for entering into all connected transactions with any amounts as well as to summarize and propose the results of the transaction to the Board of Directors for approval.
3. To enforce other operational regulations as appropriate.

- Duties and Responsibilities

1. In accordance with the authority assigned by the Board of Directors.
2. To acknowledge and comply with the company's policies and business operation strategies set by the Board of Directors and / or the Executive Board such as claim, demand, debt repayment or claim on any assets including benefits or rights from any persons, companies, partnerships, government agencies, state enterprises and juristic persons in accordance with company's objectives and regulations. In addition, the Executive Board has been authorized to agree upon any conditions and sign on any contracts as well as other related documents.
3. To be consistently accountable for the Board of Directors and / or the Executive Board.
 - To report on corporate movement and performance continually and promptly.
 - To reveal accurate, complete, up-to-the-standard and reliable information.
4. To supervise, review and approve policies, major strategies, plans and annual budget.
5. To be responsible for preparation of financial statement, financial reports audited by external auditor and proposing it to the Executive Board, the Audit Committee and the Board of Directors for approval, respectively. In addition, the Executive Board has been authorized to sign on the cheque within the limit set by the Board of Directors for deposit and withdrawal.
6. To consider and scrutinize the process of borrowing, repayment and debenture issuance in any amounts for use as working capital of the company as well as concluding the result and propose the transactions to the Board of Directors for approval.
7. To consider and approve the loan granting / revoking within the limit set by the Board of Directors. For the overauthorized limit, it will be considered and proposed its results to the Board of Directors for consideration and approval.
8. To consider and approve the purchase / revocation / sales of assets, investment and expenditures within the limit set by the company's Board of Directors. For the overauthorized limit, it will be considered and proposed its results to the Board of Directors for consideration and approval such as making the contracts relating to rent, sublease of movable and immovable properties, registration of lease assignment and / or sublease and its cancellation of registration with any persons, companies, partnerships, government agencies, state enterprises and juristic persons in accordance with the company's objectives and regulations. Additionally, the Executive Board has been authorized to agree upon any conditions and sign on any contracts as well as other related documents.
9. To consider and scrutinize the process of guaranteeing / revoking, taking liabilities / revoking with any persons / companies under the limit set by the Board of Directors. For the overauthorized limit, it will be considered and proposed its results to the Board of Directors for consideration and approval.
10. To consider and approve the investment policy in any companies within the limit set by the Board of Directors. For the overauthorized limit, it will be considered and proposed its results to the Board of Directors for consideration and approval.
11. To approve the opening and closing of bank accounts.
12. To approve the receiving and revoking of bank loan.
13. To amend the authorization of payment and approval of goods request and borrowing slips.
14. To approve price adjustment and / or destruction of deteriorated and / or outdated inventory.
15. To be responsible for setting up marketing policies.
16. To be responsible for management of sales, outlets, debt undertaking and sale collateral mortgaging.
17. To be responsible for Human Resource Management such as recruitment, termination, punishment, promotion, relocation of employee and to command the employee including making the employment contracts as well as to agree upon any conditions and sign on any contract and documents relating to Human Resource Management with Labour Department, Social Security Office, government agencies and state enterprises in accordance with the company's objectives and regulations.
18. To appoint, recall, transfer, accredit as well as determining remuneration included welfare for executive management.
19. To claim to the inquiry official against the criminal of a company for proceeding with the criminal case, appoint the subagent to handle this process, revoke the claim, make a reconciliation agreement, receive money on behalf of the company and appoint the lawyer to file the statement to every court on behalf of the company until final.
20. To improve the Charter of the Executive Board and present it to the Board of Directors for approvals.
21. To carry out other matters assigned by the Board of Directors.

The Authority and Responsibilities of Company's Audit Committee**- Operational Authority**

1. To coordinate between the auditor, Board of Directors, and internal audit unit for mutual understanding in the same direction.

2. To invite the executives, management, internal audit or employees of the company who involved in any particular issues to provide some explanation, to give comments and to participate in the Meeting, or to provide documents as necessary and to access to information of the company at all levels.

3. To investigate any persons involved in any particular issues within its authority and responsibilities of the audit committee.

4. To seek advice and consultation by experts or advisors of the company (if any), or to commission an external advisor or expert in any necessary cases under expenses of the company.

- Duties and Responsibilities

1. To review and ensure that the Company has accurate and adequate financial reporting by verifying the company's important Accounting Policy including Financial Report disclosure according to the standard.

2. To review and ensure that the Company has suitable and effective internal control system and internal audit system.

3. To verify implementation comply with the Anti-corruption policy.

4. Its responsibilities include considering an independence of the internal audit unit, as well as to approve an appointment and termination of the head of the internal audit unit or other related units responsible for the internal audit.

5. To approve internal audit plan and monitor internal audit unit's performance.

6. To review that the Company comply with laws concerning securities and exchange, regulations of the Stock Exchange of Thailand, and other laws related to the Company's business.

7. To consider, select, nominate or remove independent persons to be the Company's auditor, and propose such person's remuneration fees, as well as to attend a non-management meeting with the auditor at least once a year.

8. To consider that the related transactions or transactions which may have conflicts of interests are complied with the laws and the regulations of the Stock Exchange of Thailand and Capital Market Supervisory Board in order to ensure that they are reasonable and for the best benefit of the Company.

9. To prepare the Audit Committee's Report and have it disclosed in the Company's Annual Report to which it must be signed by the Audit Committee's Chairperson and consisted of at least the following information :

(a) an opinion on the accuracy, completeness and reliability of the Company's financial report.

(b) an opinion on the adequacy of the Company's internal control system.

(c) an opinion on compliance with the laws concerning securities and exchange, the regulations of the Stock Exchange of Thailand, or other laws related to the Company's business.

(d) an opinion on the suitability of the auditor.

(e) an opinion on transactions that may have conflicts of interests.

(f) the number of the Audit Committee meetings, and its attendance record of each committee member.

(g) an opinion or overview comment that the Audit Committee perceived from its performance under the charter.

(h) other transactions that the shareowners and general investors should know under its scope of duties and responsibilities assigned by the Board of Directors.

10. In carrying out the Audit Committee's duties, if it finds or has any suspects that there are transactions or the following actions which may have a considerable impact on the Company's financial status and performance; it should report them to the Board of Directors in order to correct them within a suitable time frame set by the Audit Committee:

(a) transactions causing conflicts of interests.

(b) fraud, corruption or irregularity or having key mistakes in the internal control system.

(c) breach of laws concerning securities and exchange, regulations of the Stock Exchange of Thailand, or other laws related to the Company's business.

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

11. To support and follow up to ensure that the Company has effective risk management system.

12. To ensure that the company management comply with good governance principle.

13. To review improve and correct the Charter of the Audit Committee and present it to the Board of Directors for approvals.

14. To perform self-evaluation at least at once a year.

15. To perform any other matters as assigned by the Board of Directors with the Audit Committee's approval under the Company's Articles of Association and laws.

Reference to the above duties, the Audit Committee is accountable directly to the Board of Directors whereas the Board of Directors remains responsible to third parties for the operations of the Company.

The Authority and Responsibilities of the Remuneration Committee

- Operational Authority

1. To invite the Management or employees of the company involved in any particular issues to provide some explanation, to give comments and to participate in the Meeting, or to provide any documents as necessary.
2. To seek advice and consultation by experts or advisors of the company (if any), or to commission an external advisor or expert in any necessary cases under expenses of the company.

- Duties and Responsibilities

1. To consider and formulate policies and criteria relating to remuneration for the Company's directors and senior executives.
2. To propose policy and criteria for consideration of remuneration payment for the Company's Directors and top management.
3. To evaluate the performance of the Board of Directors on a yearly basis.
4. To determine the limit of remuneration for the Company's Directors (with consideration on its business performance and being compared with the same industry), the amount approved by the general shareowners' meeting, as well as the amount paid in the previous year to be submitted for consideration to the Company's Board of Directors and the general shareowners' meeting.
5. To consider appropriation of remuneration to the Company's Directors and members of other committees (who are not concurrently on the Board of Directors) on individual basis, by taking into account the authority and scope of responsibilities, as well as performance, within the amount approved by the shareowners' meeting.
6. To prepare a Report of the Remuneration Committee for publication in the Company's Annual Report. The Chairman of the Remuneration Committee is required to sign such report.
7. To review, improve and amend the Charter of the Remuneration Committee and present it to the Board of Directors for approval.
8. To conduct self-assessment at least once a year.
9. To carry out other matters assigned by the Board of Directors.

The Authority and Responsibilities of The Nomination Committee

- Operational Authority

1. To invite the Management or employees of the company involved in any particular issues to provide some explanation, to give comments and to participate in the Meeting, or to provide any documents as necessary.
2. To seek advice and consultation by experts or advisors of the company (if any), or to commission an external adviser or expert in any necessary cases under expenses of the company.

- Duties and Responsibilities

1. To consider and define the criteria and procedures relating to the selection of company directors and senior management.
2. To verify the personal record and data of the nominated persons by taking into account of knowledge, abilities, experience, professional expertise, proper qualifications in accordance with the Company's Regulations and related laws.
3. To consider the selection of suitably qualified persons to be appointed company directors for nomination to the meeting of the Board of Directors for consideration and approval, except in cases where a company director completes his term of office, whereby such nomination shall be made to the shareholders' meeting for consideration and approval.
4. To consider the selection of suitably qualified persons to be appointed to senior executive positions for nomination to the meeting of the Board of Directors for consideration and approval.
5. To give comments or recommendations for consideration.
6. To propose the nominated persons to the Board of Directors for consideration.
7. To prepare a Report of the Nomination Committee for publication in the Company's Annual Report. The Chairman of the Nomination Committee is required to sign such report.
8. To review, improve and amend the Charter of the Nomination Committee and present it to the Board of Directors for approval.
9. To conduct self-assessment at least once a year.
10. To carry out other matters assigned by the Board of Directors.

The Authority and Responsibilities of The Risk Management Committee

- Operational Authority

1. To seek advice and consultation by experts or advisors of the company (if any), or to commission an external advisor or expert in any necessary cases under expenses of the company.
2. To appoint a working group, evaluate and follow-up risk factors throughout the company.

- Duties and Responsibilities

1. To determine policies, targets, and to plan and organize the corporate risk management systems clearly and consistently, as well as to ensure that the internal control system is adequate for major risk management; and to report to the Audit Committee.
2. To encourage and stimulate cooperation in company risk management at all levels.
3. To supervise corporate risk management appropriately and effectively, and to give priority to the precautionous signals and all irregularities.
4. To attend to overseeing that the Company and its agencies fully comply with all relevant legal and regulatory requirements governing the conduct of its business operations.
5. To develop corporate risk management systems with efficiency and consistency.
6. To prepare a Report of the Risk Management Committee for publication in the Company's Annual Report. The Chairman of the Risk Management Committee is required to sign such report.
7. To review, improve and amend the Charter of the Risk Management Committee and present it to the Board of Directors for approval.
8. To conduct self assessment at least once a year.
9. To carry out other matters assigned by the Board of Directors.

The Authority and Responsibilities of The Corporate Governance Committee**- Operational Authority**

1. Has the authority to invite related Company management or employees to show their opinion, participate in meetings or submit documents as deemed necessary.
2. Can ask for advice from experts or Company Consultant (if any) or if it is necessary employ consultants or experts from outside and expense will be paid by the Company.
3. Has the authority to appoint Working Committee to implement corporate governance policy throughout the organization.

- Duties and Responsibilities

1. Stipulate, review and improve Corporate Governance policy and guidelines, Business Ethics, Code of Conduct for company's directors, managements and employees, Anti-Corruption Policy and Rules & Regulations to conform with changes in business, related rules, announcements, regulations and law, on a continuous basis.
2. Formulate guidelines and procedures in accordance with the principles of good corporate governance and anti-corruption policies, as well as monitor and provide counsel, advice and evaluation of their implementation in the development of the Company's corporate governance systems.
3. Promote and support Company Directors, management and employees to conform to Good Corporate Governance Guidelines and Anti - Corruption Policy.
4. To attend to overseeing, mentoring and monitoring the implementation of the Company's Corporate Social Responsibility (CSR) programs to ensure their effectiveness for the benefit of the community and the environment.
5. To prepare a Report of the Corporate Governance Committee for publication in the Company's Annual Report. The Chairman of the Corporate Governance Committee is required to sign such report.
6. To review, improve and amend the Charter of the Corporate Governance Committee and present it to the Board of Directors for approval.
7. To conduct self assessment at least once a year.
8. Other operations as assigned by the Board of Directors.

The Authority and Responsibilities of The Chairman of the Board of Directors

The Board of Directors stipulated the roles, duties and responsibilities of the Chairman of the Board of Directors

1. Being as the Chairman of the Board of Directors to oversee the performance by Board of Directors and Subsidiary Boards, in order to achieve the objectives and work plan as required.
2. Call for the Board of Directors' Meeting.
3. Being as the Chairman of the Board of Directors' Meeting and be the arbitrator in case the Chairman of the Board casted his vote and votes of both parties are equal.
4. Chairman of the Stockholders' Meeting and effectively guide the Meeting.
5. Build up good relationship among company shareholders.
6. To carry out other matters assigned by the Board of Directors.

- The Authority and Responsibilities of Management

The Board of Directors has stipulated the role, duties and responsibilities of the Management as follows :

1. To undertake and / or manage daily operations according to policies, target and planning, and corporate rules and regulations.
2. To conduct business management according to the meeting's resolutions of the Executive Board and the Company Board within the approved budget strictly, honestly and judiciously in the best interests of the Company and shareowners.
3. To carry out the operations of the Company according to good governance as stipulated in the guidelines by the Company Board.
4. To report the monthly progress of operations according to resolutions from the meetings and any significant corporate performance to the Company Board.
5. To enhance and develop business management according to code of conduct, rules and regulations, moral and good culture.
6. To carry out other matters assigned by the Board of Directors and the Executive Board.

Nomination and appointment of Board of Directors and Top Management

The Company has a Nomination Committee responsible for selection and vetting qualified candidates proposed for consideration and appointment as Director when a position is vacant.

1. Selection and Vetting Process in the Nomination of Persons for Appointment as a Director or Independent Director

Criteria in Selection of a Director

In consideration of selecting a candidate for appointment to a Company Director, the Company has set the following criteria:

1. The qualifications of the nominated candidate would render diversity in the composition of the Board (Board Diversity) whether in terms of educational qualification, professional skills, specific knowledge and expertise currently lacking and desirable for the benefit of the Company's business and aligned with the corporate business operation strategies. Consideration of candidates is not hampered by discrimination based on gender, age, ethnicity, etc.
2. Possessing leadership, vision, morality and ethics, as well as having transparent work record.
3. Possessing the appropriate qualifications and not having prohibited characteristics according to legal or regulatory provisions and the Company's Articles of Association.
4. In case an incumbent Director is nominated to be reappointed, additional consideration is given to the person's previous performance as a Company Director or a member of a Sub-committee.
5. In the selection of an Independent Director, requirements and qualifications are aligned with the criteria set by the Stock Exchange of Thailand and the SEC.

Procedure in Selection of a Director

1. The Nomination Committee is responsible for selection and vetting qualified candidates for consideration and appointment as Director, then proposes the vetted candidates to the Board of Directors for consideration before proposing the candidates to the AGM, except in cases where the director position is not vacant due to end of tenure. In such case, the Nomination Committee may consider appointing a replacement for such director in the next meeting of the Board of Directors, unless the remaining tenure of such director is less than 2 months according to the Articles of Association, then the person who replaces such director would serve the remainder of his or her predecessor's term.

2. The Nomination Committee conducts an analysis of the candidate's professional skills, experience, knowledge and specialized expertise, as well as whether the candidate's qualifications appropriately meet the needs of the vacant position, by preparing a Board Skill Matrix to be used for consideration of the nomination in accordance with the business strategy of the Company.

Moreover, in selecting a new director, the Nomination Committee must give additional consideration to knowledge, capability and experience which would be useful in performing the duties of a Director, and which are necessary to and currently lacking in the composition of the structure of the Board of Directors.

3. In addition, the Nomination Committee also consider additional persons from the IOD Chartered Director List of the Thai Institute of Directors Association (IOD).

Qualifications of Independent Director

The Company has specified definitions and qualifications for independent directors, which are stricter than minimum requirements of the Securities Exchange Commissions stated in the Form 56-1, attachment of the invitation letter for the 54th general shareowners' meeting 2019 and is publicized on the company's website (<http://www.icc.co.th>).

Right of minor shareowner's in nominating directors

The Company authorizes minor shareowners to propose nominate candidate(s) to be elected as director(s) in advance of the 54th Annual General Meeting 2019 according to the set criteria by publicizing such authorization procedure in its website (<http://www.icc.co.th>).

2. Selection and Recruitment of Top Executives

Top Management Nominations

The Nomination Committee finds and selects company directors by selecting either from internal management personnel or external candidates. They must be well-qualified, have good understandings of the Company's business, able to achieve the targets given by Board of Directors, and possess no prohibited characteristics according to relevant legal and regulatory provisions.

The Board of Directors clearly defines top management's duties and responsibilities. Executive Chairman (CEO) appointed by Board of Directors as management head, is to govern the company's operational administration.

The Company also has a successor policy in case of retirement or emergency termination, with a clear and transparent procedure.

Management Recruitment

The Company considers managerial candidates from within the company by finding person who is well-rounded, skillful and experienced in the related field of work. The Company develops and prepares all staff so that they can become future management. Staff will undergo performance appraisal after which those with outstanding performance will be assigned a higher and more challenging task. The Company is on constant preparation to develop and train replacement staff in case any function becomes vacant. However, in the case that vacant position could not be filled from internal resources, external recruitment will be employed and the qualified candidates will be proposed to the Executive Chairman for approval.

Supervision of the operation of subsidiary and affiliated companies.

The Company has four subsidiary companies to which the Company sends its management to act as directors, and its Executive Chairman as Chairman. The roles and duties are to govern the operation of subsidiary companies, to ensure that any accounting transactions are abided by its parent company which is listed in the Stock Exchange of Thailand.

Additionally, the Company appoints persons-in-charge whose responsibilities are to ensure that its subsidiaries companies follows procedures and disclose important information as practiced by its parent company, for instance, related activities between parent and subsidiary companies, the acquisition and the selling of assets, or other significant activities

The Company has seven affiliated companies. These companies are joint ventured by companies in Saha Group as well as other non-group companies. The Company has no control over the management of the affiliated companies. The management of each company is under the supervision of its board of directors.

In execution to allow the Company directors and the executives to hold title in other companies, the Saha Group of companies by a top management team would consider to whether assign or not any directors or executives from which company in the group to be the group's representative as a joint venture or in accordance with the joint venture agreement based on type of business, and its necessity of that acquirement. If this is applicable, the qualified director or executive with necessary knowledge, capability and expertise in related business shall be assigned.

Internal Information Management

The Company has the measure for internal information management. It has been set in the business ethics as a guideline in dealing with the Company and shareowners, as well as to set the employee conduct for the directors, executives and staff at all levels performing with honesty, responsibility, discipline and consciousness towards public and oneself, not for the seek of the benefit of oneself and/or others improperly. The Company's benefit and assets should be kept by not using the Company's information and assets for self or other's benefit and do not perform anything that will support others in competition with the Company. The Company has provided the corporate governance policy, business ethics and employee code of conduct to board of directors, executives and staff as a guideline for business operation and a principle for working. This is distributed through the Company's website (<http://www.icc.co.th>)

The above-mentioned topics have been stipulated in the Company's working regulation. The highest disciplinary punishment for violation is dismissal from the Company. This regulation has been followed by all directors, executives and staff at all levels.

The Company has measures to supervise the corporate securities trading, by stipulating in the directors, executives and employee's code of conduct preventing directors, executives and staff who work in the divisions with accessibility to inside information, from purchasing or selling the Company's shares within the period of one month prior, to and within 24 hours following the public disclosure of the Company's financial statements to the public except doing it as normal transactions without related to the said information.

In addition, at every board of directors' meeting, there is to be an agenda for acknowledgement which relating to the report on sales / purchase of properties, possession of Company shares by board of directors, and executives committee included their spouses and minor children at all times. In cases of any sale or purchase of Company shares, the Company and the Stock Exchange Commission (SEC) shall be informed of this transaction in accordance with the SEC's regulations.

In 2018, the directors and executives so far followed the policy strictly. There was neither share trading in the forbidden period nor trading by using the Company's inside information. However, there was one director who traded shares of the Company this year and already informed the transaction to the Securities and Exchange Commission in due time together with the report of their assets ownership to the board.

The Company will enforce one additional policy requiring the directors and executives to report their trading in securities to the Board of Directors at least one day before the trading date.

Furthermore, the Company has adopted a supervising measure on directors' stakeholding. The directors and executives are required to report to the board at all times concerning their stake holding or related person's, as set by rules and regulations of the Securities and Exchange Act, and also report to the Company's board of director at every change.

In 2018, the Directors and Executives followed the policy strictly.

Remuneration of Auditor

1. Remuneration for auditing service

The Company and its subsidiaries have been approved by the Annual General Shareowners's Meeting to pay the remuneration as follow:

(in Baht)

Remuneration for auditing service	2018	2017
I.C.C. International Public Co., Ltd.	2,300,000	2,100,000
The Company's subsidiaries (4 companies)	558,245	425,763
Total	2,858,245	2,525,763

The Amis Du Monde SARL, Canchana International Co., Ltd. and Thai Itokin Co., Ltd does not use the same auditor as the parent company due to:

1. The Amis Du Monde SARL In the process of dissolution the former auditor must also be used.
2. Thai Itokin Co., Ltd. was able to negotiate a better price of the auditor, less expensive than other auditors.
3. Canchana International Co., Ltd. as it is a foreign subsidiary and to be able to negotiate the price of the auditor as the last year.

Although certain subsidiaries does not use the same auditor as the parent company but the company has a take care and follow up for prepare the financial statements on time.

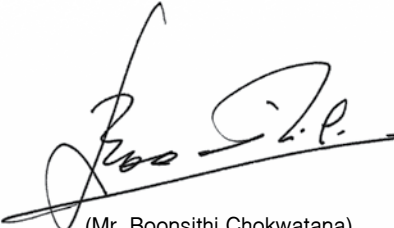
2. Non-Audit fees

In the year 2018, the Company and its subsidiaries do not pay the cost of other services provided to the auditor of the Company and subsidiaries auditing the auditors, parties related to auditors and the audit as the auditors under.

The Nomination Committee of I.C.C. International Public Company Limited consists of Mr. Boonsithi Chokwatana, as Chairman, Mr. Boonkiet Chokwatana, Mr. Thamarat Chokwatana, Mr. Manu Leelanuwatana and Miss Munchusa Terapongpipat as Directors of the Committee.

The Nomination Committee has performed its duties as assigned by the Company Board of Directors as stated in the Charter of the Nomination Committee. The responsibility of the Committee is to select persons with proper qualifications, knowledge, abilities and expertise from a variety of professional fields for the position of Company Director in order to enhance Company Business's Strategy and prepare for the rapid economy and retail business changes. The Nomination Committee has established the selection criteria by using the Board Skill Matrix and name list of Chartered Directors compiled by the Institute of Thai Directors, the main objective being to recruit competent persons with the appropriate skills set, qualifications and experiences, without restrictions as to gender and age, and not possessing any traits prohibited by the relevant laws and Company Regulations as well as providing the opportunity for every shareowner to participate by nominating persons to become a Company Director in advance before the Annual Shareowners' General Meeting Date. In 2018, shareowners did not propose any names to be considered in the election to become a Company Director.

In 2018, the Nomination Committee held a total of 2 Meetings to which the quorum was complete none of which were attended by any director with possible conflict of interest. The Nomination Committee selected persons with proper qualifications as mentioned criteria and also reviewed its Charter, which is a process undertaken on an annual basis.



(Mr. Boonsithi Chokwatana)

Chairman of the Nomination Committee

The Remuneration Committee of I.C.C. International Public Company Limited consists of Mr. Boonkiet Chokwatana as Chairman, Mr. Thamarat Chokwatana and Miss Munchusa Terapongpipat as Directors.

The Remuneration Committee performed its duties as assigned by the Company Board of Directors as specified in the Charter of the Remuneration Committee. The main duties are as follows:

1. Propose fair and reasonable Remuneration Policy and Rule for Company Directors, Sub-Committee directors and high level Management, because remuneration is an important factor, which helps to attract and retain knowledgeable and capable persons to remain with the organization. Moreover, it is a tool to motivate and create work efficiency.
2. Consider allocation of remuneration to Company Directors, Sub-Committee directors on an individual basis by taking into consideration authority, duties and obligations and commensuration with the same type of industry within the financial limit as approved by shareowners and propose to Company Board of Directors Meeting.

In 2018, the Remuneration Committee held 2 Meetings attended by all the Directors. The Charter of Remuneration Committee was also reviewed annually. The remuneration of Company Directors, Sub-Committee Directors and Management were disclosed in the Annual Report. The Remuneration Committee considered and agreed that they are appropriate and coincided with their duties, obligations as well as conforming to Company Policy.



(Mr. Boonkiet Chokwatana)

Chairman of Remuneration Committee

Corporate Governance Committee of I.C.C. International Public Co., Ltd. consists of Mr. Nophorn Bhongsvej (the Chairman), Mr. Nattapat Petchratanaporn (Committee Member), Ms. Munchusa Terapongpipat (Committee Member) and Mrs. Duangrudee Milintanggul (Committee Member). They perform the duties and responsibilities as appointed by the Board of Directors, and described in the Corporate Governance Committee Charter. This committee is responsible for the Company's good corporate governance, transparency in management with appropriate checks and balance system, due diligence and accountability, ensuring fairness to all stakeholders and sustainable growth of the Company.

In 2018, the Committee held 4 meetings with 100% attendance by the members with following meeting summaries:

- Supervised the review and improvement of Corporate Governance Policy, including Good Corporate Governance Principle, Business Ethics and Directors, Management and Employees Ethics in order to raise the principles of good corporate governance of the Company to align with the 2017 CG Code for listed companies prescribed by the Securities and Exchange Commission.
- Reviewed and approved the 2017 CG Code for further application in the context of the Company's business operation, including disclosure in the 2018 Annual Report and the Company's 56-1 Form.
- Supervised the follow up and study the 2017 Corporate Governance Code (CG Code) to be formulated into written Policies and Procedures of Good Corporate Governance (CG Code).
- Provided supervision and support to the Company in implementing Good Corporate Governance, resulting in the Company receiving "Excellent" corporate governance assessment results for the second consecutive year in the 2018 Thai Listed Companies Corporate Governance Survey.
- Reviewed and approved the Company's corporate vision and mission statements.
- Reviewed and approved the Company's anti-corruption policy and its anti-corruption compliance procedures to ensure good corporate governance, as well as followed up the implementation of the set plans.
- Reviewed and approved the Company's regulations and procedures pertaining to approval authority to be accountable and appropriate to current business operation.
- Supervised the setting of criteria and conditions on timelines in providing an opportunity for minor shareowners to propose an agenda item or to nominate a person to be appointed as a member of Board of Directors prior to the Annual General Meeting 2019 within 1-30 December 2018.
- Supervised the disclosure of shareowners' equity of the Company's directors and executives in accordance with the guidelines of the Securities and Exchange Commission.
- Reviewed and approved the 2018 Performance Assessment of the Board of Directors, as a whole as well as of individual directors, all Sub-Committees and the CEO to allow the Board of Directors to reflect on performance, problems and challenges to further enhance the Board's effectiveness.
- Supervised the review and amendments to the Charter of the Board of Directors and the respective charters of all sub-committees in order that they remain relevant and appropriate to the present situation.
- Reported the performance to the Board of Directors on a regular basis.




(Mr. Nophorn Bhongsvej)

Corporate Governance Committee Chairman

The Audit Committee of I.C.C. International Public Company Limited, comprising Thiraphong Vikitset Ph.D., as Chairman and Mr. Amorn Asvanunt, Mrs. Duangphorn Sucharittanuwat and Mr. Nophorn Bhongsvej as committee members, and Mrs. Duangrudee Milintangul as Secretary, has the responsibility of overseeing and assessing financial reports for their accuracy and credibility; applying appropriate and sufficient risk management, efficient and effective internal control systems; recommending the appointment or the termination of an external auditor to the company; and undertaking other duties as assigned by the Board of Directors.

In 2018, the Audit Committee arranged 12 meetings to which it invited the Company's Vice President of Accounting and Finance, Vice Presidents of all divisions of the company, the representatives of KPMG Phoomchai Audit Co., Ltd., and the representatives of Dharmniti Internal Audit Co., Ltd., which has been appointed the company's auditor and internal audit consultant since 2004. During the meetings, they jointly considered the relevant agenda to ensure the completeness and accuracy of the information shown on financial statements and consolidated financial statements of the Company and subsidiaries, as well as reviewing and discussing corporate internal control systems, related transactions, risk management and financial information disclosure, a substantial summary of which is as follows:

- 1) The Audit Committee agreed with the conclusions of the representatives of KPMG Phoomchai Audit Co., Ltd., which reported that financial statements and consolidated financial statements of the company and subsidiaries were accurate and substantively complied with the latest accounting standard as represented in the Independent Auditor's Report of this Annual Report.
- 2) The Audit Committee and Dharmniti Internal Audit Co., Ltd. agreed that I.C.C. International Public Company Limited and subsidiaries have adequate and appropriate internal controls and risk management systems, as shown on Dharmniti Internal Audit Co., Ltd.'s report on the adequacy and appropriateness of the Company's Internal Control Systems, under Thailand's Securities and Exchange Commission's guidelines. They also approved the company's auditing year plan, evaluated and provided oversight to ensure that the Head of the Internal Audit Unit had adequate experience, knowledge and training and provided advice for execution improvement in order to enhance effectiveness.
- 3) The Audit Committee monitored and reviewed approaches for IT system development including the new Enterprise Resource planning (ERP) and the paperless system planning to improve the effectiveness of internal controls to be in line with the company's business development.
- 4) The Audit Committee reviewed all related transactions on the basis of transparency, anticipated interests of ICC in accordance with prevailing market situations, and conflicts of interest of related parties. The Audit Committee submitted 23 cases of related transactions to the Board of Directors for approval in order to ensure that the activities were transparent, rational, and in the best interest of the company and the shareowners. In 2018, there was no significant related transaction or other transaction that might have caused conflict of interest in relation to the guidelines.
- 5) Considered and proposed to the Board of Directors for approval the names of Certified Public Accountants and their remuneration commensurable with their knowledge, ability, experience and independence, for appointment at Annual General Meeting. For the year 2019, the proposed list of Certified Public Accountants of the company and subsidiaries were finalized and remuneration was set at a total of 3,014,871.- Baht.
- 6) Considered and reviewed the Charter of the Audit Committee and conducted a self-assessment audit of its operating results.
- 7) Reviewed compliance with the Securities and Exchange Act, regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand including other relevant laws governing business operations of the company.


(Thiraphong Vikitset Ph.D.)
Chairman of the Audit Committee

The Board of Directors of I.C.C. International PLC understand the importance of corporate risk management, and therefore have incorporated a Risk Management Committee, with Mr. Amorn Asvanunt as a Chairman, Mr. Thamarat Chokwatana, Miss Munchusa Terapongpipat, Mrs. Pitacha Poosunthornsri, Mr. Pranot Vesaruchavit and Miss Yauwaluk Namakorn as members, and Mrs. Duangruedee Milintanggul as member and secretary.

In 2018, the Risk Management Committee has focused attention on enhancing the efficiency and effectiveness of risk management at operational level, by implementing measures in terms of Operational Risk, IT Risk, Fraud Risk and Corruption Risk, formulating methods, establishing monitoring procedures and supporting tools to achieve target objectives, enabling our personnel to perform their duties and to effectively mitigate the risks. In addition, the Company has further developed its information technology system to establish a new Enterprise Resource Planning (ERP) system. The Risk Management Committee has followed the application and implementation of this new system with clear emphasis on efficient utilization of the system in reducing corruption and operational risks.

The Risk Management Committee held 12 meetings in 2018 to discuss the following matters.

1. To consider the Charter of Risk Management Committee to ensure its compliance, appropriateness and support for efficient and effective risk management.
2. To provide opinion and scope of the corporate risks which are Operational Risk, IT Risk, Fraud Risk, Corruption Risk (compliance to the Anti-Corruption Policy), risk from external factors such as currency fluctuation and financial risk, as well as risk of impact from competitors, changing market trend to a more vigorous online market, management of brands with operating loss, etc.
3. To monitor and support the Management in analysis of external and internal factors that may have impact on corporate operations, respectively adjusting procedures to be consistent to such changes, and reducing risks accordingly.
4. To report operation result to the Audit Committee and the Board of Directors on a regular basis.

The Risk Management Committee is assured that the Company has efficient risk management in conformance to our internal control system and good corporate governance.



(Mr. Amorn Asvanunt)

Chairman of Risk Management Committee

I.C.C. International Plc. adheres to teamwork spirit, based on transparency and good corporate governance, which have been the company's management philosophy for many years. This has proven to be one of the key factors in maintaining effective internal control systems.

The Audit Committee attended and reported the audit result to the Company Board of Directors at the 10/2561 Board of Directors Meeting on 22 February 2019, whereby the Board assessed the corporate internal control system on the basis of information from corporate management and the auditors' report. A summary of the findings concluded that in the assessment of the corporate internal control system which consists of the five elements: control environment, risk management, control measures, information technology and communication and monitoring, the board concurred with the opinion of the Audit Committee that the corporate internal control system is adequate and appropriate.

Since 2004, the company has appointed an outside party, Dharmniti Internal Audit Co., Ltd., as consultant to oversee the quality of internal auditing and control, in the interests of self-improvement and in response to the ever-changing internal and external environment. Dharmniti Internal Audit Co., Ltd. has assigned Miss Somcharee Kawkomdee as an internal auditor.

The Audit Committee has scrutinized the qualifications of Dharmniti Internal Audit Co., Ltd. and Miss Somcharee Kawkomdee and found that they are suitably qualified for this task because of their independent standing and 11 years of experience in internal auditing of businesses with the same nature as the company's.

Resume

Name :	Somcharee Kawkomdee
Current Position :	Director of Dharmniti Internal Audit Co., Ltd.
Education :	Bachelor Degree Faculty of Humanities and social Sciences at Burapha University (Account)

Summary of Training :

1. Internal Auditor Program Class 1-2
2. Risk Assessment Program
3. COSO 2013 Program (Theory and Practice)
4. Maintain and improve the quality of internal audit work project
5. Self-assessment on anti-corruption measurement
6. Guidelines for Investigation Fraud
7. International Standards for the Professional Practice of Internal Auditing
8. CIA Part II Training at Federation of Accounting Professions
9. Internal Audit Training Program to prepare for Internal Auditor (Pre CIA) Chulalongkorn University

Work Experience :

1. 2006 - 2008 Internal Auditor at Dharmniti Auditing Co., Ltd.
2. 2009 - 2010 Senior Internal Auditor at Dharmniti Auditing Co., Ltd.
3. 2011 - 3/6/2016 Assistant Manager at Dharmniti Auditing Co., Ltd

For better efficiency in auditing, the company has mandated that the internal auditor coordinate with the Secretary of the Audit Committee who is responsible for the Internal Audit Unit, reporting directly to the Audit Committee on a quarterly basis.

Dharmniti Internal Audit Co., Ltd. has coordinated closely with the company's Internal Audit Unit to submit and discuss the audit results with the President before reporting in writing to the Audit Committee every quarter. This is aimed at exchanging views and opinions for further internal audit works especially the issues regarding the control of sales management to ensure consistency and promotion of the company's business which has become more diversified and complicated. Emphasis continued to be placed on development of information technology in support of internal auditing process in line with the company's business development plan according to the new Enterprise Resource Planning (ERP) and the Paper Usage Decreasing Plan. For operations in 2018, Dharmniti Internal Audit Co., Ltd., as the company's internal audit consultant, reported that I.C.C. International Plc. had adequate and appropriately effective Internal Control Systems.

Organization and Environment

The company's organizational nature and environment enable management to implement actions efficiently and effectively, with clear set objectives in business operations, whereby performance can be clearly followed up and evaluated and managed on the basis of good corporate governance and fairness, mainly taking into consideration fairness to customers.

Risk Management

The Risk Management Committee, comprising Mr. Amorn Asvanunt as Chairman, and Mr. Thamarat Chokwatana, Ms. Munchusa Terapongpipat, Mrs. Pitacha Poosunthornsri, Miss Yauwaluk Namakorn, Mr. Pranot Vesaruchavit as members, and Mrs. Duangrudee Milintanggul as member and secretary, reported progress in risk management for the Year 2018 to the Audit Committee.

In 2018, the Finance and Accounting Division and the Information Technology Division proceeded with systems modification of the Enterprise Resource Planning (ERP) and Paperless System, in collaboration with the Corporate System Development unit and the assigned task force, in the application of the improved work process as database in further top-up for the effective and efficient usage of the new ERP system according to risk management evaluation in order to improve efficiency and effectiveness of the company's work processes, core operation systems, which covered strategic, operational, as well as fraud and corruption risks in order to enhance the company's preparedness in the face of changing internal and external situations, as well as in line with shifting competitive and marketing trends, with the objective to bolster sustainability of its business.

Control of Administrative Operations

I.C.C. International Plc. provides a clear and written delegation of authority and financial approval limit for each level of the management. In conducting transactions with major shareowners, directors, management executives or other related parties, the company has adhered strictly to the official procedures and regulations.

For clarity of personnel's legal obligations, the company has issued sets of regulations for strict adherence by employees in accordance with the corporate rules and related laws concerning corporate governance policies, business ethics and employee ethics.

The Audit Committee, together with the Vice President of Accounting and Finance, have carefully scrutinized on the basis of transparency twenty-three inter-related transactions, including the anticipated benefits in line with market situation and conflicts of interests of related parties, prior to proposing them to the Board of Directors for approval.

During the year, the Board of Directors developed the policy that management report periodically through executive summaries on significant and binding transactions that were carried out by authorized staff, with a view to fostering good corporate governance and providing better risk management.

Whereas the company has announced its intention to become a member of the Private Sector Collective Action Coalition against Corruption: CAC and has been certified as member of Thailand's Private Sector Collective Action Coalition against Corruption on 14 October 2016, it has continued to proactively and consistently followed the proper operational procedures in a transparent manner. In 2018, the Company has not received any complaint or report of any alleged or suspected acts of corruption via any of the channels provided.

Furthermore, the Board of Directors and the management team have motivated and enforced the operational discipline of employees in compliance with legal and regulatory procedures, as well as the principles of good corporate governance as stipulated by the Stock Exchange of Thailand and Securities and Exchange Commission.

Information Technology and Data Communication Systems

The company always provides sufficient and comprehensive information to the Board of Directors to consider in the meetings and sets meeting dates well in advance.

Monitoring

The company has set clear objectives in writing for business operations, with systematic monitoring and solution directions, in case operations deviate from targets.

Profiles of the person taking the highest responsibility in finance and accounting(CFO) and the person supervising accounting

In order to comply with the regulations of the Stock Exchange of Thailand and allow the company to have quality financial reports continuously. The Board of Directors' meeting held on 16 November 2018 approved the determination of the highest responsibility in accounting and finance (CFO) and the person supervising accounting.

- | | | |
|---------------------------------|---|---|
| 1. Mr. Nattapat Petchratanaporn | Executive Director, Vice President to Accounting & Finance Division | The person taking the highest responsibility in finance and accounting(CFO) |
| 2. Miss Yauwaluk Namakorn | Assistant Vice President Division of Accounting & Finance | The person supervising accounting |

(Which has qualifications and conditions for being an accountant with criteria specified by Department of Business Development)
Both of them are fully qualified according to the SEC's rules as follows.

Profiles of the person taking the highest responsibility in finance and accounting(CFO) and the person supervising accounting

Name /Position / Appointment date	Age (Year)	Education	Training Background	Proportion of Share owning at 31 Dec 2018 (%)	Relationship of Directors and Executives	Work experience	
						Period	Position / Company
1. Mr. Nattapat Petchratanaporn Executive Director, Vice President to Accounting & Finance Division 16 November 2018	60	Bachelor of Science (Accounting), Bangkok University	1. Sustainable growth in the data generation based on the understanding of accounting and tax related to the Saha Group business 2. (Draft) IFRS16 Leases Standard of Financial Reporting 3. Positive Business Strategy for Executive # 3 4. Director Certification Program (DCP 139) 5. CFO Current issue	0.003	- NA -	1979 - 1997 1198 - 2009 2010 - Present 2011 - Present 2014 - Present	Accounting and finance Assistant Vice President Division of Accounting & Finance Executive Director, Vice President to Accounting & Finance Division of I.C.C. international Public Company Limited. Director of Thai Itokin Co., Ltd. Managing Director of WBRE Co., Ltd.
2. Miss Yauwaluk Namakorn Assistant Vice President Division of Accounting & Finance 16 November 2018	51	- Bachelor's Degree in Accounting, Rajamangala University of Technology - Bachelor's Degree of Business Administration, Burapha University	1. Keep up with the accounting standards that will be effective in the future. 2. Summary of changes and important issues of TFRS (Revised2018) for members and general public, Class 3/61 4. Leadership Principles 5. Digital Economy 6. SAP Program ,Winspeed Program, Oracle Program 7. Credit Management 8. BOI for Manufactory 9. ISO 14001, TIS18001,9002,55,QC,TPM	- NA -	- NA -	1989 - 2003 2004 - 2007 2006 - 2007 2008 - 2011 2012 - 2015 2016 - Present	Senior Accountant, SOG Accounting Services Co., Ltd. Chief Operation Officer Member of Remuneration Committee Accounting and Finance Manager, Acting chief executive officer of Admin and Accounting Services Co., Ltd. Accounting Manager and Senior Financial Officer, Khan-na Co., Ltd. Assistant Vice President Division of Accounting & Finance of I.C.C. international Public Company Limited.

In 2018, the Company had not sought approval from the Annual general meeting in allocating loans and loan guarantees to the related parties. Instead such proposed transactions were submitted to the Board of Director's Meeting or Annual General Meeting for approval from time to time depending on the value of transaction.

As of December 31, 2018, the total amount of loans and loan guarantees provided are as follows :

Type of business	Loans		Loan Guarantees		
	Number of companies	Million Baht	Rate of guarantee annual fee	Number of companies	Million Baht
Joint-ventured companies	4	232.51	0.125 — 0.75	12	333.08
Total	4	232.51		12	333.08

In 2018 loans and guarantees were provided for the purpose of providing financial support to associated companies in proportion with its investment.

Related transactions in 2018 comprise

1. Investment in related companies
2. Loan to related companies

Reasons and necessities of providing loan:

1. To increase the channels of credit sources to corporate borrowers.
2. To help solve the problems of the corporate borrowers business and to increase their liquidity.
3. The corporate borrowers are well-related with the company and the Saha Group of Companies as part of the supply chain, strategic alliance and so forth.
4. The corporate borrowers have collateral and/or guarantors.
5. To give the loan according to the investment proportion.
6. Interest rates are higher than the institutional market rates.

3. Transactions of business-related companies

Details of above three subjects can be found as per Notes of Financial Statements: No.5 Transactions in relation to persons or business-related companies page 158-166, No. 8 Short-term loans page 168-169, No. 11 Others Investment, No. 12 Investment in subsidiaries and No. 13 Investment in associates page 170-174 of this Annual Report.

Type of relationship with the companies which can be observed from the Transactions of Business-related companies page 126-129 of this Annual Report.

Transactions of Business-related companies as of December 31, 2018

No.	Name of Company	Relationship	Sales of Goods	Incomes	Purchase of Goods	Expenses	Purchase of property, plant and equipment/ leasehold
1	Textile Prestige	A	-	7,883,204	2,559,305	17,260	-
2	Thai President Foods	A	-	14,674,123	-	-	-
3	Thai Wacoal	A	3,022,531	54,593,488	2,770,035,842	12,692,391	-
4	Thanulux	A	812,220	15,761,407	824,243,586	1,111,945	-
5	Newcity Bangkok	A	-	64,984	52,716	3,500	-
6	People's Garment	A	-	2,751,085	433,901,114	7,212,658	-
7	Pan Asia Footwear	A	-	3,523	851	137,500	-
8	Far East Famelire DDB	A	-	10,078,150	-	58,286,511	-
9	Sahapathanapibul	A	3,652,223	50,485,062	321,225	816,511	-
10	S&J International Enterprises	A	34,477,240	26,404,271	30,162,149	508,298	-
11	O.C.C.	A	610,000	8,789,363	263,537	24,200	-

Transactions of Business-related companies as of December 31, 2018

No.	Name of Company	Relation-ship	Sales of Goods	Incomes	Purchase of Goods	Expenses	Purchase of property, plant and equipment/ leasehold
12	Sahacogen (Chonburi)	A	-	16,192,944	-	-	-
13	Champ Ace	A	-	-	-	230,400	-
14	Sahapat Properties	A	-	92,000	-	-	-
15	Bangkok Tokyo Socks	A	-	-	281,792	-	-
16	First United Industry	A	-	1,094,040	-	-	-
17	Molten (Thailand)	A	-	5,445,869	10,225	-	-
18	Molten Asia Polymer Products	A	-	1,872,000	-	-	-
19	Lion Corporation (Thailand)	A	-	87,507,700	997,809,084	563,322	-
20	Sahapat Real Estate	A	-	1,054,346	-	-	-
21	International Laboratories	A	28,716	38,784,692	534,437,509	3,762,361	-
22	Seno Saha Logistics	A	-	-	-	38,553,536	-
23	Kewpie (Thailand)	A	-	6,160,000	-	-	-
24	Sun 108	A	18,806	19,579,891	-	36,534	-
25	Tiger Distribution & Logistics	A	6,693,135	17,694,337	195,526	106,247,035	-
26	Thai Cubic Technology	A	-	763,200	-	-	-
27	Better Way (Thailand)	A	5,929,454	148,361,023	11,731,313	-	-
28	Raja Uchino	A	-	1,731,496	29,860,248	138,338	-
29	Thai Secom Security	A	-	11,110,758	-	1,115,936	-
30	Thai Shikibo	A	-	-	-	-	-
31	Thai Naxis	A	-	246,480	263,615	220,647	-
32	Pattaya Manufacturing	A	-	1,218,333	246,003,300	-	-
33	Wien International	A	9,282	97,999	26,286	227,700	-
34	SSDC (Tigertex)	A	-	1,807,191	-	-	-
35	Erawan Textile	A	-	1,213,155	7,785,743	-	-
36	H&B Intertex	A	(46,533)	8,295,201	66,877,531	643,420	-
37	E.P.F.	A	23,973,138	533,000	-	-	-
38	Total Way Image	A	-	240,000	53,639,244	24,975	-
39	Thai Takaya	A	-	-	-	-	-
40	Thai Monster	A	-	-	-	1,161,273	-
41	T.U.C. Elastic	A	-	-	-	-	-
42	Thai Staflex	A	-	147,170	-	-	-
43	Thai Sports Garment	A	-	1,203,530	-	-	-
44	Shiseido Professional (Thailand)	A	-	735,000	-	-	-
45	Tsuruha (Thailand)	A	5,314,896	159,360	-	-	-
46	Osoth Inter Laboratories	A	-	-	-	35,563	-

Transactions of Business-related companies as of December 31, 2018

No.	Name of Company	Relation-ship	Sales of Goods	Incomes	Purchase of Goods	Expenses	Purchase of property, plant and equipment/ leasehold
47	Saha Lawson	A	3,229,206	1,261,481	-	31,146	-
48	S.T.(Thailand)	A	-	19,616,436	51,730,485	2,137	-
49	Kai I.T. Service	A	-	425,424	-	10,502,692	10,270,847
50	K. Commercial and Construction	A	-	-	-	116,013	1,685,708
51	Sahachol Food Supplies	A	-	309,157	62,084,590	2,000	-
52	I.D.F.	A	-	3,293,996	-	1,460,000	-
53	Thai Takeda Lase	A	-	7,290,000	-	-	-
54	Thai Hoover Industry	A	-	2,849,000	-	-	-
55	WBLP	A	-	419,399	11,202,383	106,250	-
56	Transcosmos (Thailand)	A	(60,120)	107,015	-	10,457,140	-
57	International Commercial Coordination(Hong Kong)	A	-	-	-	839,987	-
58	Top Trend Manufacturing	A	2,000	2,624,000	-	-	-
59	Paknumpo Wattana	A	13,370,916	134,021	-	514	-
60	Maharachapreuk	A	15,713,869	134,232	-	662	-
61	Shop Global (Thailand)	A	15,859,147	3,657,255	-	-	-
62	Can	A	11,243,366	73,464	-	456	-
63	Koraj Wattana	A	18,483,577	3,136	-	770	-
64	Sun and Sand	A	22,273,270	2,016	-	146,369	-
65	Intersouth	A	24,112,578	1,927	-	516	-
66	Intanin Chiangmai	A	39,029,452	2,789	-	2,731,773	-
67	Eastern I.C.C.	A	18,773,710	1,068	53,169	51,309	-
68	Saha Pathana Inter-Holding	B	21,121	43,020,921	-	25,073,825	-
69	Vitayasithi	C	-	1,120	-	442,155	-
70	Vira Law Office	C	-	240,210	-	7,297,980	-
71	Sukhathasana	C	-	97,355	-	34,070,449	20,746,921
72	Laem Cha-BangWarehouse	C	-	95,000	-	-	-
73	Pens Marketing and Distribution	C	3,219,705	1,312,623	23,877,535	5,504	-
74	Train Time Test	C	-	53,581	-	2,019,558	-
75	T-Way	C	93,692	42,500	-	379,045	-
76	International Commercial Coordination	D	-	22,250	-	20,554,554	-
77	United Utilities	D	-	-	-	-	-
78	Thai Arusu	D	-	1,512,187	-	25,286,802	45,180,068
79	Thai Gunze	D	-	2,989,754	11,586,809	750	-

Transactions of Business-related companies as of December 31, 2018

No.	Name of Company	Relation-ship	Sales of Goods	Incomes	Purchase of Goods	Expenses	Purchase of property, plant and equipment/ leasehold
80	D F Inter	D	-	705,708	-	154,400	-
81	S R P Nanasai	D	-	30,387	-	23,340,243	37,343,745
82	International Leather Fashion	E	-	1,116,256	132,537,245	526,281	-
83	Worldclass Rent a Car	E	927,369	5,738,369	17,929	2,093,087	-
84	Issara United	E	23,365	3,615,000	-	-	-
85	Ruamissara Development	E	-	-	-	-	-
86	Canchana International	F	24,276,602	-	-	174,782	-
87	Thai Itokin	F	95,511	4,691,915	105,814,670	971,388	-
88	WBRE	F	-	2,334,275	-	-	-
89	Amis Du Monde	F	-	-	-	-	-
	Total		295,183,444	674,674,602	6,409,366,555	402,612,351	115,227,288

Remarks : A : SPI is a co-major shareowner B : ICC's major shareowner C : Major shareowner is ICC's Directors or Executives
D : MD is ICC's Directors or executives E : Associate F : Subsidiary

Pricing policy for related business

It is in compliance with normal trade condition which is the market price and the same price as dealt with other persons.

Description	Remuneration Policy
Acquisition of the trademark	Cost of trademark registration plus interest cost incurred by the buyer since the acquisition year.
Immovable property rental income / expense	Depending on the market price by consideration on the location, condition and benefits generated by the use of property.
Royalty income	At percentage of net factory sales compared to market price.
Royalty expense	At percentage of net company sales compared to market price.
Consultancy income / expense	Depending on complexity level of such service provided.
Inventory management fee	Number of item pick-up, registering record and number of boxes in transporting goods and goods return.
Transportation charge	Depending on the volume or number and distance of Goods transported, compared with other transportation companies' charge.
Interior design & installation expense	Depending on the design, area, size, construction materials and interior design technique, through bidding process.
Advertising expense	Depending on market price and the service charge must not be higher than the rate set by advertising business.
Display equipment	} Depending on market price.
Computer expense	
Packaging, purchase of computers and give-away items	
Training expense	According to the training course and proficiency of resource person.
Service fee of sales personnel provider at special sales events	At percentage of wage rate per day compared to market price and other contractors.

Related transactions in 2018

1. At the Board of Directors' Meeting # 10/2560 held on February 23, 2018 and Meeting # 12/2560 held on April 20, 2018, attended by 4 members of the Audit Committee, resolutions were passed as follows:

- To allow the Company to provide an extension of two-year guarantee facilities for Tsuruha (Thailand) Co., Ltd. with regard to credit limit with Sumitomo Mitsui Banking Corp., Bangkok Branch in the proportion of investment starting from March 1, 2018 and ending February 29, 2020. The credit limit provided by the bank totaled THB 101,000,000.-. This joint guarantee proportionate to Thai party investment provided by ICC was 30.61% amounting to a loan guarantee set at THB 30,910,000.-.

To this agenda, Mr. Thamarat Chokwatana, Director with conflict of interest or being related parties, neither attended nor voted at the meeting.

- To allow the company to provide an extension of one-year guarantee facilities for Trancosmos (Thailand) Co., Ltd. with regard to credit limit from Trancosmos Inc. (Japan) in the proportion of investment starting from March 16, 2018. The credit limit provided by the bank totaled THB 100,000,000.-. This joint guarantee proportionate to Thai party investment provided by ICC was 9.00% amounting to a loan guarantee set at THB 9,000,000.- .

Subsequently, Trancosmos (Thailand) required additional capital for business expansion and secured additional credit lines extended by Trancosmos Inc. (Japan) in the amount of THB 21 million for a period of 5 years, of which ICC's share of the joint guarantee proportionate to its investment of 9.00% amounted to THB 1,890,000.-

To this agenda, Mr. Thamarat Chokwatana, Director with conflict of interest or being related parties, neither attended nor voted at the meeting.

2. At the Board of Directors' Meeting # 2/2561 held on June 15, 2018 which was attended by 4 members of the Audit Committee, a resolution was passed to approve an extension of one-years' guarantee facilities, starting from June 22, 2018 to May 31, 2019, for Tokyu Corporation (Japan) to the Bank of Ayudhya Plc. for the Credit Line of Saha Tokyu Corporation Co., Ltd., in the proportion of investment. The credit limit provided by the bank totaled THB 100,000,000.- of which ICC's share of the joint guarantee proportionate to its investment of 12.00% amounted to THB 12,000,000.- .

To this agenda, Directors with conflict of interest or being related parties who neither attended nor voted at the meeting : None

Purpose of transaction in items 1-2:

1. To provide business support to the JV company
2. To comply with obligation of the joint venture agreement

3. At the Board of Directors' Meeting # 10/2560 on February 23, 2018 which was attended by 4 members of the Audit Committee, a resolution was passed to allow the Company to hire Train Time Test Co., Ltd. to provide personnel to sell various products of the Company at sales events. The contract term is 1 year from 1 December 2017 to 31 December 2018 at the management fee of 10% and total cost of employment contracted of approximately THB 8,690,000.-.

Purpose of transaction :

1. To lessen the burden of having to recruit personnel for the Company's sales events
2. To be better able to efficiently manage workforce and costs

To this agenda, Mr. Boonkiet Chokwatana and Miss Munchusa Terapongpipat, the directors with conflict of interest or being related parties, neither attended nor voted at the meeting.

4. At the Board of Directors' Meeting # 11/2560 held on March 16, 2018 which was attended by 4 members of the Audit Committee, resolutions were passed on the following matters:

- To allow the Company to lease immovable properties for no more than 3 years, as well as executing transactions relating to the assets and services of related parties. For details of the said parties and their relationship to the Company, please refer to Business-related Companies on pages 126-129 of this Annual Report

Such leasing of property and transactions relating to the assets and services had a total value of less than THB 596 million or less than 3% of NTA as at December 31, 2018.

1. Rental income (immovable property), with one-year lease, the actual amount in 2018	=	31,337,120 Baht
2. Royalty income with three-year agreement period starting from 2016 to 2018, the actual amount in 2018	=	2,655,585 Baht
3. Royalty payment with five-year agreement period starting from 2017 to 2021, the actual amount in 2018	=	13,423,993 Baht
4. Actual expenses in 2018	Total	= 114,051,850 Baht

- Interior design and fixtures
- Business and legal consultancy fees
- Service fee for recruitment of temporary sales personnel
- Training expenses
- Construction and repairs to old building

To this agenda, Mr. Boonkiet Chokwatana, Mr. Thamarat Chokwatana, Mr. Manu Leelanuwatana Mrs. Kobsuk Saengsawad and Miss Munchusa Terapongpipat, the directors with conflict of interest or being related parties, neither attended nor voted at the meeting.

- To allow the company to sell land and building, valued at THB 44,750,000.-, in Lamphun Province to Saha Pathanapibul Plc. Valuation of the land and building was carried out by an independent appraiser (approved by the Thai Valuers Association and the Valuers Association of Thailand).

Purpose of transaction :

1. The company has not made use of these assets which remained unused.
2. To reduce the burden on maintenance of such assets.

To this agenda, Mr. Thamarat Chokwatana, Director with conflict of interest or being related parties, neither attended nor voted at the meeting.

5. At the Board of Directors' Meeting # 6/2561 held on 12 October 2018, and Meeting # 8/2561 held on December 14, 2018 which was attended by 4 members of the Audit Committee, the following resolutions were passed respectively:

- To allow the sale of its shares in Shop Global (Thailand) Co., Ltd. amounting to a total of 810,000 shares at the selling price of approximately THB 22.222222 per share (the Book value as at 31 December 2017 was approximately THB 22.28 per share, Par @ THB 22.-) for a total amount of THB 18,000,000.- as per the details below:

Company Name	Number of Shares	Selling Price at approximately THB 22.222222 per Share; for a Total Amount of THB
1. OCC PLC	405,000	9,000,000
2. Saha Pathana Inter-Holding PLC	1	22
3. I.D.F. Co., Ltd.	1	22
4. Mr. Sorchote Ambhanwong	404,998	8,999,956
Total	810,000	18,000,000

- Proportion of share-owning before : 2,700,000 shares = 42.86% of registered capital
 - Proportion of share-owning after : 1,890,000 shares = 30.00% of registered capital
- To allow the Company to waive its right in new capital shares of Shop Global (Thailand) Co., Ltd. for the amount of 1,365,000 shares at the price of THB 22.- per share, totaling THB 30,030,000.-, and to give this right to Saha Pathana Inter-Holding Plc.
- Proportion of shares before share increase : 1,890,000 shares, equivalent to 30.00% of former registered capital
 - Proportion of shares after share increase : 1,890,000 shares, equivalent to 17.42% of new registered capital

Purpose of transaction :

1. To change the share-owning structure of Shop Global (Thailand) Co., Ltd. in accordance with the new Joint Venture Agreement.
2. To extend the opportunity to new joint venture partners with high potential and relevant expertise to join the executive management of this company to further enhance its performance.

To this agenda, Mr. Boonkiet Chokwatana, Mr. Manu Leelanuwatana and Mr. Nophorn Bhongsvej, the directors with conflict of interest or being related parties, neither attended nor voted at the meeting.

6. According to the Board of Directors' Meeting # 7/2561 held on November 16, 2018, which was attended by 4 members of the Audit Committee, approval was given for the construction of a road in the area of the rear entrance of the Company, as well as installation of new infrastructure systems. Since the Company had leased a partial plot of land at the rear of its premises to XET Co., Ltd. to operate a private international school, thereby relinquishing access to its rear entrance/exit and necessitating the building of a new road which the Company and the lessee have each agreed to pay half the construction costs. The parties further agreed to hire Pitakkij Co., Ltd., a related company, to construct the road at a total cost of approximately THB 19,000,000.- of which the Company would pay half the cost, amounting to approximately THB 9,500,000.-, and to hire Vithayathorn Co., Ltd. to install the infrastructure system at the cost of approximately THB 2,500,000.-, amounting to a total cost of THB 12,000,000.-, the sum of which had been negotiated and compared to prices of other contractors.

To this agenda, Mr. Thamarat Chokwatana, Director with conflict of interest or being related parties, neither attended nor voted at the meeting.

Criteria for Approval of Related Transaction

1. All related transactions (loan, guarantee, investment, rental or leasing of immovable properties not exceeding 3 years and transactions involving assets or services) must be approved by all the following boards and committee:

1. The Audit Committee
2. The Executive Board
3. The Board of Directors

In every instance, the Audit Committee must audit, scrutinize and make a summary of any conflict of interest in each transaction for submission to the Executive Board and the Board of Directors for the judgment in terms of business risk. In the Board of Directors' Meeting, directors who stood to gain or lose were not entitled to vote, and thus had neither participated in the meeting, nor given any approval to the transaction.

2. The Board of Directors has approved in principle to allow the management to manage all normal business transactions or the transactions that should support normal business terms and conditions under a trade agreement generally made between normal counterparties having no undue bargaining power influenced by being in the capacity of director, executive or related persons.

Approval in principle shall be conducted annually and the report on related transactions arising during the year shall be presented to the Audit Committee and the Board of Directors to ensure such related transactions are of sound reason and in the best interest of the Company, together with disclosure of relevant details, types and value of related transactions in the remarks of financial statement on a quarterly basis.

Criteria for Approval

1. Potential benefits to the company and/or affiliated companies in terms of interest, dividend, trade activity and transaction, including ongoing trade.
2. Security that the company should hold or receive from the said transaction.
3. The borrower's strength, as well as the ability to pay back the capital and interest in due time.
4. Business prospective of the borrowing, guaranteeing and investing company.
5. The capability of the CEO of the borrowing, guaranteeing and investing company.
6. Criteria in monitoring and checking transaction as well as access to statistical reports in the borrowing, guaranteeing and investing company to perceive its status.

The necessity and rationale for entering into transactions with parties with possible conflict of interests

To sustain the company's operations under the prevailing severe competitive situation, the company needed to secure the support of business partners and business alliance network from upstream to downstream industries, further contributing to its competitiveness and business potentials, and leading to its further development and sustainable growth in the future.

While its business partners and business alliance members might be parties with possible conflict of interests, nevertheless, the Board of Directors might find it reasonable and necessary to enter into agreement or transaction with said parties, bearing in mind the best interests of the shareholders and the Company. In such case, the transaction price would be based on normal business terms, without harboring any intention to engage in unjust transfer of company asset or interest to such parties with possible conflict of interests.

Furthermore, the Company has the measure to control the related transaction and limit financial assistance for non-subsidiary companies by requiring that giving loan or guarantee shall be done according to the share-owning proportion in compliance with the joint - venture agreement.

The Company is committed to further improving on its effective standard in assessing the value of related transactions, as well as monitoring, evaluating and reporting on the related transaction with more clarity, thoroughness, accuracy and speed.

Future Trend in Related Transactions

The Board of Directors duly recognized their responsibilities as the directors of a public company in carrying out their duties toward the shareholders, employees, and all stakeholders, in accordance with good corporate governance practices. The prospect of related transactions being undertaken as a normal feature in regular trade, based on the trading principle of price mechanisms in the market, is very likely, provided said transactions are fair and do not serve to transfer the interests relating to price mechanisms between the Company and business or other relevant persons, and disclosure of all relevant information is duly carried out in accordance with the Notification of the Capital Market Supervisory Board, regarding "rules on connected transactions".

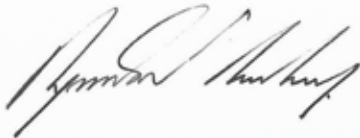
Report on the Company Board of Director's Responsibility on the Financial Report

As a listed company, the Board of Directors realizes the duties and responsibilities for preparation of financial statements of I.C.C. International Public Company Limited and its subsidiaries, in accordance with Thailand Financial Reporting Standard, by selecting an appropriate accounting policy, to which the company has strictly adhered on a regular basis. The Board of Directors has exercised due care and reasonable projection in preparing the reports. There is adequate disclosure of material information in the Notes to Financial Statements as well as explanations and analysis as regards to the financial status and operating results of the Company and its subsidiaries, for the benefits of shareholders and general investors alike. The financial statements have been audited, with unqualified opinion by independent certified public accountants.

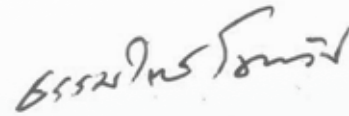
In addition, the Board of Directors has promoted actions in accordance with Corporate Governance Principles, and assured that the company has adopted efficient and effective risk management and internal control systems. These will ensure that the accounting data recording procedures are accurate, complete and sufficient for maintaining assets of the Company and its subsidiaries, including prevention of material frauds and irregularities.

In so doing, the Audit Committee of the Company, consisting of independent directors as members, has reviewed the quality of financial reports and the internal control system, and hereby expressed their opinion in the Report of Audit Committee, as shown in the Annual Report and 56-1 Reporting Form.

The Board of Directors is of the opinion that Corporate Governance, risk management and internal control systems of the company are adequate and appropriate, thereby providing reasonable assurances that the Financial Statements of the Company and its subsidiaries, for the Year Ending December 31, 2018, had been prepared and disclosed accurately, as deemed fully compliant to the financial reporting standard.



(Mr. Boonkiet Chokwatana)
Chairman and
Executive Chairman



(Mr. Thamarat Chokwatana)
President and
Vice Executive Chairman

To the Shareholders of I.C.C. International Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of I.C.C. International Public Company Limited and its subsidiaries (the "Group"), and of I.C.C. International Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2018, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2018 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

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 Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is 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. These matters were 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 these matters.

Valuation of inventory	
Refer to Note 3 (e) and 9	
The key audit matter	How the matter was addressed in the audit
<p>The Company sells fashion goods and others which are subject to rapid change in consumer's demand. As a result there is the risk that holding a high amount of inventory may result in the Company being unable to sell products before market trend and customer demand changes which may result in the cost of inventories being higher than net realizable value including any inventory obsolescence. Therefore, the valuation of inventories involve management's judgment in determining the adequate provision for obsolete stocks to present the appropriate valuation of inventory based upon a detailed analysis of the inventory report and the related accounting policy.</p> <p>This is an area of focus in my audit.</p>	<p>In this area my audit procedures included:</p> <ul style="list-style-type: none"> understanding the process of inventories valuation by inquiry of the responsible person in this area, and identifying controls and performing tests of controls over the inventory process; testing items on the inventory aging report to check aging with the related documents to consider that these were classified in the appropriate aging bracket with the assistance of KPMG Information Risk Management Audit; assessing the appropriateness of the methodology used for calculating the provision for obsolete by challenging the assumptions, category of inventory and comparing with historical experience and testing on a sample of the detail of outstanding balances and sales plan; considering the value of inventories by comparing cost and the selling price less related selling expenses and testing on a sample basis with the related supporting documents; and assessing the adequacy of disclosures in accordance with the relevant Thai Financial Report Standards.

Valuation of other long-term investments	
Refer to Note 3 (h) and 14	
The key audit matter	How the matter was addressed in the audit
The Company has significant investments in affiliated companies and other companies. The Company has a significant risk over the valuation of these investments including the provision of impairment, which is based on the Company's policy and involves management's judgment in determining the adequacy of the provision to present the appropriate valuation of others long-term investments. This is an area of focus in my audit.	In this area my audit procedures included: <ul style="list-style-type: none"> assessing the process to identify indications of impairment and understanding the impairment process performed by the management; considering the profitability of the invested companies from the audited financial statements, historical data and other information in order to assess the adequacy of the allowance for impairment of the investments; and assessing the adequacy of disclosures in accordance with the relevant Thai Financial Report Standards.

Revenue recognition - consignment	
Refer to Note 3 (r) and 24	
The key audit matter	How the matter was addressed in the audit
The Company is the leader in distribution of fashion consumer products in department stores as major channel and various stores as the minor channel.	In this area my audit procedures included: <ul style="list-style-type: none"> understanding and assessing the design and testing the operating effectiveness of internal controls related to recognition of the consignment sales;
In consignment sales, the ownership does not pass to the customer on delivery and in some cases, the customer has the right to return the product in certain circumstances which can take a variety of forms and revenue from sales should not be recognized until ownership has passed to the customer. The terms of the arrangement may stipulate that the consignee will not take ownership to or pay for the goods until they are sold by the consignee to a third party. This is an area of focus in my audit.	<ul style="list-style-type: none"> testing a sample of sales transaction and sales returns during the year and the period near the end of year; testing samples of journal entries posted to revenue accounts to consider any possible irregular sales transactions; performing reconciliation between the input data with data in ERP system with the assistance of KPMG Information Risk Management Audit; comparing revenue reported by group of product in the current reporting period with prior period to identify unusual transactions; and assessing the adequacy of disclosures in accordance with the relevant Thai Financial Report Standards.

Other Information

Management is 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 those charged with governance and request that the correction be made.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management 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, management is responsible for assessing the Group's 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 management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's 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 skepticism 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's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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.



(Ekkasit Chuthamsatid)
Certified Public Accountant
Registration No. 4195

KPMG Phoomchai Audit Ltd.
Bangkok
22 February 2019

I.C.C. International Public Company Limited and its Subsidiaries
Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2018	2017	2018	2017
		<i>(in Baht)</i>			
<i>Current assets</i>					
Cash and cash equivalents	6	1,404,374,301	911,101,101	1,378,050,315	875,732,812
Current investment		412,802,015	-	412,802,015	-
Trade accounts receivable	5, 7	1,784,660,531	1,921,071,206	1,760,025,140	1,915,419,056
Short-term loans	5, 8	90,000,000	30,000,000	232,510,200	195,700,000
Inventories	9	3,356,988,100	3,426,793,091	3,366,240,610	3,406,779,488
Real estate projects underdevelopment	10	124,480,286	157,760,079	-	-
Out put VAT on consignment sales of inventories		304,874,786	317,605,942	304,874,786	317,605,942
Prepaid income tax		34,228,966	-	34,228,966	-
Other current assets		143,350,272	138,580,217	135,840,818	130,662,619
Total current assets		7,655,759,257	6,902,911,636	7,624,572,850	6,841,899,917
<i>Non-current assets</i>					
Restricted deposits at financial institution		2,948,839	2,948,839	-	-
Long-term loans	5, 8	-	60,000,000	-	60,000,000
Investments held as available for sale	11	9,091,795,546	9,068,041,533	9,091,795,546	9,068,041,533
Investments in subsidiaries	12	-	-	47,253,167	63,825,275
Investments in associates	13	837,165,352	826,905,757	593,443,477	635,735,941
Other long-term investments	14	1,856,420,915	2,261,056,639	1,871,721,151	2,259,967,638
Investment properties	15	1,005,017,332	1,031,767,312	1,071,987,785	1,100,051,063
Property, plant and equipment	16	2,848,797,895	2,874,171,414	2,770,418,908	2,791,768,868
Other non-current assets	17	251,606,588	252,354,198	235,370,359	233,023,501
Total non-current assets		15,893,752,467	16,377,245,692	15,681,990,393	16,212,413,819
Total assets		23,549,511,724	23,280,157,328	23,306,563,243	23,054,313,736

I.C.C. International Public Company Limited and its Subsidiaries
Statement of financial position

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2018	2017	2018	2017
		<i>(in Baht)</i>			
Current liabilities					
Short-term borrowing from financial institutions	19	20,000,000	20,000,000	-	-
Short-term borrowing from related party	5, 19	10,000,000	10,000,000	-	-
Trade accounts payable	5, 20	1,273,490,392	1,311,449,589	1,236,401,910	1,274,070,937
Others payable	5	677,045,350	627,643,987	662,847,494	616,075,899
Income tax payable		-	44,775,776	-	44,775,776
Total current liabilities		1,980,535,742	2,013,869,352	1,899,249,404	1,934,922,612
Non-current liabilities					
Deferred tax liabilities	18	692,472,827	734,450,878	690,091,272	732,069,324
Provisions for employee benefit	21	588,805,032	577,737,669	549,549,703	537,303,413
Other non-current liabilities		42,463,787	43,454,924	41,456,364	42,369,848
Total non-current liabilities		1,323,741,646	1,355,643,471	1,281,097,339	1,311,742,585
Total liabilities		3,304,277,388	3,369,512,823	3,180,346,743	3,246,665,197
Equity					
Share capital:	22				
Authorized share capital		500,000,000	500,000,000	500,000,000	500,000,000
Issued and paid share capital		290,633,730	290,633,730	290,633,730	290,633,730
Additional paid in capital:					
Premium on ordinary shares		1,487,143,830	1,487,143,830	1,487,143,830	1,487,143,830
Surplus on treasury shares		51,433,146	51,433,146	51,433,146	51,433,146
Retained earnings:					
Appropriated					
Legal reserve	23	50,000,000	50,000,000	50,000,000	50,000,000
General reserve	23	1,869,149,212	1,789,311,343	1,869,149,212	1,789,311,343
Unappropriated		11,003,253,799	10,438,354,093	10,888,944,765	10,334,850,683
Other components of equity		5,489,350,841	5,804,059,837	5,488,911,817	5,804,275,807
Equity attributable to owners of the parent		20,240,964,558	19,910,935,979	20,126,216,500	19,807,648,539
Non-controlling interests		4,269,778	(291,474)	-	-
Total equity		20,245,234,336	19,910,644,505	20,126,216,500	19,807,648,539
Total liabilities and equity		23,549,511,724	23,280,157,328	23,306,563,243	23,054,313,736

I.C.C. International Public Company Limited and its Subsidiaries
Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2018	2017	2018	2017
		<i>(in Baht)</i>			
Revenue from sale of goods	24	12,349,628,163	12,446,980,013	12,067,451,935	12,246,902,914
Cost of sales of goods	9	7,838,876,341	7,862,926,277	7,595,702,436	7,702,266,465
Gross profit		4,510,751,822	4,584,053,736	4,471,749,499	4,544,636,449
Other income					
Dividends income		528,011,533	469,655,373	545,351,902	490,574,453
Gain on disposal of assets		33,621,761	82,482,616	33,604,718	82,348,925
Gain on disposal of investments held as available for sale		169,202,515	242,619,598	169,202,515	242,619,598
Other		247,792,401	215,849,547	245,702,262	215,725,315
Total other income		978,628,210	1,010,607,134	993,861,397	1,031,268,291
Profit before expenses		5,489,380,032	5,594,660,870	5,465,610,896	5,575,904,740
Expenses					
Distribution costs	25	2,890,384,003	3,078,118,575	2,877,500,022	3,061,949,775
Administrative expenses	26	1,637,037,817	1,610,182,633	1,593,204,677	1,629,132,887
Finance costs		1,640,056	1,612,430	-	1,316
Total expenses		4,529,061,876	4,689,913,638	4,470,704,699	4,691,083,978
Share of profit of investments in associates	13	48,547,572	28,730,424	-	-
Profit before income tax expense		1,008,865,728	933,477,656	994,906,197	884,820,762
Income tax expense	29	74,847,945	86,489,074	74,431,652	86,442,076
Profit for the year		934,017,783	846,988,582	920,474,545	798,378,686

I.C.C. International Public Company Limited and its Subsidiaries
Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2018	2017	2018	2017
		(in Baht)			
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operations		2,478,632	(58,552)	-	-
Gains on remeasuring available-for-sale investments	11, 29	(595,765,431)	2,503,651,963	(595,765,431)	2,503,651,963
Gain on classification from debt security held to maturity to be investment available for sale	11, 29	201,560,444	-	201,560,444	-
Income tax relating to item that will be reclassified to profit or loss	18, 29	78,840,997	(500,730,392)	78,840,997	(500,730,392)
Total items that will be reclassified subsequently to profit or loss		(312,885,358)	2,002,863,019	(315,363,990)	2,002,921,571
<i>Items that will not be reclassified to profit or loss</i>					
Defined benefit plan actuarial gains	21	41,443,137	-	41,443,137	-
Income tax on other comprehensive income	18, 29	(8,288,628)	-	(8,288,628)	-
Share of other comprehensive income of associates - net of tax	13	-	536,109	-	-
Total items that will not be reclassified to profit or loss		33,154,509	536,109	33,154,509	-
Other comprehensive income for the year, net of tax		(279,730,849)	2,003,399,128	(282,209,481)	2,002,921,571
Total comprehensive income for the year		654,286,934	2,850,387,710	638,265,064	2,801,300,257
Profit (loss) attributable to:					
Owners of the parent		931,280,169	846,476,564	920,474,545	798,378,686
Non-controlling interests		2,737,614	512,018	-	-
Profit for the year		934,017,783	846,988,582	920,474,545	798,378,686
Total comprehensive income attributable to:					
Owners of parent		649,725,682	2,849,511,032	638,265,064	2,801,300,257
Non-controlling interests		4,561,252	876,678	-	-
Total comprehensive income for the year		654,286,934	2,850,387,710	638,265,064	2,801,300,257
Earnings per share (in Baht)					
Basic earnings per share	30	3.20	2.91	3.17	2.75

I.C.C. International Public Company Limited and its Subsidiaries
Statement of changes in equity

	Consolidated financial statements											Total equity			
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings			Other components shareholders' equity					Equity attributable to owners of the parent	Non-controlling interests	
					Legal reserve	General reserve	Unappropriated	Translating foreign operations	Available for-sale investments	Share of other comprehensive income of associates	Total other components of equity				
<i>(in Baht)</i>															
Year ended 31 December 2017															
Balance at 1 January 2017		290,633,730	1,487,143,830	51,433,146	50,000,000	1,706,711,494	10,008,706,168	(328,867)	3,801,354,236	-	3,801,025,369	17,395,653,737	(16,140,010)	17,379,513,727	
Transactions with owners, recorded directly in equity															
Contributions by and distributions to owners of the parent															
Dividends	31	-	-	-	-	-	(334,228,790)	-	-	-	-	(334,228,790)	-	(334,228,790)	
Total contributions by and distributions to owners of the parent		-	-	-	-	-	(334,228,790)	-	-	-	-	(334,228,790)	-	(334,228,790)	
Changes in ownership interests in subsidiaries															
Acquisition of non-controlling interests with a change in control	12	-	-	-	-	-	-	-	-	-	-	-	14,971,858	14,971,858	
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	-	-	-	14,971,858	14,971,858	
Total transactions with owners, recorded directly in equity		-	-	-	-	-	(334,228,790)	-	-	-	-	(334,228,790)	14,971,858	(319,256,932)	
Comprehensive income for the year															
Profit or loss							846,476,564	-	-	-	-	846,476,564	512,018	846,988,582	
Other comprehensive income							-	(423,212)	2,002,921,571	536,109	2,003,034,468	2,003,034,468	364,660	2,003,399,128	
Total comprehensive income for the year							846,476,564	(423,212)	2,002,921,571	536,109	2,003,034,468	2,849,511,032	876,678	2,850,387,710	
Transfer to general reserve	23, 31					82,599,849	(82,599,849)	-	-	-	-	-	-	-	
Balance at 31 December 2017		290,633,730	1,487,143,830	51,433,146	50,000,000	1,789,311,343	10,438,354,093	(752,079)	5,804,275,807	536,109	5,804,059,837	19,910,935,979	(291,474)	19,910,644,505	

I.C.C. International Public Company Limited and its Subsidiaries
Statement of changes in equity

	Consolidated financial statements											Total equity					
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings			Other components of equity Available for sale investments					Equity attributable to owners of the parent	Non-controlling interests			
					Legal reserve	General reserve	Unappropriated	Translation financial statement	Re-measuring of investments	Gain on classification to available for sale	Share of other comprehensive income of associates				Other components of shareholders' equity		
(in Baht)																	
Year ended 31 December 2018																	
Balance at 1 January 2018		290,633,730	1,487,143,830	51,433,146	50,000,000	1,789,311,343	10,438,354,093	(752,079)	5,804,275,807	-	536,109	5,804,059,837	19,910,935,979	(291,474)	19,910,644,505		
Transactions with owners, recorded directly in equity																	
Contributions by and distributions to owners of the parent																	
Dividends	31	-	-	-	-	-	(319,697,103)	-	-	-	-	-	(319,697,103)	-	(319,697,103)		
Total contributions by and distributions to owners of the parent							(319,697,103)						(319,697,103)		(319,697,103)		
Comprehensive income for the year																	
Profit or loss		-	-	-	-	-	-	-	-	-	-	-	931,280,169	2,737,614	934,017,783		
Other comprehensive income		-	-	-	-	-	33,154,509	654,994	(476,612,345)	161,248,355	-	(314,708,996)	(281,554,487)	1,823,638	(279,730,849)		
Total comprehensive income for the year							964,434,678	654,994	(476,612,345)	161,248,355	-	(314,708,996)	649,725,682	4,561,252	654,286,934		
Transfer to general reserve	23, 31	-	-	-	-	79,837,869	(79,837,869)	-	-	-	-	-	-	-	-	-	
Balance at 31 December 2018		290,633,730	1,487,143,830	51,433,146	50,000,000	1,869,149,212	11,003,253,799	(97,085)	5,327,663,462	161,248,355	536,109	5,489,350,841	20,240,964,558	4,269,778	20,245,234,336		

I.C.C. International Public Company Limited and its Subsidiaries
Statement of changes in equity

	Separate financial statements								Total equity	
	Note	Issued and paid-up share capital	Premium on ordinary shares	Surplus on treasury shares	Retained earnings		Unappropriated	Other components of shareholders' equity		
					Legal reserve	General reserve		Available-for-sale investments		
(In Baht)										
Year ended 31 December 2017										
Balance at 1 January 2017		290,633,730	1,487,143,830	51,433,146	50,000,000	1,706,711,494	9,953,300,636	3,801,354,236		17,340,577,072
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Dividends	31	-	-	-	-	-	(334,228,790)	-		(334,228,790)
Total contributions by and distributions to owners		-	-	-	-	-	(334,228,790)	-		(334,228,790)
Comprehensive income for the year										
Profit or loss		-	-	-	-	-	798,378,686	-		798,378,686
Other comprehensive income		-	-	-	-	-	-	2,002,921,571		2,002,921,571
Total comprehensive income for the year		-	-	-	-	-	798,378,686	2,002,921,571		2,801,300,257
Transfer to general reserve	23, 31	-	-	-	-	82,599,849	(82,599,849)	-		-
Balance at 31 December 2017		290,633,730	1,487,143,830	51,433,146	50,000,000	1,789,311,343	10,334,850,683	5,804,275,807		19,807,648,539

I.C.C. International Public Company Limited and its Subsidiaries
Statement of changes in equity

	Separate financial statements										Total equity	
	Note	Issued and paid-up share capital	Premium on ordinary shares	Surplus on treasury shares	Retained earnings			Other components of equity				
					Legal reserve	General reserve	Unappropriated	Available for sale investments		Other components of shareholders' equity		
								Remeasuring of investments	Gain on classification to available for sale			
(in Baht)												
Year ended 31 December 2018												
Balance at 1 January 2018		290,633,730	1,487,143,830	51,433,146	50,000,000	1,789,311,343	10,334,850,683	5,804,275,807	-	5,804,275,807	-	19,807,648,539
Transactions with owners, recorded directly in equity												
<i>Contributions by and distributions to owners</i>												
Dividends	31	-	-	-	-	-	(319,697,103)	-	-	-	-	(319,697,103)
<i>Total contributions by and distributions to owners</i>		-	-	-	-	-	(319,697,103)	-	-	-	-	(319,697,103)
Comprehensive income for the year												
Profit or loss		-	-	-	-	-	920,474,545	-	-	-	-	920,474,545
Other comprehensive income		-	-	-	-	-	33,154,509	(476,612,345)	161,248,355	(315,363,990)	(315,363,990)	(282,209,481)
Total comprehensive income for the year		-	-	-	-	-	953,629,054	(476,612,345)	161,248,355	(315,363,990)	(315,363,990)	638,265,064
Transfer to general reserve	23, 31	-	-	-	-	79,837,869	(79,837,869)	-	-	-	-	-
Balance at 31 December 2018		290,633,730	1,487,143,830	51,433,146	50,000,000	1,869,149,212	10,888,944,765	5,327,663,462	161,248,355	5,488,911,817	20,126,216,500	20,126,216,500

I.C.C. International Public Company Limited and its Subsidiaries
Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2018	2017	2018	2017
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	934,017,783	846,988,582	920,474,545	798,378,686
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Depreciation and amortisation	238,384,341	231,555,430	231,503,673	221,727,356
Doubtful debts expenses of other accounts receivable	6,471,654	-	6,471,654	-
(Reversal of) bad and doubtful debts expenses	(1,403,366)	(6,257,359)	959,567	(6,257,359)
Reversal of losses on inventories devaluation	(27,659,412)	(27,468,096)	(5,881,074)	(15,076,211)
(Reversal of) Decline in value of investment	(13,718,840)	26,230,487	26,815,149	112,913,123
Interest income	(24,661,601)	(20,099,529)	(26,823,389)	(22,650,748)
Dividends income	(528,011,533)	(469,655,373)	(545,351,902)	(490,574,452)
Finance costs	1,640,056	1,612,430	-	1,316
Gain on disposal of investment	(111,565,344)	(242,619,598)	(100,292,170)	(242,619,590)
Loss from losing influence in associate	5,184,265	-	-	-
Gain on disposal of assets	(33,087,223)	(86,183,935)	(33,321,662)	(82,348,925)
Loss on retirement of equipment	5,887,405	-	5,862,596	1,491,873
Share of profit of investments in associates, net of tax	(48,547,572)	(29,266,533)	-	-
Expenses for employee benefits	78,653,634	72,912,917	78,127,935	68,509,223
Tax expense	74,847,945	86,489,074	74,431,652	86,442,076
	556,432,192	384,238,497	632,976,574	429,936,368
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	137,814,041	(357,676,029)	154,434,348	(361,901,922)
Inventories	97,464,403	288,312,562	46,419,951	253,866,199
Real estate projects under development	33,279,793	13,267,567	-	-
Other current assets	(33,620,598)	(38,738,902)	(68,841,048)	(41,952,858)
Other non-current assets	(915,363)	180,857	(3,581,068)	3,473,730
Trade accounts payable	(37,575,350)	(16,894,723)	(37,285,180)	(11,339,211)
Other payables	70,319,491	5,235,865	66,035,044	7,384,149
Employee benefits paid	(26,143,134)	(27,760,941)	(24,438,508)	(24,530,180)
Other non-current liabilities	(991,137)	(3,393,224)	(913,484)	(2,755,710)
Net cash generated from operating activities	796,064,338	246,771,529	764,806,629	252,180,565
Taxes paid	(91,049,402)	(90,775,706)	(90,633,109)	(90,728,708)
Net cash from operating activities	705,014,936	155,995,823	674,173,520	161,451,857

I.C.C. International Public Company Limited and its Subsidiaries
Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2018	2017	2018	2017
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	22,260,314	21,126,663	24,422,103	23,677,881
Dividends received	528,011,533	490,574,453	545,351,902	490,574,453
Acquisition of assets	(200,527,733)	(334,813,397)	(198,433,149)	(333,254,934)
Proceeds from repayment of loans to related parties and employees	1,187,464	74,133,234	24,377,264	82,933,234
Acquisition of debt securities from related party	-	(398,691,000)	-	(398,691,000)
Acquisition of other current investment	(412,802,015)	-	(412,802,015)	-
Acquisition of other equity securities	(102,908,038)	(364,139,744)	(110,874,855)	(364,139,744)
Proceeds from sale of other equity securities	210,115,155	282,205,008	210,115,155	282,205,000
Decreased in deposit for assets	-	20,747,323	-	20,737,651
Proceeds from reduction of capital of other long-term investments	3,388,780	5,220,000	3,388,780	5,220,000
Proceeds from sale of assets	62,542,024	91,556,906	62,524,590	86,229,704
Cash paid for purchase of subsidiary	-	-	-	(7,350,716)
Acquisition of non-controlling interests	-	14,971,858	-	-
Net cash from used in investing activities	111,267,484	(97,108,696)	148,069,775	(111,858,471)
<i>Cash flows from financing activities</i>				
Interest paid	(1,639,070)	(1,538,129)	-	(1,316)
Dividends paid to owners of the Company	(319,541,945)	(334,156,243)	(319,541,945)	(334,156,243)
Decrease in bank overdrafts	-	10,000,000	-	-
Net cash used in financing activities	(321,181,015)	(325,694,372)	(319,541,945)	(334,157,559)
Net (decrease) increase in cash and cash equivalents,				
before effect of exchange rates	495,101,405	(266,807,245)	502,701,350	(284,564,173)
Effect of exchange rate changes on cash and				
cash equivalents	(1,828,205)	2,418,855	(383,847)	6,656
Net (decrease) increase in cash and cash equivalents	493,273,200	(264,388,390)	502,317,503	(284,557,517)
Cash and cash equivalents at beginning of period	911,101,101	1,175,489,491	875,732,812	1,160,290,329
Cash and cash equivalents at ending of period	1,404,374,301	911,101,101	1,378,050,315	875,732,812
<i>Non-cash transactions</i>				
Increase (decrease) in fair value of available-for-sale investments	(595,765,431)	2,503,651,963	(595,765,431)	2,503,651,963
Payables of acquisition of assets	20,383,149	13,597,783	19,097,695	13,597,783

I.C.C. International Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2018**

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 22 February 2019.

1. General information

I.C.C. International Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 530 Soi Sathupradit 58, Bang Phong Phang subdistrict, Yannawa district, Bangkok.

The Company was listed on the Stock Exchange of Thailand in December 1978.

The Company's major shareholders during the financial period were Saha Pathana Inter-Holding Public Company Limited (22.5% shareholding) and I.D.F. Co., Ltd. (9.5% shareholding). Both companies were incorporated in Thailand.

The principle business of the Company is distributing consumer products.

Details of the Company's subsidiaries as at 31 December are as follows:

Name	Type of business	Country of incorporation	Ownership interest	
			2018	2017
			(%)	
WBRE Co., Ltd.	Real Estate	Thai	99.9	99.9
Amis Du Monde SARL	Trading	France	81.9	81.9
Canchana International Co., Ltd.	Distributing	Cambodia	60.0	60.0
Thai Itokin Co., Ltd.	Manufacturing and distributing apparels	Thai	58.2	58.2

2. Basis of preparation of financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions ("FAP"); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2018. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of new and revised TFRS which are not yet effective for current periods. The Group has not early adopted these standards in preparing these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 35.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items.

Items	Measurement bases
Available-for-sale investments	Fair value

(c) Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Company's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 12 Consolidation: whether the Group has de facto control over an investee

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities within the year ending

31 December 2019 is included in the following notes:

Note	9	Allowance for decline in value is equal to net realisable value;
Note	12	Acquisition of subsidiary: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis;
Note	18	Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
Note	21	Measurement of defined benefit obligations: key actuarial assumptions

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 11 Available-for-sale;
- Note 32 Financial instruments.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control.

The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

Step acquisition

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity - accounted investees

The Group's interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment, except to extent that the translation difference is allocated to non-controlling interest.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(c) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(d) Trade and other accounts receivable

Trade accounts receivable are stated at their invoice value less allowance for doubtful accounts and provision for sales to retailers with condition.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost of inventories in categories of trading, consignment goods sales to retailers with condition, manufactured inventories and work-in-progress are calculated using the weighted average cost principle and for cost of inventories on real estate-condominium is calculated using the specific method. Cost of inventory comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(f) Real estate development projects

Real estate development projects are projects for the development of properties with the intention of sale in the ordinary course of business. They are stated at the lower of cost plus, where appropriate, a portion of attributable profit and estimated net realisable value, net of progress billings. Net realisable value represents the estimated selling price less costs to be incurred in selling the properties.

The cost of real estate development projects comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding real estate development projects are capitalised, on a specific identification basis, as part of the cost of the property until the completion of development.

(g) Sales VAT on consignment sales of inventories

Sales VAT on consignment sales shall be recorded and payable when the goods have been delivered to retailers and sales VAT has been submitted to the Revenue Department. This sales VAT shall be recorded as current asset in the statement of financial position. The Company shall also call for VAT from retailers after the goods have been sold to customers.

(h) Investments

Investments in associates and subsidiaries

Investments in associates and subsidiaries in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

Investments in other debt and equity securities

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity. Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using weighted average method applied to the carrying value of the total holding of the investment.

(i) Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Investment properties	20 - 40 years
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(j) Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Property that is being constructed for future use as investment property is accounted for at fair value. Any gain arising on remeasurement is recognised in profit or loss to the extent the gain reverses a previous impairment loss on the specific property.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment except for the computer has been determined by using the Sum of Year's Digits Method. The estimated useful lives are as follows:

Buildings and improvements	20 - 50 years
Office equipment	3 - 5 years
Furniture and fixtures	5 years
Vehicles	5 years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) Intangible assets

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives which were trademarks and license database of customers are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

Software licenses	10	years
Trademarks	10	years
License database of customer	10	years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(l) Leasehold

Payments made for leasehold rights are measured at cost method and amortisation is recognised in the profit or loss on straight-line basis over the periods of the leasehold agreements.

(m) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

(o) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(p) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed regularly by a qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(q) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(r) Revenue

Revenue excludes value added taxes and other sales taxes and is arrived at after deduction of trade discounts and volume rebates.

Sale of goods

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Real estate development projects

When the contract meets the criteria for a sale of goods, or if control and significant risks and rewards of ownership of the work in progress are transferred to the buyer at a single time, for example at completion or after delivery, revenue is recognised when the criteria described above for sales of goods and services are met.

Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

Dividend income

Dividend income is recognised in profit or loss on the date the Company's right to receive payments is established.

Interest income

Interest income is recognised in profit or loss as it accrues.

(s) Finance costs

Interest expense and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial year of time to be prepared for its intended use or sale.

(t) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(u) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. . Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(v) Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares and calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

(w) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4 Acquisition of subsidiaries and non-controlling interests

On 30 November 2017, the Group obtained control of Canchana International Co., Ltd., a distributor by acquiring 20% of the shares and voting interests in the company. As a result, the Group's equity interest in Canchana International Co., Ltd. increased from 40% to 60%.

Taking control of Canchana International Co., Ltd., the main distributor in the Kingdom of Cambodia with good operations. The Group expects to increase its revenue in the future.

For one month period ended 31 December 2017, Canchana International Co., Ltd. contributed revenue of Baht 4.56 million to the Group's results. If the acquisition had occurred on 1 January 2017, management estimates that consolidated revenue would have been Baht 42.68 million for the year ended 31 December 2017. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2017.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

Identifiable assets acquired and liabilities assumed

	Fair Value (in thousand baht)
Cash and cash equivalents	12,409
Trade accounts receivable	2,725
Inventories	23,931
Other current assets	1,910
Property, plant and equipment.	4,107
Intangible assets	36
Trade accounts payable	(6,646)
Current liability	(1,042)
Carrying amounts of net identifiable net assets	37,430
<i>Less : Non-controlling interests</i>	<i>(14,972)</i>
Recognised value of net asset acquired	22,458
Gain on bargain purchases	(135)
Net cash flows	22,323

5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries and associates are described in notes 12 and 13. Relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation/nationality	Ownership interest (%)	Nature of relationships
Key management personnel	Thai	-	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.
Saha Pathana Inter-Holding Plc.	Thai	10.04	Major shareholders, 22.50% shareholding, some common shareholders and directors
I.D.F. Co., Ltd.	Thai	9.00	Major shareholders, 9.50% shareholding, some common shareholders and directors
Saha Pathanapibul Plc.	Thai	10.19	8.50% shareholding, some common shareholders and directors
WBRE Co., Ltd.	Thai	99.99	Subsidiary, some common directors
Amis Du Monde SARL	France	81.92	Subsidiary
Canchana International Co., Ltd.	Cambodia	60.00	Subsidiary, some common directors
Thai Itokin Co., Ltd.	Thai	58.16	Subsidiary, some common directors
Nanan Cambo Solution Co., Ltd.	Cambodia	49.00	Associate, some common directors
Boon Capital Holding Co., Ltd.	Thai	32.00	Associate
International Leather Fashion Co., Ltd.	Thai	28.00	Associate, Some common directors are close member of the family of the Company's management
Thai Secom Security Co., Ltd.	Thai	25.50	Associate
Issara United Co., Ltd.	Thai	25.00	Associate, some common directors
Worldclass Rent a Car Co., Ltd.	Thai	25.00	Associate
Issara United Development Co., Ltd.	Thai	25.00	Associate, some common directors
Tiger Distribution & Logistics Co., Ltd.	Thai	19.90	Some common directors
Sahapat Real Estate Co., Ltd.	Thai	19.90	Some common directors
O.C.C. Plc.	Thai	19.73	0.60% shareholding, some common directors
SSDC (Tigertex) Co., Ltd.	Thai	19.58	Some common directors
International Laboratories Co., Ltd.	Thai	19.56	1.10% shareholding, some common directors
DF Inter Co., Ltd.	Thai	19.00	Some common directors

Name of entities	Country of incorporation/ nationality	Ownership interest (%)	Nature of relationships
Thai Cubic Technology Co., Ltd.	Thai	19.00	Some common directors
H&B Inter tex Co., Ltd.	Thai	19.00	Some common directors
International Commercial Coordination (Hong Kong) Ltd.	Hong Kong	19.00	Some common directors
Pan Asia Footwear Plc.	Thai	18.91	Some common directors
United Utilities Co., Ltd.	Thai	18.56	Some common directors
Top Trend Manufacturing Co., Ltd.	Thai	18.00	Some common directors
Saha Nam Textile Co., Ltd.	Thai	18.00	Some common directors are close member of the family of the Company's management
SHOP Global (Thailand) Co., Ltd.	Thai	17.42	Associate, some common directors
Bangkok Tokyo Socks Co., Ltd.	Thai	17.31	Some common directors
Pan Land Co., Ltd.	Thai	16.67	Some common directors
BNC Real Estate Co., Ltd.	Thai	16.67	Some common directors
Better Way (Thailand) Co., Ltd.	Thai	16.48	Some common directors
Erawan Textile Co., Ltd.	Thai	16.41	Some common directors
Thai Gunze Co., Ltd.	Thai	16.00	Some common directors
Shiseido Professional (Thailand) Co., Ltd.	Thai	15.00	Some common directors
Tsuruha (Thailand) Co., Ltd.	Thai	15.00	Some common directors
S & J International Enterprises Plc.	Thai	14.61	Some common directors
K. Commercial and Construction Co., Ltd.	Thai	14.50	Some common directors
Raja Uchino Co., Ltd.	Thai	13.59	Some common directors
Thai Takeda Lace Co., Ltd.	Thai	12.76	Some common directors
Champ Ace Co., Ltd.	Thai	12.50	Some common directors
T.U.C. Elastic Co., Ltd.	Thai	12.00	Some common directors
Treasure Hill Co., Ltd.	Thai	12.00	Some common directors
Morgan De Toi (Thailand) Co., Ltd.	Thai	12.00	Some common directors are close member of the family of the Company's management
Lion Corporation (Thailand) Co., Ltd.	Thai	12.00	Some common directors are close member of the family of the Company's management
Thai Sports Garment Co., Ltd.	Thai	12.00	Some common directors
Saha Tokyu Corporation Co., Ltd.	Thai	12.00	Some common directors
Thai Shikibo Co., Ltd.	Thai	11.74	Some common directors
Sahacogen (Chonburi) Plc.	Thai	11.30	Some common directors
Thanulux Plc.	Thai	11.09	3.40% shareholding, some common directors
Kewpie (Thailand) Co., Ltd.	Thai	10.77	Some common directors are close member of the family of the Company's management
Waseda Education (Thailand) Co., Ltd.	Thai	10.71	Some common directors
Textile Prestige Plc.	Thai	10.43	Some common directors

Name of entities	Country of incorporation/ nationality	Ownership interest (%)	Nature of relationships
Far East DDB Plc.	Thai	10.29	Some common directors
Kai I.T. Service Co., Ltd.	Thai	10.00	Indirect holding by Vitayasithi Co., Ltd.
Thai Takaya Co., Ltd.	Thai	10.00	Some common directors are close member of the family of the Company's management
Total Way Image Co., Ltd.	Thai	10.00	Some common directors are close member of the family of the Company's management
E.P.F. Co., Ltd.	Thai	10.00	Some common directors are close member of the family of the Company's management
K.T.Y. Industry Co., Ltd.	Thai	9.93	Some common directors
Dairy Thai Co., Ltd.	Thai	9.13	Some common directors are close member of the family of the Company's management
First United Industry Co., Ltd.	Thai	9.12	Some common directors
Wien International Co., Ltd.	Thai	9.00	Some common directors
Osoth Inter Laboratories Co., Ltd.	Thai	9.00	Some common directors
Saha Lawson Co., Ltd.	Thai	9.00	Some common directors are close member of the family of the Company's management
Transcosmos (Thailand) Co., Ltd.	Thai	9.00	Some common directors
Sun 108 Co., Ltd.	Thai	8.25	Some common directors
Janome (Thailand) Co., Ltd.	Thai	8.00	Some common directors
Thai Bunka Fashion Co., Ltd.	Thai	8.00	Some common directors are close member of the family of the Company's management
Thai Stafflex Co., Ltd.	Thai	8.00	Some common directors
Molten Asia Polymer Products Co., Ltd.	Thai	7.80	Some common directors are close member of the family of the Company's management
Seino Saha Logistic Co., Ltd.	Thai	7.75	Some common directors are close member of the family of the Company's management
Sahachol Food Supplies Co., Ltd.	Thai	6.90	Some common directors
SRP Nanasai Co., Ltd.	Thai	6.33	Some common directors
Molten (Thailand) Co., Ltd.	Thai	6.00	Some common directors are close member of the family of the Company's management
Sahapat Properties Co., Ltd.	Thai	5.75	Some common directors
Pattaya Manufacturing Co., Ltd.	Thai	5.33	Some common directors
People's Garment Plc.	Thai	5.25	Some common directors
Thai Wacoal Plc.	Thai	5.09	3.80% shareholding, some common directors
Thai Monster Co., Ltd.	Thai	5.00	Some common directors are close member of the family of the Company's management
Saha Komehyo Co., Ltd. ⁽⁷⁾	Thai	5.00	Some common directors are close member of the family of the Company's management

Name of entities	Country of incorporation/ nationality	Ownership interest (%)	Nature of relationships
BNC Maesot Co., Ltd.	Thai	5.00	Some common directors
Thai Hoover Industry Co., Ltd.	Thai	4.75	Some common directors
Thai Arusu Co., Ltd.	Thai	4.17	Some common directors
The Mall Ratchasima Co., Ltd.	Thai	4.00	Some common directors are close member of the family of the Company's management
Ratchasima Shopping Complex Co., Ltd.	Thai	4.00	Some common directors are close member of the family of the Company's management
Pens Marketing and Distribution Co., Ltd.	Thai	3.50	Some common directors
Thai Naxis Co., Ltd.	Thai	3.38	Some common directors
Thai President Foods Plc.	Thai	1.25	Some common directors are close member of the family of the Company's management
Newcity (Bangkok) Plc.	Thai	0.79	Some common directors are close member of the family of the Company's management
Cake & Bakery Co., Ltd.	Thai	-	Some common directors
Can Co., Ltd.	Thai	-	Some common directors
Koraj Watana Co., Ltd.	Thai	-	Some common directors
Sun and Sand Co., Ltd.	Thai	-	Some common directors
Paknumpo Wattana Co., Ltd.	Thai	-	Some common directors
Maharachapreuk Co., Ltd.	Thai	-	Some common directors
Vira Law Office Co., Ltd.	Thai	-	Some common directors
Sukhatasana Co., Ltd.	Thai	-	Some common directors
Saha Asia Pacific Co., Ltd.	Thai	-	Some common directors are close member of the family of the Company's management
Intanin Chiangmai Co., Ltd.	Thai	-	Some common directors
Inter South Co., Ltd.	Thai	-	Some common directors
Eastern I.C.C. Co., Ltd.	Thai	-	Some common directors
Lion Service Co., Ltd.	Thai	-	Indirect holding by Lion Corporation (Thailand) Co., Ltd.
Daiohs (Thailand) Co., Ltd.	Thai	-	Some common directors
S.T. (Thailand) Co., Ltd.	Thai	-	Some common directors are close member of the family of the Company's management
International Commercial Coordination Co., Ltd.	Thai	-	Some common directors
Silver Rain Co., Ltd.	Thai	-	Some common directors
SSJ PTE. LTD.	Singapore	-	Indirect holding by Vitayasithi Co., Ltd.
Vitayasithi Co., Ltd.	Thai	-	Some common directors hold shares in the Company
International Curity Footwear Co., Ltd.	Thai	-	Some common directors
Advantage Footwear Co., Ltd.	Thai	-	Some common directors
Manorom footwear Co., Ltd. (1)	Thai	-	Some shareholders are close member of the family of the Company's management

Name of entities	Country of incorporation/ nationality	Ownership interest (%)	Nature of relationships
T-way Co., Ltd. ⁽²⁾	Thai	-	Some common directors
Train Time Test Co., Ltd. ⁽³⁾	Thai	-	Some common directors
Sriracha Aviation Co., Ltd. ⁽⁴⁾	Thai	-	Some common directors
General Glass Co., Ltd. ⁽⁵⁾	Thai	-	Some common directors
Laem Cha-Bang Warehouse Co., Ltd. ⁽⁶⁾	Thai	-	Some common directors
Otsuka Saha Asia Research Co., Ltd. ⁽⁸⁾	Thai	-	Some common directors are close member of the family of the Company's management

- (1) Manorom footwear Co., Ltd. had been related since quarter 3, 2017.
(2) T-Way Co., Ltd. had been related since quarter 1, 2018.
(3) Train Time Test Co., Ltd. had been related since quarter 1, 2018.
(4) Sriracha Aviation Co., Ltd. had not been related since quarter 2, 2018.
(5) General Glass Co., Ltd. had been liquidated and dissolved on quarter 3, 2018.
(6) Laem Cha-Bang Warehouse Co., Ltd. had not been related since quarter 3, 2018.
(7) Saha Komehyo Co., Ltd. had been related since quarter 4, 2018.
(8) Otsuka Saha Asia Research Co., Ltd. had been liquidated and dissolved on quarter 4, 2018.

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sales of goods	Market price or contractually agreed prices
Interest income	At the rates of 1.50% - 6.03% per annum
Dividends income	According to the declaration
Other income	Market price or contractually agreed prices
Purchase of goods or receiving of services	Contractually agreed prices
Purchase/sale of assets	Contractually agreed prices
Distribution costs	Market price or contractually agreed prices
Other expenses	Market price or contractually agreed prices

Significant transactions for the years ended 31 December with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sales of goods	-	-	24,372	827
Other income	-	-	7,499	6,373
Purchases of goods	-	-	105,815	120,560
Distribution costs	-	-	574	1,100
Other expenses	-	-	172	37
Associates				
Sales of goods	16,810	36,787	16,137	36,787
Dividend income	17,340	20,919	17,340	20,919
Other income	7,897	11,130	7,897	11,130
Purchases of goods	132,555	176,459	132,555	176,459
Distribution costs	587	463	587	463
Other expenses	3,148	2,631	2,880	2,419
Other related parties				
Sales of goods	329,581	382,408	317,210	376,114
Dividend income	483,382	425,896	483,382	425,896
Other income	163,670	110,085	163,561	110,072
Sales of equity instrument	19,315	-	19,315	-
Purchases of goods	6,184,324	6,214,115	6,175,447	6,203,040
Purchase of assets	115,227	127,764	115,172	127,764
Distribution costs	345,509	399,751	345,504	399,754
Other expenses	53,903	42,613	48,646	41,777
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	79,676	80,958	75,626	78,211
Long-term benefits	6,666	6,726	6,527	6,596
Total key management personnel compensation	86,342	87,684	82,153	84,807

Balances as at 31 December with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	11,469	15,098
Associates	2,684	996	2,684	996
Other related parties	110,803	109,770	109,676	109,701
Total	113,487	110,766	123,829	125,795
Less allowance for doubtful accounts	(8,177)	(6,555)	(8,177)	(6,907)
Net	105,310	104,211	115,652	118,888

<i>Other accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	154	112
Associates	2,024	162	2,024	162
Other related parties	14,312	23,612	14,312	23,612
Total	16,336	23,774	16,490	23,886

<i>Loans to related parties</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017	2018	2017
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Short-term loans						
Subsidiaries	1.50 - 1.52	1.50	-	-	142,510	165,700
Associates	6.03	6.03 - 6.27	60,000	-	60,000	-
Other related parties	3.98 - 4.38	4.37	30,000	30,000	30,000	30,000
Total short-term loans			90,000	30,000	232,510	195,700
Long-term loan						
Associates	-	6.03 - 6.27	-	60,000	-	60,000
			-	60,000	-	60,000
Summary loans to related parties						
Short-term loans			90,000	30,000	232,510	195,700
Long-term loan			-	60,000	-	60,000
Total loans to related parties			90,000	90,000	232,510	255,700

Movements during the years ended 31 December of loans to related parties were as follows:

<i>Loans to related parties</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Short-term loans				
Subsidiaries				
At 1 January	-	-	165,700	174,500
Increase	-	-	9,897	1,000
Allowance for doubtful accounts	-	-	(141)	-
Decrease	-	-	(32,946)	(9,800)
At 31 December	-	-	142,510	165,700
Associates				
At 1 January	-	75,000	-	75,000
Increase	60,000	-	60,000	-
Decrease	-	(75,000)	-	(75,000)
At 31 December	60,000	-	60,000	-
Other related parties				
At 1 January	30,000	90,000	30,000	90,000
Decrease	-	(60,000)	-	(60,000)
At 31 December	30,000	30,000	30,000	30,000
Total short-term loans to related parties				
At 1 January	30,000	165,000	195,700	339,500
Increase	60,000	-	69,897	1,000
Allowance for doubtful accounts	-	-	(141)	-
Decrease	-	(135,000)	(32,946)	(144,800)
At 31 December	90,000	30,000	232,510	195,700
Long-term loan				
At 1 January	60,000	-	60,000	-
Increase	-	60,000	-	60,000
Decrease	(60,000)	-	(60,000)	-
At 31 December	-	60,000	-	60,000

<i>Trade accounts payable from related parties</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	10,532	10,621
Associates	21,323	27,490	21,287	27,467
Other related parties	1,097,494	1,131,124	1,096,238	1,129,442
Total	1,118,817	1,158,614	1,128,057	1,167,530

<i>Other accounts payable from related parties</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	82	49
Associates	900	779	900	779
Other related parties	114,074	80,639	114,074	80,639
Total	114,974	81,418	115,056	81,467

<i>Short-term borrowing from related party</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017	2018	2017
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Short-term borrowing						
Related party	4.00	4.00	10,000	10,000	-	-

Movements during the years ended 31 December 2018 and 2017 of short-term borrowing from related party were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Other related party				
At 1 January and 31 December	10,000	10,000	-	-

<i>Other commitments</i>	Consolidated and separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
Guarantees for related parties	334,970	333,080

Rental area and related services agreements

The Company entered into rental area and related services agreements with several related parties companies. The company paid fees approximately at Baht 4.15 million per month, agreements had periods of 1-27 year and will be expired in 2027.

6 Cash and cash equivalent

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Cash on hand	3,170	4,024	2,964	3,906
Cash at banks-current accounts	118,048	131,194	107,902	108,752
Cash at banks-saving accounts	242,603	117,000	228,027	104,192
Highly liquid short-term investment	1,034,641	655,703	1,034,500	655,703
Others	5,912	3,180	4,657	3,180
Cash and cash equivalents in the statement of financial position and statement of cash flows	1,404,374	911,101	1,378,050	875,733

As at 31 December 2018, The Company has fixed deposit receipt with maturity period less than 3 months issued by financial institutions in amounting to Baht 1,035 million with interest rates between 1.1% -1.4% per annum (2017: 0.9% - 1.5% per annum), which was recorded as highly liquid short-term investments.

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	1,389,576	897,913	1,377,828	875,353
America (USD)	10,448	12,595	-	-
Euro (EUR)	4,128	444	-	231
Others	222	149	222	149
Total	1,404,374	911,101	1,378,050	875,733

7 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	5	113,487	110,766	123,829	125,795
Other parties		1,693,416	1,831,143	1,657,883	1,810,352
Total		1,806,903	1,941,909	1,781,712	1,936,147
<i>Less allowance for doubtful accounts</i>		(22,242)	(20,838)	(21,687)	(20,728)
Net		1,784,661	1,921,071	1,760,025	1,915,419
Bad and doubtful debts expense for the year		2,883	12,663	2,439	12,551
Reversal of bad debt for the year		(1,479)	(18,809)	(1,479)	(18,809)

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	78,564	92,595	82,721	99,038
Overdue:				
Less than 1 months	15,387	9,680	15,387	9,680
1-3 months	3,495	314	3,495	314
4-12 months	7,335	1,849	7,335	1,849
Over 12 months	8,706	6,328	14,891	14,914
	113,487	110,766	123,829	125,795
Less allowance for doubtful accounts	(8,177)	(6,555)	(8,177)	(6,907)
	105,310	104,211	115,652	118,888
Other parties				
Within credit terms	1,592,442	1,713,962	1,560,325	1,693,771
Overdue:				
Less than 1 months	65,499	77,658	65,499	77,658
1-3 months	20,228	17,674	17,739	17,668
4-12 months	10,654	13,475	10,282	13,473
Over 12 months	4,593	8,374	4,038	7,782
	1,693,416	1,831,143	1,657,883	1,810,352
Less allowance for doubtful accounts	(14,065)	(14,283)	(13,510)	(13,821)
	1,679,351	1,816,860	1,644,373	1,796,531
Net	1,784,661	1,921,071	1,760,025	1,915,419

The normal credit terms granted by the Company range from 30 days to 90 days.

The Group's and the Company's trade accounts receivable as at 31 December 2018 and 2017 were denominated entirely in Thai Baht.

8 Loans

	Note	Interest rate		Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017	2018	2017
		<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Short-term loans							
Related parties	5	1.50 - 6.27	1.50 - 4.38	90,000	30,000	232,510	195,700
Other party		-	-	-	69,979	-	69,979
Total				90,000	99,979	232,510	265,679
Less allowance for doubtful accounts				-	(69,979)	-	(69,979)
Net				90,000	30,000	232,510	195,700
Long-term loan							
Related party	5	-	6.03 - 6.27	-	60,000	-	60,000
Net				-	60,000	-	60,000

The Group's and the Company's short-term loans as at 31 December 2018 and 2017 were denominated entirely in Thai Baht.

The Company had loans to Siam Zoakei Co., Ltd. ("Siam Zoakei") in 2008, totaling Baht 150 million with interest rate at 7% per annum. This loan was guaranteed by a local company with the original title deeds owned by Siam Zoakei Co., Ltd. and by the guaranteed company totaling two plots of land in Phuket province, with total area of 17 rai, 1 ngarn and 79.7 square wah, as its collateral. However, Siam Zoakei Co., Ltd. could not repay this loan to the Company. The Company had pursued litigation against Siam Zoakei Co., Ltd. Moreover, the Company filed a petition to the Court which approved to seize the properties of Siam Zoakei Co., Ltd.

During 2010-2012, these properties had been sold at bidding price total approximately Baht 168.70 million and are awaiting for payment in accordance with the Court process. There were other creditors of Siam Zoakei Co., Ltd. asking for distribution of these Siam Zoakei's properties in this litigation case. However, if the money gained from the sales by auction is not enough for debt payment, the Company has the right to further file the law suit to the above mentioned guarantor.

During the year 2013, the Company asked the Court for distribution of Siam Zoakei's properties and was on the fact finding process. Then during the year 2014, the Court has finalized for distribution and the Company received money from distribution with the total amount of Baht 80.02 million. Moreover, there remain properties that had been sold at bidding price and are waiting for payment in accordance with the Court process and the Court execution officer. However, the remaining outstanding balance of Baht 69.98 million was completely set up allowance of doubtful.

The board of directors meeting of the Company, held on 9 November 2018, approved to write off the bad debt from Siam Zoakei Co., Ltd. in amounting of Baht 69.98 million due to Central Bankruptcy Court gave judgment for Siam Zoakei Co., Ltd. to be bankrupt on 7 February 2018.

9 Inventories

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Finished goods	1,208,662	1,242,568	1,219,142	1,221,629
Consignment goods	2,123,684	2,163,163	2,122,800	2,161,916
Work in process	2,829	3,790	-	-
Raw material	30,870	49,172	-	-
Goods in transit	70,845	75,662	70,845	75,661
Less allowance for decline in value	(93,077)	(120,737)	(59,721)	(65,602)
	3,343,813	3,413,618	3,353,066	3,393,604
Real estate awaiting for sale - Condominium	13,175	13,175	13,175	13,175
Total	3,356,988	3,426,793	3,366,241	3,406,779
Inventories recognised as an expense in 'cost of sales of goods':				
- Cost	7,866,535	7,890,312	7,601,583	7,717,343
- Write-down to net realisable value	-	24,819	-	24,819
- Reversal of write-down	(27,659)	(52,205)	(5,881)	(39,896)
Net	7,838,876	7,862,926	7,595,702	7,702,266

10 Real estate projects under development

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Land and development costs of projects for sale	11,161	39,479	-	-
Show houses	4,301	4,424	-	-
Construction in progress	109,018	113,857	-	-
Total	124,480	157,760	-	-

11 Available for sale investments

<i>Available-for-sale investments</i>	Consolidated and Separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
Equity securities available for sale	9,091,796	9,068,042

Movements during the years of marketable equity securities for the year ended 31 December were as follows:

	<i>Note</i>	Consolidated and separate financial statements	
		2018	2017
		<i>(in thousand Baht)</i>	
Available-for-sale investments			
At 1 January		9,068,042	6,586,035
Acquisitions/additional investment		30,000	-
Cost of reclassified investment	14	398,691	-
Gain on classification from debt security held to maturity to be investment available for sale	14	201,560	-
Disposal		(10,732)	(21,645)
Valuation adjustment		(595,765)	2,503,652
At 31 December		9,091,796	9,068,042

The Company's available-for-sale investments as at 31 December 2018 and 2017, all investments are publicly listed which is listed on the Stock Exchange of Thailand.

12 Investments in subsidiaries

	<i>Note</i>	Consolidated and separate financial statements	
		2018	2017
		<i>(in thousand Baht)</i>	
At 1 January		63,825	55,791
Acquisitions/additional investment	4	7,967	7,351
Reclassification of investment	13	-	6,475
Allowance for impairment increase		(24,539)	(5,792)
At 31 December		47,253	63,825

Additional investment

On 13 September 2018, the Company made an additional investment in Amis Do Monde SARL of Baht 7.97 million (21,004 shares, Baht 379.30 per share) and already paid all amount, the Company's ownership remain the same. Since Amis Do Monde SARL has plan to dissolve. As a result, the Company had set up an allowance for impairment for all additional investment.

On 30 November 2017, the Company made an additional investment in Canchana International Co., Ltd., a distributor which was a Group's associate company, by investing 200 shares at USD 1,021 per share (equivalent to Baht 36,754). This result increase in the shareholding from 40% to 60%. The Company make a fully paid-up share amounting to Baht 7,350,720.

Investments in subsidiaries as at 31 December 2018 and 2017 and dividend income from those investments for the year then ended were as follows:

(หน่วย : พันบาท)

Subsidiaries	Type of business	Separate financial statements											
		Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		(in thousand Baht)											
WBRE Co., Ltd.	Property Development	99.9	99.9	50,000	49,999	49,999	(16,572)	-	33,427	49,999	-	-	-
Amis Du Monde SARL	Trading	81.9	81.9	53,758	48,924	40,957	(48,924)	(40,957)	-	-	-	-	-
Canchana International Co., Ltd.	Distributing	60.0	60.0	16,300	13,826	13,826	-	-	13,826	13,826	-	-	-
Thai Itokin Co., Ltd.	Manufacturing and distributing apparels	58.2	58.2	111,250	80,101	80,101	(80,101)	(80,101)	-	-	-	-	-
Total					192,850	184,883	(145,597)	(121,058)	47,253	63,825			

All subsidiaries were incorporated in Thailand, except Amis Du Monde SARL which was incorporated in France and Canchana International Co., Ltd. which was incorporated in Kingdom of Cambodia.

Amis Du Monde SARL has plan to dissolve. In the third quarter of 2018, had increased in share capital in the amounting of Baht 8 million. As a result, the Company had set up an allowance for impairment full amount.

None of the Group's subsidiaries are publicly listed and consequently do not have published price quotations.

13 Investments in associates

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		(in thousand Baht)			
Associates					
At 1 January		826,906	695,811	635,736	585,117
Share of net profits of associates		48,548	28,730	-	-
Share of other comprehensive income of associates - net of tax		-	536	-	-
Acquisitions/additional investments		18,018	137,985	18,018	137,985
Disposal		(18,018)	-	(18,018)	-
Dividend income		(17,340)	(20,920)	-	-
Decrease issued share capital		-	-	(147,420)	-
Reclassification of investment	12	(15,536)	(14,631)	(30,836)	(6,475)
Loss from losing control		(5,185)	-	-	-
Allowance for impairment		(184)	-	(184)	(80,891)
Reversal allowance for impairment		-	-	136,147	-
Currency transaction differences		(44)	(605)	-	-
At 31 December		837,165	826,906	593,443	635,736

Capital decrease of Associates

On 18 September 2018, SHOP Global (Thailand) Co., Ltd. decreased its share capital in the amount of Baht 630.00 million to Baht 138.60 million by decreasing par value of Baht 100 per share to Baht 22 per share that the Company hold ordinary share of 1.89 million shares, amounting to Baht 189.00 million, at 30% shareholding. As a result, loss from decrease of share capital was in amount of Baht 147.42 million. As at 31 December 2017, the Company has provided an allowance for impairment in the amount of Baht 146.89 million and additionally provided an allowance for impairment in the amount of Baht 11.27 million to profit or loss during the year ended 31 December 2018. However, the Company netted the decrease of share capital to its allowance for impairment.

Approval for additional investment in associated

At the board of director meeting of the Company held on 28 September 2018, the directors approved the acquisition of an additional ordinary share of SHOP Global (Thailand) Co., Ltd. for 12.86 %, amounting to Baht 18.00 million. The Company made an additional investment in SHOP Global (Thailand) Co., Ltd. on 1 October 2018, as a result, the Company's ownership increased from 30.00% to 42.86%.

Approval of a disposal investment of associated

At the board of director meeting of the Company held on 12 October 2018, the directors approved to dispose the additional of the ordinary shares for 12.86 %, amounting to Baht 18.00 million of SHOP Global (Thailand) Co., Ltd. (0.81 million shares, Baht 22 per share). The Company dispose the investment in SHOP Global (Thailand) Co., Ltd. on 26 October 2018, as a result, the Company's ownership decreased from 42.86% to 30.00%.

On 26 December 2018, SHOP Global (Thailand) Co., Ltd. increased share capital in the amount of Baht 100.10 million (4.55 million shares, Baht 22 per share), from share capital of Baht 138.60 million to Baht 238.70 million. The Company disclaimed a right to acquire those shares, this result the shareholding interest decreased from 30.00% to 17.42%, which lead to influence loss this associate company. Therefore, the Company reclassified the investment in associate company to other long-term investment. The Company didn't use equity method to record the investment in consolidated financial statements since 26 December 2018. The investment using equity method was in the amount of Baht 20.72 million on that date. The Company measured the fair value of the remaining investment in SHOP Global (Thailand) Co., Ltd. at the date of influence lost in the amount of Baht 15.54 million. The Company recognized the loss for losing influence in amounting of Baht 5.18 million in the consolidated statement of comprehensive income.

Acquisitions/additional investments

On 24 February 2017, the Company made an additional investment in Issara United Co., Ltd. of Baht 22.00 million (0.550 million shares, Baht 100 per share) which a such associate company called for additional paid-up of 40% of authorised share capital, bringing the Company's ownership remain the same.

On 28 March 2017, the Company made an investment in Issara United Development Co., Ltd. of Baht 16.88 million (0.675 million shares, Baht 100 per share) which a such associate company called for the second additional paid-up of 25% of authorised share capital, bringing the Company's ownership remain the same.

On 29 May 2017, the Company made an additional investment in Issara United Co., Ltd. of Baht 33.00 million (0.550 million shares, Baht 100 per share) which such associate company called for additional paid-up of the all remaining amount of 60% authorised share capital, bringing the Company's ownership remain the same.

On 20 July 2017, the Company made an additional investment in Issara United Development Co., Ltd. of Baht 16.88 million (0.675 million shares, Baht 100 per share) which such associate company called for third additional paid-up of 25% of authorised share capital, bringing the Company's ownership remain the same.

On 27 October 2017, the Company made an additional investment in Shop Global (Thailand) Co., Ltd. of Baht 9.00 million (0.09 million shares, Baht 100 per share) which such associate company called for additional paid-up of authorised share capital, bringing the Company's ownership remain the same.

On 7 December 2017, the Company made an additional investment in Issara United Development Co., Ltd. of Baht 16.88 million (0.675 million shares, Baht 100 per share) which such associate company called for final additional paid-up of authorised share capital, bringing the Company's ownership remain the same.

On 18 December 2017, the Company made an additional investment in Boon Capital Holding Co., Ltd. of Baht 23.36 million (2.336 million shares, Baht 10 per share) which such associate company called for additional paid-up of authorised share capital, bringing the Company's ownership remain the same.

Reclassification to subsidiary

On 30 November 2017, the Company made an additional investment in 20% of Canchana International Co., Ltd increasing the Group's interest to 60%. Canchana International Co., Ltd. thereby ceased to be an associated company and became a subsidiary. Details of the acquisition are given in note 4.

Investments in associates as at 31 December 2018 and 2017, and dividend income from those investments for the years then ended, were as follows;

Associates	Type of business	Country of incorporation	Ownership interest (%)		Paid-up capital		Cost		Allowance for impairment		At Cost - Net		Equity		Dividend income		
			2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	
Nanan Cambo Solution Co., Ltd.	Investing in property	Cambodia	49.00	49.00	12,960	12,960	6,475	6,475	(184)	-	6,291	6,475	6,109	6,289	-	-	-
Boon Capital Holding Co., Ltd	Investment	Thai	32.00	32.00	343,000	343,000	109,760	109,760	-	-	109,760	109,760	110,101	109,777	-	-	-
SHOP Global (Thailand) Co., Ltd.	TV Shopping	Thai	-	30.00	-	630,000	-	189,000	(146,891)	-	42,109	-	42,111	-	-	-	-
International Leather Fashion Co., Ltd.	Leather shoes	Thai	28.00	28.00	50,000	50,000	21,728	21,728	-	-	21,728	21,728	40,140	40,979	1,050	1,400	-
Thai Secom Security Co., Ltd.	Sales and lender of burglar alarm systems and securities service provider	Thai	25.50	25.50	378,934	378,934	196,983	196,983	-	-	196,983	196,983	244,973	232,933	11,110	18,522	-
Issara United Co., Ltd.	Property Development	Thai	25.00	25.00	300,000	300,000	74,999	74,999	-	-	74,999	74,999	204,034	199,445	-	-	998
Worldclass Rent a Car Co., Ltd.	Rent car	Thai	25.00	25.00	380,000	380,000	93,682	93,682	-	-	93,682	93,682	122,870	112,939	5,180	-	-
Issara United Development Co., Ltd.	Hotel	Thai	25.00	25.00	360,000	360,000	90,000	90,000	-	-	90,000	90,000	108,938	82,433	-	-	-
Net							593,627	782,627	(184)	(146,891)	593,443	635,736	837,165	826,906	17,340	20,920	

None of the Group's associates are publicly listed and consequently do not have published price quotations.

Immaterial associates

The Group also has interest in a number of individually immaterial associates.

The following is summarized financial information for the Group's interest in immaterial associates based on the amounts reported in the Group's consolidated financial statements:

	Immaterial Associates	
	2018	2017
	<i>(in thousand Baht)</i>	
Carrying amount of interests in immaterial associates	837,165	826,906
Group's share of:		
- Profit from continuing operations	48,548	28,731
- Other comprehensive income	-	536
Group's share of profit from continuing operations	48,548	29,267

14 Other long-term investments

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Other long-term investments</i>				
Other non-marketable equity securities	2,423,280	2,282,452	2,435,580	2,276,152
Other debt securities held to maturity	20,000	418,691	20,000	418,691
Total	2,443,280	2,701,143	2,455,580	2,694,843
<i>Less allowance for impairment</i>	(586,859)	(440,086)	(583,859)	(434,875)
Net	1,856,421	2,261,057	1,871,721	2,259,968

Reclassification to associates

On 22 June 2017, the Company invested in convertible bonds issued by Saha Pathana Inter-Holding Plc. in proportion to its equity in Saha Pathana Inter-Holding Plc. of 0.398 million units at Baht 1,000 per unit, in the totaling amount of Baht 398.69 million with due to maturity in 2024.

On 15 June 2018, the Board of directors approved to exercise the conversion right in convertible bonds issued by Saha Pathana Inter-Holding Plc. with a conversion ratio 1 to 22.22 ordinary shares and a conversion price at 45 Baht per share. The Company had 8.86 millions ordinary shares from the conversion, using market price of ordinary shares on conversion date at Baht 67.75 per share in the total amount of Baht 600.25 million. The difference from conversion amounting to Baht 201.56 million, recorded in other comprehensive income as to the classification to investment available for sale.

15 Investment properties

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Cost				
At 1 January	1,263,338	1,201,794	1,352,744	1,291,200
Additions	-	55,538	-	55,538
Transfers from Property, plant and equipment	230	7,758	230	7,758
Disposals	(35,583)	(1,752)	(35,583)	(1,752)
At 31 December	1,227,985	1,263,338	1,317,391	1,352,744
Depreciation				
At 1 January	(120,831)	(111,623)	(141,953)	(131,432)
Depreciation charge for the year	(7,481)	(9,208)	(8,794)	(10,521)
Disposals	16,084	-	16,084	-
At 31 December	(112,228)	(120,831)	(134,663)	(141,953)
Impairment losses				
At 1 January and 31 December	(110,740)	(110,740)	(110,740)	(110,740)
Net book value				
At 1 January	1,031,767	979,431	1,100,051	1,049,028
At 31 December	1,005,017	1,031,767	1,071,988	1,100,051

As at 31 December 2018 and 2017, Investment properties were revalued by UK Valuation and Agency Co., Ltd. which is the independent valuer, at open market values on an existing use basis. The appraised value was Baht 2,257 million (2017: Baht 2,257 million).

Measurement of fair value*Fair value hierarchy*

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment property portfolio on regular basis.

The fair value measurement for investment property of Baht 2,257 million have been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique and significant unobservable inputs

The valuation technique used in measuring the fair value of investment property by independent valuers were market comparison approach (based on multiples and prices from market transaction involving the sale of comparable assets) and replacement cost approach. For fair value of land, using Market comparison approach and for building and improvement which were specialised of alternative use and asset modifications building and improvement, using replacement cost.

An entity's current use of an asset is generally its highest and best use, which is physically possible takes into account the physical characteristics, location of a property of the asset that market participants would take into account when pricing the asset.

16 Property, plant and equipment

	Consolidated financial statements						
	Land	Buildings and improvements	Office equipment	Furniture and fixtures	Vehicles	Assets under construction and installation	Total
	<i>(in thousand Baht)</i>						
Cost							
At 1 January 2017	1,964,809	803,150	1,128,179	1,097,447	80,876	40,458	5,114,919
Additions	2,404	21,953	95,254	69,606	-	94,475	283,692
Acquisitions through business combinations	-	7,452	584	390	564	-	8,990
Transfers	22,004	13,434	10,127	38,174	187	(94,864)	(10,938)
Disposals	(860)	(7,701)	(17,281)	(7,504)	(11,226)	-	(44,572)
At 31 December 2017 and 1 January 2018	1,988,357	838,288	1,216,863	1,198,113	70,401	40,069	5,352,091
Additions	-	2,998	73,232	43,267	-	97,322	216,819
Transfers	-	3,907	2,874	27,194	-	(37,729)	(3,754)
Disposals	(240)	(42,733)	(13,272)	(119,561)	(10,592)	-	(186,398)
At 31 December 2018	1,988,117	802,460	1,279,697	1,149,013	59,809	99,662	5,378,758
Depreciation							
At 1 January 2017	-	(589,087)	(793,419)	(861,431)	(60,638)	-	(2,304,575)
Depreciation charge for the year	-	(15,072)	(99,950)	(85,057)	(9,916)	-	(209,995)
Acquisitions through business combinations	-	(3,344)	(347)	(201)	(272)	-	(4,164)
Disposals	-	7,701	16,303	5,867	10,943	-	40,814
At 31 December 2017 and 1 January 2018	-	(599,802)	(877,413)	(940,822)	(59,883)	-	(2,477,920)
Depreciation charge for the year	-	(17,961)	(113,023)	(86,896)	(4,535)	-	(222,415)
Disposals	-	36,410	11,166	112,210	10,589	-	170,375
At 31 December 2018	-	(581,353)	(979,270)	(915,508)	(53,829)	-	2,529,960
Net book value - owned assets							
At 1 January 2017	1,964,809	214,063	334,760	236,016	20,238	40,458	2,810,344
At 31 December 2017 and 1 January 2018	1,988,357	238,486	339,450	257,291	10,518	40,069	2,874,171
At 31 December 2018	1,988,117	221,107	300,427	233,505	5,980	99,662	2,848,798

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2018 amounted to Baht 1,808 million (2017: Baht 1,718 million).

	Separate financial statements						
	Land	Buildings and improvements	Office equipment	Furniture and fixtures	Vehicles	Assets under construction and installation	Total
	<i>(in thousand Baht)</i>						
Cost							
At 1 January 2017	1,901,669	776,546	1,064,084	1,088,783	74,912	40,458	4,946,452
Additions	2,404	21,757	95,150	69,451	-	94,474	283,236
Transfers	22,004	13,434	10,127	38,174	187	(94,864)	(10,938)
Disposals	(860)	(5,500)	(15,945)	(7,504)	(11,226)	-	(41,035)
At 31 December 2017 and 1 January 2018	1,925,217	806,237	1,153,416	1,188,904	63,873	40,068	5,177,715
Additions	-	210	72,333	43,173	-	97,322	213,038
Transfers	-	3,907	2,874	27,195	-	(37,730)	(3,754)
Disposals	(240)	(42,212)	(9,166)	(119,561)	(10,589)	-	(181,768)
At 31 December 2017	1,924,977	768,142	1,219,457	1,139,711	53,284	99,660	5,205,231
Depreciation							
At 1 January 2017	-	(569,264)	(740,140)	(852,273)	(57,637)	-	(2,219,314)
Depreciation charge for the year	-	(13,298)	(99,310)	(82,559)	(8,627)	-	(203,794)
Disposals	-	5,501	14,967	5,750	10,944	-	37,162
At 31 December 2017 and 1 January 2018	-	(577,061)	(824,483)	(929,082)	(55,320)	-	(2,385,946)
Depreciation charge for the year	-	(14,517)	(112,396)	(84,731)	(3,128)	-	(214,772)
Disposals	-	35,890	7,218	112,210	10,588	-	165,906
At 31 December 2018	-	(555,688)	(929,661)	(901,603)	(47,860)	-	(2,434,812)
Net book value-owned assets							
At 1 January 2017	1,901,669	207,282	323,944	236,510	17,275	40,458	2,727,138
At 31 December 2017 and 1 January 2018	1,925,217	229,176	328,933	259,822	8,552	40,068	2,791,769
At 31 December 2018	1,924,977	212,454	289,796	238,108	5,424	99,660	2,770,419

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2018 amounted to Baht 1,758 million (2017: Baht 1,668 million)

17 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Intangible assets	35,853	31,795	27,664	23,055
Leasehold	14,109	18,642	14,109	18,642
Deposits and guarantees	180,373	177,553	179,170	176,986
Loan to employees and others	1,071	2,259	1,071	2,259
Other	20,201	22,105	13,356	12,082
Total	251,607	252,354	235,370	233,024

Intangible assets

	Consolidated financial statements				
	Trademarks	License data base of customer	Software Licenses	Software under development	Total
	<i>(in thousand Baht)</i>				
Cost					
At 1 January 2017	32,515	7,955	13,262	3,372	57,104
Additions	392	-	7,498	440	8,330
Transfers from Property, plant and equipment	396	-	2,785	-	3,181
At 31 December 2017 and 1 January 2018	33,303	7,955	23,545	3,812	68,615
Additions	720	-	3,693	79	4,492
Transfers from Property, plant and equipment	64	-	7,304	(3,844)	3,524
Disposals	-	-	(5)	-	(5)
At 31 December 2018	34,087	7,955	34,537	47	76,626
Amortisation					
At 1 January 2017	(22,793)	(5,036)	(5,385)	-	(33,214)
Amortisation for the year	(868)	(803)	(1,935)	-	(3,606)
At 31 December 2017 and 1 January 2018	(23,661)	(5,839)	(7,320)	-	(36,820)
Amortisation for the year	(281)	(803)	(2,871)	-	(3,955)
Decrease	-	-	2	-	2
At 31 December 2018	(23,942)	(6,642)	(10,189)	-	(40,773)
Net book value					
At 1 January 2017	9,722	2,919	7,877	3,372	23,890
At 31 December 2017 and 1 January 2018	9,642	2,116	16,225	3,812	31,795
At 31 December 2018	10,145	1,313	24,348	47	35,853

	Separate financial statements				
	Trademarks	License data base of customer	Software Licenses	Software under development	Total
	<i>(in thousand Baht)</i>				
Cost					
At 1 January 2017	23,583	7,845	7,384	3,372	42,184
Additions	392	-	7,498	440	8,330
Transfers from Property, plant and equipment	396	-	2,785	-	3,181
At 31 December 2017 and 1 January 2018	24,371	7,845	17,667	3,812	53,695
Additions	720	-	3,693	79	4,492
Transfers from Property, plant and equipment	64	-	7,304	(3,844)	3,524
Decrease	-	-	(5)	-	(5)
At 31 December 2018	25,155	7,845	28,659	47	61,706
Amortisation					
At 1 January 2017	(22,121)	(5,035)	(653)	-	(27,809)
Amortisation for the year	(868)	(803)	(1,160)	-	(2,831)
At 31 December 2017 and 1 January 2018	(22,989)	(5,838)	(1,813)	-	(30,640)
Amortisation for the year	(281)	(803)	(2,320)	-	(3,404)
Decrease	-	-	2	-	2
At 31 December 2018	(23,270)	(6,641)	(4,131)	-	(34,042)
Net book value					
At 1 January 2017	1,462	2,810	6,731	3,372	14,375
At 31 December 2017 and 1 January 2018	1,382	2,007	15,854	3,812	23,055
At 31 December 2018	1,885	1,204	24,528	47	27,664

Leasehold

	Consolidated and separate financial statements			
	Land	Building	Building space in the shopping center	Total
	<i>(in thousand Baht)</i>			
Cost				
At 1 January 2017	17,397	37,108	117,470	171,975
Increase	-	-	-	-
At 31 December 2017 and 1 January 2018	17,397	37,108	117,470	171,975
Decrease	(600)	-	-	(600)
At 31 December 2018	16,797	37,108	117,470	171,375
Amortisation				
At 1 January 2017	(16,903)	(32,519)	(99,330)	(148,752)
Amortisation for the year	(154)	(1,304)	(3,123)	(4,581)
At 31 December 2017 and 1 January 2018	(17,057)	(33,823)	(102,453)	(153,333)
Amortisation for the year	(137)	(1,304)	(3,092)	(4,533)
Decrease	600	-	-	600
At 31 December 2018	(16,594)	(35,127)	(105,545)	(157,266)
Net book value				
At 1 January 2017	494	4,589	18,140	23,223
At 31 December 2017 and 1 January 2018	340	3,285	15,017	18,642
At 31 December 2018	203	1,981	11,925	14,109

18 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Deferred tax assets	691,224	726,942	691,224	726,942
Deferred tax liabilities	(1,383,697)	(1,461,393)	(1,381,315)	(1,459,011)
Net	(692,473)	(734,451)	(690,091)	(732,069)

Movements in total deferred tax assets and liabilities during the year were as follows:

	Consolidated financial statements			
	(Charged) / Credited to:			
	At 1 January 2018	Profit or loss	Other comprehensive income	At 31 December 2018
	<i>(in thousand Baht)</i>			
Deferred tax assets				
Accounts receivable	5,485	(707)	-	4,778
Inventories	13,120	(1,176)	-	11,944
Gross profit for consignment goods	475,129	(28,934)	-	446,195
Other long-term investments	92,658	1,167	-	93,825
Investment properties	22,148	-	-	22,148
Property, plant and equipment	10,941	(8,517)	-	2,424
Employee benefit obligation	107,461	10,738	(8,289)	109,910
Total	726,942	(27,429)	(8,289)	691,224
Deferred tax liabilities				
Marketable securities	(1,451,069)	-	119,153	(1,331,916)
Gain on classification from debt security held to maturity to be investment available for sale	-	-	(40,312)	(40,312)
Property, plant and equipment	(8,491)	(1,145)	-	(9,636)
Intangible assets	(1,833)	-	-	(1,833)
Total	(1,461,393)	(1,145)	78,841	(1,383,697)
Net	(734,451)	(28,574)	70,552	(692,473)

	Separate financial statements			
	(Charged) / Credited to:			
	At 1 January 2018	Profit or loss	Other comprehensive income	At 31 December 2018
	<i>(in thousand Baht)</i>			
Deferred tax assets				
Accounts receivable	5,485	(707)	-	4,778
Inventories	13,120	(1,176)	-	11,944
Gross profit for consignment goods	475,129	(28,934)	-	446,195
Other long-term investments	92,658	1,167	-	93,825
Investment properties	22,148	-	-	22,148
Property, plant and equipment	10,941	(8,517)	-	2,424
Employee benefit obligation	107,461	10,738	(8,289)	109,910
Total	726,942	(27,429)	(8,289)	691,224
Deferred tax liabilities				
Marketable securities	(1,451,069)	-	119,153	(1,331,916)
Gain on classification from debt security held to maturity to be investment available for sale	-	-	(40,312)	(40,312)
Property, plant and equipment	(7,942)	(1,145)	-	(9,087)
Total	(1,459,011)	(1,145)	78,841	(1,381,315)
Net	(732,069)	(28,574)	70,552	(690,091)

	Consolidated financial statements			
	(Charged) / Credited to:			
	At 1 January 2018	Profit or loss	Other comprehensive income	At 31 December 2018
<i>(in thousand Baht)</i>				
Deferred tax assets				
Accounts receivable	9,246	(3,761)	-	5,485
Inventories	16,136	(3,016)	-	13,120
Gross profit for consignment goods	468,465	6,664	-	475,129
Other long-term investments	86,254	6,404	-	92,658
Investment properties	22,148	-	-	22,148
Property, plant and equipment	26,197	(15,256)	-	10,941
Employee benefit obligation	98,665	8,796	-	107,461
Total	727,111	(169)	-	726,942
Deferred tax liabilities				
Marketable securities	(950,339)	-	(500,730)	(1,451,069)
Property, plant and equipment	(7,345)	(1,146)	-	(8,491)
Intangible assets	(1,833)	-	-	(1,833)
Total	(959,517)	(1,146)	(500,730)	(1,461,393)
Net	(232,406)	(1,315)	(500,730)	(734,451)

	Separate financial statements			
	(Charged) / Credited to:			
	At 1 January 2018	Profit or loss	Other comprehensive income	At 31 December 2018
<i>(in thousand Baht)</i>				
Deferred tax assets				
Accounts receivable	9,246	(3,761)	-	5,485
Inventories	16,136	(3,016)	-	13,120
Gross profit for consignment goods	468,465	6,664	-	475,129
Other long-term investments	86,254	6,404	-	92,658
Investment properties	22,148	-	-	22,148
Property, plant and equipment	26,197	(15,256)	-	10,941
Employee benefit obligation	98,665	8,796	-	107,461
Total	727,111	(169)	-	726,942
Deferred tax liabilities				
Marketable securities	(950,339)	-	(500,730)	(1,451,069)
Property, plant and equipment	(6,796)	(1,146)	-	(7,942)
Total	(957,135)	(1,146)	(500,730)	(1,459,011)
Net	(230,024)	(1,315)	(500,730)	(732,069)

In 2018, the Group's subsidiaries, Thai Itokin Co., Ltd., incurred a tax loss of Baht 6.05 million, increasing cumulative tax losses to Baht 67.76 million (2017: Baht 61.71 million). Deferred tax assets have not been recognised in respect of these items because Management has determined that the recoverability of cumulative tax losses, which expire in 2019-2021 is not probable that future taxable profit will be available against which Thai Itokin Co., Ltd. can utilise the benefits therefrom.

19 Interest-bearing liabilities

As at 31 December 2018, the Group had unsecured short-term loan with a financial institution in amounting to Baht 20 million (2017: Baht 20 million) and had short-term loan with related party in amounting to Baht 10 million (2017: Baht 10 million). This loan bears interest rate of MLR- 0.25% and 4% per annum (2017: MLR-0.25% and 4.00% per annum). This loan is repayable when maturity and at call.

Interest-bearing liabilities of the Group as at 31 December 2018 was denominated entirely in Thai Baht.

20 Trade accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	5	1,118,817	1,158,614	1,128,057	1,167,530
Other parties		154,673	152,836	108,345	106,541
Total		1,273,490	1,311,450	1,236,402	1,274,071

The currency denomination of trade accounts payable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	1,205,047	1,238,472	1,163,339	1,216,866
United States Dollars (USD)	62,033	61,602	67,317	54,910
Euro (EUR)	664	9,081	-	-
Japanese Yen (JPY)	5,746	1,351	5,746	1,351
China Yuan (CNY)	-	944	-	944
Total	1,273,490	1,311,450	1,236,402	1,274,071

21 Provision for employee benefits

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Statement of financial position provisions for:				
Defined benefit plan	588,805	577,738	549,550	537,303
<i>For the year ended 31 December</i>				
Statement of comprehensive income:				
Recognised in profit or loss:				
Defined benefit plan	78,653	72,913	78,128	68,509
Recognised in other comprehensive income:				
Actuarial gain recognised in the year	(41,443)	-	(41,443)	-

Defined benefit plan

The Group operate a defined benefit pension plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

On 13 December 2018, the National Legislative Assembly passed a bill amending the Labor Protection Act to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group will amend its retirement plan in the period in which the amendment will have become law and is announced in the Royal Gazette. As a result of this change, the provision for retirement benefits as at that future period end as well as past service cost recognized during that period in the consolidated and the separate financial statements is estimated to increase by an amount of approximately Baht 5.36 million and Baht 4.64 million, respectively.

The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Movement in the present value of the defined benefit obligations

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	577,738	532,586	537,303	493,324
Include in profit or loss:				
Current service costs	66,007	60,032	65,587	56,542
Interest on obligation	12,646	12,881	12,541	11,967
Included in other comprehensive				
Actuarial gain	(41,443)	-	(41,443)	-
Others				
Benefits paid by the plan	(26,143)	(27,761)	(24,438)	(24,530)
At 31 December	588,805	577,738	549,550	537,303

Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	%			
Discount rate	2.49 - 2.67	2.49 - 2.65	2.67	2.65
Future salary increases	2.00 - 7.00	2.00 - 7.00	3.00 - 7.00	3.00 - 7.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2018, the weighted-average duration of the defined benefit obligation was 7.11 - 8.53 years (2017: 7.11-7.70 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

At 31 December 2018	Consolidated financial statements		Separate financial statements	
	<i>(in thousand Baht)</i>			
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(41,426)	46,987	(39,350)	44,689
Future salary growth (1% movement)	46,130	(41,460)	43,717	(39,240)
Average age (1year movement)	1,483	(1,477)	1,394	(1,389)
Turnover rate (1% movement)	(43,490)	20,607	(41,718)	19,436
At 31 December 2017				
Discount rate (1% movement)	(33,070)	37,220	(30,976)	34,902
Future salary growth (1% movement)	36,608	(33,143)	34,193	(30,922)
Average age (1year movement)	1,425	(1,418)	1,334	(1,328)
Turnover rate (1% movement)	(35,407)	21,683	(33,166)	20,491

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

22 Share capital

	Par value per share <i>(in Baht)</i>	2018		2017	
		Number	Baht	Number	Baht
		<i>(thousand shares / thousand Baht)</i>			
Authorised					
At 1 January					
- ordinary shares	1	500,000	500,000	500,000	500,000
At 31 December					
- ordinary shares	1	500,000	500,000	500,000	500,000
Issued and paid-up					
At 1 January					
- ordinary shares	1	290,634	290,634	290,634	290,634
At 31 December					
- ordinary shares	1	290,634	290,634	290,634	290,634

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

23 Reserves

Reserves comprise appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

General reserve

The Company distributed a general reserve equal to 10% of profit for the each year in order for the company has strength on general reserve base to be maintain stability and increase the Shareowner's wealth.

Other components of equity**Currency translation differences**

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value changes in available-for-sale investments

The fair value change in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

24 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 business operation involves 3 principal segments; Cosmetics toiletries & perfumeries, Women's apparel and Men's apparel. Segment performance is considered by using the measure operating profit in the financial statements. The Company has not report segment assets and segment liabilities due to the management believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segments

	Cosmetics toiletries & perfumeries		Women's apparel		Men's apparel		Total reportable segments		Others		Total		Elimination of inter-segment revenue		Total		
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	
<i>For the year ended 31 December</i>																	
Revenue from sale of goods	1,143	1,274	4,672	4,574	3,164	3,235	8,979	9,083	3,501	3,486	12,480	12,569	(130)	(122)	12,350	12,447	
Segment operating profit	67	122	517	439	365	298	949	859	94	27	1,043	886	(39)	(37)	1,004	849	
Other income															979	1,010	
Unallocated expenses															(1,023)	(955)	
Share of profit of investments in associates															49	29	
Profit before tax															1,009	933	

The Group is managed and operated principally in Thailand, There are no material revenues derived from, or assets located in foreign countries. The Group has no major customer.

25 Distribution costs

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Distribution	1,291,911	1,309,464	1,283,294	1,302,359
Personnel	1,179,515	1,255,549	1,176,506	1,252,812
Marketing	418,958	513,106	417,700	506,779
Total	2,890,384	3,078,119	2,877,500	3,061,950

26 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Personnel	964,602	982,896	915,729	931,397
Office management	677,620	627,287	677,476	697,736
Total	1,642,222	1,610,183	1,593,205	1,629,133

27 Employee benefit expense

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Wages and salaries	2,016,574	2,087,144	1,863,287	1,956,966
Defined benefit plans	78,653	72,913	78,128	68,509
Defined contribution plans	30,733	31,247	25,986	26,843
Others	82,304	87,707	79,654	89,093
Total	2,208,264	2,279,011	2,047,055	2,141,411

Defined benefit plans

Details of the defined benefit plans are given in note 21.

Defined contribution plans

The defined contribution plans comprise provident fund established by the Company for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates of 3% of their basic salaries and by the Company at rates of 3% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entity and is managed by a licensed Fund Manager.

28 Expenses by nature

The statement of income included an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Purchase of finished goods		7,623,385	7,435,098	7,550,003	7,444,520
Changes in inventories of finished goods		59,347	264,302	45,700	257,747
Employee benefit expenses	27	2,208,264	2,279,011	2,047,055	2,141,411
Advertising costs and promotional expenses		998,959	1,132,017	989,803	1,123,080
Rental and service expenses		421,725	416,401	420,881	412,374
Depreciation and amortisation expenses	15, 16, 17	238,384	231,555	231,504	221,727
Transportation expenses		141,467	138,996	140,516	138,669
Royalty fee		100,729	90,012	99,389	89,306
Others		579,222	563,835	541,556	564,515
Total cost of sales of goods, distribution costs and administrative expenses		12,371,482	12,551,227	12,066,407	12,393,349

29 Income tax expense

Income tax recognised in profit or loss

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Current tax expense					
Current year		46,274	85,174	45,858	85,127
		46,274	85,174	45,858	85,127
Deferred tax expense					
Movements in temporary differences	18	28,574	1,315	28,574	1,315
		74,848	86,489	74,432	86,442

Income tax recognised in other comprehensive income adds

	Consolidated and separate financial statements					
	2018			2017		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Available-for-sale investments	(595,765)	119,153	(476,612)	2,503,652	(500,730)	2,002,922
Actuarial gain	41,443	(8,289)	33,154	-	-	-
Gain on classification from debt security held to maturity to be investment available for sale	201,560	(40,312)	161,248	-	-	-
Total	(352,762)	70,552	(282,210)	2,503,652	(500,730)	2,002,922

Reconciliation of effective tax rate

	Consolidated financial statements			
	2018		2017	
	Rate (%)	<i>(in million Baht)</i>	Rate (%)	<i>(in million Baht)</i>
Profit before income tax expense		1,009		933
Income tax using the Thai corporation tax rate	20	202	20	186
Difference in effective tax rate of investment in associates		10		5
Income not subject to tax		(107)		(97)
Difference in tax and accounting treatment of income and expense		(30)		(8)
Total	8	75	9	86

	Separate financial statements			
	2018		2017	
	Rate (%)	<i>(in million Baht)</i>	Rate (%)	<i>(in million Baht)</i>
Profit before income tax expense		995		885
Income tax using the Thai corporation tax rate	20	199	20	177
Income not subject to tax		(107)		(97)
Difference in tax and accounting treatment of income and expense		(18)		6
Total	7	74	10	86

30 Earnings per share***Basic earnings per share***

The calculations of basic earnings per share for the years ended 31 December 2018 and 2017 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht / in thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company	931,280	846,477	920,475	798,379
Number of ordinary shares outstanding	290,634	290,634	290,634	290,634
Basic earnings per share <i>(in Baht)</i>	3.20	2.91	3.17	2.75

31 Dividends

At the annual general meeting of the shareholders of the Company held on 23 April 2018, the shareholders approved the appropriation of dividend of Baht 1.10 per share, amounting to Baht 319.70 million and general reserve 10% of income for the year 2017, amounting to Baht 79.84 million. The dividend was paid on 22 May 2018.

At the annual general meeting of the shareholders of the Company held on 24 April 2017, the shareholders approved the appropriation of dividend of Baht 1.15 per share, amounting to Baht 334.22 million and general reserve 10% of income for the year 2016, amounting to Baht 82.60 million. The dividend was paid on 23 May 2017.

32 Financial instruments***Financial risk management policies***

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue immaterial derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

The interest rate risk arises from the fluctuation of the market rate which has affected business performance and cash flow. Hence, the Group's financial data mostly bear the interest rate adjusted according to the market interest rate.

Foreign currency risk

Due to the small number of foreign trade debtors and creditors, the Group then has entered into a few short-term maturity of forward exchange contracts for hedging such exchange risk as the risk is immaterial.

Credit risk

Due to the cautious policy in providing credit facilities with strictly-controlled debt follow up and that most of the debtors have long relationship with the Company, no significant loss from debt collection is expected. As of 31 December 2018 and 2017, the Group has reserved for doubtful accounts amounting to Baht 22.24 million and Baht 20.84 million equivalent to 1.23% and 1.07% of trade accounts and notes receivable respectively. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Carrying amount and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount	Consolidated and separate financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
		<i>(in million Baht)</i>			
31 December 2018					
Non-current					
Equity securities available for sale	9,092	9,092	-	-	9,092
Debt securities held to maturity	20	-	20	-	20
31 December 2017					
Non-current					
Equity securities available for sale	9,068	9,068	-	-	9,068
Debt securities held to maturity	419	-	631	-	631

Measurement of fair values**Valuation techniques and significant unobservable inputs**

The following tables show the valuation techniques and the significant unobservable inputs used in measuring Level 2.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Debt securities held-to-maturity	<i>Market comparison technique:</i> The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.	Not applicable	Not applicable

33 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	54,512	29,227	51,386	27,397
After one year but within five years	35,686	20,736	31,863	20,599
After five years	1,740	3,784	1,740	3,784
Total	91,938	53,747	84,989	51,780

Rental area and related services agreements

The Company entered into rental area and related services agreements with various local companies. The Company had paid monthly fees of Baht 59-1,050,000. The period of agreement lasts 1-29 years and will be expired within 2024.

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Other commitments</i>				
Unused letters of credit for goods	245,000	245,000	223,000	223,000
Development and construction agreements	-	40,986	-	-
Bank guarantees	32,278	32,464	23,979	24,112
Services and consulting agreements	1,699	324	-	300
Total	278,977	318,774	246,979	247,412

34 Events after the reporting period

At the Board of directors' meeting of the Company held on 22 February 2019, approved the appropriation of dividend from the profit for the year 2018 of Baht 1.21 per share, amounting to Baht 351.67 million and general reserve 10% of income for the year 2018, amounting to Baht 92.05 million. The dividend will be paid to shareholders during the year 2019.

35 Thai Financial Reporting Standards (TFRS) that have been issued but is not yet effective

The new and revised TFRSs have been issued but are not yet effective and have not been applied in preparing these consolidated and separate financial statements. The new and revised TFRSs that may be relevant to the Group's operations, which become effective for annual consolidated and separate financial periods beginning on or after 1 January 2019 and 2020. The Group does not plan to early adopt these TFRSs.

The Group has made a preliminary assessment of the potential impact of adopting revised TFRSs on the consolidated and separate financial statements and expects that there will be no material impact on the financial statements in the period of initial application. The new TFRSs are set out below;

TFRS	Topic	Effective
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TAS 32*	Financial Instruments: Presentation	2020
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments	2020

*TFRS - Financial instruments standards

(a) TFRS 15 Revenue from Contracts with Customers

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. Revenue should be recognized when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled.

The Group has made an assessment of the potential impact of adopting and initially applying TFRS 15 on the consolidated and separate financial statements and there will be no material impact on the consolidated and separate financial statements in the period of initial application.

(b) TFRS - Financial instruments standards

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS - Financial instruments standards on the consolidated and separate financial statements.

36 Reclassification of accounts

Certain accounts in the 2017 financial statement for comparative purposes, have been reclassified to conform to the presentation in the 2018 financial statements.

	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
	<i>(in thousand Baht)</i>					
Statement of financial position as at						
31 December 2017						
Trade account receivables	1,914,376	6,695	1,921,071	1,908,724	6,695	1,915,419
Other current assets	145,275	(6,695)	138,580	137,358	(6,695)	130,663
		-			-	

	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
	<i>(in thousand Baht)</i>					
Statement of comprehensive						
income for the year ended						
31 December 2017						
Cost of sales of goods	7,861,116	1,810	7,862,926	7,700,456	1,810	7,702,266
Administrative expenses	1,611,993	(1,810)	1,610,183	1,630,943	(1,810)	1,629,133
		-			-	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Company's business.

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WE MAKE PEOPLE HAPPY AND BEAUTIFUL



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