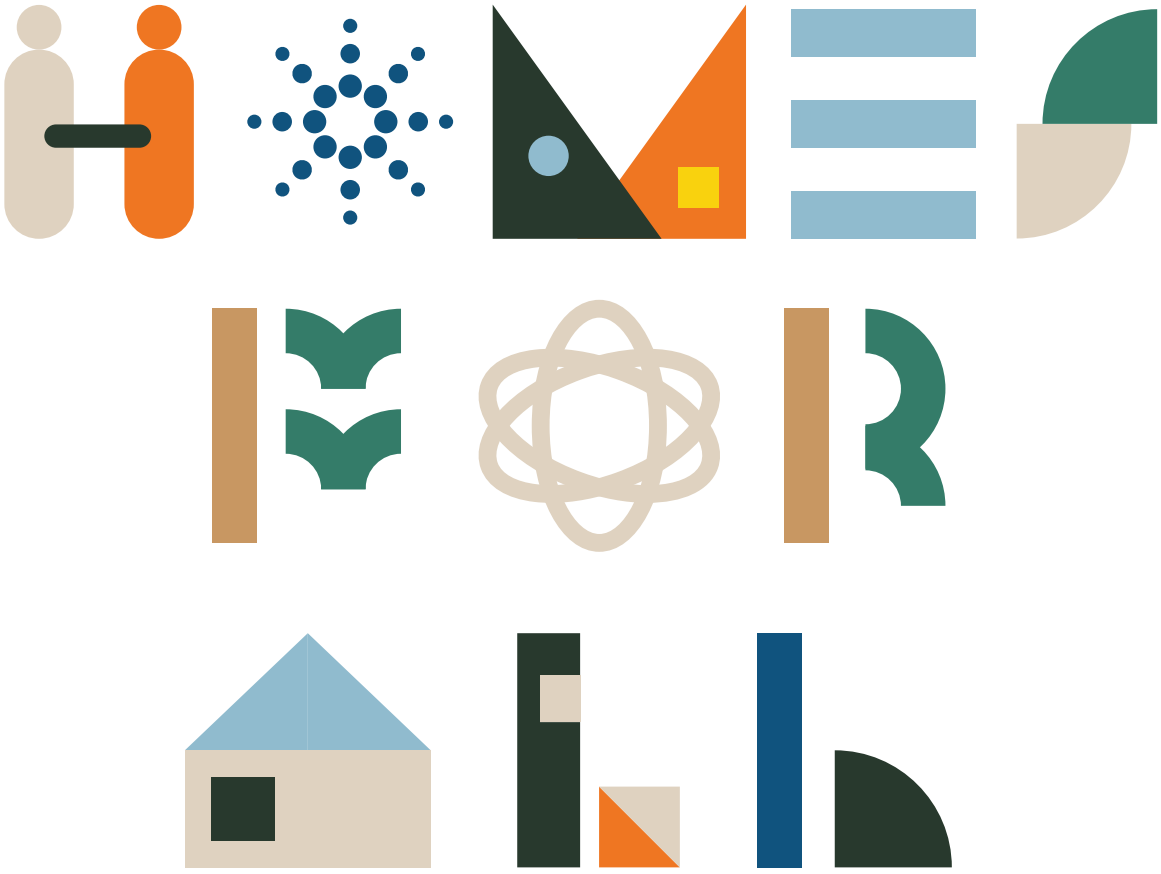
ANNUAL REPORT

2019

Homes for All



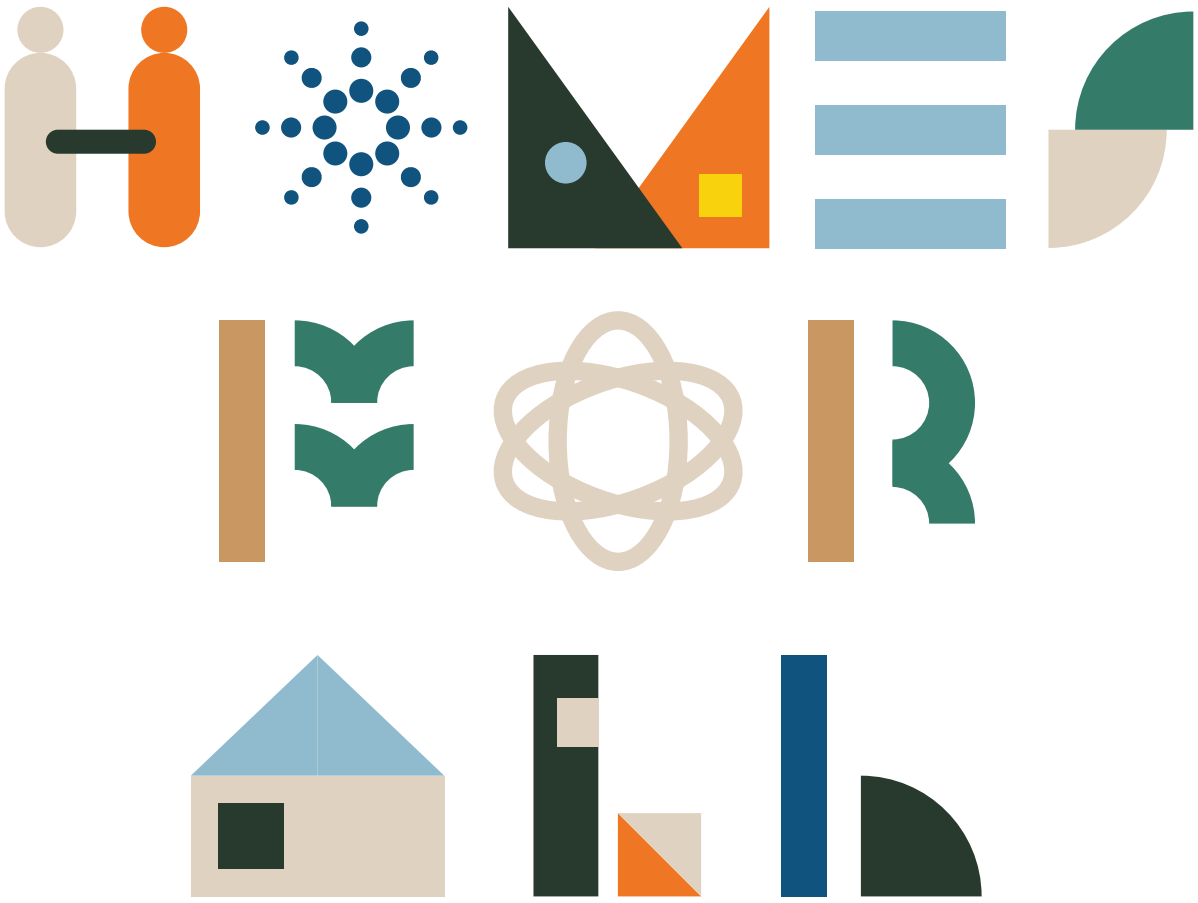
FOR GOOD MORNINGS

SC ASSET

SC ASSET

FOR GOOD MORNINGS

SC ASSET



New Projects Launched in 2019



BANGKOK boulevard Signature

1. BANGKOK BOULEVARD SIGNATURE LADPRAO – SERITHAI

"Embrace the romance, living your life in a dream"
Luxury European Style mansion that embrace romance to the surroundings, just like living in a city of dreams. Experience the elegance and uniqueness of our extensive clubhouse, inspired by the town of Hallstatt, Austria. Whilst granting an atmosphere closer to nature that indulges you to live in a peaceful atmosphere. Exclusively, 77 residences available.

Starts 17 MB



BANGKOK
boulevard

2. BANGKOK BOULEVARD RAMINTRA – SERITHAI 2

"The Art of self-reflection in the society of success"
Luxury Nordic House, inspired by the creation of the London, Hyde Park Crystal Palace, the prestigious architecture created to present The Great Exhibition of the Works of Industry of All Nations, 1851. Offering a relaxing atmosphere for your life of luxury in the glass house exhibition and experience the specially designed high ceiling opening in order to let you absorb the natural beautiful sceneries. Live in a master piece of art among a privileged society of only 77 families.

Starts 12 MB



VENUE Flow

3. VENUE FLOW RANGSIT

"Japanese Element"
The warm wind will flow for you and your loving family. A Modern Japanese style single house with inspiration of wind which help flow happiness to your life in every aspect. Live comfortably and relax in the large combination club house designed to enhance serenity with a swimming pool, central garden Kid's Room and activities area that are peaceful and simple as ZEN. Always under a 24-hr Double Security System amid a quality society of 124 families.

Starts 4 MB



VENUE Flow

4. VENUE FLOW RAMA 5

"Every moment is important to link warm relationships."
"Venue Flow" comes from the collection of 'Flow' comparing to the curve of aesthetic relaxation and residing with happy moments linking with warm relationships. This new housing project from SC Asset is an inspiration of lifestyle by staying at a garden house beside the water in combination with the unique contemporary architecture. In one of the best suburban areas, this highly potential location is close to Sri Rat Expressway and only 15 minutes away from Chatuchak-Bang Sue.

Starts 6.9 MB



V COMPOUND

5. V COMPOUND BANGNA

"Because happiness is choosing your lifestyle"
New Gen House and Loft Style Townhome is practically designed for you to choose a variety of lifestyles. Every area functions to answer every lifestyle as well as relaxion in the fully furnished club-house with fitness centre, swimming pool and vast common area for you to fully enjoy with your loving family. Situated in an up and coming highly potential location, encompassed with easy access junction connectivity to main roads and just only 3 minutes to the expressway. Always under a 24-hr security system, controlled by Easy Pass and CCTV with alarm signals installed in and around the house.

Starts 2.3 MB



PAVE

6 . PAVE BANGNA

"Let's.... step forward with what you love"
Experience the charm of happiness in the modern style resort and single house atmosphere. Only 3 minutes to the expressway PAVE BANGNA will serve every lifestyle of your family members with a large Club House, fully comprised common area with garden, Swimming Pool, Fitness Centre, Kids' Room, and Co-Working space. Feel secure with the 24-hr security system, installed system with magnetic alarm signals in the house both upstairs and down stairs.

Starts 4.6 MB



7. VERVE RAMA 5

"The First step of happiness starts here..."
VERVE RAMA 5, Loft Townhomes under the concept of New York Loft Style designed for new Gen. The utility area is designed proportionately for efficiency usage. In addition, the design of area in the project focuses on serenity, big trees to enhance relaxation together with a Fitness Centre, Salt Water Swimming Pool and Kids' Room to serve every lifestyle of New GEN.

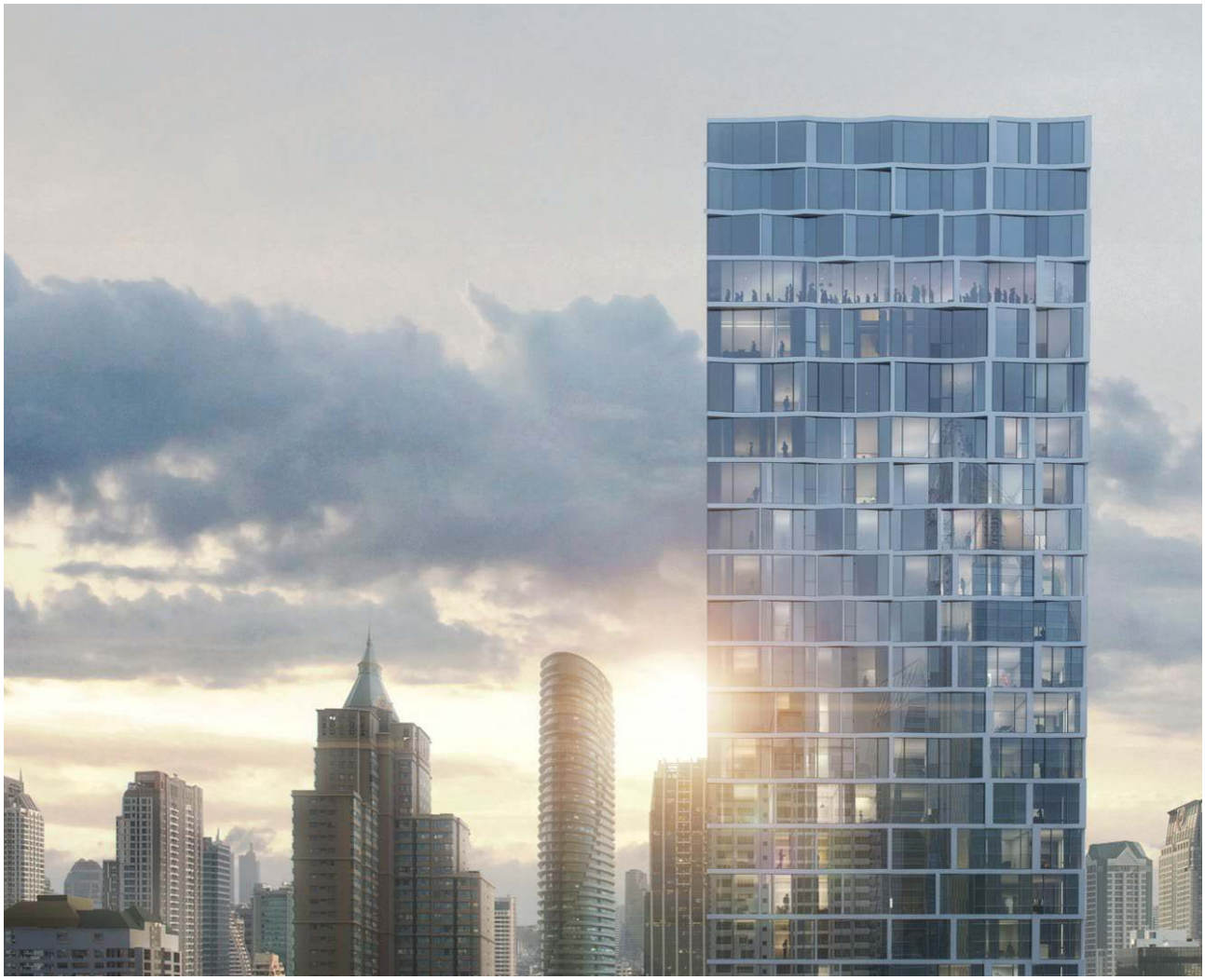
Starts 3.8 MB



8. VERVE PETCHKASEM

"Different... Fulfil your life stylishly"
VERVE PETCHKASEM, a 2-storey Townhomes, ready to move in under the concept of New York Loft style designed for new GEN with functions answering the requirements of the residence. Enhanced with the special wide area of 7.9 metres, the latest model from SC Asset has full facilities, enhanced shadowy area from big trees within the project, a Salt Water Swimming Pool, Fitness Centre, Kids' Room and Co-Working Space to serve every lifestyle of New GEN.

Starts 2.9 MB



SCOPE
LANGSUAN

9. SCOPE LANGSUAN

A rare collaboration between world-class design firms with one of the finest clubhouses the world has ever seen, right in the centre of the heart and veins of the capital.

Starts 28 MB

TABLE OF CONTENTS

Page	Contents
14	MESSAGE FROM THE CHAIRMAN
16	BOARD OF DIRECTORS
17	THE BOARD OF DIRECTORS REPORT
20	REPORT OF THE EXECUTIVE COMMITTEE
22	REPORT OF THE AUDIT COMMITTEE
24	REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE
25	REPORT OF THE RISK MANAGEMENT COMMITTEE
26	REPORT OF THE CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE
29	POLICY AND BUSINESS OVERVIEW
33	NATURE OF BUSINESS
53	RISK FACTORS
57	GENERAL INFORMATION OF THE COMPANY AND ITS SUBSIDIARIES
66	SHAREHOLDERS
71	DIVIDEND PAYMENT POLICY
72	MANAGEMENT
103	CORPORATE GOVERNANCE
216	CORPORATE SOCIAL RESPONSIBILITIES
217	INTERNAL CONTROLS AND RISK MANAGEMENT
226	DETAILS OF DIRECTORS, EXECUTIVE, ADVISOR, CONTROLLING PERSONS AND COMPANY SECRETARY
255	RELATED TRANSACTIONS
264	FINANCIAL HIGHLIGHTS
265	MANAGEMENT DISCUSSION AND ANALYSIS
282	FINANCIAL STATEMENTS AND NOTES TO FINANCIAL STATEMENTS

"Investors can study additional information of the Company from Annual Registration Statements (Report Form 56-1) provided on www.sec.or.th or on the Company's website (www.scasset.com)"

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

In 2019 the Thai economy only expanded by 2.4% due to the negative consequences of the sluggish recovery in the global economy and the international trade protectionism that adversely impacted the Thai export sector which is a major driver in national economic recovery. These adversaries largely obstructed growth in overall economic segments, including the real estate sector, and pushed them to adjust themselves and prepare to face changes in current situations.

The Company conducts its business for sustainable growth, and places emphasis on two major sources of incomes which are sales of residential development projects, that is considered as its engine of growth, and rental and service fees from its property for rent that provide a steady stream of cash flow and revenues. In 2019, the Company had 58 development projects for sales with a combined project value of Baht 56,200 million; 9 of which were newly launched projects with an estimated value of Baht 16,200 million. With its aim to become a "Living Solutions Provider" the Company has developed its application platform named "Rue Jai" and "Rue Jai Subscription" to offer services to residences of the SC Asset projects, and to create happiness and convenience to every morning of every household within the SC Asset developments. The Company also works with the IDEO Tokyo, an internationally renowned design company who lead the idea of "Human-Centered Design". The design thinking for "Third Space" are applied to create a new concept in designing of the common area that best serve the needs and motivations of the dwellers.

Additionally, in order to adjust the balance of its business structure and to promote sustainable growth in its long-term profitability, the Company has prescribed its business plan toward increasing recurring income while perceiving that there is a continued solid growth in the country's tourism due to the potentiality of Thailand as a country among the top tourist destinations. The Company, thus, established a subsidiary named SC Expedition Company Limited to operate a hotel business and also joined hands with IDEO Tokyo to create suitable conceptual design and business model for its hotel business to provide solutions and satisfy the needs of both Thai and foreign tourists.

The unfavorable economic conditions together with the readjustment in the housing credit measures by the Bank of Thailand are the key factors that have adversely impacted the real estate market. Under the business policy that emphasizes on sustainable growth and with business commitment and dedication, the Company was able to achieve growth in its business operation in 2019, both in revenues and net profit. Its revenues totaled Baht 17,787 million, or a growth of 15% from 2018. Its operating revenues was Baht 17,637 million, of which 95% was from real estate sales and 5% was from rental and rendering of services. The Company had a net profit of Baht 2,026 million, representing a profit margin of 11.4%, or a growth of 13% from 2018. Its profit per share was Baht 0.4848. As of 31 December 2019, the Company had consolidated assets and liabilities of Baht 45,083 million, and Baht 27,526 million, respectively.

The success of the Company's conduct of its business affairs under good corporate governance, together with its social responsibility to society and community, is evidenced from the honor awards it received in 2019 from the Stock Exchange of Thailand and other institutions, which are:

1) The SET Awards 2019 for "Sustainability Excellence" under the category of "Highly Commended in Sustainability Awards" for the companies within the market capitalization of Baht 10,000-30,000 million. The award was given to accredit the Company as a publicly listed company that conducts its business

with the concern for its financial results as well as its stakeholder responsibility, and also applying the principle of Environmental, Social and Governance (ESG) as the mechanism for achieving its efficient and sustainable development goals.

2) Thailand Sustainability Investment (THSI), or "Sustainable Stock" for the companies within the market capitalization of Baht 10,000-30,000 million. This award is granted to public listed companies that conduct their sustainable business with the recognition of a balanced growth in economy, society and environment. The Company has been awarded this award for five consecutive years.

3) Sustainability Disclosure Recognition in the Sustainability Disclosure Award for 2019 from the Thaipat Institute, The award is offered to promote public listed companies which disclose information on their ESG conduct within the standard framework of the Global Reporting Initiative (GRI).

4) FIABCI -Thai Prix D'Excellence Awards 2019 under the "Residential Condominium Category"; the Company's projects which were awarded under this category were BEATNIQ and SALADAENG ONE, whereas the project which was awarded under the "Residential Low Rise Category" was the Neighbourhood Bangkadi.

5) The Best Luxury High Rise Condominium Southeast Asia for 28 Chidlom and the Project of The Year Southeast Asia People's Choice Awards for BEATNIQ. The awards were granted in the Dot Property Southeast Asia Awards 2019.

On behalf of the SC Asset Corporation Public Company Limited, we would like to thank all our supporters and patrons namely our shareholders, customers, financial institutions, business counterparties, and stakeholders for always providing collaboration, trust, and support in our business. We also would like to thank our executives, and employees for their determination and dedication in diligently performing their roles and duties that drive our organization towards its continual growth. We, hereby, would like to assure you of the Company's commitment to perform our duties to the best of our ability, under good corporate governance, and with recognition of all stakeholders' rights, to ensure our organization maintains a steady and sustainable growth.



(Mr.Rath Kitivejosoth)
Chairman of the Board of Directors



(Mr.Nuttaphong Kunakornwong)
Chief Executive Officer

BOARD OF DIRECTORS



Mr. Rath Kitivejosoth
Chairman



Mr. Nuttaphong Kunakornwong
Vice-Chairman of Director



Mr. Nathpath Ouajai
Director



Mr. Attapol Sariddipuntawat
Director



Mr. Kunodom Tharmmaphornphilas
Independent Director



Mr. Prasert Samanawong
Independent Director



Mr. Precha Sekhararidhi
Independent Director



Mr. Songsak Premsuk
Independent Director



Ms. Vilasinee Puddhikarant
Independent Director

THE BOARD OF DIRECTORS REPORT

Dear Shareholders,

Presently, technologies are important and plays a significant role in supporting the basic living conditions of humans. SC Asset Corporation Public Company Limited intends to conduct its business operations that can respond to the needs of every human. Other than focusing on being a leader in property development by developing projects for sale and for rent, the Company has also changed its operations to become a "Living Solutions Provider" with the objective to deliver integrated residential dwellings and upgrade the quality of its products and services, as well as promote sustainable development among its entire organization, customers, and society. Additionally, the Company also recognizes the importance of the continual compliance of the principle of good corporate governance, as well as abiding by the laws and its codes of business conducts without any act of corruption. It aims to maintain its good corporate governance, transparency, and pays attentions to all its interest parties while assuring that they receive fair and equitable treatment. All of these shall result in the Company's firm and sustainable business growth

In 2019 under the business goals of becoming a "Living Solutions Provider", the Company has re-cultured its corporate traditions under the "SKYDIVE" scheme by prescribing its core values to be "Care", "Courage", "Collaboration", and "Continuous Improvement", and trying to reform the behavior of its staff and encourage them to have the courage for new perceptions, be creative in doing new things, and be energetic in driving forward the organization towards the targeted plans. Moreover, the Company also collaborates with its business alliances to develop the "Rue Jai Platform" which is a new innovation in integrated dwelling concepts which blends innovations with the Company's products and services for the conveniences and safety of dwellers. Technologies are applied to make every morning a better morning for every customer while cooperation is encouraged to help build a quality society. This is one of the Company's key strategies in adjusting itself to grow and create its sustainable corporate values.

Additionally, in previous year the Company held 7 meetings of the Board of Directors, and another 7 meetings before each of the Board of Directors meetings which were attended only by the independent directors, without the presence of any executives of the Company, to follow up on the Company's business operations and to discuss important issues and beneficial matters to the Company, as well as management and administrative issues that may be of material concern. During the past year the Company operated various business activities of which the details are as follows:

1. Launching 9 new projects, comprised of Low Rise Projects which are single detached house 6 projects, townhouse and home office 2 projects and High Rise Projects (condominium) 1 project namely:

- 2 BANGKOK BOULEVARD Projects classified in segment with price range of Baht 8 – 20 Million.
- 1 V COMPOUND Project and 2 VENUE Projects, which is classified in segment with price range Baht 5 - 8 Million.
- 1 PAVE Project which is classified in segment with price range lower than Baht 5 Million.
- 2 Townhouse and Home Office Projects which are 2 VERVE Projects, which is classified in segment with price range lower than Baht 5 Million. And;
- 1 Condominium Project which is SCOPE LANGSUAN Project with the price range higher than Baht 300,000 per square meter.

2. Expand business to support new revenues by setting up two new subsidiaries which are:

- Bridge Group (Thailand) Company Limited which is incorporated to cover a wider business scope as being a real estate agent and broker.

- SC Expedition Company Limited which is incorporated with the main aim to operate a hotel business to add new recurring income.

3. The Company efficiently conducted its business, and was evaluated by the Thai Investors Association and the Thai Institute of Directors with high level of scoring. This is regarded as the highest honor and pride for the Company which all resulted from capability management in business, adhering in good governance and emphasizing always pays attention and continually complying good corporate governance principles. The awards and recognitions are:

- The full assessment score of 100 for the quality assessment for the arrangement of its 2019 Annual General Meeting of the Shareholders from the Thai Investors Association. It has enjoyed this "excellence" status with full score of 100% consecutively from 2008 to 2019.

- The "excellence" status with a score of "90 or higher" for its 2019 corporate governance assessment, reviewed by the Thai Institute of Directors (IOD), out of 677 Thai publicly listed companies under assessment. The Company's average assessment score was 95 out of the total marks of 100.

- Awarded the SET Awards 2019 under a category of "Sustainability Excellence", which is an award for a sustainable prototype organization, under the "Highly Commended in Sustainability Awards". The Company was selected to be among the publicly listed companies with its share ranked among the "Sustainable Shares" and considered as a part of the "Thailand Sustainability Investment – THIS" for the fifth continuous year. It also received the Sustainability Disclosure Awards 2019 under the category of "Sustainability Disclosure Recognition".

4. With awareness of importance of a good internal control system, the Company's Board of Directors arranged to have the annual assessment and review on the adequacy of the Company's internal control system, to ensure that the Company has an appropriate and sufficient internal control system that can efficiently and transparently govern and monitor its operations according to its prescribed policies and objectives, as well as relevant laws and regulations.

5. Recognizes the importance of anti-corruption, and views that fraud and corruption are of a serious danger to the society and greatly impacts the economic and social confidence. The Company focuses on anti-fraud and anti-corruption in all respects. It also requires that its policy and measures on anti-corruption be regularly reviewed on an annual basis. Additionally, it also sends correspondence to its trade partners and business alliances to promote and invite them to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption to cooperate in fighting against corruption.

6. Manage the supply chain by promoting development of trade partners' potentiality and for them to share mutual sustainably growth with the Company. The Company also publishes and notifies the use of the Code of Conduct for Business Partners to set the working standard of its trade partners to be in line with the applicable laws, as well as to encourage them to be honest, trustworthy, transparent, fair, and accountable as per the guidelines followed by the Company.

The Company's Board of Directors would like to thank our shareholders, customers, business partners, financial institutions and all government and private organizations for the power of their support and inspiration that has yielded the greatest impact on our consistent success. The Company continues to conduct its business according to tis committed targets and business plan under the good corporate governance principles, pay attentive to society, the environment, and all internal and external stakeholder groups, as well as establish protective

measures against any operational actions that may cause environmental impact, with the aims to be a company striving to sustain their position as a leading company.



(Mr. Rath Kitivejosoth)
Chairman of the Board of Directors
SC Asset Corporation Public Company Limited
January 22, 2020

REPORT OF THE EXECUTIVE COMMITTEE

Dear Shareholders,

In 2019, the Executive Committee held 12 meetings, approved and managed matters of importance as follows:

1. Approve business plans, strategies, business directions, and budgets for 2019 which is in accordance with the corporate growth directions during 2018 - 2020 as per the approval made by the Executive Committee in the past year that focused on the Company becoming a "Living Solutions Provider" to assure that it is growing in a sustainable manner under the new contexts that are in accord with the change in dweller behavior and the disruptive technology. The core strategies are set as follows:

- **The "re-invention"** The major adjustments for sustainable growth in the new context of becoming a "Living Solutions Provider" by starting from the major adjustments in the corporate culture. Living Solutions comprises dwellings, services, and digital platform that are developed under new innovations with a comprehension of the human dwellers. New culture under the "SKYDIVE" scheme which emphasizes on having the courage for new perceptions, be creative in doing new things, and empathize with human dwellers to deliver the living solutions to dwellers that can fully provide needed answers to their lifestyles.

- **The co-creation** The Company and its various partners in its ecosystem have cooperated to create the "Living Solutions" for the human dwellers on the present context that their needs can quickly change, therefore, the Company is co-creating with various partners both inside and outside its industry and in the diversified ecosystem.

- **Quality first** Information is analyzed to continually improve the quality of housing and services via the process of "Total Quality Management" (TQM) and the training courses on quality at Able Academy for the Company's personnel development.

- **Top-line growth** Proactive growth both in revenues and net profit as the Company is ready to develop residential units in all price ranges.

- **Expansion of recurring income contribution** Invest in businesses that contribute to growth and expansion in recurring income for the next two to three years. In 2019, the Company set up another subsidiary named SC Expedition Company Limited to prepare for its entrance into the hotel business.

2. Approved the investment in land purchase for property development, as well as searching for suitable pieces of land for the hotel business.

3. Approve the search for financial sources such as credit applications with financial institutions, consideration on issuance of debentures, and review suitable investment structure for property developments. In 2019, the Company started to establish a joint-venture with its alliances from Japan to jointly develop condominium projects.

4. Monitor the business operations as per the prescribed policies, the operational results, and human resource management.

The Executive Committee is committed to undertake its duties and to support the readjustment of the Company to assure its survival and sustainable growth in all contexts. The major corporate task is to pursue the slogan of "For Good Mornings" meaning create a "Good morning" for its customers in all households.



(Mr. Nuttaphong Kunakornwong)
Chief Executive Officer
SC Asset Corporation Public Company Limited
January 22, 2020

REPORT OF THE AUDIT COMMITTEE

Dear Shareholders,

The Audit Committee of SC Asset Corporation Public Company Limited was appointed by the Company's board resolution, and composes of three independent directors, who have professional proficiency in the fields of financing, accounting, engineering and management. They are Mr. Kunodom Tharmmaphornphilas, the Committee Chairman, Mr. Prasert Samanawong, and Mr. Precha Sekhararidhi. Ms.Pannee Tharapat, Deputy Chief Internal Audit Officer of the Company, acts as the Committee Secretary.

In 2019, the Audit Committee held nine meetings consisting of eight regular meetings and one special meeting attended only by the committee members and the Company's external auditors, without the presence of any executives of the Company. All the committee members fully attended all of the meetings during the year.

During those meetings the Committee discussed and exchanged views with the company's executives, as well as its internal and external auditors on various matters of which the issues of importance can be summarized as follows:

1. Review of the Company's 2019 financial statements: The Committee reviewed the quarterly and annual financial statements of SC Asset Corporation Public Company Limited, as well as its consolidated quarterly and annual financial statements. The statements are reviewed and audited by independent auditors, who are certified public accountants, and are provided with audit opinions stating that the statements are presented in conformity with generally accepted accounting principles, with full and fair disclosure of information. In addition, the Committee also invited the Company's auditors to regularly attend each of its meetings for discussions on matters arising during the audit, auditor independence, the adequacy of useful information disclosed in the financial statements for the benefit of users of such, as well as the auditors' recommendations on the preparations of such financial reports, prior the Committee's review of the audited financial statements and before their submission to the Board for further approval.

2. Oversight of internal controls and internal audit:

1. The Committee reviewed the annual internal audit plan which was prepared to assess internal controls and risk management processes of each corporate function, and set the targeted audit work scope that covers all material aspects.

2. The Audit Committee reviewed actions of the Internal Audit Office and provided suggestions on the internal controls system, aiming to assure the effectiveness of the internal controls process and the due compliance with all applicable laws and relevant regulations affecting operations of the Company.

3. Review of the Company's risk management: The Committee reviewed the adequacy of risk management systems by regularly obtaining risk reporting from the Risk Management Committee, and offered suggestions and insights on systematic and appropriate risk management.

4. Selection and proposal for appointment of the Company's external auditors: The Audit Committee evaluated the previous year's performances of the Company's external auditors and recommended the appointment of the independent auditors from PricewaterhouseCoopers ABAS Limited to be the Company's external auditors for 2020 and also proposed the annual audit fee for 2020 to the Company's Board of Directors to further recommend to the Annual General Meeting of the Shareholders for appointment and approval.

5. Compliance with Thai laws on securities and exchange, regulations of the Stock Exchange of Thailand and/or any other applicable laws: The Audit Committee has monitored and reviewed the Company's business practices and is satisfied that it complies with laws, regulations and rules of both the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand, as well as any other relevant government entities.

6. Review and providing opinions on related party transactions: The Audit Committee has examined and reviewed the disclosure of intercompany transactions as well as transactions that might have occurred between the Company and its subsidiaries, its associated companies, its directors, its executives, and its shareholders who have controlling interest of the Company which may represent conflicts of interest according to regulatory requirements as prescribed by the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand.

7. Self - Assessment: The Audit Committee annually arranges performance evaluation on a self-assessment basis. The evaluation covers their roles & responsibilities on financial reports, risk management, internal controls, related parties transactions, compliance of laws, regulations, and code of ethics, and relations with internal and external auditors. The outcome of the evaluation revealed that the Committee has fully complied with its assigned duties and responsibilities, and has applied its skills, knowledge, and proficiency with prudent and sufficient independence in judgment.

8. Supervision on the compliance of anti-corruption policy and measures: As the Company has applied to be a member of the Thailand Private Sector Collective Action Coalition against Corruption (CAC), the Audit Committee oversees and assigns the Internal Control Department to assess the adequacy of its internal controls for its business systems and to review the operations of other business units and divisions within the Company to assure that they properly act in compliance with the Company's policies and measures on anticorruption hence mitigating or reducing the Company's risk level on the risk of corruption.

9. The Audit Committee performs their duties with prudence and independence under the scope of its authority and responsibility as prescribed in its charter, and in accordance with the tasks assigned by the Company's Board of Directors as per the principles of good corporate governance. It also regularly reviews the audit committee charter to assure its appropriateness with the business situation of the real estate development industry.

Throughout 2019, The Audit Committee believes that the Company's financial statements are prepared according to the generally accepted accounting principles, and the Company has an internal controls system, and appropriate and adequate risk management system. It also duly complies with laws and regulations, and abides by the listed company's best practices. It fully conforms to the rules prescribed by the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand on related party transactions and reports each of such findings to the Board of Directors.



(Kunodom Tharmmaphornphilas)
Chairman of the Audit Committee
SC Asset Corporation Public Company Limited
January 22, 2020

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Shareholders,

The Board of Directors of the SC Asset Corporation Public Company Limited appointed the Nomination and Remuneration Committee, which is composed of three members who are independent directors. The committee members are:

1. Mr. Prasert Samanawong
   Chairman of the Nomination and Remuneration Committee
   (Independent Director)
2. Mr. Kunodom Tharmmaphornphilas
   Member
   (Independent Director)
3. Mr. Songsak Premsuk
   Member
   (Independent Director)

The Nomination and Remuneration Committee has its duties and responsibilities as prescribed by the Charter of Nomination and Remuneration Committee. Its duties and responsibilities include all relevant human resource policies, director selection, and policies in respect to the remuneration for the Chief Executive Officer as well as top executives. It also considers the annual budget for director remuneration to be submitted to the Company's Board of Directors for consideration prior to the submission to the shareholders' meeting for approval.

In 2019, the Nomination and Remuneration Committee held two meetings with all members present to consider the selection of qualified individuals that have his/her proficiency suitable for the Company's business operation strategy, and to review top executives' remuneration as per the prescribed policies and rules and in accordance with the Company's operational results, business competition, and its allocated budget, as well as to assure that the matters are in compliance with the principles of corporate governance.

The remuneration rate for directors and top executives are presented as per the details appeared as prescribed in this 2019 Annual Report, the Nomination and Remuneration Committee viewed that the rate is suitable with their assigned duties and responsibilities which is also in accordance with the company's policies and rules on remuneration, as well as in view of the Company's operational results, economic environment, and business competition.



(Mr. Prasert Samanawong)
Chairman of the Nomination and Remuneration Committee
SC Asset Corporation Public Company Limited
January 22, 2020

REPORT OF THE RISK MANAGEMENT COMMITTEE

Dear Shareholders,

The Risk Management Committee was appointed by the Board of Directors to perform duties and responsibilities assigned by the Board of Directors according to the Committee's roles, duties, responsibilities, and guidelines which are in accordance with the international standard of risk management practices. The standard duties and responsibilities of the Committee involve setting the risk management policy, establishing the risk management framework, and overseeing risk governance all of which are to be in line with the Company's corporate strategies and its organizational goals. The Committee also provides suggestions and guidelines on risk management to the Board of Directors and makes regular reports to the board. The committee members are individuals who possess the necessary blend of skills, proficiency, and experience in business operations and risk management. They are:

1. Mr. Precha Sekhararidhi
   Chairman of the Risk Management Committee
   (Independent Director)
2. Mr. Prasert Samanawong
   Member
   (Independent Director)
3. Mr. Nuttaphong Kunakornwong
   Member
4. Mr. Attapol Sariddipuntawat
   Member

The Committee's performances in 2019

1) Review the risk management policy to assure that the policy remains applicable and suitable for the Company's present business operations.

2) Review key risk indicators that impact the Company's business operation in 2019 - 2021.

3) Closely monitor any changes in the risk indicators to ensure that the management is properly using this information to determine the appropriate risk management measures.

4) Continuously report each of the Risk Management Committee's performance to the Audit Committee and the Company's Board of Directors.

The above mentioned performances ensure smooth operations in the Company's risk oversight, while enabling the Company to efficiently conduct its daily operation and promote corporate confidence in achieving its targeted business goal.



(Mr. Precha Sekhararidhi)
Chairman of the Risk Management Committee
SC Asset Corporation Public Company Limited
January 22, 2020

REPORT OF THE CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE

Dear Shareholders,

The Corporate Governance and Sustainable Development Committee of SC Asset Corporation Public Company Limited was appointed by the Board of Directors resolution, and composes of three directors and independent directors, the committee members are:

1. Mr. Precha Sekhararidhi
   Chairman of the Corporate Governance and Sustainable Development Committee
   (Independent Director)
2. Mr. Nuttaphong Kunakornwong
   Member
   (Chief Executive Officer)
3. Mr. Songsak Premsuk
   Member
   (Independent Director)

The Corporate Governance and Sustainable Development Committee has a duty to support the Board of Directors in overseeing that the Company conducts its business operations according to good corporate governance policies, as well as develops and reviews that the Company's sustainable development policies have added economic, social, and environmental value to stakeholders and have relevant processes which are well in line with international principles. In 2019, the Corporate Governance and Sustainable Development Committee as a whole, has fulfilled its duties according to the Corporate Governance and Sustainable Development Committee Charter and has completed the tasks assigned by the Board of Directors. During the year, the Committee held 2 meetings and undertook the missions which are:

Approve the action plan on corporate governance and sustainable development for the operation year of 2019 which is prepared in accordance with the applicable laws, rules, regulations, and the 2017 Corporate Governance Code, as well as in compliance with the evaluation measures of the Corporate Governance Report (CGR) of Thai Listed Companies prescribed by the Thai Institute of Directors (IOD), and in line with the corporate strategy, and business directions of the Company. The Committee also regularly reviews the Company's operations to assure that its action plan on corporate governance and sustainable development is in compliance with international standards and suits the Company's business context and is capable of driving the Company's operations toward sustainable growth.

Review the anti-corruption action plan to assure that it is in compliance with the Company's policy and measures against corruption. In 2019, the Company issued a letter to its trade partners and business alliances promoting and inviting them to be a partner in Thailand's Private Sector Collective Action Coalition Against Corruption. Additionally, the Company also promotes the dissemination of policies and measures against corruption among the Company's employees for their understanding and compliance.

Emphasize on the importance of supply chain management by publishing the Code of Conduct for Business Partners to establish lawful working standards with the Company's trade partners and to ensure that the trade partners are acting along the same lines as the Company. This shall mutually develop the proficiency of both the trade partners and the Company toward their sustainable growth path.

With commitment and awareness of our missions in overseeing that the Company conducts its business with transparency and integrity for benefits of all stakeholders, in 2019, the Company was thus assessed by the Thai Institute of Directors (IOD) and the Stock Exchange of Thailand for its "excellence" corporate governance status and being one among other 193 companies out of all 677 public listed companies in the assessment which were awarded such outstanding

status. The Company received an average assessment score of 95%, whereas the average score for overall public listed companies in the assessment was 82%. The Company was selected as one of the "Sustainable Stock" group, with a market capitalization of between Baht 10,000 million to Baht 30,000 million, or "Thailand Sustainability Investment 2019" for the past five continuous years. In addition, the achievement award granted includes the SET Awards 2019 for "Sustainability Excellence" under the category of "Highly Commended" which honors the Company for being a publicly listed company that operates its business with a recognition for both its financial performance as well as its stakeholder responsibility while being capable of efficiently applying the concerns on Environmental, Social and Governance issues in its business sustainability development. Another award offered to the Company is the Sustainability Disclosure Award 2019 for "Sustainability Disclosure Recognition" by the Stock Exchange of Thailand for the disclosure of information on its environment, social and corporate governance actions under the global reporting initiative standards for sustainability reporting, as well as striving for corporate goals that are in compliance with the sustainable development goals set by the Thaipat Institute.

We, the Corporate Governance and Sustainable Development Committee remain committed to improving the efficiency and effectiveness of the Company's corporate governance oversight and its social & environmental responsibilities for the general benefits of SC Asset Corporation Public Company Limited, its shareholders, trade partners, customers, employees, communities, society, and the nation as a whole.



(Mr. Precha Sekhararidhi)
Chairman of the Corporate Governance and
Sustainable Development Committee
SC Asset Corporation Public Company Limited
February 19, 2020

BUSINESS



POLICY AND BUSINESS OVERVIEW

Vision

In 2050, all home build by SC ASSET make every morning a good morning for more than one million customers. Here, everyone feels safe and enjoys a better quality of life, for they have more time and energy to spend doing what they love and nurturing their dreams, some of which could make our world a better place.

SC ASSET is the first name on top of people's mind for high quality and innovative homes. Our employees are proud to play a part in creating good morning that continue to inspire a better society for all.

Mission

Make every morning a "good morning" for every customer. Every morning, life starts anew at home. At SC ASSET, we strive to build thoughtful home and help solve residents' pain points. We foster a safe living environment, and provide heartwarming services, so that those who live in our homes have more time and energy to spend doing what they love.

We build home that cater to all price points, so "good morning" are possible for all. And from these good beginnings, a better society can be built.

Business Sustainability Policy

1. Operate short and long term business strategies:

The Company plans its business strategies for both short and long term periods that takes into account overall internal and external risk factors, and also retains a certain flexibility for any possible adjustment of its strategic plans, if required.

2. Operate business with transparency:

It is the Company's policy to operate its business with transparency and accountability, foster ethical behavior, promote anti-fraud and anti-corruption in its entire business operation system.

3. Operate business with consideration for all stakeholder groups:

It is the Company's policy focus to operate its business with minimal direct or indirect adverse impacts, or without any adverse impacts to stakeholders, surrounding community, and the society at large. It also sincerely strives to build and share fundamental values.

4. Operate business with environmental responsibility:

It is the Company's policy to optimize its natural resource management, and to promote consciousness of environmental impacts on the environment and community, with aims to minimize or eliminate such impacts.

Sustainable Development Principles

SC ASSET operates its real estate development business with a strong belief that for its organization to achieve its sustainable growth, it shall require vision, missions, strategies and action plans that are more likely to function well in driving sound operating performances; supporting corporate social responsibility and environmental protection; fostering transparent and ethical business conducts as well as giving assistance to community and social services.

Business Ethics

The Company sets and disseminates its business ethics to its related parties, directors, executives, and all employees for acknowledgement and strict compliance. These business ethics include guidelines of best practices to shareholders, customers, employees, creditors, trade counterparties, trade competitors, community, the society and environment, non-involvement of intellectual property rights, and training on environmental education for employees.

Business Strategies

1. **The re-invention:** The major adjustments for sustainable growth in the new context of becoming a "Living Solutions Provider". Deliver the "Living Solutions" to customers comprises dwellings, services and platform.
2. **The co-creation:** The Company and its various partners in its ecosystem have cooperated to create and deliver the "Living Solutions".
3. **Quality first:** The Company continually analyses and improves the quality of housing and services.
4. **Top-line growth:** Proactive growth both in revenues and net profit as the Company is ready to develop residential units in all price ranges.
5. **Expansion of recurring income contribution:** Invest in businesses that contribute to growth and expansion in recurring income.

The Company and its subsidiaries operate fully integrated property development activities which include:

(1) Property Development for Sales

The company is engaged in several property development projects including single detached houses, townhouses and condominiums. The Company focuses on the application of modern technologies into our construction tasks.

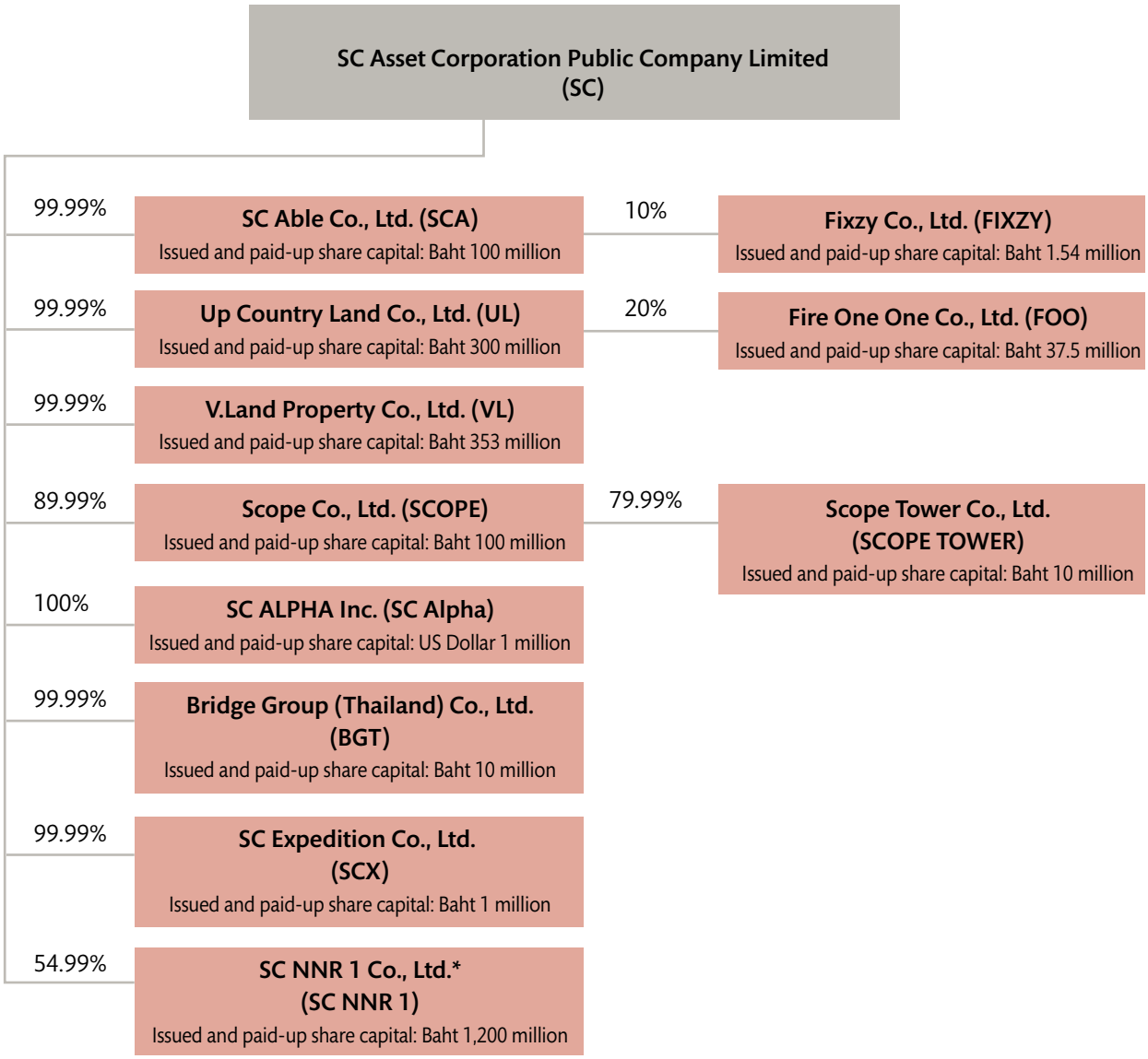
(2) Property Development for Rental and Rendering of Services

At present, the Company owns four office buildings with a total rental space of 105,201 sq.meters, two medium size office buildings with a total rental space of 14,809.75 sq.meters, and a technical building which is specifically designed and built to accommodate installations of telecommunication systems or engineering equipments for cellular phone services. This building is currently leased to a telecommunication company.

(3) Consulting and Management Services

Services which are offered to the Company's subsidiaries and associate companies include consultancy, management and administration, engineering techniques and support systems. The services cover various work scopes, namely short-term, ad hoc, long-term and after sales service such as resale property and home care services for the Company's projects.

STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES



* Joint venture company with NISHI-NIPPON RAILROAD CO., LTD. with the shareholding ratio of 54.99 : 45

NATURE OF BUSINESS

MILESTONE DURING THE YEAR 2019

January - June	The company issued 5 sets of debentures with the combined principal amount of Baht 2,395 million for private placements.
January	Increased the registered capital of Scope Tower Co., Ltd. (the subsidiary of Scope Co., Ltd.) from Baht 1 million to Baht 10 million.
February	Incorporated BRIDGE GROUP (THAILAND) Co., Ltd., the new subsidiary company, by the resolution of the The Company's Board of Directors No. 2/2562. The Company held 99.99% of the total shares.
May	Dividend payment of Baht 0.16 per share was made based on the Company's 2018 operating results.
June	Launching of SCOPE LANGSUAN with Baht 8,300 million in project value
July	The Company appointed Ms. Namtip Promchua to be the person supervising accounting instead of Mr. Vitit Visalpattanasil. From the appointment, the First Four Executives of the Company had been changed as follow: 1. Mr. Attapol Sariddipuntawat — Chief Corporate Officer 2. Mrs. Pradthana Patsaman — Chief Financial Officer 3. Mr. Somboon Kuptimanus — Chief Legal Officer 4. Ms. Namtip Promchua — Deputy Chief Accounting Officer 5. Ms. Pannee Tharaphat — Deputy Chief Internal Audit Officer 6. Mr. Mongkut Techolarn — Deputy COO-Property Development-Low Rise 7. Mr. Prayongyut Itthiratchai — Deputy COO-Property Development-High Rise 8. Mr. Manit Banchongthanakit — Deputy Chief Business Development Officer 9. Ms. Sirikul Kriangkrai — Deputy Chief People Officer 10. Mr. Somchai Lorhaburanakit — Deputy COO-Property Management 11.Mr. Paphandech Pacharachanant — Deputy Chief Business Support Officer

August	Launching of VERVE RAMA 5	with Baht 615 million in project value
September	Launching of 3 Single detached house Projects	
	PAVE BANGNA	with Baht 1,550 million in project value
	VENUE FLOW RANGSIT	with Baht 720 million in project value
	V COMPOUND BANGNA	with Baht 950 million in project value
October	Launching of BANGKOK BOULEVARD RAMINTRA – SERITHAI 2	with Baht 1,160 million in project value
November	Incorporated SC EXPEDITION Co., Ltd., the new subsidiary company, by the resolution of the Company's Board of Directors No. 6/2562. The Company held 99.99% of the total shares.	
	Launching of 2 Single detached house Projects and 1 Townhouse Project	
	VENUE FLOW RAMA 5	with Baht 700 million in project value
	BANGKOK BOULEVARD SIGNATURE LADPRAO – SERITHAI	with Baht 1,550 million in project value
	VERVE PETCHKASEM	with Baht 660 million in project value

Current Projects of the Company and its subsidiaries as December 31, 2019

BUSINESS	PROJECT/LOCATION	OPERATOR	PROJECT DESCRIPTION
Property Development for Sales	GRANADA PINKLAO - PHETKASEM / Kanchanaphisek Rd. (Bangkok Western Outer Ring)	SC	Single detached house total of 37 units priced at Baht 47-82 million each, total project value is Baht 2,300 million.
	HEADQUARTERS EKAMAI – LADPRAO / Inthra Phon Rd.	SC	Single detached house total of 34 units priced at Baht 15-50 million each, total project value is Baht 970 million.
	THE GENTRY SUKHUMVIT / Sukhumvit Rd.	SC	Single detached house total of 56 units priced at Baht 19-50 million each, total project value is Baht 1,300 million
	THE GENTRY RAMA 9 / Ramkhamhaeng Rd.	SC / VL	Single detached house total of 13 units priced at Baht 27-55 million each, total project value is Baht 526 million
	THE GENTRY EKAMAI – LADPRAO / Ladprao Rd.	SC	Single detached house total of 16 units priced at Baht 27.5-44.3 million each, total project value is Baht 570 million
	GRAND BANGKOK BOULEVARD SATHORN / Kanlapaphruek Rd.	SC	Single detached house total of 132 units priced at Baht 15-35 million each, total project value is Baht 2,470 million.
	GRAND BANGKOK BOULEVARD RATCHAPHRUEK - CHARAN / Phran Nok - Phutthamonthon Sai 4 Rd.	SC	Single detached house total of 92 units priced at Baht 26-64 million each, total project value is Baht 3,200 million.
	GRAND BANGKOK BOULEVARD SUKHUMVIT / Lasalle-Bearing Rd.	SC	Single detached house total of 65 units priced at Baht 31-63 million each, total project value is Baht 2,800 million.
	GRAND BANGKOK BOULEVARD RATCHAPHRUEK – RAMA 5 / Nakorn-In Rd.	SC	Single detached house total of 51 units priced at Baht 24.9-50 million each, total project value is Baht 1,500 million.
	GRAND BANGKOK BOULEVARD SRINAKARIN / Srinakarin Rd.	SC	Single detached house total of 73 units priced at Baht 25-60 million each, total project value is Baht 2,550 million.
	GRAND BANGKOK BOULEVARD RAMINTRA - SERITHAI / Kanchanaphisek Rd.	SC	Single detached house total of 48 units priced at Baht 25-40 million each, total project value is Baht 1,435 million.
	BANGKOK BOULEVARD PINKLAO - PHETKASEM / Phutthamonthon Sai 4 Rd.	SC	Single detached house total of 124 units priced at Baht 7-17 million each, total project value is Baht 1,150 million.
	BANGKOK BOULEVARD RANGSIT / Rangsit – Nakhon Nayok Rd.	SC	Single detached house total of 121 units priced at Baht 5.9-12 million each, total project value is Baht 1,045 million.

BUSINESS	PROJECT/LOCATION	OPERATOR	PROJECT DESCRIPTION
	BANGKOK BOULEVARD SIGNATURE RATCHAPHRUEK / Ratchaphruek Rd.	UL	Single detached house total of 15 units priced at Baht 18.9-24 million each, total project value is Baht 325 million.
	BANGKOK BOULEVARD CHAENGWATTANA 2 / Chaiyaphruek Rd.	SC	Single detached house total of 273 units priced at Baht 6.9-20 million each, total project value is Baht 2,300 million.
	BANGKOK BOULEVARD SATHORN - PINKLAO 2 / Bang Kruai – Chong Thanom Rd.	SC	Single detached house total of 203 units priced at Baht 9-15 million each, total project value is Baht 2,300 million.
	BANGKOK BOULEVARD SIGNATURE SATHRON – RATCHAPHRUEK / Charunsanitwong 13 Rd.	SC	Single detached house total of 134 units priced at Baht 16-35 million each, total project value is Baht 2,730 million.
	BANGKOK BOULEVARD SRINAKARIN – BANGNA / Namdang Rd.	SC	Single detached house total of 186 units priced at Baht 8-15 million each, total project value is Baht 2,000 million.
	BANGKOK BOULEVARD RAMA 9 / Kanchanaphisek Rd.	VL	Single detached house total of 108 units priced at Baht 10-20 million each, total project value is Baht 1,350 million.
	BANGKOK BOULEVARD RAMINTRA - SERITHAI / Kanchanaphisek Rd.	SC	Single detached house total of 31 units priced at Baht 8.5-17.5 million each, total project value is Baht 415 million.
	BANGKOK BOULEVARD RAMINTRA - SERITHAI 2 / Kanchanaphisek Rd.	SC	Single detached house total of 77 units priced at Baht 12-17 million each, total project value is Baht 1,160 million.
	BANGKOK BOULEVARD SIGNATURE LADPRAO - SERITHAI / Serithai Rd.	SC	Single detached house total of 77 units priced at Baht 17-32 million each, total project value is Baht 1,550 million.
	BOULEVARD TUSCANY CHA AM – HUA HIN / Phetkasem Rd.	SC	Single detached house total of 193 units priced at Baht 6-18 million each, total project value is Baht 2,000 million.
	LIFE BANGKOK BOULEVARD RATCHAPHRUEK - RATTANATHIBET / Ratchaphruek Rd.	SC	Single detached house total of 324 units priced at Baht 5.9-18.9 million each, total project value is Baht 2,450 million
	VENUE TIWANON - RANGSIT / Tiwanon Rd.	SC	Single detached house total of 149 units priced at Baht 3.9-8 million each, total project value is Baht 717 million.
	VENUE WESTGATE / Keaw-In Rd.	SC	Single detached house total of 127 units priced at Baht 3.9-8.5 million each, total project value is Baht 665 million.

BUSINESS	PROJECT/LOCATION	OPERATOR	PROJECT DESCRIPTION
	VENUE RAMA 9 / Kanchanaphisek Rd.	SC	Single detached house total of 143 units priced at Baht 6-10 million each, total project value is Baht 1,150 million.
	VENUE FLOW RANGSIT / Rangsit - Nakhon Nayok Rd.	SC	Single detached house total of 124 units priced at Baht 4-9 million each, total project value is Baht 720 million.
	VENUE FLOW RAMA 5 / Bangsrimuang Rd.	SC	Single detached house total of 70 units priced at Baht 6.9-17 million each, total project value is Baht 700 million.
	V COMPOUND RATCHAPHRUEK - PINKLAO / Plai Bang Rd.	SC	Single detached house and Townhouse total of 249 units priced at Baht 2.9-6 million each, total project value is Baht 1,170 million.
	V COMPOUND BANGNA / Bang Bo - Khlong Dan Rd.	VL	Single detached house and Townhouse total of 285 units priced at Baht 2.3-4 million each, total project value is Baht 950 million.
	WORKPLACE PETCHKASEM 81-2 / Phetkasem Rd.	VL	Home Office total of 108 units priced at Baht 5.9-10 million each, total project value is Baht 625 million.
	PAVE RANGSIT / Rangsit - Nakhon Nayok Rd.	VL	Single detached house total of 320 units priced at Baht 3.8-9.3 million each, total project value is Baht 1,400 million.
	PAVE PRACHA UTHIT 90 / Pracha Uthit Rd.	VL	Single detached house total of 289 units priced at Baht 4.3-8.6 million each, total project value is Baht 1,300 million.
	PAVE RAMINTRA – WONGWAEN / Ramintra Rd.	VL	Single detached house total of 308 units priced at Baht 4.3-8.2 million each, total project value is Baht 1,630 million.
	PAVE BANPHO - CHACHOENGSAO / Bangpakong - Chachoengsao Rd.	SC	Single detached house total of 144 units priced at Baht 4.4-6.5 million each, total project value is Baht 750 million.
	PAVE MOTORWAY - CHACHOENGSAO / Bangpakong - Chachoengsao Rd.	SC	Single detached house total of 252 units priced at Baht 2.3-3.9 million each, total project value is Baht 800 million.
	PAVE PINKLAO - SALAYA / Samret Phatthana Rd.	SC	Single detached house total of 374 units priced at Baht 4.6-8 million each, total project value is Baht 1,950 million.
	PAVE BANGNA / Bang Bo - Khlong Dan Rd.	SC	Single detached house total of 267 units priced at Baht 4.6-8 million each, total project value is Baht 1,550 million.

BUSINESS	PROJECT/LOCATION	OPERATOR	PROJECT DESCRIPTION
	VERVE PETCHKASEM 81 / Phetkasem Rd.	SC	Townhouse and Home Office total of 181 units priced at Baht 2.5-12 million each, total project value is Baht 685 million.
	VERVE TIWANON - RANGSIT / Tiwanon Rd.	SC	Townhouse and Home Office total of 315 units priced at Baht 1.9-3.8 million each, total project value is Baht 808 million.
	VERVE RAMA 9 / Kanchanaphisek Rd.	VL	Townhouse and Home Office total of 138 units priced at Baht 2.9-5 million each, total project value is Baht 500 million.
	VERVE RAMA 5 / Bangsrimuang Rd.	SC	Townhouse and Home Office total of 133 units priced at Baht 3.8-8.3 million each, total project value is Baht 615 million.
	VERVE PETCHKASEM / Phetkasem Rd.	SC	Townhouse and Home Office total of 176 units priced at Baht 2.9-5.9 million each, total project value is Baht 660 million.
	CHAMBERS CHAAN / Lat Phrao - Wang Hin Rd.	SC	2 Condominium Buildings; 3 Towers : Tower A (8 floors), Tower B1 (7 floors) and Tower B2 (8 floors) total of 317 units priced at Baht 1.8-5.2 million each, total project value is Baht 939 million.
	CHAMBERS CHER RATCHADA - RAMINTRA / Ratchada - Ramintra Rd.	SC	2 Condominium Buildings : Tower A (8 floors), and Tower B (8 floors) total of 252 units priced at Baht 2.3-4.6 million each, total project value is Baht 790 million.
	CHAMBERS ON NUT STATION / Sukhumvit Rd.	SC	3 Condominium Buildings : Tower A (8 floors), Tower B (8 floors) and Tower C (8 floors) total of 487 units priced at Baht 3-4.8 million each, total project value is Baht 1,700 million.
	CENTRIC TIWANON STATION / Krung Thep - Nonthaburi Rd.	SC	A condominium; 2 Towers : Tower A (41 floors), Tower B (36 floors) total of 1,063 units and shophouse 17 units priced at Baht 1.6-4.7 million each, total project value is Baht 2,755 million.
	CENTRIC RATCHAYOTHIN / Phahonyothin Rd.	SC	A 31-storey condominium total of 261 units priced at Baht 4-9 million each, total project value is Baht 1,500 million
	THE CREST SANTORA HUA HIN / Phetkasem Rd.	SC	4 Floors Condominium Buildings and Villa total of 181 units priced at Baht 3.6-25 million each, total project value is Baht 1,530 million.

BUSINESS	PROJECT/LOCATION	OPERATOR	PROJECT DESCRIPTION
	SALADAENG ONE / Rama 4 Rd.	SC	2 Condominium Buildings : Tower A (32 floors) and Tower B (2 floors) and total of 187 units priced at Baht 13-198 million each, total project value is Baht 4,250 million
	BEATNIQ / Sukhumvit Rd.	SC	A 34-storey and 1 underground storey condominium total of 197 units priced at Baht 11.7-63.3 million each, total project value is Baht 4,000 million.
	28 Chidlom / Chidlom Rd.	SC	2 Condominium Buildings : The Tower (47 floors and 1 underground floor) and The Villa (20 floors and 6 underground floors) and total of 425 units priced at Baht 10-73 million each, total project value is Baht 8,400 million
	SCOPE LANGSUAN / Langsuan Rd.	SC	A 34-storey condominium total of 158 units priced and 1 retail unit at Baht 27.6-235.26 million each, total project value is Baht 8,300 million
Property Development for Rental Purposes	Shinawatra Tower I / Phaholyothin Rd.	SC	A 31-storey and 1-underground storey office building with the total rental space of 22,457 sq.meters.
	Shinawatra Tower II / Phaholyothin Rd.	SC	A 20-storey and 1-underground storey office building with the total rental space of 16,220 sq.meters.
	Shinawatra Tower III / Vibhavadi Rangsit Rd.	SC	A 38-storey and 2-underground storey office building with the total rental space of 54,274 sq.meters.
	SC Tower / Phaholyothin Rd.	SC	A 24-storey and 1-underground storey office building with the total rental space of 12,250 sq.meters.
	Office Building / Pak Kred Town bypass	SC	A 4-storey office building with the total rental space of 8,322.75 sq.meters.
	Office Building / Phaholyothin Rd.	SCA	A 8-storey and 1-underground storey office building with the total rental space of 6,487 sq.meters.
	Mobile Switching Center, Maintenance Center, and Branch Office	UL	Building for mobile services 109 sites around the country.

REVENUE STRUCTURE

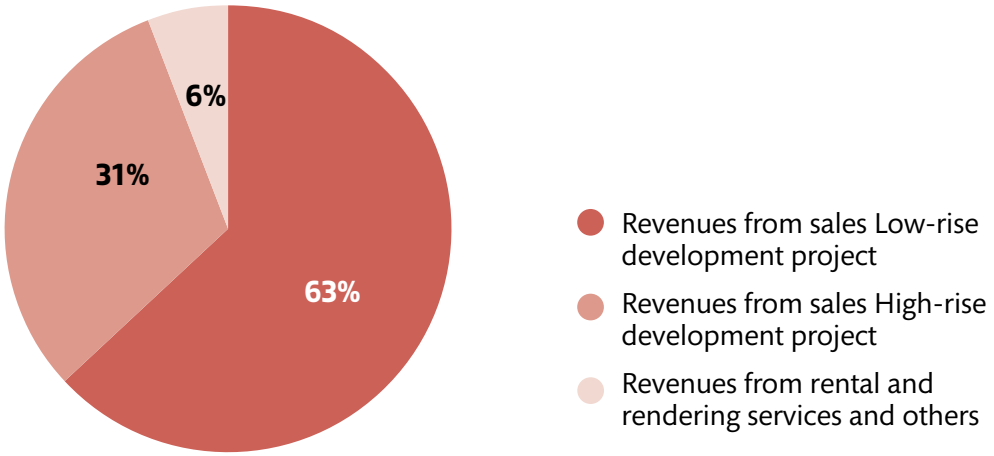
Business	Operator**	2019		2018 (Restated)		2017 (Restated)	
		Revenues	%	Revenues	%	Revenues	%
Property Development for Sales	SC, VL, UL	16,771.49	94.30	14,613.43	94.42	11,491.53	92.94
Low Rise Projects		11,260.14	63.31	10,810.70	69.85	9,012.13	72.89
High Rise Projects		5,511.35	30.99	3,802.73	24.57	2,479.40	20.05
Property Development for Rental and Rendering of Services	SC, SCA, UL, VL, SCOPE, BRIDGE	801.14	4.50	831.63	5.37	848.75	6.87
Consulting and Management Services	SC, SCA, VL	63.93	0.36	1.70	0.01	1.09	0.01
Other Income*	SC, SCA, UL, VL, BRIDGE, SCX, SC ALPHA, SCOPE, SCOPE TOWER	150.17	0.84	31.44	0.20	22.21	0.18
Total		17,786.73	100.00	15,478.20	100.00	12,363.58	100.00

Remark

* Other income included income from profit from fair value adjustment in investment properties, income from early return deposits and interest income.

** The Company holds 100% in SC ALPHA, 99.99% shares in SCA, UL, VL, BRIDGE and SCX holds 89.99% shares in SCOPE and indirectly holds SCOPE TOWER by SCOPE.

REVENUE STRUCTURE 2019



MARKET AND COMPETITION

POLICY AND MARKETING

Housing and Condominiums

The Company diversifies itself from a developer to become a "Living Solutions Provider". Thus, the Company focuses on the continual development of its products and services. The Company has jointly undertaken various projects with its alliances and other companies both domestic and foreign to enable the delivery of the best of everything to its consumers and dwellers.

Cooperation with The world famous design company

To enable the SC ASSET projects to be the best residential developments, the Company joins hands with an internationally renowned company named IDEO Tokyo to find new designing concepts for the common areas and the club houses of its low-rise projects by using a new process called "Design Thinking" that focuses on the customer needs. This cooperative project emphasizes on the designing of the common areas to best serve the needs of dwellers, and encourage them to regularly spend their time and participate, possibly every day, in activities in the designated common areas. This new concept has been applied to various low-rise projects that will be launched in 2020. The Company expects that this new designing concept will make every morning of the dwellers to be a good morning, and will distinctly differentiate the Company's low-rise projects from other developments.

Computational Design for designing of development projects

In the present era whereby, technology is developed at an accelerated pace, there are many useful innovations. This year the Company in collaboration with Fire One One Company Limited has jointly undertaken a project named "Site Planning Optimization by Computational Design" which applies computational design using artificial intelligence to compute project plans for residential projects aimed to find the best applicable solutions. The computer allows for the presentation of project plans in various possible features under prescribed conditions. This results in more variety of designing solutions in a shorter time frame. The pilot project that will apply this solution in planning is GRAND BANGKOK BOULEVARD RAMA 9 which is expected to be launched in 2020.

The development of the prototype townhome with a frontage width

Due to the fast growth of urban populations, the price of suburban housing is increasing. This becomes a new question in the development of high-quality residential units at a reasonable price and with the provided functions that conveniently serve the dwellers in a similar manner as living in a single detached house. In 2019, the Company introduced a new concept of townhome with a special characteristic feature of a large frontage width of 7.9 meters which is comparable to that of a single detached house. This feature allows the dwellers to be able to park two cars and can comfortably open the car doors for getting in and out of a car. This new townhome is equipped with various functions such as having a downstairs bedroom that can be converted into a multipurpose room, a master bedroom with a high ceiling of 3.2 meters that offers the feeling of spaciousness and good ventilation, a large size storage room and a designated area at the entrance of the house for removing and putting on shoes with a bench for sitting on. The Company first launched this type of townhome in VERVE RAMA 5. The large frontage width combined with perfectly fit functions ensured that this type of townhome was very well received by the customers.

Property development products' price segmentation

In 2019 the Company had a total of 58 projects for sale in the Bangkok Metropolis and its vicinity, and in the touristic towns, which are comprised of 42 single detached house projects, 6 townhouses and home office projects, and 10 condominium projects.

In 2019 the Company had a strong growth which was clearly evident, mostly for single detached houses in the price range that were lower than Baht 5 million, particularly in PAVE and VERVE brand which are very popular. The recognized revenues showed a growth of over 20%.

Product brand segmentation

Price	SDH	TH/Home office	Condo	Price
>50 M	GRANADA		28 CHIDLOM, SCOPE LANGSUAN	>300 K
20 - 50 M	GRAND BANGKOK BOULEVARD, THE GENTRY HEADQUARTERS		SALADAENG ONE, BEATNIQ	
8 - 20 M	BANGKOK boulevard Signature, BANGKOK boulevard		THE CREST	200-300 K
5 - 8 M	VENUE, life BANGKOK boulevard, V COMPOUND	WORK PLACE	CENTRIC	120 - 200K
3 - 5 M	PAVE	VISTA	CHAMBERS	60-120K
<3 M		Verve		

In 2019 the Company launched 9 new projects 8 of which were low-rise developments in the Bangkok Metropolis and its vicinity that covered nearly all price ranges, which are:

1. BANGKOK BOULEVARD SIGNATURE LADPRAO - SERITHAI
2. BANGKOK BOULEVARD RAMINTRA – SERITHAI 2
3. VENUE FLOW RANGSIT
4. VENUE FLOW RAMA 5
5. V COMPOUND BANGNA
6. PAVE BANGNA
7. VERVE RAMA 5
8. VERVE PETCHKASEM

Additionally, the Company launched 1 new condominium project, which is SCOPE Langsuan.

Furthermore, in the fourth quarter of the year, the Company managed to promptly deliver 3 condominium projects, 28 Chidlom, CENTRIC RATCHAYOTHIN and CHAMBERS ON NUT STATION to its customers within the prescribed time frame.

Incorporating Bridge Group (Thailand) company limited aiming to penetrate the foreign market

The Company launched the opening of Bridge Estate to be an agent for integrated activities of buying, selling, and leasing of high-rise property developments, aimed to penetrate high potential foreign customers both in the country and overseas. This company also works with foreign customers who need property developments in Thailand, which is in line with the continual growth in demand in foreign countries, and supports the sales forces in this particular market which helps to expand the sales channels both domestically and overseas. Towards the end of 2019, Bridge Estate was awarded the Southeast Asia's Best Real Estate Agencies 2019 in the Dot Property Southeast Asia Awards 2019 Fair.

Marketing campaign

CAMPAIGN "MAE REEP"

This campaign was set in response to the prescribed regulations of the Bank of Thailand on housing credit which was notified on 9 November 2018. The regulations induced the launching of various campaigns by many real estate developers to increase sales of their products prior to the effect of such regulations. The campaigns aimed to encourage the home buyers to make their decisions on the purchase and transfer of property ownership before 1 April, 2019 or the beginning of the second quarter of year when the regulations became effective. The Company had 36 projects involved under this campaign and offered the highest discount of Baht 5 million according to the conditions as prescribed by the Company.

OK DEAL OK DAY

This was a campaign which offered special promotional conditions which provided exemption of all incurred costs and with the offering of the highest discount of Baht 6 million during 8-9 June 2019 for the sales of single detached houses, townhomes, and condominium units in the Company's 37 projects with price ranges of Baht 2-100 million according to the given conditions as prescribed by the Company. Additionally, the Company offered "The One Privilege Gift Set" which were products from famous brands with the highest offering value of Baht 100,000. The customers also received the "Extra Point" of 10 times when they used credit cards for payment of the down payment for housing in the projects participating in the campaign.

LUXURY FROM THE INSIDE

This is a campaign that intends to communicate with home buyers who are seeking for quality houses and the housing that reflects the SC ASSET concept of luxurious dwellings, that is developed with real understanding of the home owners' needs and behavior. The concept focuses on the fact that houses are not only for dwelling but are used to identify the Characters of the owners, and reflect the success and the desirable social status of such homeowners. There are also solutions for the utilizable areas inside the houses as well as common areas of the development projects that are suitable for different customer groups. There were 32 single detached houses projects of the Company with their starting prices of Baht 3-100 million participated in this campaign that were launched on 24-25 August 2019.

CAPTIVATING HOME: 28 CHIDLOM, SALADAENG ONE AND BEATNIQ

The Company jointly works with Design Army which is a renowned advertising company from Washington, D.C., United States to come up with an inspiring new advertisement named "Captivating Home" or "Design Jab Ta, Saneh Jab Jai" which shows distinguished luxury that is captivating for the Company's condominium projects in three prime residential areas of Chidlom, Saladaeng, and Sukhumvit. The projects aim to capture high-end homebuyer demand both domestically and from overseas.

Business alliance with Lazada

As the popularity trend of purchasing merchandise on line has increased, the Company has joined hands with Lazada (Thailand) Company Limited, an owner of a major online shopping platform, by putting the Company's residential developments, both low-rise and high-rise projects, which are priced at less than Baht 5 million in brands such as VERVE, PAVE, V COMPOUND, CHAMBERS, and CENTRIC on sale on Lazada's online platform. The Company and Lazada have arranged the sales campaigns called 11.11 and 12.11. This collaboration represents an opening of a new sales channel and enables a wider scope of product recognition for the Company's products. In the future, the Company expects to put more of its products in other segments for sales online to accommodate the changing consumer behavior.

Office Buildings

The Company focuses on development of office buildings in locations which are convenient for transportation, close to expressways and Sky Train lines, near to established communities, department stores, and hotels. It also emphasizes on providing required services of integrated information technologies and provision of communication equipment such as high-speed internet, computer system, video conference, sound system, slide and video projector, screen for presentation, audio and video recording etc. All these aim to provide convenience to the building tenants and visitors. The most important aspect is the after-sales services to customers of which the sales strategy is focusing on the existing customer base and differentiation strategy in creating a good impression to customers, and allowing the customers to see the differentiation factors from competitors who are also in the Grade A office building market.

Customers and Target Groups

Housing and Condominiums

The Company's target customer groups are the middle-income levels and upward, and its products are products that focus on quality and luxury which cover high-level customer segments. Nevertheless, the Company has also expanded its customer base to better reach its middle-level customers, as evidenced by the launching of houses under its PAVE brand for single detached houses of Baht 3-5 million, and the expanding of its customer base to cover townhomes of Baht 2-3 million. The opening of its townhome projects under its VERVE brand is intended to enlarge its customer base to cover this new segment while responding to a growing demand in this market. As for its condominium projects, the emphasis remains on the "Super Luxury" segment and further expands to the "Premium Mass" groups by the launching of its Centric Ratchayothin, whereas the "High Class" groups are served with the launching of its Chambers On Nut Station. All these allow the Company to better serve its customer needs.

Office Buildings

- Shinawatra Tower 1 and 2 and two other office buildings have major tenants who are companies in the Telecommunication Business.

- Shinawatra Tower 3 has tenants who are companies in business segments such as media, telecommunication, energy, chemical, construction materials, and foreign companies, as well as tenants who are related to or in special demand of information technologies, and small and medium sized enterprises (SMEs) etc.

- SC Tower has major tenants who are commercial banks and companies in the telecommunication business.

- Plaza: The Company operates its plaza by offering various kind of shops which are appropriately allocated, and separates the area into zonings or grouping the shops by the nature of their business to provide convenience to the building tenants and visitors. The shops include commercial banks, restaurants, convenient stores, mobile phone service center and sales center, etc.

- Meeting rooms and banquet hall: The main customers are companies, tenants in the buildings, and educational institutions.

Distribution and distribution channels

Housing and Condominiums

The Company has set its strategies regarding its distribution channels to be in accordance with the types of its products which include:

(1) Sales made by the Company's sales staff team: The sales staff shall undertake their selling activities both inside the sales office of each development project, and outside the project sites such as organizing exhibition booths, overseas road shows, etc. The sales staff are trained and participate in training programs as per the Company's standard of practices and services.

(2) Sales made by Bridge Estate, a subsidiary of the Company, which is an agent for integrated activities of buying, selling, and leasing of high-rise property development projects.

(3) Omni Channel: This channel is involved in the development of sales methods that combine both offline and online sales. It also includes the gathering of customer's information for the further analysis of customer's behavior. Customer's purchase information is also gathered and used for further business development purpose.

Growth in digital marketing channels

To accommodate the present-day consumer behavior and according to the current finding, the Company has engaged in digital marketing channels. The Company had an 18% increase in its customers who visited the Company using online media sources. In 2019, the reservations made from online media sources accounted to Baht 8,378 million or 43% of the total reservation of the Company's residential development products. The Company thus will focus more on the development of its marketing via social media and digital channels.

- Facebook Fan page has 670,000 followers
- Twitter account has 9,000 followers
- Instagram account has 47,000 followers
- The number of visitors to its website (www.scasset.com) numbers 430,000 visits per month.

Office Buildings

Direct contact to its target customer group: The Company collects and stores information on large and small sized entrepreneurs in its data storage system. This information is always kept up-to-date. Additionally, the Company also uses its website and the direct marketing activities as another channel to disseminate its news and information to its customers.

Direct contact to its target customer group via real estate sales agents who are skilled and experienced that have no connection with the Company.

INDUSTRY AND COMPETITION OVERVIEW

The overall Thai economy in 2019 showed an annual growth rate of 2.4% which was the lowest growth rate within the past 5 years since 2014. This reflected an increasing economic fragility of the Thai economy whereas many major economic indicators such as export, public investment, automotive trade, construction, and agriculture, technically pointed out towards a recession. Nevertheless, there were other positive factors which support the economy which were private consumption and investment, government investment in mega projects, the Eastern Economic Corridor, and Sky train routes – both for the extensions of the current routes and the construction of the new routes, which are deemed to be major factors that support the expansion of prosperity to suburban areas and outer cities.

The overall Thai economy decelerated growth also affected the property development sector in 2019, resulted 0.5% decrease in the value of property ownership transfer in 2019 compared to 2018. According to information from the Agency for Real Estate Affairs Company Limited, in 2019, new launches of residential units decreased by 10% whereas the value of the new launched project decreased by 21%. Furthermore, the overall sales of residential units in the Bangkok Metropolis dropped by 23%. The Office rental market showed the outlook for an average rental increase of 6% from the past year.

Housing and Condominiums

In 2019, the numbers of residential registrations in the Bangkok Metropolitan Region and Vicinity (BMR) totaled 111,657 units, showing a decrease of 14% from the previous year. Market breakdown by residential development types for 2019 showed condominiums taking the largest share of 48%, followed by single detached houses and townhouses which were 29%, and 18%, respectively. Most of the new houses built were "Developer Built", which accounted for 82%, whereas "Self Built" residences only accounted for 18%.

New Registered Residential Supply in Bangkok Metropolitan Region and Vicinity in 2015– 2019

Unit : Units

Type	2015	2016	2017	2018	2019
Overall	123,753	126,543	114,854	130,052	111,657
Developer Built	22,375	21,915	20,237	19,999	20,243
Self Built	101,378	104,628	94,617	110,053	91,414
Single Detached House	31,428	31,892	30,124	33,070	32,440
Developer Built	19,591	19,156	17,995	17,507	18,279
Self Built	11,837	12,736	12,129	15,563	14,161
Duplex Detached House	2,461	2,014	2,677	2,208	2,687
Developer Built	95	119	142	107	123
Self Built	2,366	1,895	2,535	2,101	2,564
Townhouse	18,690	16,333	13,931	18,241	20,250
Developer Built	744	618	470	648	464
Self Built	17,946	15,715	13,461	17,593	19,786
Shophouse	3,623	3,418	4,803	4,195	3,117
Developer Built	1,945	2,022	1,630	1,737	1,377
Self Built	1,678	1,396	3,173	2,458	1,740
Condominium	67,551	72,886	63,319	72,338	53,163

Source : The Land Offices in Bangkok Areas, Municipals, and the Land Offices in Outskirt, Department of Lands
Collected and evaluated by : Real Estate Information Center

On the supply side, in 2019, residential units offered for sale in BMR totaled 311,179 units, with an estimated worth of Baht 1,306,818 million. Out of these units, 112,173 units were among new projects launched during the year (36% out of total units supplied for the year), showing a 23% decrease from the previous year, with an estimated aggregate value of Baht 447,481 million (34% out of the total estimated value supplied for the year. The residential supply also showed continued trend which was quite similar to that of 2018. Most of the new residential developments launched during the year were condominiums, which accounted for 53% out of the total project newly launched units for the year. Supply of townhouses accounted for 25% share in 2019. Supply of single detached houses for the year accounted for 11% of the total project newly launched units.

During the year, residential projects presented a higher price per unit, decreased from Baht 4.53 million in 2018 to Baht 3.99 million in 2019. The price per unit for single detached houses showed the highest decrease, from Baht 9.23 million to Baht 7.99 million, followed by the price per unit for condominiums which decreased from Baht 4.55 million to Baht 3.65 million. The decrease resulted mainly from the developers launched more affordable price segment compared from the previous year. Thus the new supply reduced the average market price of real estate.

Overall Housing Situation in Bangkok Metropolitan Region and Vicinity in 2019

Type			Detached	Duplex	Townhouse	Shophouse	Condominium	Total
Units Remain End of 2018	Units	Unit	35,432	14,179	63,222	4,355	81,818	199,006
	Unit Proportion	%	18%	7%	32%	2%	41%	100%
	Project Value	MB	271,132	55,909	166,483	19,865	345,949	859,337
	Project Value Proportion	%	32%	7%	19%	2%	40%	100%
Project Launched 2019	Units	Unit	12,121	5,953	27,816	842	65,441	112,173
	Unit Proportion	%	11%	5%	25%	1%	58%	100%
	Project Value	MB	96,785	26,630	80,590	4,829	238,647	447,481
	Project Value Proportion	%	22%	6%	18%	1%	53%	100%
	Avg. Price / Unit	MB	7.985	4.473	2.897	5.735	3.647	3.989
Units Sold 2019	Sold	Unit	10,047	3,827	24,528	1,200	53,377	92,979
	Sold Proportion	%	11%	4%	26%	1%	57%	100%
	% Sold / Market	%	21%	19%	27%	23%	36%	30%
	Units Remain	Unit	37,506	16,305	66,510	3,997	93,882	218,200

Source: Agency for Real Estate Affairs Co., Ltd.

In 2019, the total number of single detached houses launched totaled 12,121 units and accounted for 11% of total single detached houses' units offered for sales in 2019, increased 9% from previous year, and showed the launched project value of Baht 96,785 million, accounted for 22% of total single detached houses' value offered for sales in 2019, decreased 5% from previous year. The information received from market surveys and analyses showed that the single detached house projects launched in 2019 expanded to home buyers in price range Baht 5 - 10 million, which increased 51% from Baht 4,743 units in 2018 to 7,179 units in 2019, captured the market share of 59%, compared to 43% in 2018.

In 2019, the total number of townhouses launched totaled 27,816 units and accounted for 25% of total townhouses' units offered for sales in 2019. The figure showed a decrease of 12% from the previous year. In addition, the launched project value showed Baht 80,590 million, accounted for 18% of townhouses, value offered for sales in 2019, decreased 10% from the earlier year. The decline resulted from the lower launched number of townhouses' units with price range Baht 2 - 3 million, decreased 22% from previous year, from 17,363 units to 13,538 units. However, the townhouses with price range Baht 3 – 5 million increased 8% from 7,755 units in 2018 to 8,388 units in 2019.

In 2019, condominiums still captured the largest share of the residential property market with a total of 147,259 units offered for sale or 47% of the total number of residential units in the market with a combined project value of Baht 584,596 million, decreased 6% from the previous year. The number of condominiums launched in 2019 was 65,441 units, showing a 10% decrease with a total project value of Baht 238,647 million or a decrease of 29% from the previous year. In addition, the condominiums with price range lower than Baht 2 million captured the highest units launched, followed by the condominiums with price range than Baht 2 – 3 million which increased 12%.

Real Estate Projects Launched in 2019 by Price Segment

Total Number of Units (Units)

Price Range	Detached	Duplex	Townhouse	Shophouse	Condominium	Total
Lower than Baht 2 Million	0	199	4,751	0	20,040	24,990
Baht 2 - 3 Million	0	469	13,538	21	19,945	33,973
Baht 3 - 5 Million	3,106	4,412	8,388	338	14,449	30,693
Baht 5 - 10 Million	7,179	656	1,094	444	8,125	17,498
Baht 10 - 20 Million	1,207	166	24	37	2,122	3,556
Higher than Baht 20 Million	629	51	21	2	760	1,463
Overall	12,121	5,953	27,816	842	65,441	112,173
Unit Proportion	11%	5%	25%	1%	58%	100%

Total Project Value (Baht Million)

Price Range	Detached	Duplex	Townhouse	Shophouse	Condominium	Total
Lower than Baht 2 Million	0	396	8,137	0	28,590	37,123
Baht 2 - 3 Million	0	1,286	33,448	56	48,572	83,362
Baht 3 - 5 Million	13,756	16,958	30,919	1437	55,183	118,253
Baht 5 - 10 Million	46,788	4,137	6,724	2,744	54,164	114,557
Baht 10 - 20 Million	17,310	2203	379	545	27,053	47,490
Higher than Baht 20 Million	18,931	1650	983	47	25,085	46,696
Overall	96,785	26,630	80,590	4,829	238,647	447,481
Project Value Proportion	22%	6%	18%	1%	53%	100%

Source: Agency for Real Estate Affairs Co., Ltd.

The outlook for the real estate sector in 2020 shows an overall slowdown in the sector. Adverse factors which currently impact the sector remained the ongoing issues of 2019 which is largely the result of slower economic growth. The real estate sector still focuses on the real demand which is perceived to be the main target for sales growth. Real estate developers are focused on more utilization functions that can satisfy their customers' needs, improvement in the standard of construction, and the application of modern technology to make life convenient such as a mobile phone application and internet of things (IoT). Nevertheless, in 2020, the Bank of Thailand has relaxed its measures on housing loans for the purchase of residential units. Thus, this year, 2020, shall be another challenging year for the competition in real estate sector, in this sluggish economy.

Office Buildings

In 2019, demand for office rental continued to grow but supply showed the decelerated growth. The unoccupied office rental space as of yearend 2019 was at 6.86%, decreased from 7.04% in 2018 and there was an overall rise in the rental rate in all districts of Bangkok. As of yearend 2019, the total supply of office rental space in Bangkok was 8.97 million sq.m., composed of a supply of office space in the CBD[1] areas and outside the CBD areas at a same ratio of 50%.

Supply and Vacancy Rate of Office Building Located in Bangkok as at yearend 2019

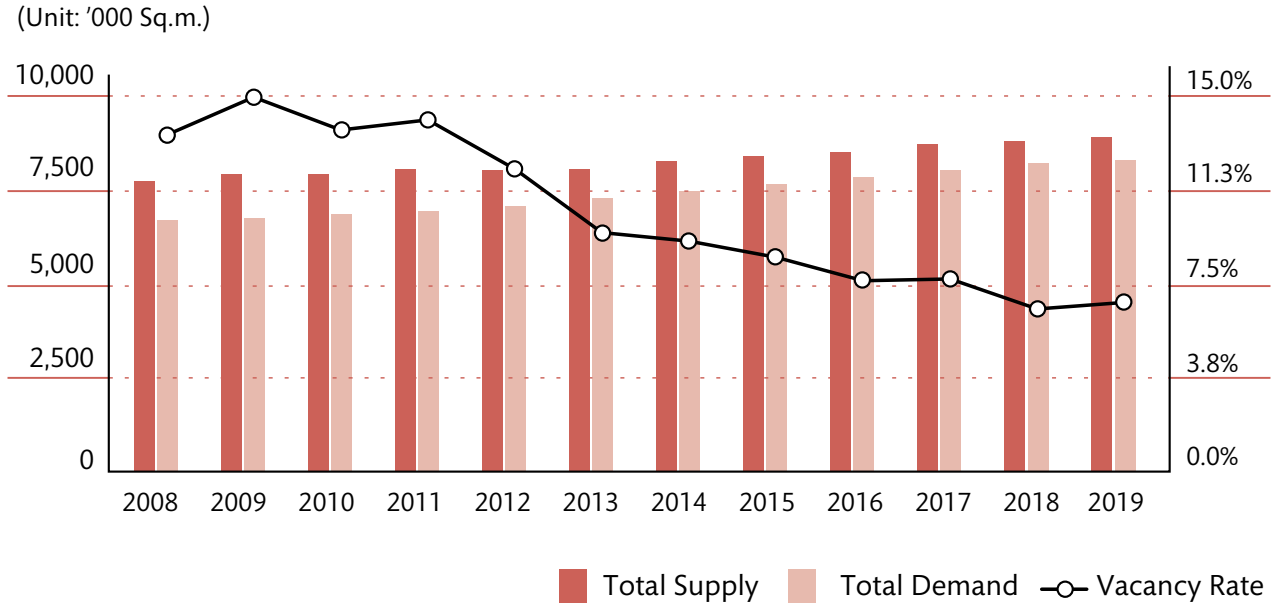
(Unit: Million Sq.m.)

Areas	Total Supply	Vacant Space	Vacancy Rate (%)
CBD	4.47	0.31	7.02
NON - CBD	4.50	0.30	6.70
Total	8.97	0.62	6.86
CBD Grade A	1.46	0.07	5.08
NON-CBD GradeA	0.66	0.03	4.69

Source : CB Richard Ellis Research

Classifications of office space in Bangkok at yearend 2019 were 2,115,339 sq.m. or 23.58% in the Grade A type and 6,857,189 sq.m. in the Grade B or the remaining 76.42%.

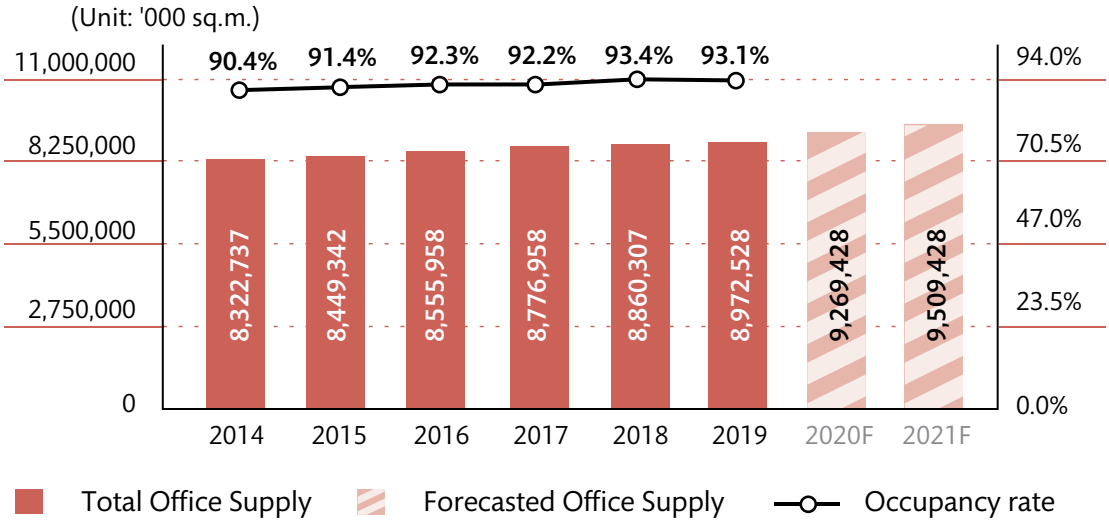
Bangkok Office Market 2008 – 2019



Source : CB Richard Ellis Research

[1] CBD : Central Business District included Silom Road, Sathorn Road, Surawongse Road, Ploenchit Road, Rama IV Road,Wireless Road, Sukhumvit Road, and Asoke Road.

Supply of Office Space in Bangkok



Source : CB Richard Ellis Research

Supply of available office space in Bangkok at year-end 2019 totaled 8,972,528 million sq.m., increased 112,221 sq.m. An estimated aggregated supply for office space for the duration of 2020-2021 will likely be increased by 584,700 sq.m., in which 296,900 sq.m. is expected to be completed in 2020 and 240,000 sq.m. in 2021.

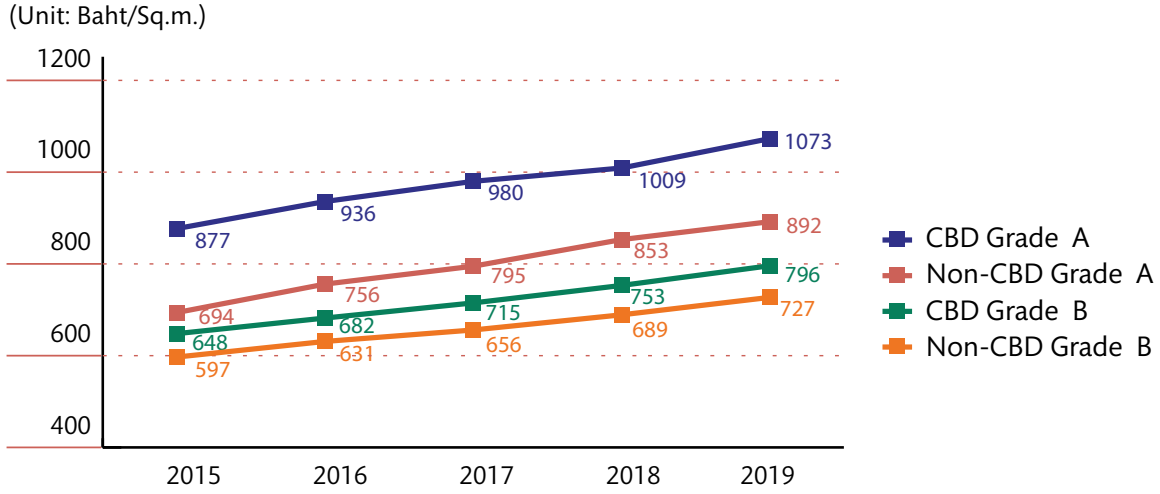
In 2019, total office rental space was 8,357,253 sq.meters, out of which 120,471 sq.m. was newly occupied space. Vacant space as at the end of the fourth quarter of 2019 was 615,275 sq.m., lower than the 623,525 sq.m. recorded for the same period of 2018.

Average Achieved Rents in CBD and NON-CBD 2016 - 2019

	CBD		NON-CBD		Average	
Year	A Baht / m^2	B Baht / m^2	A Baht / m^2	B Baht / m^2	A Baht / m^2	B Baht / m^2
2016	936	682	756	631	846	656
2017	980	715	795	656	887	686
2018	1,009	753	853	689	931	721
2019	1,073	796	892	727	983	762

Note: For the office rental space which lower than 300 sq.m.
Source : CB Richard Ellis Research

Average Achieved Rents for Bangkok Office Space 2015 – 2019



In 2019, office rental rates showed an upward trend. The average rental rate for the overall Grade A type was Baht 983 per sq.m., or an increase of 5.59% from 2018. The average rental rate for the Grade A type in the CBD areas was an average price of Baht 1,073 per sq.m. or an increase of 6.34% from 2018, whereas the average rental rate for the Grade A type in the Non-CBD areas showed an increase of 4.57% at the average price of Baht 892 per sq.m. The average rental rate for the Grade B for the year increased by 5.69%.

In summary, in 2019 there have been constructions of new office buildings in the Bangkok Metropolis both within and outside the CBD districts as there is a continued increase in office rental demand. Relocation of tenants who seek new modern office space and move from Grade B to Grade A buildings on the basis that rental fees for the Grade A and the Grade B office buildings do not differ substantially. Office move to new locations with easy communication access and close to mass transit routes is also noticed. There is the attempt to attract tenants via good facilities and utilities, beautiful designs, outstanding locations, and good allocation of rental spaces for medium and small sized companies. The rental trend varies according to changing behavior of business environments such as the emergence of co-working space and serviced offices which coincides with the current office rental trend in many countries in the world. The rental rate, however, has limited degree of upward adjustment due to high competition.

RISK FACTORS

Risk from Global Economic Condition

The general view of the global economy in 2019 revealed a continued decelerated expansion from 2018 whereas the actual economic growth was lower than its prior anticipation. This resulted from political situations, geopolitical problems, and impacts from international trade protectionism. The global growth is still sluggish despite the fact that during the end of 2019 United States and China unofficially reached their Phase One trade agreement. The economic growth in many major industrial countries in the world remains subdued caused mainly by weak export performance, as well as manufacturing and investment slowdown. The Chinese economy was growing at its slowest pace due to the drop in exports which were directly impacted by international trade protectionism. Additionally, other Asian countries also faced similar slowdown in their economic growth.

In 2019, the Thai economy expanded only by 2.4% from the prior year, which grew at a slower pace than the 4.2% growth in 2018, due mainly to the sluggish export sector which resulted directly from the global slowdown and international trade protectionism. Moreover, the country was also widely burdened with combined and cumulative effects from the declines in industrial production, foreign trade and investments, and service industry, as well as the drop in government spending due to the delay in investment projects by state enterprises, and the reduction in the public investment budget for 2020. Generally, the real estate business is directly connected to the economic growth. The state of the economy directly affects the real estate business; thus, it impacts the domestic and foreign homebuyers' purchase and investment decisions. As a result, purchase of properties for investment or speculation declined whereas properties purchased for dwellings remained, however homebuyers would take longer to make purchase decisions or in some cases delay their purchase decisions. Developers who managed to keep their business well-operated under these circumstances mostly require business experience and the ability to adjust to changes in market conditions, as well as having strong financial positions, sufficient liquidity, and professional management skills.

The Company operates its main businesses in residential development for sales as well as development of office buildings for rent, which provides long-term earnings and steady cash flow. The Company has a clear policy on business sustainability. It focuses on developments of prime location in Bangkok Metropolitan Region and its vicinity. Low rise residential developments are the Company's main business activities which account for 60% - 70% of its total portfolio. Low rise residential developments provide strong cash generation and allow the Company to better manage its cash flow as well as better plan its construction timeframe to match its sales actions than high rise condominium developments. Its low rise residential development clients are homeowners who make purchase decisions for actual dwelling. On the other hand, the share of speculative purchases and the share of oversea purchases among the Company's high rise condominium development clientele are quite low. On the financial aspect, the Company pays great attention to its money discipline which enables it to well manage economic risks and market uncertainties. It also formed the Risk Management Committee to oversee market situations and market assessment of risks that impact the Company's operations and performance. The committee also prescribes control measures for each relevant risk aspect. As for its development plan, prior

to any investment in any development plans, the Company always carries out a thorough feasibility study on all aspects and carefully makes project planning which are undertaken by its professional workforces who are skilled and experienced.

Risk from Financial Institutions' Stringent Credit Risk Policy

The overall economic situation in 2019 generally reflected a lower growth environment which resulted mainly from the decline in export performances, both in the exports of goods and services, that negatively impacted the household income growth and the rise in the employment rate. Swelling household debt and increasing non-performing loans (NPLs) in the financial sector, particularly in terms of the higher non-performing loans to the gross loan ratio, were the major concerns. The changes in the Bank of Thailand's requirements on housing loans, which resulted in the increase in the loan-to-value (LTV) measure and the inclusion of other top-up mortgages in the limits applied to housing loans, prompted financial institutions to still be cautious in their credit extension and reviews both to homebuyers and to developers, whose financial positions may be impacted by the adverse economic conditions, and who may be in the high risk categories. Financial institutions strictly reviewed credit applications of new customers and personal loans to consumers who are low-income earners, as well as credits extended to small and medium size enterprises (SME's) who are with potentially high liquidity constraints and weak financial positions, as well as credit applications for development financing of new and small real estate developers or developers whose clientele bases are considered risky.

The Company develops residential projects, which include single detached houses, townhouses, and condominiums, focusing on the homeowners who make purchase decisions for actual dwelling and midscale income niche upward. Customers in this market mostly maintain strong purchasing power and financial capability in meeting their loan repayment obligations. Even though the chance of credit denial for their mortgage applications is increased to 9% in 2019, it's much lower than the industry average. Additionally, for the sales of its single detached houses and townhouses, the Company also reviews its buyer's basic qualifications and sets a condition which requires its homebuyers to get approval for his/her mortgage application prior to entering into a sales contract with the Company. As for the sales of condominiums, the Company will assist its customers in submitting their mortgage applications to relevant financial institutions approximately 3 - 6 months before the scheduled date of the transfer of the ownership of the unit. All of the Company's development projects receive financial support for homebuyer's mortgage loans and personal loans from various financial institutions, with good lending conditions and quick credit approval. If a client cannot obtain his or her mortgage loan for any housing purchase, the Company can quickly take the unit back for immediately resale. In 2019, around 30% of the Company's clients are homebuyers make cash settlements on the closing date for the ownership transfer. The Company has a good operational performance, while maintaining its sustainable growth and strong financial status. It maintains conservative financial management with a debt to equity ratio of no more than 2:1. It also receives continual strong support from various financial institutions. In addition, it also issues and makes placements for its debt instruments and debentures as another source for its short and long term funding.

Risk from Land Acquisition for Development Projects

Acquisition of land for development projects is a key requirement in fulfilling the needs of its targeted clientele, and hence becomes a vital success factor for real estate development. In the recent years, Thailand has been investing in the development of public utilities and infrastructure in the Bangkok Metropolitan Region and in the provinces which include rail systems, road constructions and road expansion. These result in the growth of urban city and real estate developments, the need for land to support commercial growth and rising housing

demand, and land speculations, which eventually causing an acceleration in land prices, particularly in high demand locations while promising development locations become rare and limited. This environment creates competition on land acquisitions that greatly affect land purchase prices as in the cases of the acquisitions of land in midtown Bangkok or in the CBD areas. Other factors which impact land prices and land procurement for development are legal limitations on land utilization, locations, and convenience facilities nearby. This is evident by the land and buildings assessment prices as appraised by the Treasury Department. Nevertheless, at present the Treasury Department still uses its same assessment prices until the end of 2020. In addition, under the new Land and Building Tax Act which will be enforced on 1 January 2020, the new tax rates will impact the landlords who own a large number of vacant land as they will be taxed at a higher tax rate than land with utilization. This, may cause the landowners to sell their land. Furthermore, it will also impact the property developers as well if they have property development projects which has been developed for over 3 years.

Competition in the acquisition of land and the land price surge shall make land costs becomes a significant development cost for real estate developers. The property that is full of potential opportunities such as property in the CBD areas, property along the Sky Train Lines, property located by the main roads, which are in high demand among developers, shall command very high prices that may be higher than the projected costs. This makes it more difficult for developers to develop their real estate projects and may reduce their gross margin while increasing their sales risks. In addition, small and new developers may suffer disadvantages over larger sized developers, particularly regarding land acquisition, financial status, liquidity situation, financial institution support, and relationship with real estate agents.

It is the Company's policy to pursue a continual growth and stability strategy, so it always pays attention to its land acquisition schemes with appropriate advance planning that coincides with its upcoming development goals. The Company uses real estate agents as well as makes direct contact with land owners for its land acquisition. The Company also added online channel to contact with land sellers. Market survey, development planning, and feasibility studies are undertaken for each development plan. Land acquisition criteria are factors such as promising location, accessibility to public transportation network, close to major residential and commercial areas, and nearby public conveniences. All of these enable the Company's development projects to be well accepted by the market and its targeted clientele. In addition, the Company also adjusts its land acquisition strategy to suit present circumstances by selection of land choices in minor lanes in major residential areas rather than plots along the main roads of which their land prices are much higher. The Company also recognizes the importance of financial risk management by properly allocating its investment budget for land acquisition to coincide with its projected cash flow and revenue stream, as well as avoiding high levels of debt financing. The Company's financial strategies are well accepted by financial institutions that provides its financial support.

Risk from changes in rules, regulations, and laws related to real estate business

The business operations of real estate development sector require compliance with relevant rules, regulations, and laws such as the Land Development Act, the Condominium Act, the Promotion and Conservation of National Environmental Quality Act, and other laws. Such laws are continually amended to comply with changes in the social and economic environment, and new laws that directly impact the real estate business, especially on costs and operation plan, are also enacted. These laws are the Foreigners' Working Management Emergency Decree, B.E. 2560, the Land and Buildings Tax Act, the Act Amending the Revenue Code: The appraised value used for collecting registration and juristic acts fees under the Land Code (No 49) and Asset Valuation for State Benefits Act that will cause all real estate development companies to adjust their strategy to comply with this relevant law.

It is the Company's policy to operate its businesses according to relevant laws that govern the real estate development business. It prescribes that operations related to the legal compliance must at least maintain the minimum requirements thereof. Prior to any of its real estate development plans, the Company at first studies thoroughly all relevant legal aspects to mitigate potential risk of any changes and amendments in the prescribed rules, regulations, and laws. Additionally, for each of its condominium projects, the Company prepares the environmental impact assessment and submits it to the Office of Natural Resources and Environmental Policy and Planning for approval prior to the starting of its construction work.

Additionally, in 2019 the Bank of Thailand adjusted its requirements on housing loans to control credit review standards of financial institutions for their housing loans. The adjustments include the tougher loan-to-value (LTV) measure and the inclusion of other top-up mortgages in the limits which apply to housing loans. These adjustments shall impact the real estate business as a whole, especially during the initial implementation of the requirements. The impact of these adjustments could mean a reduction in the overall credit limits available for homebuyers, and cause them to become unable to come up with the sufficient cash to pay for the required down payment, or the difference between the purchase prices and the available loan amounts. This impact is the main reason that caused the slowdown in the real estate market in 2019, particularly for condominium projects which were highly impacted by these requirements. Developers were therefore forced to adjust their policy and operational strategies to be in line with the new requirements of the Bank of Thailand, while trying to limit any adverse impacts that may be suffered by their companies and customers. Nevertheless, in 2020 the Bank of Thailand has additionally relaxed its measures on housing loans for the purchase of residential units in the low-rise development projects.

Risks from Having Major Shareholders

The Company's major shareholders are the Shinawatra Family who, as at December 31, 2019, owned 60.39% of the Company's shares. The family therefore is considered as the major shareholder with controlling power that can influence the voting rights in the Company's shareholders' meetings, and also influence matters such as appointments of directors, or resolutions of any meeting agenda in the Company shareholders' meetings which requires majority votes, except for matters which are prescribed by laws or by the Company's Articles of Association to get three fourths of the total votes of the Company shareholders' meetings. In this respect, other shareholders cannot gather enough votes to question or counter influence matters proposed by the major shareholders.

Nevertheless the Board of Directors and the Executive Committee are entitled with legitimate authority to manage the Company. Additionally, the Audit Committee is assigned with duties to monitor and oversee possible issues which could be a conflict of interest. In addition there is the Securities and Exchange Commission of Thailand (SEC) which oversees that the public companies, which are listed on the Stock Exchange of Thailand, operate properly, transparently and duly comply with its prescribed laws and regulations to ensure investor protection.

GENERAL INFORMATION OF THE COMPANY AND ITS SUBSIDIARIES

(Date as of December 31, 2019)

SC ASSET CORPORATION PLC.

Registration No.	BorMorJor. 0107546000253
Head office	1010 Shinawatra Tower III, Vibhavadi Rangsit Rd., Chatuchak, Chatuchak, Bangkok 10900 Tel : 0-2949-2000 Fax : 0-2949-2220 Home Page : www.scasset.com
Nature of Business	Property development
Type of Shares	Common
Registered Capital (Shares)	4,379,332,012
Par Value Per Share (Baht)	1
Paid up Capital (Baht)	4,179,624,512
% of Investment	-

SC ABLE CO., LTD.

Head office	1291/1 Phaholyothin Rd., Samsennai, Phayathai, Bangkok 10400 Tel : 0-2299-6000 Fax : 0-2299-6974
Nature of Business	Property development for rent and business related to after-sale services including maintenance work and repair of all types of buildings and residences
Type of Shares	Common
Registered Capital (Shares)	10,000,000
Par Value Per Share (Baht)	10
Paid up Capital (Baht)	100,000,000
% of Investment	99.99%
Authorized Director	Mr. Nuttaphong Kunakornwong Mr. Nathpath Ouajai Mr. Attapol Sariddipuntawat

UP COUNTRY LAND CO., LTD.

Head office	414 Phaholyothin Rd., Samsennai, Phayathai, Bangkok 10400 Tel : 0-2299-5000 Fax : 0-2299-5888
Nature of Business	Property development for sale and rent and providing property management as well as related services including the operation in technical building which is specifically designed and built to accommodate installations of telecommunication systems or engineering equipment for cellular phone services
Type of Shares	Common
Registered Capital (Shares)	30,000,000
Par Value Per Share (Baht)	10
Paid up Capital (Baht)	300,000,000
% of Investment	99.99%
Authorized Director	Mr. Nuttaphong Kunakornwong Mr. Nathpath Ouajai Mr. Attapol Sariddipuntawat

V. LAND PROPERTY CO., LTD.

Head office	1010 Shinawatra Tower III, Vibhavadi Rangsit Rd., Chatuchak, Chatuchak, Bangkok 10900 Tel : 0-2791-1871 Fax : 0-2949-2223
Nature of Business	Property development, property consultancy and management including engineering techniques and support system. Services are offered to the Company's subsidiaries and associated companies in short-term, ad hoc., and long-term.
Type of Shares	Common
Registered Capital (Shares)	50,000,000
Par Value Per Share (Baht)	10
Paid up Capital (Baht)	353,000,000
% of Investment	99.99%
Authorized Director	Mr. Nuttaphong Kunakornwong Mr. Nathpath Ouajai Mr. Attapol Sariddipuntawat

SCOPE CO., LTD.

Head office	1010 Shinawatra Tower III, Vibhavadi Rangsit Rd., Chatuchak, Chatuchak, Bangkok 10900 Tel : 0-2030-1999 Fax : 0-2030-0692
Nature of Business	Property development, providing services in relation to marketing management and sales as well as real estate project management, including other business related to real estate development.
Type of Shares	Common
Registered Capital (Shares)	10,000,000
Par Value Per Share (Baht)	10
Paid up Capital (Baht)	100,000,000
% of Investment	89.99%
Authorized Director	Mr. Nuttaphong Kunakornwong Mr. Attapol Sariddipuntawat Me. Yongyuth Chaipromprasith

SC ALPHA Inc.

Head office	479 Harvard Street, Brookline, MA 02446 Tel : 617-608-3563 Fax : 617-505-5306
Nature of Business	Invest in property development in the United State of America
Type of Shares	Common
Registered Capital (Shares)	100,000
Par Value Per Share (Baht)	10
Paid up Capital (Baht)	1,000,000
% of Investment	100%
Authorized Director	Mr. Nuttaphong Kunakornwong Mr. Apisit Limlomwongse Mr. Parawut Kobboon

BRIDGE GROUP (THAILAND) CO., LTD.

Head office	1010 Shinawatra Tower III, Vibhavadi Rangsit Rd., Chatuchak, Chatuchak, Bangkok 10900 Tel : 063-564-6441
Nature of Business	Agent or broker in buying or selling immovable property.
Type of Shares	Common
Registered Capital (Shares)	1,000,000
Par Value Per Share (Baht)	10
Paid up Capital (Baht)	10,000,000
% of Investment	99.99%
Authorized Director	Mr. Nuttaphong Kunakornwong Mr. Attapol Sariddipuntawat Mr. Nattagit Sirirat

SC EXPEDITION CO., LTD.

Head office	1010 Shinawatra Tower III, Vibhavadi Rangsit Rd., Chatuchak, Chatuchak, Bangkok 10900 Tel : 0-2949-2932
Nature of Business	Hotel and other businesses regarding of immovable property development
Type of Shares	Common
Registered Capital (Shares)	100,000
Par Value Per Share (Baht)	10
Paid up Capital (Baht)	1,000,000
% of Investment	99.99%
Authorized Director	Mr. Nuttaphong Kunakornwong Mr. Attapol Sariddipuntawat Mr. Manit Banchongthanakit

SC NNR 1 CO., LTD.

Head office	1010 Shinawatra Tower III, Vibhavadi Rangsit Rd., Chatuchak, Chatuchak, Bangkok 10900 Tel : 0-2949-2295 Fax : 0-2949-2221
Nature of Business	Property development
Type of Shares	Common
Registered Capital (Shares)	120,000,000
Par Value Per Share (Baht)	10
Paid up Capital (Baht)	1,200,000,000
% of Investment	54.99%
Authorized Director	Mr. Attapol Sariddipuntawat Mr. Manit Banchongthanakit Mr. Yusuka Kondo

SCOPE TOWER CO., LTD.

Head office	1010 Shinawatra Tower III, Vibhavadi Rangsit Rd., Chatuchak, Chatuchak, Bangkok 10900 Tel : 0-2030-1999 Fax : 0-2030-0692
Nature of Business	Property development
Type of Shares	Common
Registered Capital (Shares)	1,000,000
Par Value Per Share (Baht)	10
Paid up Capital (Baht)	10,000,000
% of Investment	79.99% (held by SCOPE CO., LTD.)
Authorized Director	Mr. Nuttaphong Kunakornwong Mr. Attapol Sariddipuntawat Me. Yongyuth Chaipromprasith

FIRE ONE ONE CO., LTD.

Head office	999 5th Floor, Phloenchit Rd, Lumphini, Pathum Wan, Bangkok 10330 Tel : 0-2656-1722
Nature of Business	Providing Technology Consulting Services and Developing Platform System
Type of Shares	Common
Registered Capital (Shares)	7,500,000
Par Value Per Share (Baht)	5
Paid up Capital (Baht)	37,500,000
% of Investment	20% (held by UP COUNTRY LAND CO., LTD.)

FIXZY CO., LTD.

Head office	599, 3rd Floor Ramkhamhaeng Rd, Huamark, Bang Kapi, Bangkok 10240 Tel : 0-2165-0384
Nature of Business	Providing Online Handyman and Home Maintenance Services
Type of Shares	Common
Registered Capital (Shares)	154,450
Par Value Per Share (Baht)	10
Paid up Capital (Baht)	1,544,450
% of Investment	10% (held by SC ABLE CO., LTD.)

REFERENCE PERSONS

The Securities Registrar	Thailand Securities Depository Company Limited 93 The Stock Exchange of Thailand Building, 14th Floor, Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel : 0-2009-2000 Fax : 0-2654-5642
Registrar	CIMB Thai Bank Public Company Limited 44 Langsuan Road, Lumpini, Patumwan, Bangkok 10330 Tel : 0-2626-7503-4, 0-2626-7218 Fax : 0-2626-7542, 0-2626-7587
	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 1/2017 (Series 1) due 2020
	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 1/2017 (Series 2) due 2022
	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 2/2017 due 2020
	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 1/2018 due 2021
	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 2/2018 due 2021
	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 2/2019 due 2021
	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 3/2019 due 2022
	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 4/2019 due 2022
	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 5/2019 due 2023

Registrar	Bank of Ayudhya Public Company Limited 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120 Tel : 0-2296-3582 Fax : 0-2683-1293 Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 3/2018 (Series 1) due 2020 Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 3/2018 (Series 2) due 2021 Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 4/2018 due 2020 Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 5/2018 due 2020 Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 1/2019 due 2021
Debenture Holders' Representative	Bank of Ayudhya Public Company Limited 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120 Tel : 0-2296-3582 Fax : 0-2683-1293 Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited No. 5/2018 due 2020
Auditor	Ms. Annothai Leekitwattana Certified Public Accountant (Thailand) No. 3442 PricewaterhouseCoopers ABAS Ltd. 15th Floor, Bangkok City Tower 179/74-80 South Sathorn Road, Thungmahamek , Sathorn, Bangkok, 10120 Tel : 0-2824-5000, 0-2344-1000 Fax : 0-2286-5050

MANAGEMENT AND CORPORATE GOVERNANCE



SHAREHOLDERS

As of 31 December 2019, the Company has registered capital of Baht 4,379,332,012 with paid-up capital of 4,179,624,512 divided into 4,179,624,512 ordinary shares at a par value of Baht 1 per share.

List of 10 major shareholders per closing of the shareholder registration book as at 31 December 2019

No.	Name	Number of Shares Held	Percentage of Shares Held
1.	Shinawatra's Family	2,524,175,252	60.39
	1.1 Ms.Paetongtarn Shinawatra (1,216,149,870 shares)		
	1.2 Ms.Pintongta Shinawatra Kunakornwong (1,176,915,495 shares)		
	1.3 Khunying Potjaman Damapong (117,109,887 shares)		
	1.4 Mr.Panthongtae Shinawatra (14,000,000 shares)		
2.	Mr.Bhanapot Damapong	201,234,375	4.81
3.	Bualuang Long-Term Mutual Funds	116,104,512	2.78
4.	Mr.Sophon Mitrpunpanich	56,395,016	1.35
5.	Mr.Chanintr Chalisarapong	52,000,000	1.24
6.	Thai NVDR Company Limited	49,237,490	1.18
7.	Bualuang Siriphol Corporate Governance	41,318,425	0.99
8.	Bualuang Long-Term Equity Fund 75/25	39,524,675	0.95
9.	Bualuang Infrastructure Retirement Mutual Fund	37,516,200	0.90
10.	Bualuang Siriphol Corporate Governance RMF	30,229,737	0.72
	Total	**3,147,735,682**	**75.31**

Shareholder Structure

It is not the Company's policy to have cross-holding of shares by two or more companies or involve itself in any practice of pyramid holding.

Other Securities

1. Bills of Exchange

As of 31 December 2019, the Company had liabilities from the issuance and sales of bills of exchange of Baht 3,780 million in total, which were offered on private placement to institutional investors and/or private placement to high net worth investors and/or private placement to not more than 10 investors. The bills of exchange amount had decreased by Baht 5 million from the yearend 2018. In 2019, the Company redeemed its Baht 7,565 million bills of exchange and issued Baht 7,560 million bills of exchange via private placement for sales to institutional investors and/or private placement to high net worth investors and/or private placement to not more than 10 investors with a fixed maturity of 90 days to 270 days and carried interest at the prevailing money market rate.

2. Debentures

The Company issued a series of name-registered, non-subordinated, and unsecured debentures. As of 31 December 2019, the Company had liabilities from the issuance and sales of debentures of Baht 8,495 million in total, details of which were as follows:

Name of Debentures	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited				
	No. 1/2017 (Series 1) due 2020	**No. 1/2017 (Series 2) due 2022**	**No. 2/2017 due 2020**	**No. 1/2018 due 2021**	**No. 2/2018 due 2021**
Type of Offering	Private Placement to institutional investors and high net worth investors	Private Placement to institutional investors and high net worth investors	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors
Type of Debentures	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative
Initial Par	Baht 1,000	Baht 1,000	Baht 1,000	Baht 1,000	Baht 1,000
Unit	1,000,000 Units	1,900,000 Units	500,000 Units	500,000 Units	600,000 Units
Issue Size	Baht 1,000,000,000	Baht 1,900,000,000	Baht 500,000,000	Baht 500,000,000	Baht 600,000,000
Issue Term	3 years	5 years	2 years 11 months 28 days	3 years	3 years 4 days
Issue Date	24 February 2017	24 February 2017	11 August 2017	2 February 2018	16 May 2018
Maturity Date	24 February 2020	24 February 2022	8 August 2020	2 February 2021	20 May 2021
Coupon Rate	3.30% p.a.	4.00% p.a.	3.09% p.a.	3.10% p.a.	3.10% p.a.
Coupon Payment Frequency	Quarterly	Quarterly	Semi-annually	Semi-annually	Semi-annually
Company Rating	BBB+	BBB+	BBB+	BBB+	BBB+
Issue Rating	-	-	-	-	-

Name of Debentures	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited				
	No. 3/2018 (Series 1) due 2020	**No. 3/2018 (Series 2) due 2021**	**No. 4/2018 due 2020**	**No. 5/2018 due 2020**	**No. 1/2019 due 2021**
Type of Offering	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors	Private Placement to institutional investors and high net worth investors	Private Placement to institutional investors
Type of Debentures	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures with a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative
Initial Par	Baht 1,000	Baht 1,000	Baht 1,000	Baht 1,000	Baht 1,000
Unit	200,000 Units	200,000 Units	200,000 Units	1,000,000 Units	800,000 Units
Issue Size	Baht 200,000,000	Baht 200,000,000	Baht 200,000,000	Baht 1,000,000,000	Baht 800,000,000
Issue Term	2 years	3 years	1 year 11 months 30 days	1 year 5 months 19 days	2 Years
Issue Date	22 August 2018	22 August 2018	26 September 2018	6 December 2018	30 January 2019
Maturity Date	22 August 2020	22 August 2021	25 September 2020	25 May 2020	30 January 2021
Coupon Rate	3.10% p.a.	3.30% p.a.	3.10% p.a.	3.14% p.a.	3.25% p.a.
Coupon Payment Frequency	Semi-annually	Semi-annually	Semi-annually	Semi-annually	Quarterly
Company Rating	BBB+	BBB+	BBB+	BBB+	BBB+
Issue Rating	-	-	-	-	-

Name of Debentures	Unsubordinated and Unsecured Debentures of SC Asset Corporation Public Company Limited			
	No. 2/2019 due 2021	**No. 3/2019 due 2022**	**No. 4/2019 due 2022**	**No. 5/2019 due 2023**
Type of Offering	Private Placement to institutional investors	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors	Private Placement to not more than 10 investors
Type of Debentures	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative	Name-registered, unsubordinated, unsecured debentures without a debenture holders' representative
Initial Par	Baht 1,000	Baht 1,000	Baht 1,000	Baht 1,000
Unit	400,000 Units	145,000 Units	550,000 Units	500,000 Units
Issue Size	Baht 400,000,000	Baht 145,000,000	Baht 550,000,000	Baht 500,000,000
Issue Term	2 Years 1 month 11 days	2 Years 11 months 3 days	3 Years	4 Years
Issue Date	11 February 2019	28 February 2019	29 March 2019	13 June 2019
Maturity Date	22 March 2021	31 January 2022	29 March 2022	13 June 2023
Coupon Rate	3.28% p.a.	3.50% p.a.	3.65% p.a.	3.90% p.a.
Coupon Payment Frequency	Semi-annually	Quarterly	Semi-annually	Semi-annually
Company Rating	BBB+	BBB+	BBB+	BBB+
Issue Rating	-	-	-	-

DIVIDEND PAYMENT POLICY

The Company has a policy to pay dividends to its shareholders at the dividend payout rate of no less than 40% of its net profit after corporate income taxes and to allocate a certain amount of the net profit thereof for legal reserve purpose. However, the dividend payment may be changed due to the Company's operational results, business expansion plan, liquidity, necessity, and other appropriateness that may arise in the future. The Company's Board of Directors shall be authorized to consider such matters and shall then submit their decisions for further approval from the shareholder meeting, except for the interim dividend payment which the Board of Directors shall be authorized to approve as per the Company's Regulations. Upon the payment of any such dividend, the Board of Directors shall report the matter to the Company's shareholders in the next shareholders meeting.

For the dividend payment in 2019, the Company received the resolution from the Annual General Shareholders Meeting held on 25 April 2019 to pay the dividend of Baht 0.16 per share from the 2018 net profit, which accounted to a payout ratio of 41.03% of the net profit after tax for the year.

The dividend payment policies of the Company's subsidiaries are under the same rules as the Company's.

Dividend Payment Information

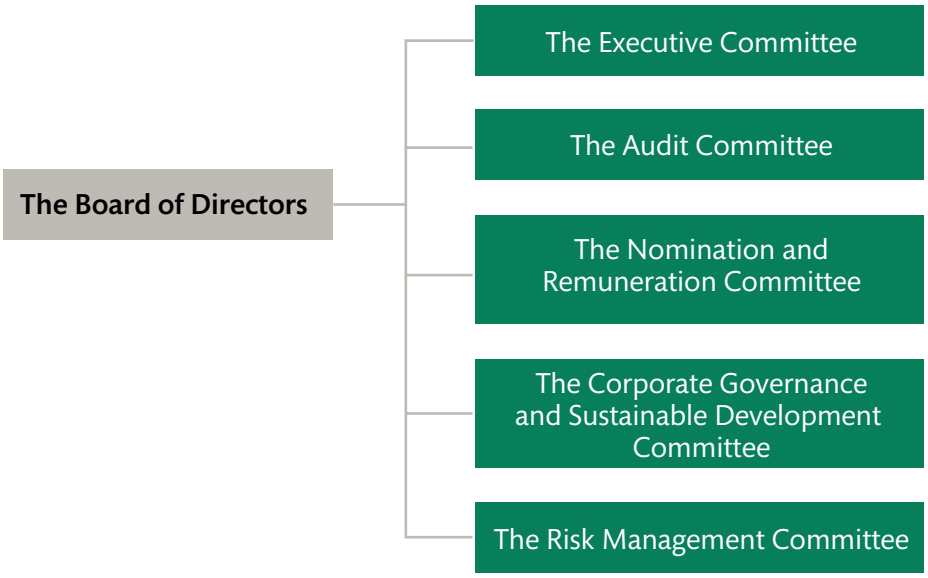
Year	2019	2018 (Restated)	2017 (Restated)
Basic Earnings per Share (Baht)	0.4848	0.4306	0.3076
Dividend per Share (Baht)	0.19 [(1)]	0.16	0.12
Book Value per Share (Baht)	4.20	3.89	3.57
Par (Baht)	1	1	1

Remarks: [(1)] Dividend per Share (Baht) was made at the rate approved by the Company's Board of Directors in its board meeting on 19 February 2020 and shall be submitted for the shareholders' approval during the Annual General Shareholders Meeting for 2020.

MANAGEMENT

Overview

The management structure of the Company comprises the Board of Directors and 5 sub-committees as follows:



The Board of Directors

The Company's Board of Directors comprises of members who are qualified with knowledge and proficiencies. They have major roles in prescribing the Company's policies. The short-term and long-term corporate strategies are set by the board members together with the Company's top executives. The Board of Directors also lead an important role in overlooking, reviewing, and evaluating the Company's business operations and results, as well as assessing the performances of the Company's top executives to ensure that their actions are in line with the targeted goals.

As of December 31, 2019, there are 9 directors on the Company's Board of Directors consisted of:

:	Executive directors	2 persons
:	Independent directors / Non-executive directors	6 persons
:	Non-executive director (Authorized Director)	1 persons

1. Mr. Rath Kitivejosoth Chairman of the Board of Directors / Independent Director	2. Mr. Nuttaphong Kunakornwong Vice-Chairman of Director	3. Mr. Nathpath Ouajai Director
4. Mr. Kunodom Tharmmaphornphilas Independent Director	5. Mr. Prasert Samanawong Independent Director	6. Mr. Precha Sekhararidhi Independent Director
7. Mr. Songsak Premsuk Independent Director	8. Ms. Vilasinee Phddhikarant Independent Director	9. Mr. Attapol Sariddipuntawat Director

There are 6 independent directors who are Mr. Rath Kitivejosoth, Mr. Kunodom Tharmmaphornphilas, Mr. Prasert Samanawong, Mr. Precha Sekhararidhi, Mr. Songsak Premsuk, and Ms. Vilasinee Puddhikarant. The number of the independent directors is more than half of the total of the Company's Board of Directors, and All 6 independent directors possess the qualifications as prescribed in the Company's independent director conditions which are more stringent than the rules prescribed by the Capital Market Supervisory Board.

The Sub – Committees

Director	Executive (5 members)	Audit (3 members)	Nomination and Remunerqation (3 members)	CG & SD (3 members)	Risk Management (4 members)
1. Mr. Rath Kitivejosoth	-	-	-	-	-
2. Mr. Nuttaphong Kunakornwong	Director	-	-	Director	Director
3. Mr. Nathpath Ouajai	Director	-	-	-	-
4. Mr. Kunodom Tharmmaphornphilas	-	Chairman	Director	-	-
5. Mr. Prasert Samanawong	-	Director	Chairman	-	Director
6. Mr. Precha Sekhararidhi	-	Director	-	Chairman	Chairman
7. Mr. Songsak Premsuk	Director	-	Director	Director	-
8. Ms. Vilasinee Phddhikarant	Director	-	-	-	-
9. Mr. Attapol Sariddipuntawat	Director	-	-	-	Director

Remarks:

- Mr. Nuttaphong Kunakornwong was elected by the meeting of the Board of Directors No. 2/2012 on February 28, 2012 to act as a director, in replacement of Mr. Chanon Chotevijit who resigned from his position, and appointed to act as member of the Executive Committee and Authorized Director, effective from March 1, 2012. In addition, he was appointed by the Meeting of the Board of Director No. 6/2012 on November 13, 2012, to act as a member of the Corporate Governance and Social & Environmental Responsibility Committee and by the Meeting of the Board of Director No. 7/2014 to act as a member of the Risk Management Committee and the Chief Executive Officer, effective from December 16, 2014 and January 1, 2015 respectively.
- Mr. Precha Sekhararidhi was appointed by the Meeting of the Board of Directors No. 7/2014 to act as the Chairman of the Risk Management Committee, effective from December 16, 2014 onwards.

- Mr. Prasert Samanawong was appointed by the Meeting of the Board of Directors No. 3/2015 to act as the Chairman of the Audit Committee/ and member of the Nomination and Remuneration Committee.
- Mr. Nathpath Ouajai has been an authorized director of the Company since March 4, 2011, so he cannot be considered as an independent director by virtue of his involvement in the management of work. In addition, he was assigned by the Meeting of the Board of Director No. 3/2015 to act as member of the Nomination and Remuneration Committee.
- Mr. Songsak Premsuk was appointed by the Annual General Meeting of Shareholders for 2015 to act as a director (Independent Director) and he was also appointed by the Meeting of the Board of Directors No.3/2015 to act as Member of the Corporate Governance and Social & Environmental Responsibility Committee.
- Ms. Vilasinee Puddhikarant was appointed by the resolution of the Board of Directors dated January 15, 2016 to be a director of the Company and member of the Executive Committee (Independent Director) in replacement of Ms. Phensom Damapong, who resigned from her directorship. She was re-elected by the resolution of the Annual General Meeting of Shareholders for 2016 to act as a director (Independent Director) for another term.
- Mr. Attapol Sariddipuntawat was appointed by the Annual General Meeting of Shareholders for 2017 act as a director and he was also appointed by the Meeting of the Board of Directors No.3/2017 to act as member of the Executive Committee.

Autorized Directors

The Authorized Directors of the Company as per the Company's Regulation and the Certificate of Registration issued by Department of Business Development, Ministry of Commerce, as of 31 December 2019, are Mr. Nuttaphong Kunakornwong, Mr. Nathpath Ouajai and Mr. Attapol Sariddipuntawat, any two of these three directors co-sign their names and affix the Company seal.

Directors' Scope of Authorities and Responsibilities:

1. Defining the prime goals and objectives of the business, vision, mission, strategy, policy and direction of the Company's business operations; supervise the management in operating the business towards sustainable growth alongside value creation for the business, customers, stakeholders and society as a whole, so to meet the prescribed objectives efficiently and effectively through the adoption of innovation and technology suitable for the changing era.

2. Monitoring, evaluating and overseeing the business performance in accordance with the target, strategy and action plans in order to improve and develop the competitiveness over other operators and to achieve good business outcomes while preventing long-term perspective, including being prepared and studying of business environment and social for corporate resilience.

3. Determining the proper number of the Board members and review that the Board structure is at a reasonable size which must comprise at least 5 directors and not be more than 12 directors, with independent directors constituting more than half of the Board to allow for flexibility in management, appropriate and necessary to steer the Company towards its corporate goals and objectives.

4. Ensuring that all directors and executives perform their responsibilities in compliance with their fiduciary duty, and that the Company operates in accordance with any relevant laws, the Company's objectives, Article of Association including the resolution of the shareholders' meetings when required by law to be approved by a resolution of the shareholders such as entering into connected transaction, purchase or sale of significant assets as defined by the regulations of the Stock Exchange of Thailand or other government organization, etc.

5. Defining the criteria and process in relation to the nomination of qualified senior executives who should possess knowledge, skills, experience, and attributes necessary to drive the organization towards the defined goals; consider the compensation structure and evaluate their managerial performance and development of human resources to obtain appropriate knowledge, skill and motivation; as well as to monitor the preparation of the annual succession plan for the Executive Chairman, Chief Executive Officer, and Senior Executives.

6. Encouraging innovative endeavors, appropriate and effective application of innovation or technology to create business value and sustainable value to the corporate which is attributable to the society; to develop or reduce the negative impact on the environment; as well as to monitor the management to conduct every process of the business with social and environmental responsibility.

7. Establishing the Company's accounting systems, ensure reliable financial reports are created and properly audited, and monitoring the evaluation procedures for the appropriateness and effectiveness of internal control systems and internal audit functions, including risk management,

8. Defining the policy in relation to the allocation and management of information technology resources; monitor, review and develop the information technology to be appropriate and consistent with the risk.

9. Monitoring the policy and guidelines with regards to anti-corruption via communication on www.scasset.com requiring everyone in the organization and external stakeholders to support the actual implementation,

10. Monitoring possible conflict of interest among the stakeholders, i.e. the conflict of interest between the Company and the management, directors or shareholders; protect against the misuse of assets, information, and the Company's business opportunities, including improper transactions with persons connected to the Company.

11. Ensuring that the financial reporting system and disclosure of material information is accurate, adequate and timely in accordance with the relevant regulations, standards, and guidelines, by means of monitoring the financial administration to efficiently maintain financial liquidity sufficient to conduct the business and to service debt payment, with the plans to secure funding from various sources so as to prevent impact from financial issues.

12. Supervising and supporting the shareholders to have the opportunity to participate effectively in decision-making involving significant corporate matters through the Annual General Meeting or the Extraordinary Meeting. The quarterly business result communicated to the shareholders via www.scasset.com

13. Monitoring and supervising that the Letter of Invitation to the Annual General Meeting of Shareholders be distributed to all shareholders for their acknowledgement of the meeting agenda in advance, and such letter be published on the Company's website (www.scasset.com) to enable the shareholders to effectively exercise their rights during the Annual General Meeting of Shareholders, as well as overseeing that the arrangement of the Annual General Meeting of Shareholders be conducted in an orderly, transparent, and efficient manner. Additionally, the Meeting Resolutions shall be promptly disclosed, and the Minutes of the Shareholders' Meeting shall be accordingly reported in a complete and correct manner.

14. Establishing the Good Corporate Governance policy and Code of Conduct, and supervising the business operations to follow the established policy and Code of Conduct, as well as to consistently carrying out an annual review of the governance policy and Code of Conduct.

15. Takeing responsibility for the business outcome and performance of the management in undertaking the business operations ethically with respect and accountability to shareholders and stakeholders.

16. Setting or change the list of authorized directors.

17. Considering on significant issues such as business plans, business risk management, investment in major projects, management authority, and other matters in compliance with laws.

18. Appointing other persons to operate the Company's businesses under the control of the Board of Directors, or it may authorize other persons, to perform other duties for period of time as deemed appropriate. The Board reserves its right to change or revoke any authorities given to any such person.

The Board of Directors' Approval Authorities:

As for the Board of Directors' authority to act on behalf of the Company, the board is entitled to authorize and approve an unlimited amount of investment budget for investing activities in the Company's business. To successfully manage the Company's business in accordance with its planned business strategies and targets, the Executive Committee is thus empowered with authority to undertake its roles in business management and administrations, as well as to oversee the responsibilities of human resources management, according to its prescribed scope of authority and duties. The Executive Committee may empower any of its board members or any other person to act or perform any acts on its behalf. However, this empowerment shall not include the granting of a power to permit members of the Executive Committee, or person(s) appointed by the Executive Committee, to approve any transaction between them, or person that may have interest or a conflict of interests with as set forth by the Company's regulation and the regulations of the Office of the Securities and Exchange Commission (SEC), and such empowerment shall also not include transactions that are considered related parties transactions or represent conflicting interests with the Company or its subsidiaries, except for the transactions approval in accordance with the policies and criteria authorized by the Company's Board of Directors. Nonetheless, for the following matters the Company reserves the right for them to be approved only by a resolution of the Company's the Board of Directors:

1. Approving the delegation of authority regarding financial transactions and payment such as capital investment, fixed assets, costs and expenses, and advances. For the sake of good management, such delegation of authority and the authorization limit grant to each executive level shall be clearly stated according to the corporate hierarchical layers namely the Executive Committee / Chief Executive Officer / Chief Corporate Officer / Chief Officer / Deputy Chief Officer / Head of / Vice President / Assistant Vice President (Please refer to further details in the topic "Authorized transactions and authorization limit per transaction")

2. Approving the Company's business objectives, business operation plans, significant policies, risk management, major investment projects, and implementation of the Company's important projects.

3. Approving or providing the opinion regarding the connected transactions of the Company and its subsidiaries as per the criteria set forth in the relevant notifications, rules, and guidelines of the Stock Exchange of Thailand.

4. Approving any individual with required qualifications and without prohibition attributes prescribed under the Public Limited Companies Act, B.E.2535, the Securities Exchange of Thailand Act, as well as the notifications, rules and/or regulations related to an appointment of the Company director in the event of any vacancy thereof due to the reasons other than the expiration of his/her term.

5. Approving the setting of the date for the Company's Annual General Meeting of Shareholders.

6. Approving other matters prescribed by laws, or set forth under rules and regulations to be the duties of the Board of Directors.

Segregation of roles and duties between the Board of Directors and Management

The Company defines shared and separate roles and duties between the Board and Management for clarity in performing their respective functions.

Matters for which the Board has primary responsibility:

- Defining objectives and business model.
- Developing culture of compliance and ethical conduct, and lead by example.
- Strengthening an effective board structure and practices conducive for achieving the Company's objectives.
- Ensuring suitable Chief Executive Officer selection renumeration, development, and performance evaluation.
- Ensuring appropriate compensation architecture that supoorts achievement of the Company's objectives.

Matters involving shared responsibiliy of the Board and Management:

- Formulating and reviewing policies and strategies, plans and targets.
- Ensuring robust system for risk management and internal contral.
- Clearly defining management's responsibilities.
- Overseeing appropriate policies and plans for resource allocation, including Human Resource, Information Technology and budgeting.
- Monitoring and evaluating the Company's performance.
- Ensuring integrity of financial and non-financial information disclosure.

Matter that the Board should delegate or not get involved with:

- Engaging in activities in accordance with the strategies, policy, and plans approved by the Board.
- Not getting involved in or influencing matters in which a director may have vested interests.

Board of Directors Meeting

The Company set meeting agendas and meeting dates for the Board of Directors Meetings and Shareholders Meeting for 2020 in advance. This allowed all its directors to be informed well in advance and be able to properly allocate their time to attend all the meetings. The Company sets at least 7 board meetings a year.

At present, the Company arranges to have the meeting documents for its Board of Directors Meetings made in electronic form and forwarded to the board members via Application Software through iPad applications. The actions enhance conveniences and reduce the use of paper meeting materials.

The agenda items of each board meeting are also posted on the Company's website (www.scasset.com) under the "Corporate Governance" Section.

The Number of Meeting and the Number of Attendance of each Director

The Board of Directors holds board meetings at least once every quarter and in 2019, the Board held 7 meetings and the ratio of the attendance by the Board of Directors for their board meetings are 92.06%. The following table shows details of the Board's meetings since 2004.

Directors	Number of Attendance / Number of Meeting		
	2004-2019	2019	2019 (Percent)
1. Mr. Rath Kitivejosoth[1]	108/108	7/7	100
2. Mr. Nuttaphong Kunakornwong[2]	52/52	7/7	100
3. Mr. Nathpath Ouajai[3]	92/93	6/7	85.71
4. Mr. Kunodom Tharmmaphornphilas[4]	93/93	7/7	100
5. Mr. Prasert Samanawong[5]	87/87	7/7	100
6. Mr. Precha Sekhararidhi[6]	85/85	7/7	100
7. Mr. Songsak Premsuk[7]	33/33	7/7	100
8. Ms. Vilasinee Puddhikarant[8]	18/27	4/7	57.14
9. Mr. Attapol Sariddipuntawat[9]	18/19	6/7	85.71

Remark:

[1] Mr. Rath Kitivejosoth was appointed to be the Chairman of the Board of Directors in replacement of Dr. Chaiyawat Wibulswasdi, effective from March 1, 2007 onward.

[2] Mr. Nuttaphong Kunakornwong was elected by the meeting of the Board of Directors No. 2/2012 on February 28, 2012 to be a director of the Company in replacement of Mr. Chanon Chotevijit who resigned from his position.

[3] Mr. Nathpath Ouajai was assigned to be the Director in replacement of Ms. Pranee Vechapruekpitak, effective from March 20, 2006 onward

[4] Mr. Kunodom Tharmmaphornphilas was assigned to be the Director in replacement of Mr. Sompong Nakornsri, effective from March 20, 2006 onward

[5] Mr. Prasert Samanawong was assigned to be the Director in replacement of Mr. Krit Umpote, effective from January 31, 2007 onward

[6] Mr. Precha Sekhararidhi was assigned to be the Director in replacement of Dr. Chaiyawat Wibulswasdi, effective from March 26, 2007 onward.

[7] Mr. Songsak Preamsuk was elected by the Annual General Meeting of Shareholders for 2015 held on April 23, 2015 to be the Director of the Company in replacement of Ms. Naengnoi Na Ranong, who retired by rotation.

[8] Ms. Vilasinee Puddhikarant was appointed by the resolution of the Board of Directors No. 1/2016 on January 15, 2016 to be the Director of the Company and member of the Executive Committee (Independent Director) in replacement of Ms. Phensom Damapong, who resigned from her directorship. She was re-elected by the resolution of the 2016 Annual General Meeting of Shareholders to act as a director (Independent Director) for another term.

[9] Mr. Attapol Sariddipuntawat was elected by the Annual General Meeting of Shareholders for 2017 to serve as a director and he was also appointed by the Meeting of the Board of Directors No.3/2017 to act as member of the Executive Committee.

The agendas for approval and acknowledgement can be summarized as follows:

Number of Board of Directors' Meetings in 2019	Agenda for Acknowledgement	Agenda for Consideration	Agenda for Approval
No. 1	4	6	6
No. 2	6	9	8
No. 3	5	8	4
No. 4	3	8	1
No. 5	6	1	1
No. 6	5	1	3
No. 7	5	3	5
Total	34	24	28

The Board of Directors' Performance Assessment

In order to comply with the principles of good corporate governance and to improve the performance of Directors, the Company launched a performance assessment for the Board of Directors at least once a year. The assessment was prepared by using three approaches, firstly, a performance assessment of the entire Board. Secondly performance assessment of individual Director, which was divided into 2 parts, self- assessment, and cross self-assessment by other Directors, and lastly the performance assessments for all sub-committees. The assessment procedures and scales are presented as a percentage of the total scores for each category.

The Assessment Procedures of the Board of Directors

1. The Board of Directors authorizes and reviews the evaluation forms to assure that they are correct, complete, and in line with the required regulations from relevant regulators.

2. The Company's Secretary will send four types of a performance appraisal form to each director as follows:

- An assessment of collective board Form (The entire Board)
- An assessment of individual director Form (Self- assessment)
- An assessment of individual director Form (Cross Self- assessment by other directors)
- An assessment of Sub-Committees Form (Each Sub-Committees)

3. After each director completes his/her performance assessment, he/she will return the performance assessment forms to the Company Secretary for collecting and analyzing the assessment data

4. The concluded results will be reported to the Board of Directors by the Company Secretary at its first meeting of each year. The resulting report will be applied for the purpose of the Director's performance improvement.

The Board of Directors' Assessment Criteria

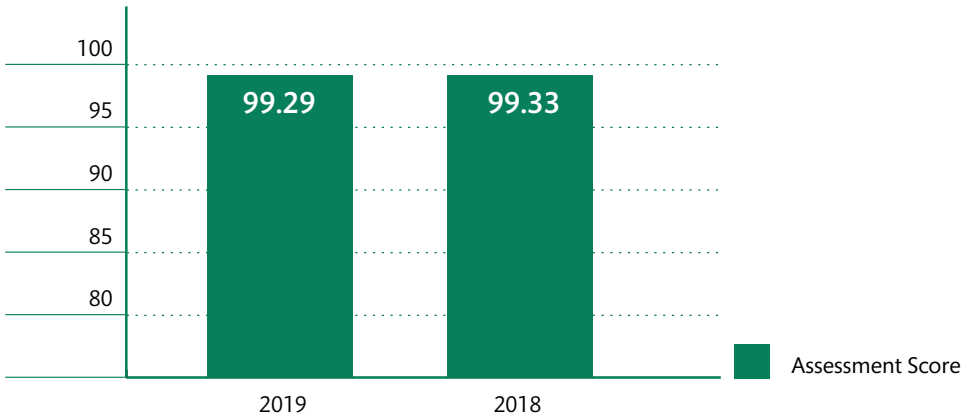
- **The assessment criteria for the evaluation scores are as follows:**

Assessed Scores (%)	Scale
85 - 100	Very Good - Excellent
75 - 84	Good
65 - 74	Fairly Good
50 - 64	Fair
under 50	Require Improvement

- **Performance assessment for the entire Board comprises of 6 major aspects, which are:**
  - Board of Directors' composition and qualification
  - Board of Directors' role, duty and responsibility
  - Board of Directors' Meeting
  - Director's performance
  - Connection with Managerial person
  - Director's Self Improvement and Management team's improvement

The summary results of the assessnebt of the Board of Directors (The Entire Board) for 2019 showed the average score of 99.29 which is considered "Very Good - Excellent"

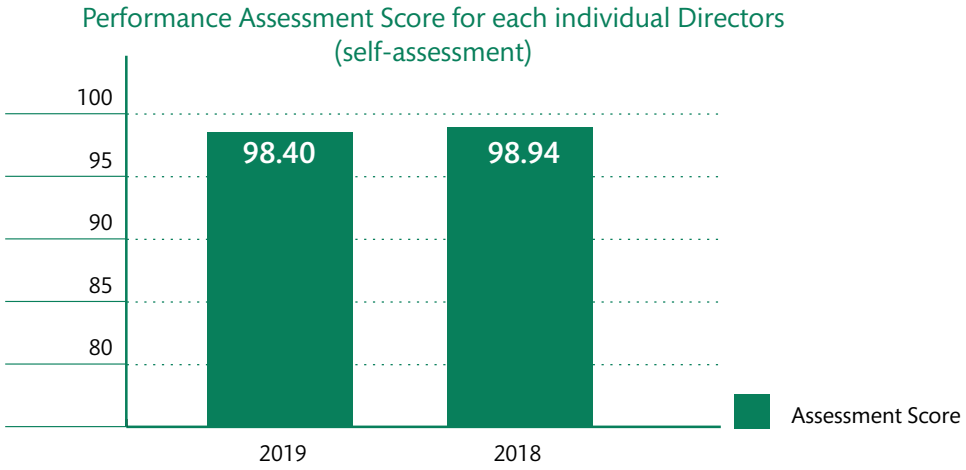
Performance Assessment Score for the Entire Board



• **Performance assessment for each individual director (self-assessment) comprises of 6 major aspects, which are:**

- Accountability to their decisions and actions
- Responsibility in performing their job with ability and efficiency
- Accountable and equitable treatment of stakeholders
- Transparency of actions and information disclosure
- Visionary towards long-term creations of added corporate value
- Business ethics and integrity

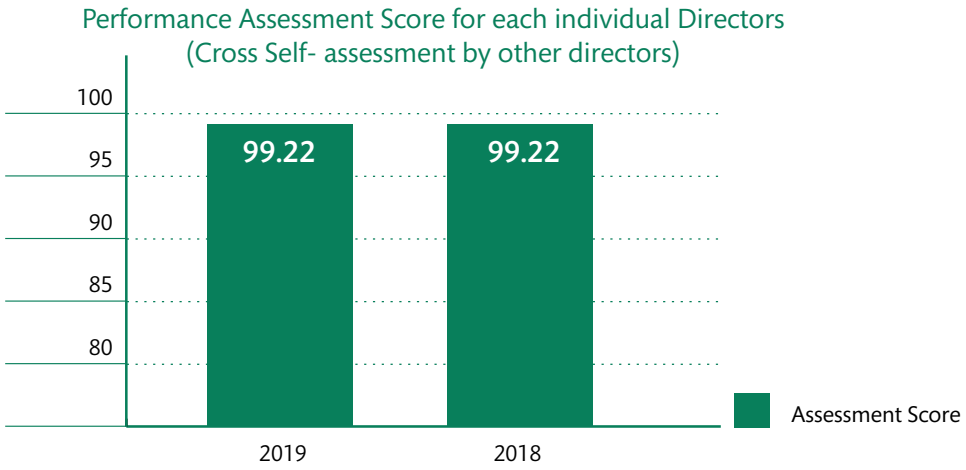
The summary results of the assessnebt of each individual director (Self-Assessment) for 2019 showed the average score of 98.40 which is considered "Very Good - Excellent"



• **Performance assessment for each individual Director (Cross Self- assessment by other directors)** which the assessments shall be made by other directors and each director shall assess other directors' performance comprises of 9 major aspects, which are:

- Profound knowledge of the Company's business
- Providing opinions and recommendations which are beneficial to the Company and is not contradictory with principles of good corporate governance
- Independent and perceptive suggestions
- Providing information and facts which are useful for the Board of Directors' decision process
- Responsible for stakeholder benefits by providing opinions or suggestions that lead to fair and equitable practices
- Refrain from voting or meeting participation, if conflict of interest or self-interest in terms of stakeholder involvement is presented
- Study provided details of meeting agenda prior to of relevant meetings
- Regularly and promptly attending all required meetings. If absence of meeting attendance is unavoidable, duly make prior request of absence to the Chairman of the Board in advance of such meeting
- Honors and respect the rights of other directors

The summary results of the assessnebt of each individual director (Cross Self- assessment by other directors) for 2019 showed the average score of 99.22 which is considered "Very Good - Excellent"



- **Performance assessment for the Sub-Committees**

The Company's Board of Directors resolved the approval for performance assessments of all the Company's sub-committees, which include the Executive Committee, the Nomination and Remuneration Committee, the Corporate Governance and Sustainable Development Committee, the Risk Management Committee and the Audit Committee. The assessments help the Company monitor and improve the efficiency of its governance conducts. The performance assessment for the sub-committees applies a similar evaluation process and standards as the performance assessment for the Board of Directors.

The performance assessments for all sub-committees, excluding the performance assessments for the Audit Committee, comprises of the assessments of accountability and responsibility principles which are classified into the following 5 aspects

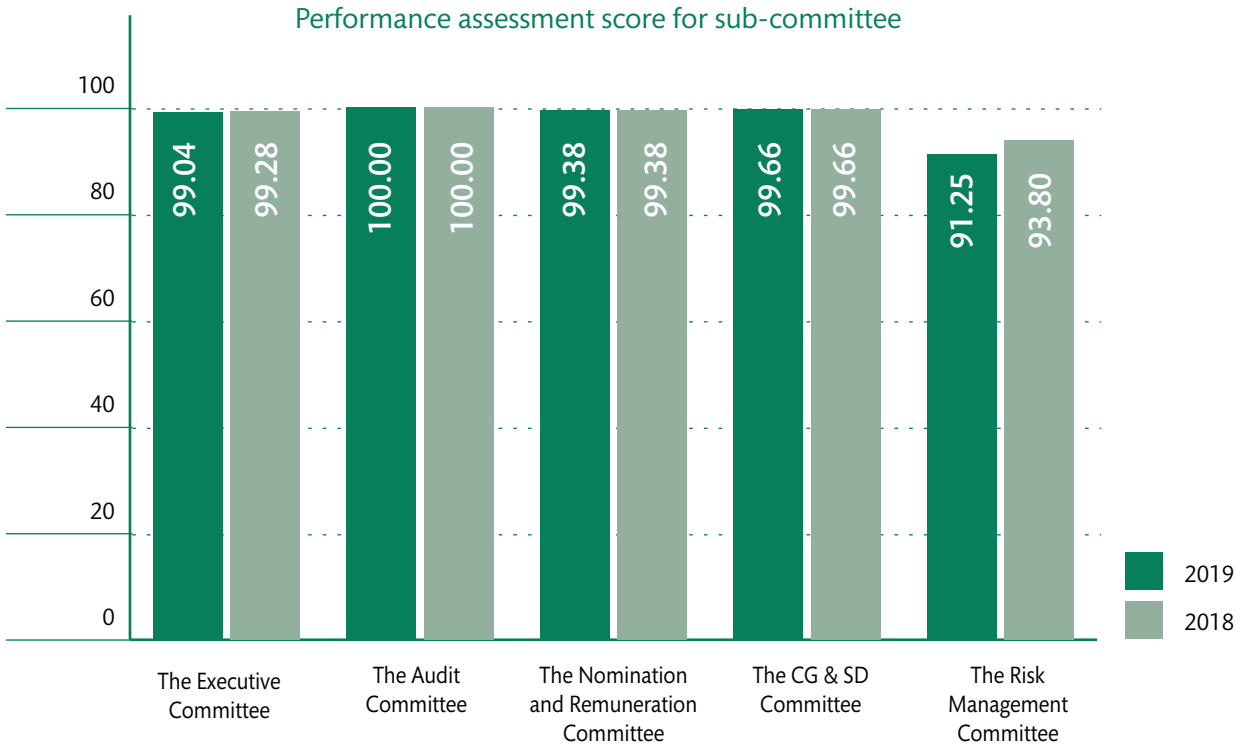
- Composition and qualification of the committee
- Roles, duties, and responsibility of the committee
- Compliance with good corporate governance practices
- Communication and collaboration between the committee and the Board of Directors
- Meetings of the committee

The performance assessments for the Audit Committee are classified into the following 3 aspects

- Composition and qualification of the Audit Committee
- Meetings of the Audit Committee
- Roles, duties, and responsibility of the Audit Committee

The summary results of the assessments of the sub-committee for 2019 showed follosing performance scor

The Executive Committee	Average Score 99.04%	Very Good - Excellent
The Audit Committee	Average Score 100.00%	Very Good - Excellent
The Nomination and Remuneration Committee	Average Score 99.38%	Very Good - Excellent
The Corporate Governance and Sustainable Development Committee	Average Score 99.66%	Very Good – Excellent
The Risk Management Committee	Average Score 91.25%	Very Good – Excellent



Remark: The range of scores between 85 – 100% are considered as very good - excellent

Director Development

1) The Orientation of New Directors

In the event of new directors, the Company prescribed that each new director must participate in the orientation program to equip them with knowledge and understanding of the Company's businesses and operations, as well as the business directions of the Company. This shall prepare them to be ready to undertake their duty as the Company's directors. Additionally, the Company will also arrange for each of them to acquire new knowledge which includes industrial situations, competition, technology, and innovation with aims to enhance their proficiency in undertaking their duties as the board members, particularly in the fields such as corporate businesses, operational plans, corporate objectives, corporate vision and missions, corporate structure and shareholding, management, duties and responsibilities of the board, corporate philosophy, ethics, good governance, social responsibilities, good governance policies, the Company's projects both present and past, current operational results, and site visits of the Company's projects etc

In 2019, the Company did not have any new directors but the Company arranged to have a revision and updating of its rules and regulations, as well as its important policies such as corporate governance policies, business ethics, and anti-corruption policies and measures. These matters are always reported to the Board of Directors for their acknowledgement and knowledge of the up-to-date information.

2) Training Courses or Relevant Seminars for Directors

It is a policy of the Company and its Board of Directors to encourage directors to consistently obtain appropriate knowledge applicable for performance of their roles and duties through attendance of training courses and relevant seminars such as participation in courses offered by the Thai Institute of Director as well as courses held by other organizations. The purpose of this policy is for these participants to apply any obtained knowledge for promoting continuity of our corporate stability and sustainable growth, Details of Directors' Training Courses Attendance held by Thai Institute of Directors (IOD) are as follows;

Directors	Courses
Mr. Rath Kitivejosoth	Director Accreditation Program (DAP) Class 30/2004 Director Certification Program (DCP) Class 53/2005 Improving the Quality of Financial Reporting Class 4/2006 Audit Committee Program (ACP) Class 14/2006
Mr. Nuttaphong Kunakornwong	Director Certification Program (DCP) Class 157/2012
Mr. Nathpath Ouajai	Director Accreditation Program (DAP) Class 53/2006 Director Certification Program (DCP) Class 91/2007 Corporate Governance Report of Thai Listed Companies Program
Mr. Kunodom Tharmmaphornphilas	Director Accreditation Program (DAP) Class 53/2006 Audit Committee Program (DAP) Class 53/2006 Improving the Quality of Financial Reporting Class 4/2006 Director Certification Program (DCP) Class 87/2007 Accounting Standard for Director Program Corporate Governance Report of Thai Listed Companies Program

Directors	Courses
Mr. Prasert Samanawong	Audit Committee Program (ACP) Class 21/2008 Director Certification Program (DCP) Class 85/2007 Director Accreditation Program (DAP) Class 61/2007 Accounting Standard for Director Program Risk Management Program for Corporate Leaders (RCL) Class 2/2015
Mr. Precha Sekhararidhi	Director Accreditation Program (DAP) Class 13/2004 Director Certification Program (DCP) Class 97/2007 Risk Management Program for Corporate Leaders (RCL) Class 2/2015
Mr. Songsak Premsuk	Director Accreditation Program (DAP) Class 9/2004
Ms. Vilasinee Puddhikarant	Director Certification Program (DCP) Class 85/2007 Board that Make a Difference (BMD) Class 8/2018 Advanced Audit Committee Program (AACP) Class 29/2018
Mr. Attapol Sariddipuntawat	Director Accreditation Program (DAP) Class 142/2018

In 2019, with the following additional training course

Director	Course
Mr. Songsak Premsuk	Ethical Leadership Program (ELP) Class 16/2019 Thai Institute of Directors (IOD)

Whistleblowing Policy

The Board of Directors pays attention to the rights of all interested parties of the Company and is also aware of their required roles in the participation of the Company's corporate governance, and has therefore prepared and developed a "Whistleblowing Policy" so that its directors, executives, employees, and stakeholders can be informed of the proper channel and procedure for reporting of information and cases on violation the Company's code of conduct, bribery, fraud, corruption including the violation of rights, illegality, breaching of the Company's regulations or policies, wrongdoing, and any other actions that may cause damage to the Company. An individual can contact the Company to report wrongdoing incidents, make suggestions, complain, and request for relevant advice. All of these are aimed towards improving or correcting the situations, as well as creating transparency and fairness. This "Whistleblowing Policy" prescribes details which all the Company's employees and stakeholders must be aware and can also be applied as essential practice guidelines for them.

1) Whistleblowing Channels

The Company's Board of Directors provided various channels for all stakeholders to be able to contact, and report or make suggestions or complaints to the Board of Directors, particularly on matters which may cause damage to the Company. Additionally, the Company has also provided channels and processes for employee to report illegal behaviors, corruptions and immoralities to the Board of Directors. The contacts, suggestions, and complaints can be directed to each of the board members, the Company Secretary via their following addresses and emails.

Information and contact addresses of each Director are available on the Company's Website (www.scasset.com) under the "Corporate Governance" Section.

Directors	Address	E-mail Address
Mr. Rath Kitivejosoth	33, 110 Yak 3 Alley, Lat Phrao Road, Plub Pla Sub-district, Wang Thonglang District, Bangkok, 10310	rath@scasset.com
Mr. Nuttaphong Kunakornwong	640/83-85 Petchburi Road, Thanon Phetchaburi Sub-District, Ratchathevi District, Bangkok, 10400	nuttaphong@scasset.com
Mr. Nathpath Ouajai	112, Chok Chai 4, 18 Alley, Lat Phrao Sub-district, Lat Phrao District, Bangkok, 10230	nathpath@scasset.com
Mr. Kunodom Tharmmaphornphilas	179/5, Bang Khun Non 31 Alley, Bang Khun Non Road, Bangkok Noi Sub-District, Bangkok Noi District, Bangkok, 10700	kunodom@scasset.com kunodom@hotmail.com
Mr. Prasert Samanawon	2/94 Mu Ban Seri (1 Alley), On Nut Road, Prawet Sub-district, Prawet District, Bangkok, 10250	praserts@scasset.com sertsam@yahoo.com
Mr. Precha Sekhararidhi	68/174, Mu Ban Pracha Niwet 4, Samakkhi Alley, Pracha Chuen Road, Tha Sai Sub-district, Mueang District, Nonthaburi, 11000	precha@scasset.com prechas2555@hotmail.com
Mr. Songsak Premsuk	9 Phuttha Bucha 20 Alley, Phuttha Bucha Road, Bang Mod Sub-District, ChomThong District, Bangkok, 10150	songsak@scasset.com
Ms. Vilasinee Puddhikarant	519 Sri Ayudhya Road, Phayathai Sub-District, Ratchathewi District, Bangkok, 10400	vilasinee@scasset.com
Mr. Attapol Sariddipuntawat	117/75 Moo 9 Bangrakpattana Sub-District, Bangbuathong District, Nonthaburi, 11110	attapol@scasset.com

Company Secretary	Address	E-mail Address
Mr. Somboon Kuptinamus	635 Rangsit-Nakornnayok 52 Road, Prachathipat Sub-District, Thanyaburi District, Pathumthani Province, 12130	somboon@scasset.com

Internal Audit	Address	E-mail Address
Internal Audit	SC ASSET Corporation Public Company Limited (floor P14)1010 Shinawatra tower 3, Viphavadi Rangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok, 10900	Internal_Audit@scasset.com

2) Process and procedures on the management of complaints/ whistleblowing for employees and all interested parties

The Company has clearly prescribed its process and procedures regarding the management of complaints / whistleblowing to assure that its employees and all interested parties who intend to report any wrongdoing/ complaint, or to provide any information/ suggestion to the Company can be confident that their reports and suggestions will be transparently, honestly, fairly, and confidentially reviewed, and such matters will promptly be processed within a reasonable time as follows;

1. The stakeholders and employee may report their complaints directly to each director, the Company Secretary or Internal Audit by mailing to address or e-mail address as it appeared above.

2. After receiving a complaint, the Company will investigate the complaint initially. If a prima facie ground is found, an interrogation team will be set up to investigate the complaints competently, diligently and impartially. The team will deal with the complaints appropriately and promptly.

3. The Company will respond and report back investigating results to director(s) and appellant(s). If there is any damage to appellant(s) the Company is glad to remedy them fairly. The existing procedures for stakeholders and employee to contact, make suggestion, or report illegal, dishonest or unethical behaviors or any action deemed detrimental to the Company are as follows:

3) Measures and guidelines for protection of a whistleblower or the complainant

The Company set up the Whistleblower protection procedures and guidelines especially by not disclosing a name of employee(s) and appellant(s) to any third party and will keep them confidential. A committee will be set up for fact finding and to review the matters with transparency and fairness toward both the whistleblower or the complainant and the one being accused.

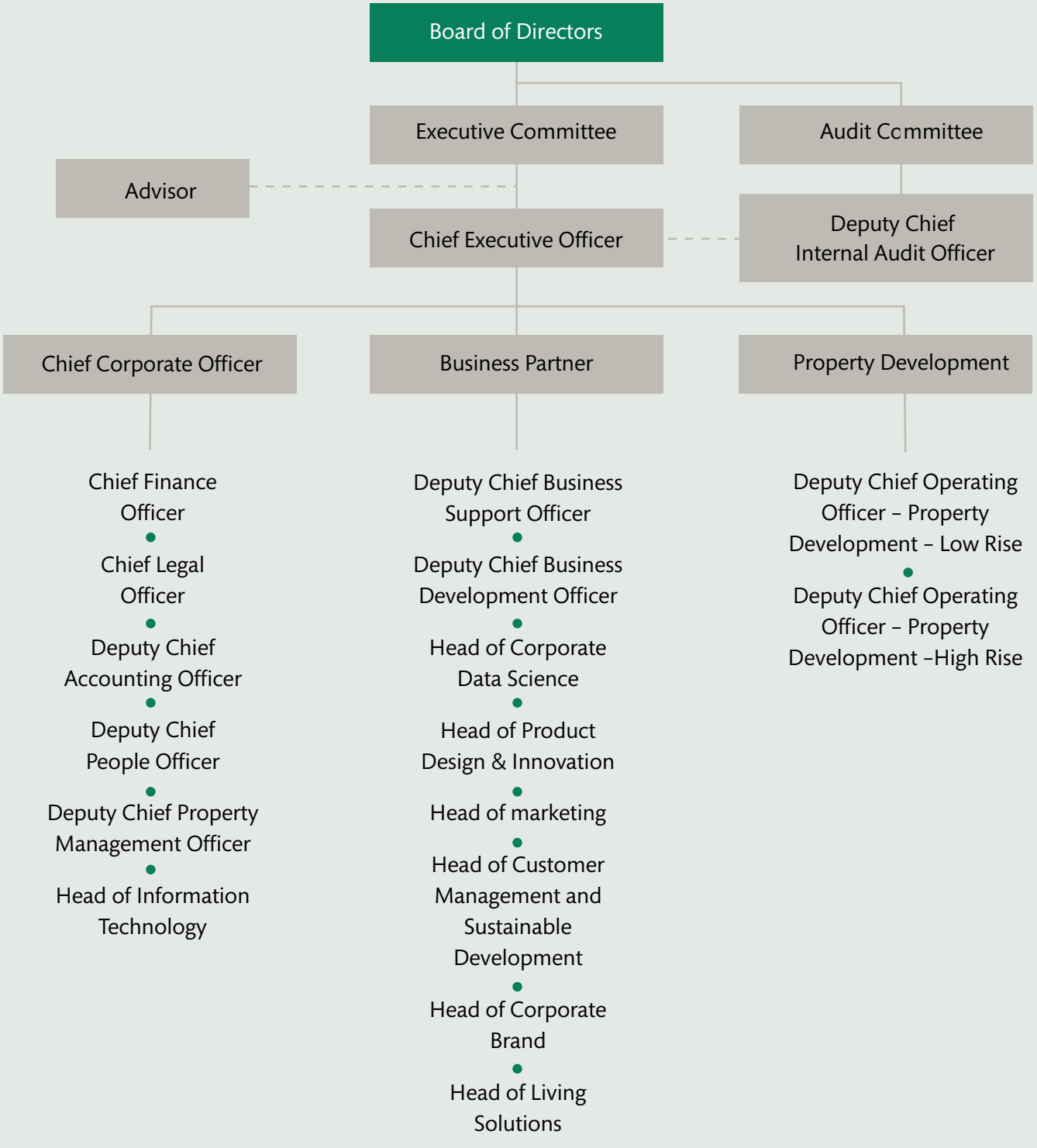
In 2019, the Company received no whistleblowing cases from either its employees or other outsiders on any fraud, illegality, or any other actions that may cause damage to the Company. The Company also reviewed its operations in all aspects and found no incident that any of its directors, executives, and employees was involved in any wrongdoing, fraud, corruption, or any other actions that may cause damage to the Company.

Controlling Persons

As of December 31, 2019, there were 4 controlling persons with controlling interests in the Company in accordance with the definition prescribed by the Securities and Exchange Commission which are

Controlling Persons	Number of Shares	Percent
1. Ms. Paetongtarn Shinawatra	1,216,149,870 shares	29.097
2. Ms. Pintongta Shinawatra Kunakornwong	1,176,915,495 shares	28.158
3. Khunying Potjaman Damapong	117,109,887 shares	2.802
4. Mr. Panthongtae Shinawatra	14,000,000 shares	0.335

ORGANIZATION AND MANAGEMENT STRUCTURE



Authorized transactions and authorization limit per transaction of Board of Directors/ Executive Committee / Chief Executive Officer / Chief Corporate Officer / Chief Officer / Deputy Chief Officer / Head of / Vice President and Assistant Vice President

Item	Board of Director (Baht)	Executive Committee (Baht)	Chief Executive Officer (Baht)	Chief Corporate Officer (Baht)	Chief Officer (Baht)	Deputy Chief Officer (Baht)	Head of (Baht)	Vice President / Assistant Vice President (Baht)
1. Capital Investment)								
1.1 Budget	Unlimited	2,000,000,000	1,500,000,000	50,000,000	10,000,000	5,000,000	2,000,000	500,000
1.2 Non-Budget / Over Budget	Unlimited	1,000,000,000	800,000,000	5,000,000	500,000	200,000	100,000	20,000
2. Fixed Assets								
2.1 Budget	Unlimited	50,000,000	30,000,000	2,000,000	1,000,000	500,000	200,000	50,000
2.2 Non-Budget	Unlimited	50,000,000	10,000,000	500,000	200,000	100,000	50,000	5,000
3. Cost / Expenses								
3.1 Cost	Unlimited	50,000,000	30,000,000	10,000,000	2,000,000	1,000,000	500,000	100,000
3.2 Marketing Expense	Unlimited	50,000,000	30,000,000	5,000,000	2,000,000	1,000,000	500,000	200,000
3.3 Staff Expense / Customer Service Expense / Administrative Expense	Unlimited	50,000,000	30,000,000	5,000,000	2,000,000	1,000,000	500,000	100,000
3.4 Entertain Expense	Unlimited	5,000,000	2,000,000	100,000	80,000	50,000	20,000	8,000
4. Advance Payment	Unlimited	50,000,000	30,000,000	1,000,000	200,000	100,000	50,000	30,000

Remark: Connected transactions are treated in accordance with measures prescribed by the Securtities and Exchange Commission.

Management Team

As of December 31, 2019, the Chief Executive Officer (the Company's highest executive position) and the Company's first four executives according to definitions prescribed by the Securities and Exchange Commission comprise 12 persons as follows:

1.	Mr. Nuttaphong Kunakornwong	Chief Executive Officer / Vice-Chairman of Director / Member of the Executive Committee
2.	Mr. Attapol Sariddipuntawat	Chief Corporate Officer / Director / Member of the Executive Committee
3.	Ms. Pradthana Patsaman	Chief Financial Officer
4.	Mr. Somboon Kuptimanus	Chief Legal Officer / Company Secretary

4.	Mr. Somboon Kuptimanus	Chief Legal Officer / Company Secretary
5.	Ms. Namtip Promchua	Deputy Chief Accounting Officer
6.	Ms. Pannee Tharaphat	Deputy Chief Internal Audit Officer
7.	Ms. Sirikul Kriangkrai	Deputy Chief People Office
8.	Mr. Somchai Laohaburanakit	Deputy Chief Operating Officer - Property Management
9.	Mr. Paphandech Pacharachanant	Deputy Chief Business Support Office
10.	Mr. Manit Banchongthanakit	Deputy Chief Business Development Officer
11.	Mr. Mongkut Techolarn	Deputy Chief Operating Officer - Property Development - Low Rise
12.	Mr. Prayongyut Itthiratchai	Deputy Chief Operating Officer - Property Development - High Rise

(Please see the Organization and Management Structure)

The management team's scope of roles, authorities and responsibilities:

1. Operating corporate business efficiently and effectively in accordance with approved policies, directions, and strategies, as well as in compliance with prescribed core operative structure.
2. Preparing the business plan, corporate budget and administrative directives and submits them for the Executive Committee's approvals.
3. Managing corporate business honestly and cautiously as per plans and/or budgets approved by the Executive Committee for the Company and shareholders' ultimate benefits.
4. Monitoring corporate business in accordance with planned policies and approved budget
5. Reporting operating performance and corporate outcomes to the Executive Committee at least once a month
6. Operating any other actions assigned by the Executive Committee
7. supervise general corporate activities prescribed in the Company's rules and regulations

Advisor

As of December 31, 2019, the Company has 2 advisors namely

1. Mr. Vitit Visalpattanasil who was the Chief Accounting Officer of the Company and retired from the Company in 2019. The Company has considered that his experience, knowledge and ability are useful and beneficial for business growth and expansion of the Company; therefore, the Company has appointed him to be an advisor since July 1, 2019 until present

2. Mr. Suriya Pleansri, who was the Deputy Chief Property Management Officer and retired from the Company in 2019. The Company has considered that his experience, knowledge and ability are useful and beneficial for business growth and expansion of the Company; therefore, the Company has appointed him to be an advisor since April 1, 2019 until present

The Advisor's scope of role, duty and responsibility

The advisors perform their duty in providing opinions to the Board of Directors and management team, but is not considered as having any control or participation in the management of the Company

Succession Plan for Management and Top Executives

The Company has following plans and procedures of succession for of management and top executives, particularly in the event that any of its top executives are not able to carry out their functions due to the any reasons:

1. Managing Director /Chief Executive Officer (CEO) level

In the event that the positions of the Chief Executive Officer (the Company's highest executive position) is vacant or the individual in such positions cannot perform their duties, the Company has an arrangement whereby executives in a closely comparable level or their deputy shall act on their behalf until the selection process for the qualified replacements is completed. The Nomination and Remuneration Committee shall be responsible for the selection process and submit their most suitable qualified and experienced person to the Company's Board of Directors for approval and further appointment. The Company's successor plan for Managing Director /Chief Executive Officer (CEO) level is prescribed as follows

(1) The Nomination and Remuneration Committee set criteria for knowledge, proficiency, and experiences that are suitable with the Company's corporate culture and behavioral requirements. Additionally, the candidates for the Company's top executive positions must have appropriate vision required for their posts.

(2) The Nomination and Remuneration Committee assess performance and proficiency of the Company's executives to assure that they are equipped with qualifications desired by the Company. These qualifications are essential for the Company's employee proficiency development as well as efficiency enhancement, aimed for these executives to effectively perform their work duty as per the Company's targets.

(3) The executives of the Human Resource and Administrative Department is responsible to oversee and monitor the required training and proficiency development of the selected successor of the position of the Chief Executive Officer

(4) The successor plan shall be reviewed for the positions of the Chief Executive Officer and other top executives post in the event of possible changes in the Company's scope of business conducts or in the event that the Nomination and Remuneration Committee views that there are changes in any prescribed criteria.

2. Executives level

In the event that there is any vacancy in any management positions from the level of Department Managers upward, or any individual in any executive position cannot perform their duty as expected, the Company shall select appropriate candidates for such positions and present them to the Chief Officers or the Chief Executive Officer of the relevant business group for appointment. The Company's successor plan for executives' level is prescribed as follows:

(1) The Company shall review knowledge, proficiency, experience, skill, personality, and attitude of the candidates for each position in order to find suitable and appropriate personnel for such required posts. This will also allow the Company to successfully carry on its employee proficiency development.

(2) The Company prescribes its executive proficiency plan and conducts training for selected candidates for executives positions before the retirement or resignation of the predecessor.

(3) The Company assesses the availability of its manpower to assure that it is in line with its strategy, both in the short-term and long-term plans. Additionally, it also undertakes personnel development and selection plans for any upcoming vacancy in management positions.

(4) The Company selects and evaluates employee work as well as assesses employee potentiality, aims to assure the candidacy's suitability for their assigned posts and provides chances for candidates to familiarise themselves with work of the potential assigned posts.

(5) In the event that the assessment results of proficiency and potentiality of the candidates are not as expected, the Company shall reselect new candidates from within or outside its organization.

Performance Assessment for the Chief Executive Officer

The Assessment Procedures of the Chief Executive Officer

1. For the performance assessment of the Chief Executive Officer, the Company's Board of Directors resolved the appointment of a sub-committee to assess the performance of the Chief Executive Officer. The members of this sub-committee comprise of:

(1) The Chairman of the Board of Directors (Independent Director)

(2) The Chairman of the Nomination and Remuneration Committee (Independent Director)

(3) The Chairman of the Audit Committee (Independent Director)

2. After finished assessing the Chief Executive Officer, submit the assessment result to the Nomination and Remuneration Committee for the consideration of appropriate remuneration scheme; the outcome thereof shall then be proposed to the Board of Directors for their approval. The assessments take place twice a year; the first assessment is made upon a completion of the first half of the Company's operating year between January and June (ended at June 30), and the second assessment is made upon the completion of the second half of the Company's operating year between July and December (ended at December 31).

The Chief Executive Office Assessment Criteria comprises of 6 major aspects, which are:

1. Business management as per corporate targets and business plan
2. Marketing and customer service management
3. Financial management, investment performance and expenses control
4. Human resource development and creation of corporate culture toward sustainable growth
5. Good corporate governance
6. Corporate management and business operation as per policies prescribed by the shareholders and the Board of Directors

In 2019, the assessment result for Mr. Nuttaphong Kunakornwong, who holds the position of the Chief Executive Officer, was 3.44 out of 5 marks or equivalent to level B in the CEO's Performance Assessment Rating Scale of the Stock Exchange of Thailand, which is within the "excellent" range.

Performance Assessment for Executives and Employee

The Company has semi-annual performance assessments for its executives and Employee; the first assessment is made upon the completion of the first half of the Company's operating year between January and June (ended at June 30), and the second assessment is made upon a completion of the second half of the Company's operating year between July and December (ended at December 31). Criteria for the assessment aspects are

- Every January, the Board of Directors shall consider the corporate business plan and set the yearly achievement targets for business operations, while prescribing the targeted Key Performance Indicator (KPI) to apply as the guideline for the year-end remuneration calculations for executives and employee
- At the end of the first half of the Company's operation year (i.e. January - June), the Company shall review and adjust its corporate business plan and make operational performance assessments. Each year-end, on December 31, the direct supervisors in each business lines shall undertake an annual performance assessment of its executives and employee; the results of which shall be subsequently presented to the Nomination and Remuneration Committee, the Executive Committee, and the Board of Directors, respectively, for their consideration of appropriate remuneration schemes in accordance with the achieved KPI of the executives and employee.
- The direct supervisors in each business lines shall assess the management proficiency of their executives and employee for promotion and allocation purposes, and then propose the performance assessment to the Chief Executive Officer for consideration.

Company Secretary

The Meeting of the Board of Directors No.5/2008, dated August 13, 2008, appointed Mr. Somboon Kuptimanus, the Company's Chief Legal Officer and Head of Compliance Unit, to act as the Company Secretary with effective from September 1, 2008. At present, he has been defined as the Company's first four executives since April 1, 2017 owing to a reform of structure of the Company.

Please refer to further details in the topic "Details of Directors, Management Team, Advisor Controlling Persons and Company Secretary" and contact Company Secretary vie E-mail address: somboon@scasset.com.

Qualifications of Company Secretary

1. Having basic knowledge and understanding concerning legal matters, the Company's Articles of association, the regulations governing public limited company, the securities and exchange law, regulations of the Stock Exchange of Thailand and having attended training courses concerning company secretarial practices.

2. Having knowledge and understanding concerning corporate governance principles and best practices.

3. Having working experiences on the Company Secretary namely the secretarial function, and the board of directors' meeting and annual general meeting of shareholders arrangement.

Company Secretary's scope of role, duties and responsibilities

1. Providing and keeping record of Directors, notice of Board of Directors meeting, minutes of Board of Directors meeting, notices and minutes of all shareholders' meetings and the Company's annual report.

2. Organizing shareholders' meetings and Board of Directors' meetings in compliance with laws, the Company's Articles of Association and other relevant regulations.

3. Keeping all interest or conflicts of interest report reported by directors or any members of management team and submit such report to the Chairman of the Board of Directors and Chairman of the Audit Committee within 7 days upon the receipt of such report.

4. Performing any other actions as determined by Capital Market Supervisory Board.

5. Act with full responsibility, duty of care and duty of loyalty and comply with relevant laws, the Company's objectives, regulations, resolutions of Board of Directors' meeting and resolutions of annual general meeting of shareholders.

The Person Supervising Accounting

Miss Namtip Promchua was appointed by the Company to be its executive holding the position of Deputy Chief Accounting Officer, who has been directly responsible for supervising of the Company's accounting, as of 1 July 2019 up to the present time. Miss Namtip Promchua holds one of the first top four executive positions of the Company.

The profile information and training records of the person assigned to be directly responsible for supervising of the Company's accounting can be found in the topic "Details of Directors, Management Team, Advisor, Controlling Persons, and Company Secretary".

Qualifications and Experiences

1. Registered as a bookkeeper under the relevant notification prescribed by the Department of Business Development

2. Having no less than 3 years of work experiences in the accounting field

3. Having no less than 6 hours per year of training in continuous learning in the field of accounting particularly under the programs as prescribed by the notification of Department of Business Development

Remuneration Criteria for Directors and Executives

1. Remuneration Determination for Company's Directors

The reasonable and fair remuneration which is considered from the Board of Directors' duties and responsibilities has been designed to the Company's directors at the similar level to the industry compensation of Thai listed companies. It is believed that such remuneration could attract, retain and motivate the directors to perform their roles and carry out their responsibilities to accomplish the Company's goals efficiently and transparently. (Please refer to further details in the topic "Policy on Remuneration for Directors" section)

2. Remuneration Criteria for the Company's Directors and Executives

2.1 Remuneration Criteria for Directors

The Company has set clear and transparent remuneration criteria for directors in accordance with the industry norm for companies with a similar status and at an amount high enough to adequately reward, motivate, and retain its directors who possess the relevant and required qualifications, and being approved by the Shareholders' meeting in accordance with the process prescribed by policy Remuneration for the Directors and Top Executives. Moreover, the directors who are additionally assigned in the Board's Sub-Committees will be compensated for additional duties and responsibilities. (Please refer to further details in the topic "Remuneration for Directors" and "Policy on Remuneration for Director" sections)

Remuneration policy for the Chief Executive Officer (CEO), and top executives set details on monetary remuneration and other non-monetary incentives, and prescribed in the form of short-term and long-term incentives. Short-term monetary incentives are set to be in line with the Company's annual performance and in accordance with each individual's achievements, assessed by applying Key Performance Indicator (KPI) to evaluate. The determination of remuneration will be in accordance with the process prescribed by the Company's policy in term of remuneration for the Chief executive officer (CEO) and top executives. (Please refer to further details in the topic "Policy on Remuneration for the Chief Executive Officer (CEO) and Top Executives", Performance Assessment for Chairman of the Executive Committee" and "Performance Assessment for Chief Executive Officer" sections)

3. Remuneration

3.1 Remuneration for Directors

The 2019 Annual General Meeting of Shareholders resolved to determine the remuneration of the Company's Directors, in the total amount of not more than 10 Million Baht details are as follows:

Remuneration for Directors	Position	2019
Monthly meeting allowance	Chairman of Board of Directors	150,000 Baht
	Directors	-None-
Salary	Chairman of Board of Directors	-None-
	Authorized Director (Excluding Director who holds an executive position)	30,000 Baht
	Directors	-None-
Meeting allowance	Chairman of Board of Directors	-None-
(Only Directors who attend the	Directors	25,000 Baht
meeting) (Person/Meeting)	Director who holds an executive position	-None-
Bonus	Chairman of Board of Directors	600,000 Baht
(Excluding Director who holds an executive position)	Chairman of the Sub-Committees / Authorized Director	550,000 Baht / Person
	Directors	500,000 Baht/ Person
Other Remuneration	Chairman of Board of Directors	-None-
	Directors	-None-

Remuneration for Members of Sub-Committees	Position	2019
Meeting allowance	Chairman of Sub-Committees	30,000 Baht
(Only Directors who attend the meeting)	Member of Sub-Committees	25,000 Baht
(Person/Meeting)	Directors who holds an executive position	-None-
Other Remuneration	Directors	-None-

The individual remuneration of Directors in 2019

The individual remuneration of Directors in 2019

The remuneration consisting of meeting allowance and bonus paid to each director of the Board of Directors and Sub-Committees for the year ended December 31, 2019 was 8.89 Million Baht, details are as follows:

(Unit : Baht thousand)

Directors	The Board of / The Committee					
	Directors	Executive	Audit	Nomination and Remuneration	CG & SD	Risk Managment
1. Mr. Rath Kitivejosoth	2,400					
2. Mr. Kunodom Tharmmaphornphilas	725		240	50		
3. Mr. Precha Sekhararidhi	725		200		60	120
4. Mr. Prasert Samanawong	725		200	60		100
5. Mr. Nathpath Ouajai	1,060	300		50		
6. Mr. Songsak Premsuk	675	300			50	
7. Ms.Vilasinee Puddhikarant	600	250				
Total	**6,910**	**850**	**640**	**160**	**110**	**220**

Comparison of Remuneration of Directors in 2019 and 2018

Remuneration	2019		2018	
	Directors	Amount (Baht)	Directors	Amount (Baht)
Monetary Remuneration	7	8.89 Million	7	8.98 Million
Other Remuneration	7	None	7	None

Remark: The above remuneration comprises salary, bonus and meeting allowance (the above remuneration excludes the remuneration for 2 directors who hold an executive position namely Mr. Nuttaphong Kunakornwong (Chief Executive Officer) and Mr. Attapol Sariddipuntawat (Chief Corporate Officer).

3.2 Remuneration for Executive

For the year 2019, the total remuneration comprising salary, bonus, provident fund and other remuneration, paid to 12 executives consisting of the Chief Executive Officer and the first four executive, details are as follows:

3.2.1 Monetary Remuneration

The total monetary remuneration was 111 Million Baht comprising salary, bonus, provident fund and other remuneration as follows:

Remuneration for Executives in 2019

Remuneration	2019	
	Persons	Amount (Baht)
Salary and Bonus	12	107
Provident Fund	12	4

3.2.2 Other Remuneration

(1) The Company issued its stock options and offered them to its executives and employees under the Employee Stock Option Plan (ESOP) with the purpose to motivate and compensate the executives and employees for their contributions, as well as to retain them for a long-term career to maximize the benefits for the Company.

At the end of the year 2019, there were 3 Employee Stock Option Programs (ESOP) approved by the Annual General Meeting of shareholders, details are as follows;

Details	(ESOP - Grant 1)	(ESOP - Grant 2)	(ESOP - Grant 3)
Total Number of Warrants to be Offered	34,200,000 units	39,000,000 units	Not exceeding 40,000,000 units
Offering Price per Unit	0 Baht / Unit	0 Baht / Unit	0 Baht / Unit
Offering Period	January 31, 2018	January 31, 2019	The offering shall be completed within 1 year from the date on which the issuance and offer of the Warrants under the Program is approved by the 2019 Annual General Meeting of Shareholders (the due date will be on April 24, 2020, currently the warrant has not been yet offered)
Terms	Not exceeding 5 years from the date of issuance and offering	Not exceeding 5 years from the date of issuance and offering	Not exceeding 5 years from the date of issuance and offering

Details	(ESOP - Grant 1)	(ESOP - Grant 2)	(ESOP - Grant 3)
Number of Reserved Shares	34,200,000 shares	39,000,000 shares	Not exceeding 40,000,000 shares (at the par value of Baht 1) or 0.96 percent of the total paid-up shares.
Exercise Ratio	1 warrant per 1 ordinary share	1 warrant per 1 ordinary share	1 warrant per 1 ordinary share
Exercise Price	3.71 Baht / Share*	3.72 Baht / Share*	3.05 Baht / Share*

* calculating by the weight average closing price of the Compay's shares trade on the Stock Exchange of Thaland during the period of 15 consecutive workding days prior of the shareholders' meeting date (no discount from the market price).

Below were the name of directors and employees entitled to receive warrants to purchase the ordinary shares of more than 5 percent of the total warrants issued:

ESOP – Grant I

Directors/Employees	Number of Allocated Warrants	Percent of Total Allocated Warrants
Mr. Nuttaphong Kunakornwong	5,000,000 Units	12.5%
Mr. Attapol Sariddipuntawat	3,000,000 Units	7.5%

ESOP – Grant II

Directors/Employees	Number of Allocated Warrants	Percent of Total Allocated Warrants
Mr. Nuttaphong Kunakornwong	3,000,000 Units	7.5%
Mr. Attapol Sariddipuntawat	3,000,000 Units	7.5%

ESOP – Grant III

Directors/Employees	Number of Allocated Warrants	Percent of Total Allocated Warrants
Mr. Nuttaphong Kunakornwong	3,000,000 Units	7.5%
Mr. Attapol Sariddipuntawat	3,000,000 Units	7.5%

(2) The Company has the policy to provide an opportunity to executives and employees of the Company who have worked with the Company not less than 3 years to have the welfare benefit to buy the Company's residential property, namely land and house or condominium at the discount price, in order to motivate them to fully perform their duties to drive the Company forward and achieve the Company's goal and also to work for the Company on a long-term basis.

The Benefit under this welfare is provided to the executives and employees including the Chief Executive Officer and first four executives, as of December 31, 2019, in total 12 persons, provided that their benefits under this welfare are limited to 250 Million Baht and shall comply with the following terms and conditions.

Working years	Percent of cash discount at the exercise date for first four executives
3 years up	13%
7 years up	15%

The first four executives are entitled to exercise the right once within five years from the approval date and this right is an exclusive right solely reserved for the first four executives. They cannot transfer an ownership of purchased property to anyone within 1 year from the date of transfer of ownership unless a transferee is their spouse or descendants.

This welfare for the first four executives might be considered as a connected transaction; therefore, to provide this welfare benefit to them, the Company followed and complied with Notifications of the Securities and Exchange Commission and Notifications of the Stock Exchange of Thailand Exchange Commission.

Personnel

On December 31, 2019 the Company and its subsidiaries has total headcount of 1,019 excluding the Chief Executive Officer and the first four executives.

The Company

Business Division	Persons
Property Development Division	524
Corporate Support Division	193
Business Support Division	156
Internal Audit Division	15
Total	**888**

Subsidiaries

The total headcount (person)	131

Remuneration for employee

For the year 2019, the total remuneration paid to the Company's and its subsidiaries's employees including the Chief Executive Officer and first four executvies was 694 Million Baht, details are as follows;

Remuneration for employee	2019	
	Persons	Amount (Million Baht)
Salary and Bonus	888	673
Provident Fund	802	21

Staff Proficiency Development

The Company encourages the development of proficiency of its employees. This aims to support its policy to become a "Living Solutions Provider" so it focuses on the improvement of personal potential according to its business culture, known in short as "SKYDIVE", to form a mindset and a working procedure that pays attention to colleagues and customers. Employees are motivated to have courage to constructively express opinions that may be different from others, and encouraged to work cooperatively while listening to each other's ideas. All levels of employees and executives must be ready to continually improve themselves, in unity, on a similar working mindset. The Company also recognizes the importance of staff proficiency development, particularly in the field of their work profession. Programs related to these developments are:

1. Corporate Knowledge Development

The Company recognizes the importance of its staffs in driving the organization forward, and for them to understand various contexts of the Company such as business operations, organizational structure, rules and regulations, and corporate culture, all of which shall enable the staffs to work efficiently. The program applies a blended learning approach which combines traditional place-based classroom methods with online methods and activity participation. The activities include:

- Orientation for new recruits: The orientation is attentively arranged to warmly welcome new recruits and to create a good impression for them in being a part of the entire organization. A good relationship is formed from the first day of work by learning the work culture and preparing to efficiently perform their tasks as per the Company's expectations

- SC Product Knowledge Program and Preparation Program for new recruits in their professional fields: The programs enable the employees to work at their full potential and with confidence. The employees need to have a basic understanding about the Company's products and services. The Company thus designs a learning format which combines both theoretical and practical approaches to this program. The program is intended to benefits staffs when they are required to work and act as representatives of the Company. Indeed, they are to reflect the brand images of the Company in various business dimensions such as corporate brand, after-sale services, construction standard, customer relationship management, basic knowledge on construction materials, rules and legal regulations on real estate.

- Safety, Health, and Working Conditions for employees and supervisors: To comply with the Occupational Safety, Health and Environment Act B.E. 2554 and to support the Company's business operations, the employees and supervisors are trained to recognize the importance of work safety. Other than attending sessions with qualified experts who are certified in their profession, the Company also adds additional activities to enable its employees and supervisors to realize the risks and dangers in the workplace, as well as the appropriate use of suitable working tools. Both the office employees and employees at the project sites participate in these activities.

- SKYDIVE in Action: In accordance with its aim to become a "Living Solutions Provider", having an appropriate mindset and suitable set of behavior patterns that are in agreement with the Company's expectation is necessary. In order to fine-tune the working habit of its staffs to suit the current situations, this program focuses on the Company's work culture and encourages management personnel to have a proper mindset and expected behavior pattern, while emphasizing on the arrangement of the Company's activities that enable its employees to have awareness and recognition of the importance of the corporate culture.

2. Career Development

The Company regularly organizes training programs which promote knowledge and develop competency for its staff of all levels and in all professional fields, aimed to create a standard of work quality and professionalism.

2.1 Career Development for Engineers

- The Company organizes training courses for engineers and project managers whose work duties involve project management. This course provides knowledge on construction quality controls, cost management, and human resource management for personnel in the projects. The Professional Project Management Program focuses on knowledge and important skills required by engineers and project managers to efficiently and effectively manage projects.

- Courses on Construction Standards for project engineers are intended to create understanding on construction procedures and standards, and ability to analyze the cause of problems in construction works and their solutions, so that these engineers can put the knowledge they have learned from this training program into practice and be capable of controlling the quality of the construction work as per the Company's prescribed standard. They also learn how to find solutions to problems and how to set protective measures against any defects according to the prescribed work standard.

2.2 Career Development for Sales Staff

- Update advisory skills for bank credit application, as well as investment planning and saving. This program provides sales staff with knowledge that is applicable for the development of their sales plans, and enables them to confidently advise their clients on required banking procedure, and assures accurate and prompt services rendered by sales staff to their customers.

- The Course on Sales Closing Techniques for Sales Advisors encourages employees to have the mindset of being a service provider with advisory skills who give attention to understanding their customers, learn their customers' needs and expectations, be able recommend the right products and services, and be able to build customer trust. All of these qualities enable the sales staff to professionally perform their roles, create good relationships with customers and be able to close their sales as per the Company's expectations.

- Control of Sales Standards: The Company arranges to have work assessment done by a consulting firm named MS & Consulting (Thailand) Co., Ltd., who helped develop the evaluation method called "Mystery Shopping" to measure customers' awareness of service standards. The surveys were done for all the Company's projects that are presently on the market. The outcome of such surveys is used for the planning of development and improvement of the work process to better serve the Company's customers.

2.3 Career Development for Customer Service

- The Course on Professional Customer Service Techniques for customer service staff aims to improve attitude, skills, and knowledge of the after-sales service staff in the delivery of professional services. The customer service staff are trained to understand their customers' expectations and encouraged to suitably

respond to such expectations to create excellent customer satisfaction and to reflect a good corporate image while acting as the Company's representatives.

2.4 Career Development for Marketing and Communication

- The Course for Content Marketing is intended for employees to understand principles and methods of content marketing that reach the target group. Participants are trained to correctly choose appropriate tools in marketing planning, as well as design and select content which is suitable to the Company's objective and capable of making marketing strategies that suit the Company's expectation.

3. Leadership Management Development

For effective corporate strategic planning, it is the company's policy to apply Objectives and Key Results (OKRs) concept into practice. The management whose role is to determine corporate strategies has applied this concept for their strategy setting for 2019. This can be considered as a management development via experience-based learning.

As the nature of the business environment continues to rapidly change, the work pattern is required to be dynamic and ready to adjust to changes. The cooperation among every work unit is important to drive the company forward. The Agile Foundation Course is the course that provides management with insight knowledge that pays attention to cooperative working attitudes and adapts themselves to the changing environment. The course also introduces tools that can be used in cross-unit collaboration, for follow-up of work aims to achieve the effective results of the executed projects according to the Company's targets.

Preparation for handling of disruption: The Learn-Unlearn-Relearn in the Disruption Era is another course that the Company organizes for its executives from the level of Assistant Vice President (AVP) up to enable them to be aware and recognize that learning and self-development never stop as the world changes. In their position as leaders of the organization, the management can act as a role model and motivate their staff not to stop learning and working on self-improvement. In a world of changes, being disrupted is something that one must be ready to face and fight against by continuous self-improvement.

Participation in Seminars and Overseas and Domestic Study Trips

The Company encourages its employees to participate in seminars and study trips to visit national and international agencies and organizations to obtain concepts and knowledge in life style planning, innovation, technology, finance, investment, and changes in laws and regulations. The study trips include the visits and participations of Facebook iD8, Milan Design Week, Techsauce Global Summit, Smart Home, SC Expedition Project in collaboration with IDEO, all of which are related to the future trend of dwelling. It also reflects the Company's intention to enhance the potential and ability of its staff so they are able to adjust to global changes, as well as to study new business patterns that can be adapted to apply with the Company's new developments and investments.

As of December 31, 2019, the Company's employees had total internal and external training hours as follows;

Total Number of Employees	877 Persons
Total Training Hours	18,038 Hours
Average Training Hours	21 Hours / Person

CORPORATE GOVERNANCE

1. Corporate Governance Policy

Good governance is a foundation for effective supervision and inspection of corporate administration, and a key element, which enhances long-term growth, as well as sustainable development. Hence, The Company's Board of Directors recognizes the importance of good corporate governance principles, and therefore continually fosters such practices as the key corporate policy as it views that good governance is an essential element for reliability transparency and long-term business prosperity and sustainability as well as support for the corporate resilience which will result the establishment of sustainable growth and value creation. Moreover, such practices ensure the confidence of its shareholders and all stakeholders in the Company while conveniently, promptly, equitably, and efficiently allowing them and the public to be sufficiently informed about the Company's business operations and be able to monitor its corporate accountability. It is also the Company's policy to emphasize the compliance of the prescribed Principles of Good Corporate Governance for Publicly Listed Companies. In the Meeting of Company's Board of Directors No. 1/2554, held on January 12, 2011, the Board of Directors resolved the appointment of the Corporate Governance and Sustainable Development Committee (Please refer to further details in the topic "Corporate Governance and Sustainable Development Committee" Section of this annual report). The main focuses of this Committee's concerns are to ensure the shareholders' rights, equitable treatment towards all shareholders, stakeholder's roles, corporate social & environmental responsibilities, information disclosure, transparency, directors' responsibility, and compliance to the good corporate governance policy.

The Board of Directors arranged to have a printed version of the Good Corporate Governance Policy, of which its contents and material also in compliance with guidance prescribed by the Stock Exchange of Thailand, Principles Of Good Corporate Governance For Publicly Listed Companies (CG Code 2017) prescribed by The Securities and Exchange Commission Thailand as well as practice guidance of related official agencies and principal of Asean Corporte Governance Socrecard (ASEAN CG Scorecard) for elevating the Company's conducts to be of an international standard. This printed policy has been disseminated to the Company's directors, executives, and all its employees via internal e-mail and continually inform and communicate for acknowledgement and compliance. The policy is also distributed to the Company's shareholders and the public via the Company's website.

In addition, the Company also prescribes it's the Company's Code of Conduct and distributes them to the Company's directors, executives, and all its employees of all levels to abide by accordingly. This will enable the Company to run its business with efficiency, transparency, honesty, and accountability. The Code of Conduct are disseminated to the Company's directors, executives, and employees via various channels for their acknowledgement and compliance.

In order to ensure effective compliance of the Company's Good Corporate Governance Policy and Code of Conduct, the Company's Board of Directors and the Corporate Governance and Sustainable Development Committee regularly review and periodically update the policy and code of conduct as weel as its

implementation on an annual basis to ensure that they are up-to-date, adhere to the international standards of good practice and in accordance with its current corporate goals and business strategies. The Company also monitors the compliance of such code of conduct by their employees and also follows-up on business actions undertaken as per the policy and guideline prescribed under such code of conduct, aiming to promote ultimate benefits to its shareholders and stakeholders, as well as achieve its business accomplishment.

The Company believes that a good management system, responsive directors and executives with vision, well-functioning control mechanisms, suitable check and balance measures, and corporate governance processes are important and essential components for sustainable business operations, which shall enable an organization to achieve its corporate mission, planned visions and eventual success goals. Such belief inspires effectiveness and efficiency in its operational conducts that highlight the following principles:

1. For good corporate governance practice, the Board of Directors placed emphasis on leadership, vision, Board of Director's appointment composition, independence, which are implemented through appropriate prescription of qualifications, scope of work, authority, duties, and responsibilities of board members.
2. Equitable treatment of shareholders and stakeholders.
3. Full, adequate, credible, and prompt disclosure of information to all relevant parties.
4. Promotion of appropriate internal controls, internal audit and risk management systems for the purpose of mitigation of potential risks.

In the previous year, the Company continues to implement and abide by the principles of good corporate governance for publicly listed companies as prescribed by the Stock Exchange of Thailand. The principles are grouped into five categories as follows:

Shareholders' Rights

The Company recognizes the rights of its shareholders in supervising its business activities. Its shareholders maintain important roles in the company investments as well as taking part in jointly making decisions on the Company's business direction. The shareholders elected directors to oversee the business management on their behalf as follows:

1. Fundamental Rights of Shareholders

The Company's Board of Directors recognizes its duty to promote and protect the fundamental rights of all shareholders so as to ensure them of their complete basic rights under the prescribed laws such as:

1.1 Shareholders' Rights

The Company's shares are common stock, which are named shares. It does not have any preferred shares. The Company applied to be a publicly listed company in the Stock Exchange of Thailand in the category of real estate development industry, and its shares were publicly traded on November 13, 2003. Its shareholders can hold two types of shares which are

(1) scrip shares, or

(2) scripless shares which are held in a securities account accordingly with the Thailand Securities Depository Co., Ltd. and managed via the actions of the securities companies of which the shareholders are customers.

1.2 Rights to buy, sell, transfer, and be transferred of shares and the rights to receive share certificates.

Every shareholder has the right to freely buy, sell, transfer, and be transferred of shares as well as maintain his/her rights to receive share certificates as per the conditions prescribed by applicable laws and under the Company's Articles of Association. The Company authorizes the Thailand Securities Depository Co., Ltd. (TSD) to act as the Registrar of the Company's shares and to facilitate its shareholders in the matters relating to the Company's share and security registration.

1.3 Right to Obtain Accurate Information

Each shareholder, regardless of how many shares they hold, has their right to receive accurate information on the Company from the Company's Board of Directors without any concealment. In addition, the shareholders are to be provided with dissemination of information on its financial position, business and financial performance, registration information or documents, financial statements, minutes of the shareholders' meetings or minutes of the board of directors' meetings which are compiled accordingly with the Company' s regulations.

1.4 Right to sufficiently and promptly obtain news and information of the Company's business

The Company oversees the shareholder rights to sufficiently, timely and equitably obtain information. In the even that there are incidents which may impact the Company's share prices, investor's investment decisions, or shareholders' beneficiaries, the Company shall promptly disclose its information related to such incidents via the electronic communication network of the Stock Exchange of Thailand and shall display such information and the updates thereof on the Company's website.

1.5 Rights to vote on items in the agenda presented in the meetings of shareholders.

Every shareholder has the right to participate in the shareholders' meetings, and to exercise his/her right to vote on an equitable basis according to the number of shares that he/she holds. The Company's Articles of Association prescribe the "one share-one vote" principle, and allow its shareholders to freely cast their vote without any restriction, whether or not such shareholders attend the shareholder meetings in person, or via proxy voting by assigning their voting rights to the proxy holders such as a designated independent director of the Company, or any other person, for proxy voting purposes. Shareholders can also exercise their pre-cast votes as prescribed in the proxy forms (Form B.) in each meeting agenda and decide on each matter in the agenda as to "affirm", "oppose", or "abstain" from voting. In the event that its shareholder exercises his/her voting rights via proxy voting as prescribed in the proxy forms (Form B.), the Company shall respect his/her voting decisions. The proxy-holders must vote according to the proxy voting instructions made by the appointed shareholder in the proxy, and not otherwise.

The Company prepares ballot forms for vote casting to be distributed to its shareholders who participate in the shareholders' meetings at the meeting registration desk. It also applies a barcode system for the shareholder registration process and vote counting (Please refer to further details in the topic "Encouraging and Facilitating the Company's shareholders to attend the shareholders' meeting Policy" of this annual report).

The Company also invites its legal advisors who are independent outsiders with neither direct nor indirect interest in the Company to be its shareholders' representatives to monitor the vote casting process during shareholder's meeting. The Company shall promptly announce the voting results for each meeting agenda immediately after each vote casting.

1.6 Rights to participate in shareholders' meetings or to appoint another person as his/her proxy to attend a meeting and vote on his/her behalf. (Please refer to further details in the topic "Encouraging and Facilitating the Company's shareholders to attend the shareholders' meeting Policy" of this annual report).

1.7 Equal rights to dividends and other proportionate distributions of profits

Every shareholder is entitled to his/her proportionately receive of profits in terms of dividends. The Company shall make dividend payments according to the proportionate shareholding position of each shareholder (Please refer to further details in the topic "Dividend Payment Policy" of this annual report).

1.8 Rights to equitable treatment for share repurchase

The Company's Articles of Association prohibit it from owning its own shares or to take them in pledge, except in the following circumstances:

A) For protection of the rights of shareholders who cast disapproval votes against the resolution of any meeting of shareholders to amend the Company's Articles of Association relating to the rights to vote and the rights to dividend payment which in the view of such shareholders is deem as unfair treatment. The Company may thus repurchase its shares from such shareholders, or

B) For the purpose of financial management, in the event that the Company has an accumulated profit and surplus liquidity. The Company may thus repurchase its shares given that such share repurchase shall not be a cause of any financial difficulty or problem to the Company

Nevertheless, the repurchased shares held by the Company shall not be counted towards forming a quorum for a shareholders' meeting and shall carry neither voting rights nor rights to dividend payment. The Company shall dispose of the shares repurchase within the time prescribed under its authorized share repurchase scheme. In the event that the Company fails to complete the disposition of such shares repurchase within the prescribed timeframe, it shall make a reduction of its paid-up capital and decrease its shareholder equity through cancellations of the unsold portion of such repurchased shares.

1.9 Right to review directors' remuneration

Shareholders have the right to consider and determine all type of Directors' remuneration, whether in cash or in kind other than cash, such as meeting allowances, bonus, pensions, and other types of benefits. The Company shall annually make proposals to the shareholders' meeting to consider and determine its Directors' remuneration. The Company has clear policy, process, and rules in reviewing the remuneration for Directors and a clear procedure in submitting such remuneration to the Company's shareholders for their approval. The Company has also submitted its policy on the remuneration for Directors together with the remuneration criteria for each director position and each relevant remuneration amount for consideration of shareholders during the said shareholders' meeting. (Please refer to further details in the topic "Director and Executive Remuneration" Section of this annual report)..

1.10 Right to appoint and remove directors

The Company's Articles of Association prescribe that at every annual general meeting of shareholders, one-third (1/3) of the present directors must be retired from office, and an election of a new directors is carried out to replace them. Retiring directors are eligible for re-election by the shareholders at the annual general meeting of the Company.

Shareholders have the right to remove any director from office before the expiration of his/her period of office via the resolution of the shareholder's meeting by having votes of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having the right to vote and holding no less than one-half of the shares held by all the shareholders attending the meeting and having the right to vote.

1.11 Right to approve the appointment of the Company's auditors and to determine the audit fee

The Company submits its proposal for appointment of auditors and their proposed audit fee, together with completed attached details thereof, to the annual general meeting of shareholders for consideration and authorization. In selecting the candidates for the auditor appointment proposal, the Company looks into their independency and also ensures that there are no conflicts of interest in performing their roles as the Company's auditors

1.12 Rights to set or amend the Company's Articles of Association and/or Memorandum of Association

Shareholders have the right to set or amend the Company's Articles of Association and/or Memorandum of Association as per the conditions prescribed by the Company's Articles of Association. Such amendment requires the resolution of the shareholders' meeting by having votes of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having their rights to vote.

1.13 Right to authorize specific transactions, connected transactions, or transactions related to acquisition or disposal of assets in the size as prescribed by laws or related regulations or to make decisions and grant approval to any other matters that may materially impact the Company.

1.14 In the event that any shareholders are entering into any Shareholder Agreement, the Company shall take steps to ensure that such Shareholder Agreement will not materially affect the Company or other shareholders.

In addition, the Company provides its shareholders with more rights than legally prescribed and at a higher standard than the basic structure for direction and the control of corporate good governance. These include the facilitation of shareholder participation in the Company's annual general meeting of shareholders (Please refer to further details in the topic "Encouraging and Facilitating the Company's shareholders to attend the shareholders' meeting Policy" of this annual report).The Company also recognizes the importance of full disclosure and proper dissemination of information to its shareholders in a prompt, timely, and adequate manner via shareholder notifications, dissemination of information on the Company's Website (www.scasset.com), publishing and distributing of the Company's newsletter, arrangement of company and development site visits, and reporting of the Company's operating performances.

2. Right of Business Owners

Each shareholder has his or her right of business owner equitably in proportion to their ownership of the Company's shares. The shareholders exercise their controls and oversight rights via the appointment of the members of the Board of Directors to act on their behalf. The shareholders have their rights and freedom in making decisions on significant changes of the company as follows:

2.1 Right to Sell or to Transfer Business

The Board of Directors has a role and duty to manage the Company's business and its growth in accordance with shareholders' policies, without the right to sell or to transfer, a part or all of the Company's business, or an

important portion thereof, to other individuals. In the event of a sale or a transfer of business to another individual, the said action needs to be approved by the shareholders' meeting which shall require votes not less than three-forth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.

2.2 Right to Buy or to Accept Business Transfers

In the event that the Company intends to buy or accept any business transfer from another company or other private company to be its own, this action is deemed as a significant change in its investment plan and its risk is far beyond the authority of the Board of Directors, therefore, any buying or any acceptance of business transfer from another company by the Company needs to be approved by the shareholders' meeting which shall require votes not less than three-forth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.

2.3 Right to Make, Amend or Terminate Contracts Related to the Renting of a Business

The Board of Directors has no authority to make, amend, or cancel any contracts related to the renting of any part or all of the business, or an important portion thereof, including assigning another individual to manage the business of the Company or to merge the business with another with the intention of sharing the profit or loss. All of the aforementioned actions represent a decision to make a significant change in the business objectives of the Company, the making, amendment or termination contracts related to the renting of a business needs to be approved by the shareholders' meeting which shall require rvotes not less than three-forth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote. .

2.4 Right to Increase or Reduce Registered Capital

The increase or the reduction of the registered capital which impacts the business of the Company, and every shareholder, whether positively or negatively must be decided by the Company's shareholders as per the recommendations proposed by the Board of Directors on the matter. In the event of capital increase or reduction, Increase or Reduce Registered Capital needs to be approved by the shareholders' meeting which shall require votes not less than three-forth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.

2.5 Right to a Merger

The Board of Directors has no authority to merge the Company's business with any other company or with another private company. The merger or amalgamation needs to be approved by the shareholders' meeting which shall require votes not less than three-forth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.

2.6 Right to Dissolve

Upon the decision of the shareholders that the Company's business under the management of the Board of Directors is no longer valid, the dissolution of the Company needs to be approved by the shareholders' meeting which shall require votes not less than three-forth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.

3. Encouraging and Facilitating the Company's Shareholders to Attend the Shareholders' Meeting Policy"

The Company recognizes the importance of the rights and equitability of all shareholders, whether a Thai or a foreigner, a minority shareholder or an institutional investor. Thus, to promote the opportunities for all shareholders to exercise their rights and to fully participate in the decision on governance direction of the Company's business, the Company has prescribed its encouraging and facilitating the Company's shareholders to attend the shareholders' meeting Policy as follows

3.1 Having transparency and efficiency in the arrangement process for meetings of shareholders, as well as maintain their legal and regulatory compliance, in accordance with laws and the Company's Articles of Association.

3.2 Overseeing that the shareholders obtain accurate and sufficient information within the appropriate time scope by arranging to have

- The invitation letter of the shareholders' meetings that completely prescribe date, time, and venue of the meetings, as well as the list of meeting agenda, and relevant attached information for each agenda that are sufficient for decision making. Additionally, the Company also sends documents and evidence required for the proxy assignment process to its shareholders. The Company shall send this invitation letter to its shareholders at least 14 days in advance of the shareholders' meeting dates.

- The invitation letter of the shareholders' meetings shall be disseminated together with relevant attached information both in Thai and English on the Company's website, at least 30 days in advance of the shareholders' meeting dates. This information will also be informed via the electronic communication network of the Stock Exchange of Thailand.

- The invitation letter of the shareholders' meeting shall be published on newspaper for a consecutive period of not less than 3 days and 7 days prior to the day of meeting.

3.3 Prescriing date, time and venue of the meetings that is most convenient to the shareholders, for each of the shareholders' meetings. The Company shall not arrange a shareholder meeting on any holiday or any commercial bank holiday and non-business day for more than 3 consecutive days, and shall convene meetings during normal working hours in the district where the Company's head office is located. In order to facilitate the participation of the shareholders' meetings, the Company shall send a map, transportation details, contact phone number to its shareholders together with the invitation letter of the shareholders' meetings. Furthermore, the Company assigns the Company Secretary and the Department of Administrative Supervision to provide information as well as to coordinate and facilitate the meetings with the shareholders or investors.

3.4 Facilitating shareholders during the registration required for the shareholders' meetings by allowing shareholders to register their meeting attendance at least 2 hours in advance of the shareholders' meeting time.

3.5 Allowing each shareholder who is not able to personally participate in any of the shareholders' meetings to assign their rights via proxy to their representatives or to any of the Company's independent directors whose names are prescribed by the Company to participate in the shareholders' meetings and to vote on their behalf. The Company shall send to its shareholders, together with the invitation letter of the shareholders' meetings, the proxy form in the form prescribed by the Department of Business Development, Ministry of Commerce. The shareholders can cast their vote in advance by completing the proxy form (Form B) or assigning their right to vote to their representatives who attend the meeting via their relevant proxy.

For vote casting on each agenda of the meeting, the Company would like to encourage its shareholders to use the proxy form (Form B) of which the shareholders can make their own voting decision. In the event that the shareholders have cast their votes via the use of the proxy form (Form B), the Company shall respect the shareholders' decision and the representatives of such shareholders who attend the meeting via proxy will not be entitled to cast their votes in a manner which is contradictory to the proxy form (Form B).

3.6 Providing without cost the duty stamp required for the voting right proxy for the authorized representative to its shareholders who participate in the shareholders' meetings at the meeting registration desk. These acts not only ease the shareholders from any unnecessary inconvenience from the duty stamp burden but also reflect the Company's attempts to well facilitate its shareholders with an effort of good- in all other aspects. The meetings are convened by reducing any unnecessary meeting procedures or reducing any limitations that precludes a shareholder from reviewing the Company's information, as well as not undertaking any actions that prevent or obstruct communications among shareholders

3.7 Applying the barcode system to facilitate its shareholders in the shareholders' meetings in respect of registration, voting, and counting of votes. The system speeds up the processing time and enables the Company to promptly display the number of meeting participants, and the voting results for each agenda item.

3.8 Allowing each shareholder their equitable right to express their opinion or to raise a question on each agenda item, and appropriately allocate sufficient time for this. All questions and important suggestions raised during the shareholders' meetings will be fully recorded in the relevant minutes of the shareholders' meetings.

3.9 Enable shareholders, stakeholders and interested investors who cannot attend the shareholders' meetings to watch the live broadcasting of the shareholders' meetings. The Company makes live broadcasts of the shareholders' meetings and makes video recording of such meetings for viewers to view on its website (www.scasset.com) under the "Investor Relations" section.

Facilitating the Company's shareholders to attend the 2019 Annual General Meeting of Shareholders

The Company strictly complied with the Encouraging and Facilitating the Company's shareholders to attend the shareholders' meeting Policy by holding its Annual General Meeting of Shareholders on April 25, 2019 from 2.00 p.m. to 5.30 p.m. at Auditorium room, 9th Floor, Shinnawatra Tower III, Viphavadi Rangsit Road, Bangkok Metropolitan, where the Company's Head Office is located, and its shareholders are able to conveniently travel to participate as the building is easily accessible by public transportation systems such as the BTS (Mor Chit station and Paholyothin24 station), and the MRT (Chatuchak station and Paholyothin station). The Company dispatched the invitation letter of the shareholders' meetings along with appendixes to shareholders 21 days in advance and published on the Company's website 35 days in advance and also attached a location map with travel information and contact numbers together with the meeting notification which was distributed to its shareholders. The notifications of shareholders' meeting distributed to all shareholders clearly stating the proposed meeting agenda for each relevant shareholder's meeting. Sufficient information concerning the proposed meeting agenda is also attached to the meeting's notifications that are forwarded to shareholders prior to the meeting date.

The Company applies the barcode system to facilitate its shareholders in the shareholders' meetings in respect of registration, voting, and counting of votes. Additionally, the Company allows sufficient time for shareholders, stakeholders, and investors to freely raise questions or make any suggestions to the Board of Directors for each of the meeting agenda items. This is totally undertaken in accordance with the Company's policy towards facilitating, encouraging and providing convenience to shareholders' participating in the shareholders' meetings.

4. The practice of providing shareholders the right to attend the meetings and 2019 Annual General Meeting of Shareholders

The Company recognizes the importance of shareholders' participation in the decision-making of issues with which may impact or relate to their own interests and rights as shareholders through the shareholders' meetings. The Company's Board of Directors resolved to have an annual general shareholders' meeting within 4 months after the Company's financial year-end and any other subsequent shareholders' meeting shall be called an extraordinary general meeting of the shareholders which can be convened in the case of necessity. In order to fully provide the equitable right to attend the shareholders' meetings, the Company has prescribed the practice as follows;

4.1 Procedure Prior to Convening Shareholders' Meetings

(1) Shareholders' Ordinary Meeting

• The Company disseminated the schedule of the 2019 Annual General Meeting of Shareholders in advance via the electronic communication network of the Stock Exchange of Thailand, aiming for all its shareholders to be rightly informed of the schedule. The information was disclosed via Set Portal system on February 20, 2019.

• In order to encourage the shareholders to fully exercise their rights, prior the date of the 2019 Annual General Meeting of Shareholders, the Company offers its shareholders the chances to propose any additional meeting agenda and nominate names of qualified candidates for the Company's available director positions during the period between September 18, 2018 and January 31, 2019. The Company also posted the information on process, procedure, and guideline on its website (www.scasset.com) and disseminated such informed to its shareholders via the electronic communication network of the Stock Exchange of Thailand. As for the election of its new directors, the Company's shareholders shall be requested to cast their votes on each individual nomination on a one to one basis in order to ensure that shareholders can elect the candidate that they actually want. In 2019, no shareholders proposed any additional meeting agenda, or nominated names of qualified candidates for the Company's available director positions prior to the meeting date

• In addition, the Company provides opportunities for shareholders to submit their enquiries regarding details of the meeting agenda or other material information of the Company during the period of September 19, 2018 – March 31, 2019. The Company clearly prescribed the rules for the submission of questions in advance of the shareholders' meeting date and posted them on its Website (www.scasset.com). No shareholders submitted their enquiries prior to the meeting date

• The Company set the Record Date for the precise determination of shareholders' right to attend in the shareholders' meeting of the Company and to receive dividend distribution. In order to allow its shareholders to have additional time to study the Company's information in advance of the meeting dates, the Company set different dates for the "date of record" to determine which shareholders would be able to participate in the annual general meeting; and the "ex-dividend date" to determine which shareholders have their rights to dividend payment. After the Company's Board of Directors resolved to set the date of the annual general meeting, the record dates for annual general meeting attendance and of divided payment rights, the Company shall promptly reported such board's resolution to the Stock Exchange of Thailand for timely dissemination to its shareholders.

• For the 2019 Annual General Meeting of Shareholders held on April 25, 2019 the Company had set its Record Date on March 14, 2019, and set the Record Date to determine the names of shareholders who were

eligible to receive dividend distribution on May 7, 2019. The determination of the relevant list of shareholders who eligible to receive dividend payment were made at least 5 days following the resolution of the annual general meeting authorizing the dividend payment; this practice has always been observed by the Company to best ensure the efficient exercise of shareholder rights.

(2) Invitation Letter to Attend the Meetings

• In 2019, the Company sent its invitation letters of the shareholders' meetings dated March 20, 2019 together with relevant attachments thereof that included related purpose and reason of matters of the agenda items with opinions clearly expressed by members of the Company's Board of Directors and/or the members of the sub-committee included therein. The Company disseminated these invitation letters of the shareholders' meetings, both in Thai and English, no less than 21 days in advance of the relevant shareholders' meeting. This is intended to assure that its shareholders will have sufficient time to review the relevant details and be clearly aware of the purpose and reason of each of the agenda items prior to their participation in the shareholders' meeting.

• The Company distinctly prescribes each agenda item on the meeting agenda for shareholders' meetings such as the meeting agenda related to directors whereby, there are separate agenda items on the election of directors and the remuneration of directors etc., and no other agendas being proposed in the meeting. The Company will avoid adding any agenda that had not been identified in advance as it will not be fair to the shareholders who are unable to attend the meeting. However, the Company also informs the shareholders in its invitation letter calling for the shareholders' meeting that, according to Section 105, Paragraph 2 of the Public Limited Companies Act, B.E.2535 the shareholders may propose to the shareholders' meeting to consider matters other than those proposed in the invitation letter calling for the meeting if such matters are proposed by the shareholders holding the total number of shares no less than one-third of the Company's total issued shares.

• Regarding the appointment of directors, which the shareholders are provided an opportunity to consider and elect each board member individually, the Company provides the names and brief bio-data of each director to be appointed such as such as name-surname, age, educational background, work experience, number of companies in which the person holds office as a director and if such companies are publicly listed companies or non-listed companies, criterias and procedures for nomination, type of directorship namely director or independent director. In the event of nomination of director who retires for re-appointment, there shall be information provided on the record of his past-year meeting attendance as well as the date/month/year of his appointment as the Company's director. Similarly, as for the appointment of the external auditor, the Company will clearly identify the name of the auditor, his/her affiliated company, experience, skills, independence and the length of duration that the proposed auditor had been the auditor at the Company including his/her audit fees. Also, the Company will propose at the meeting to dividend payment. The Company's dividend payment policy will be announced with the dividend rates being proposed to the shareholders along with reasons and background information for their consideration (Please refer to further details in the topic "Dividend Payment Policy" Section of this annual report).

• In addition, regarding the directors' remuneration, the Company has announced of the clear policy and criteria for remunerating the directors holding positions on the Board of Directors and on sub-committees. The remuneration in the form of financial benefits pertaining to meeting fees, bonuses and any other form (if any) are proposed to the shareholders for approval.

• In regard to the shareholders' meeting, in invitation letter, the company will inform the list of 2 independent directors in order for the shareholders absent from the meeting to choose whether to appoint

independent directors or other shareholders as their proxies at his/her own discretion. With respect to the voting of each agenda, the shareholders can vote as pre-specified in proxy forms or their proxies can vote for all agendas at the meeting. However, for proxy voting, the Company encourages its shareholders to use Proxy Form B, which clearly specifies voting decisions and authority to be delegated to the proxy.

(3) Meeting Invitation

• The Company prescribes that the Company Secretary is responsible for making the meeting appointment, preparing the invitation letter of the meeting, meeting documents, and relevant attachments, as well as to ensure that details of all these relevant materials and its attachments are complete and adequate. The Thailand Securities Depository Company Limited, who acts as the registrar of the Company's shares, shall distribute the notices of meeting invitations along with their attachments to all shareholders prior to every meeting date and earlier than the time frame prescribed by law or 14 days in advance approximately allowing shareholders to have sufficient time to review the agenda information before participating in the meetings. In the 2019 Annual General Meeting of Shareholders, the Company dispatched a printed letter of invitation letter for the shareholders' meeting and relevant attachments to all shareholders 21 days in advance or on April 3, 2019

• To provide another channel for the shareholders to assess the information, the Company distributed the invitation letter for the shareholders' meeting together with relevant attachments in Portable Document Format (PDF) both Thai and English for easy access by foreign shareholders, which can also be downloaded from the Company's Website (www.scasset.com), no less than 30 in advance of the relevant shareholders' meeting. In the 2019 Annual General Meeting of Shareholders, the Company disseminated the invitation letter for the shareholders' meeting together with relevant attachments in Portable Document Format (PDF) both Thai and English 35 days in advance of such meeting or on March 20, 2019

4.2 Shareholders' Meeting Procedures

(1) In order to facilitate the shareholders to attend the meetings' the Company has prescribed the guidelines that the documents required as identification evidence prior to attending the meeting are as follows;

• Self – Attending: identity cards, or government official identity cards, or state enterprise official identity cards, or passports, or other official identity cards are required to present

• Proxy: a proxy holder can present a copy of the identification card or passport or any copy of documents that can serve as evidence of identity of the shareholder who has assigned the proxy. There is no requirement for the use of an original identification card or passport. This practice is intended to ease the shareholders' burden in granting a proxy.

(2) Do Not Promote Gift-Giving to Encourage Engagement in Shareholders' Meetings

The Company recognizes the importance of shareholders' meetings, of which its primary objective is for its shareholders to participate in key corporate decisions, other than granting oversight and management authority to the Board of Directors. Thus, in order to pursue this ultimate objective of the shareholders' meetings, the Company has prescribed its policy prohibiting the giving of corporate gifts during any of its shareholders' meetings. This attempt aims to lessen any motivation other than the said ultimate objective for engagement in the meetings, as well as to avoid any possibility of inducing improper conduct. In addition this policy reduces irrelevant expenses related to this gift-giving which in turn will be of benefit to the shareholders. This attempt also helps promote ethical conduct and a culture of good compliance for a publicly listed company.

Since 2016 the Company ceased it corporate gift-giving during the Annual General Meeting of Shareholder. The decision was stated in the invitation letter for its shareholders' meetings in advance every year.

(3) The 2019 Annual General Meeting of Shareholders

In the previous Annual General Meeting of Shareholders for the year 2019, 9 out of 9 directors accounting for 100% attended the meeting, the Chairman of the Board of Directors, the Chairman of the Audit Committee, the Chairman of the Nomination and Remuneration Committee, the Chairman of the Corporate Governance and Sustainable Development Committee, the Chairman of the Risk Management Committee, as well as the Company's first 4 executives, and the Company's certified independent auditors and independent legal advisors jointly attended the meeting from the start. The Company's Board of Directors and its four top executives were introduced to the meeting to answer shareholders' questions. On the date of each meeting, the names and titles of the Company's directors, who participated in the meeting, were recorded in the minutes of such shareholder's meeting in order that its shareholders could monitor the directors' participation in each of the shareholders' meetings. It also provided qualified staff to facilitate the meeting arrangements and to explain to shareholders, who may have any questions or doubts on the vote casting procedure.

Prior to the beginning of the meeting, the Company clearly informed its shareholders regarding their voting rights, voting and vote counting procedure including the number and the proportion of shareholders attending the meeting on theirs' own and proxy.

The agenda covered during the meeting followed the sequence, which was prescribed in the invitation letter for the shareholders' meeting, and did not instantly distribute any additional important information, add any insertion of any additional agenda in excess of those which had already been informed, or alter any important information without prior notification to its shareholders. The Company did not limit any participation rights of the shareholders who arrived late, and allowed those shareholders who came after the meeting had started to exercise their voting right or cast their vote ballots on the agenda item then under consideration, but was not yet voted on. The Chairman of the meeting allocated sufficient deliberation time for each agenda and oversee that the meeting was properly and transparently convened as per the agenda sequence prescribed in the invitation letter for the shareholders' meeting. The Company also provided the opportunity for shareholders to conveniently exercise their rights and equality by expressing their opinions and questioning the board members on matters relating to the Company's operations in order to fully ensure accountability in governance, which all opinion and question raised by shareholders are recorded in the minute of shareholders' meeting.

The Company's Board of Directors allows its shareholders to have the rights and equitability in questioning and expressing their opinions in each agenda item on the meeting agenda to its board members on corporate matters relating to the prescribed meeting agenda items or on any proposed issue in the meeting. The Chairman of the meeting also performed his duty of encouraging shareholders to exchange opinions and raise questions during the meeting. The details of the shareholders' query and important suggestions are written down in the Minutes of the Shareholders' Meeting.

The Company arranged to have live broadcasting of the meeting on its website (www.scasset.com) to air the event for shareholders and investors who were interested in but unable to physically attend the meeting.

For transparency in the voting count at the shareholders' meeting and to ensure that it was transparent and legal, based on the law and also complied with the Company's Articles of Association, the Company invited Mr. Sumethi Inn-Nu, an independent legal advisor with no interest in the Company, to represent shareholders

to verify the voting and vote counting of each agenda item in the meeting. In addition, the Company invited its external auditor, Mrs. Anothai Leekitwattana, Ms. Wannawat Kujareevanich and Ms. Peerada Ratchaiboon representatives from PricewaterhouseCoopers ABAS Company Limited, the certified external auditor of the Company to participate in the shareholders' meeting to answer any inquiries and questions regarding financial statements and financial information.

In 2019, there was one Annual General Meeting of Shareholders held on the April 25, 2019 at Shinawatra Tower III, Viphavadee Rangsit Road. The following table shows details of the accumulated records of attendance to the shareholders' meeting by the Company's Board members since 2004 as follows:

Directors	Number of Attendance / Number of Meeting	
	Shareholder Meeting 2004-2019	Shareholder Meeting 2019
1. Mr. Rath Kitivejosoth	16/16	1/1
2. Mr. Nuttaphong Kunakornwong	8/8	1/1
3. Mr. Nathpath Ouajai	14/14	1/1
4. Mr. Kunodom Tharmmaphornphilas	14/14	1/1
5. Mr. Prasert Samanawong	13/13	1/1
6. Mr. Precha Sekhararidhi	13/13	1/1
7. Mr. Songsak Premsuk	4/4	1/1
8. Ms. Vilasinee Puddhikarant	3/4	1/1
9 Mr. Attapol Sariddipuntawat	3/3	1/1

4.3 Procedure After Shareholders' Meetings

(1) Disclosure of Resolution of the Meeting

The Company had disclosed the resolutions of the Annual General Meeting of Shareholders with result of the vote after closing of shareholder's meeting or within 9.00 a.m. of the next working day on such resolutions via its news release to the Stock Exchange of Thailand and the Company's website www.scasset.com. In 2019 Annual General Meeting of shareholders, the Company disclosed its resolutions and vote result within the date of meeting, which was April 25, 2019.

(2) The Minutes of Shareholders' Meeting

After closing the shareholders' meeting the Company recorded and prepared the minutes of the meeting, both Thai and English versions. , The minutes contains of the list of directors and top executives, with names and positions provided, attending the meeting, the proportion of directors attending the meeting, the number and proportion of the shareholders attending the meeting in person and those appointing proxies to attend on their behalf, comprising explanation of the voting procedures, the ballot casting, shareholders' enquiries, opinions and important comments, and completed answers to those enquiries and the full name of questioner and answerer, for the benefit of the shareholders, who did not attend the meeting. Each agenda also contains recorded resolutions and voting results, either vote for, approve, disapprove or abstain.

In addition, the Company had publicized Clip File on the Company's website (www.scasset.com) to serve shareholders who unable to attend the meeting and interested investors. The minutes of the meeting had been forwarded to the Stock Exchange of Thailand (SET) and relevant agencies and such information will be displayed on the Company's website within 14 days from the date of the meeting.

In 2019, the Company had forwarded the minute of the Annual General Meeting of Shareholders to the Stock Exchange of Thailand (SET) and displayed on its website within 13 days, which was on May 8, 2019.

Equitable Treatment of Shareholders

The Company respects the equal treatment of all shareholders and implements policies that equally and fairly treat the shareholders. The policies are to entirely disclose all the Company's information and to protect the rights of shareholders in every group including majority shareholders, minority shareholders, institutional shareholders, as well as foreign shareholders. In addition, the shareholders' interest is also looked after justly and is protected from being exploited from any person who has controlling power. The Company undertakes to equitably treat the shareholders as follows:

1. Type of Shares and Voting Rights

The Company has determined that there shall be one type of share, i.e. common share with the owner's name specified on the certificate, with an equal voting right, i.e. "one share, one vote."

2. Proposal for Additional Meeting Agenda and Nomination for Qualified Person of Being Appointed as Director before the Shareholders' Meeting

To promote good corporate governance, the Company assigns the Company Secretary to notify shareholders via the electronic communication network of the Stock Exchange of Thailand and the Company's Website at least 3 months in advance prior to the end of the fiscal year to encourage all shareholders, including the minority shareholders, a single shareholder or many shareholders, whose total shares account for not less than 50,000 shares (or 0.001% of the current number of shares) of the Company's total outstanding shares, to exercise their rights to propose any additional meeting agenda in the shareholders' meetings and to nominate names of qualified candidates, who have no prohibited character under the rules determined by the law and the Company's Articles of Association, for the Company's available director positions in advance of the Annual General Meeting of Shareholders. The Company announces the rules to shareholders regarding the right and nomination method via the electronic communication network of the Stock Exchange of Thailand and the Company's Website. Shareholders can propose to the Company any additional meeting agenda and nominate names of qualified candidates for directorship in advance of the Annual General Meeting of Shareholders (AGM) via the Proposal of the Additional Meeting Agenda for AGM (Form A) and the Proposal for the Nomination of Qualified Candidate(s) for a Director Position in Advance of the AGM (Form B) which can both be downloaded from the Company's Website (www.scasset.com) in the "Investors Relation" section under the heading of "Shareholders' information" / Shareholders' Meeting", and the consideration result shall be notified to shareholders at AGM.

In 2019, the Company gave the opportunity to shareholders to propose additional agenda and to nominate persons to be appointed as directors at the 2019 Annual General Meeting of Shareholders between September 18, 2018 - January 31, 2019; however, no shareholders proposed any additional meeting agenda, nor nominated names of qualified candidates for the Company's available director positions prior to the meeting date.

3. Submitting Question before the Shareholders' Meeting

The Company takes into account the right and equality of shareholder according to the principle of good governance. Therefore, the Company encourages shareholder to submit question in advance to the Company at least 3 months before the end of the fiscal year to ask for information relating to the Annual General Meeting of Shareholders in each agenda, or other important information of the Company. The Company presents details of the procedures for submitting question in advance on the Company's Website at www.scasset.com. The shareholders are required to use the Form to propose question(s) for Annual General Meeting of Shareholders in advance (Form C) to submit their question(s). The Form C is available for download on the Company's Website at www.scasset.com in Investors Relation section under the heading of "Shareholder Information" / "Shareholders Meeting" and they can send their question(s) to the Company Secretary via post, email or fax (0-2949-2221).

In 2019, the Company gave the opportunity to shareholders to submit their question(s) in advance prior to the 2019 Annual General Meeting of Shareholders between September 19, 2018 and March 31, 2019; however, no shareholders submitted the questions before the shareholders' meeting.

4. Shareholders Meeting Agenda

At each meeting of shareholders, the Company would determine clear agenda item and the meeting will proceed in the order of the agendas notified in the meeting's invitation letter, and there will not be other agendas to be added to the meeting without notifying shareholders in advance. However, the shareholders who attend the meeting and have shares that are totaled to at least one-third of total outstanding shares sold may request the meeting to consider other matters other than the matter determined in the meeting's invitation letter.

From the year 2003 to 2019, no other agenda or issues or change in the material information were proposed for consideration in the meeting in addition to the agenda mentioned in the Notice to the Meeting

5. Shareholders' Meeting Invitation Letter and Meeting's Supporting Document

The Company treats each shareholder equally regardless whether they are majority shareholders, minority shareholders, or foreign shareholders. At Annual General Meeting of Shareholders for the year 2019, all shareholders received information on the agendas in advance. Besides, although most shareholders are Thai, the Company also prepared the meeting's invitation letter and meeting's relevant supporting documents in 2 languages, i.e. Thai and English, to facilitate both Thai and foreign shareholders. The Company also published complete meeting notices in both Thai and English on the Company's Website (www.scasset.com), at least 30 days in advance before the Annual General Meeting of Shareholders, which is the same information that the Company sent to shareholders in a form of document. The Company sent the invitation letter as well as sufficient agenda documents to shareholders at least 14 days in advance. The English version of the invitation letter was published at the same time at the Thai version. Information in the invitation letter consisted of rule and method of attending the meeting, and there was sufficient information of each agenda for decision making.

In 2019, the Company published Invitation Letter for shareholder' meeting and relevant supporting document both Thai and English languages version 35 days in advance, i.e. March 20, 2019, and the Invitation Letter of the 2019 Annual General Meeting of Shareholders was distributed to shareholders 21 days in advance, i.e. April 3, 2019. The Annual General Meeting of Shareholders for the year 2019 was held on April 25, 2019.

6. Explanation for Procedure and Rule Used in the Meeting

The Company has a policy for holding the shareholders' meeting to ensure that the procedure is simple and easy to understand, unsophisticated, and allow shareholders to be aware of the information and attending the meeting. Every time before the meeting discusses the agenda to be considered, the Company Secretary would introduce directors, executives, as well as certified public accountants of the Company to shareholders for enquiry. The Company, additionally, informs the number and proportion of the shareholders attending the meeting in person and those appointing proxies to attend on their behalf as well as explain procedure of exercising the right of shareholders at every shareholder's meeting to allow questions to be enquired, and comment to be made to directors, explanation from directors in each agenda, as well as procedure for voting, voting count, and presenting voting result before the meeting.

In 2019, the Company provided the meeting guidelines and details of shareholding evidence necessary for attending the meeting in the Notice to facilitate the shareholders, attending the meeting in person or appointing proxies to attend on their behalf, to prepare the correct documentation in order to avoid any problems relating to meeting attendance.

The Company has recorded the pre-meeting clarification procedures in all the minutes of the Annual General Meeting of Shareholders.

7. Inquiries Made to the Directors at the Shareholders' Meeting

The Company has set the policy that the shareholders' right to ask questions and give comments shall not be limited by the number of shares held, whether they are Thai nationals or foreigners. At the end of each agenda item, the Chairman of the Meeting will give opportunites to all shareholders to raise hands, give their names and number of shares held prior to giving comments or asking questions within an adequate time frame as may be required. For each item of the agenda, the directors shall answer all questions posed in relation to the Company's business and operations and record them in the Minutes of the Shareholders' Meeting for the knowledge of the shareholders who are not present in such shareholders' meeting. In case of foreign shareholders, the Company has provided staff to translate the ask-answer session into Thai for the benefit of the Thai shareholders.

In the 2019 Annual General Meeting of Shareholders, the Company recorded the names, family names of 1 shareholders, their inquiries and comments in the minutes of meeting.

8. Director's Conflict of Interest Relating to Agenda Item under Consideration

The Board of Directors has set a practice requiring that all directors report any conflict of interest relating to the agenda item under consideration to the Board in advance of the meetings of the Board and shareholders.

Directors with a conflict of interest must provide the relevant information to the Board prior to the session and excuse themselves from participating in the discussion and voting thereafter, in order that such session is carried out in a just and transparent manner. The Company Secretary shall record such related information in the minutes of every board meeting.

In case of the shareholders' meeting, a director with any conflict of interest is required to report the information to the Board and Company Secretary at the time of preparing the agenda for the Annual General Shareholders' Meeting. The Company Secretary shall provide the relevant information in the Notice to the Meeting and request the Director with a conflict of interest to leave before the session starts in order to enable the shareholders to freely ask questions and give comments prior to voting, details of which shall be recorded in the minutes, both in the Thai and English versions.

9. Voting, Voting Count and Voting Verification at the Shareholders' Meeting

Apart from notifying all shareholders of the procedure and the method for voting in each agenda before every meeting, the Company provides ballots for every agenda voting, and voting count. Barcode is applied at the shareholders' meeting to make voting and voting count quicker. The Company would immediately present result of shareholders' votes for every agenda that requires voting. For transparency in the voting and voting count at every shareholders' meeting, the Company always invites an independent legal advisor, who is independent and has no interest in the Company, to represent shareholders to verify the voting at the meeting, as well as overseeing the shareholders' meeting to ensure that it is transparent and legal in accordance with relevant laws and the Company's Articles of Association.

10. Voting Result Presentation

The Company shall immediately present the results of voting on each meeting agenda after the voting. After the meeting, the Company shall report all voting results via the Electronic Communication Network of the Stock Exchange of Thailand and the Company's Website (www.scasset.com) on the same day as the shareholders' meeting date, or no later than 9.00 A.M. on the next working day.

In 2019, the Company disseminated the Annual General Meeting of Shareholders' resolution together with the results of votes cast after such meeting convened on April 25, 2019 for all shareholders to review.

11. Auditor's Participation at the Shareholders' Meeting

The Company will invite the Company's certified public accountant to attend every shareholder's meeting to answer queries and questions relating to the Company's financial statement, which shareholders may enquire the question directly. Furthermore, during the meeting, all shareholders may comment and ask any question relating to the agenda or important information of the Company and the Company will document important question and matter comment in the minutes of meeting.

In 2019, the Company invited Mrs. Anothai Leekitwattana, Certified Public Accountant No. 3442, Ms. Wannawat Kujareevanich and Ms. Peerada Ratchaiboon as representatives from PricewaterhouseCoopers ABAS Company Limited to participate in the shareholders' meeting to answer any inquiries raised by shareholders.

12. Broadcasting of the Annual General Meeting of Shareholders

The Company normally supplies its shareholders with the video clip of such meeting on the Company's website (www.scasset.com) in order that its shareholders who are interested but do not participate in any of such shareholders' meetings can be fully informed about the meetings.

13. Proxy

The Company publicized to shareholders that in the case when shareholder cannot attend the meeting in person, the Company shall facilitate its shareholders by delivering a proxy Form B which allowed shareholders to direct their vote cast in each meeting agenda, i.e. Approve, Disapprove, or Abstain, sent together with the invitation letter of shareholders' meetings, or shareholders can download a proxy either Form A or Form C (for Custodian) both in Thai and English Version from the Company's Website (www.scasset.com) in Investors Relations section, under the heading of "Shareholder Information / Notice". The shareholders can authorize representative or name any one of the two selected Company's Independent Directors appointed particularly

for this assignment to attend the shareholders' meeting on their behalf. Furthermore, for validity and to avoid any difficulty in attending the meeting by the proxy, the Company presents information of meeting, agendas including procedure, document, and evidence required for the proxy in the notice, and on the Company's Website without determining condition or rule that require document certification by government authority or other rules that cause difficulty to shareholder in the proxy, as well as the Company facilitates stamp duty service in the proxy letter for the proxy to attend the meeting, and photocopy service required as attachment without any service fee at the point of registration to reduce the burden of having to procure stamp duty and photocopy of shareholders.

In the 2019 Annual General Meeting of Shareholders, there were 531 shareholders attending the meetings, 218 shareholders presented in person while 313 shareholders by proxy. Regarding the proxy, 261 shareholders appointed other persons to atten the meeting by proxy and 52 shareholders appointed the assigned independent directors to atten the meeting by proxy.

14. Preparing and Publishing the Minutes of Shareholders' Meeting

For shareholders to be aware and verify detail of the shareholders' meeting within appropriate time, and to ensure that information provision to Thai and foreign shareholders to be equal, the Company has a policy to completely publish the minutes of shareholders' meeting, which consists of important information such as subject matter of the agendas, meeting resolutions, voting result; Approve, Disapprove, and Abstain, enquiries, explanations, and comments at the meeting both in Thai and English on the Company's Website, (www.scasset.com), within 14 days after the date of such meeting held to be the channel for shareholder to verify validity of the information without having to wait for the next meeting, as well as submitting it to Ministry of Commerce within the period determined by the law.

In 2019, the Company published its minutes of Annual General Meeting of Shareholders both in Thai and in English via the Company's Website www.scasset.com on May 8, 2019.

15. Information Accessibility and Communication to the Company

The Company allows all shareholders to access the Company's information, as well as provides distinct and various channels to communicate to the Company equally through the Company's Website, or through other channels such as telephone, facsimile, post, or email. The "Investors Relations" unit is established as the central unit to communicate with shareholders, investors, regulatory authority, as well as providing general information to persons, who are interested, and stakeholders. Interested parties can directly contact the Company's Investor Relations Unit for required information at SC Asset Corporation Public Company Limited located at 1010 Shinawatra Tower III, 10th Floor, Viphavadi Rangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900, Telephone no., 0-2949-2344 or by email address: ir@scasset.com or at the Company's Website: www.scasset.com for further information search.

16. Policy on Safeguarding and Monitoring of inside Information Usage

The Company is committed to conducting business with integrity, transparency and fairness, as well as with corporate social responsibility, responsibility to the environment and all stakeholders and in particular exhibiting fair and equitable treatment with regard to the shareholders' rights and their access to company information. The Company recognizes the importance of proper storage, management, fair and transparent dissemination of inside information, in particular transaction data not yet disclosed to the Stock Exchange

of Thailand (SET), and the Securities and Exchange Commission (SEC) that may affect the price of securities trading and cause unfairness on the part of the shareholders owing to inefficient and inadequate control. The Company thus has established a policy on safeguarding and monitoring of inside information in the Company's Code of Conduct, announced and posted on the Company's website (www.scasset.com) as well as through the internal communication channel (intranet.scasset.com) to ensure that the Company's directors, executives, and employees are aware of and observe the regulations accordingly. The Company regularly monitors such compliance and considers any breach as a serious offence subject to disciplinary action according to the rules and regulations set forth by the Human Resources Department. This is to ensure that the Company information is well safeguarded and can be used when required. Besides, the company has set strict requirements to properly use inside or confidential information and abide by the prevailing laws with due care to minimize any impact on the stakeholders. Directors, executives, or employees alike are prohibited from making use of inside or confidential information acquired from their respective positions for personal interests or for other persons, or businesses that compete with the Company, or other related undertakings, even though the Company may not lose any benefits therefrom, by defining the following guidelines:

16.1 Guidelines for Safeguarding and Protection against the Leakage of Confidential or Inside Information

1. Establishing a written policy on the safeguarding and monitoring of inside information usage in the Company's Code of Conduct and posting it on the Company's website for all employees to follow, and to be periodically reviewed to keep pace with technological changes.

2. Storing all types of information in the information technology central system, whereby the responsible units must check the completeness, accuracy and rapid access to the information.

3. Identifying the level of confidentiality and priority to set up an access code for each type of information, forbidding those persons or units not in charge to access inside or confidential information.

4. Limiting the number of persons entitled to access inside or confidential information, allowing only persons directly responsible for such information; whereas other executives must obtain permission from the Company on an individual or case–by-case basis, so to control the usage and check the information leakage.

5. Requiring the executives and staff in charge of keeping the information to have direct responsibility to control and safeguard inside or confidential information against leakage. A further step is undertaken by the internal audit office who audit the procedures and report to the Audit Committee in case of covert usage of inside or confidential information against the policy.

6. Cultivating honesty as the corporate culture through the website at www.scasset.com and through regular training to ensure that all employees are obligated to safeguard confidential information as well as to monitor the policy breach.

7. Prohibiting all employees from communicating with the media and other outside parties in connection with inside information of the Company, except for the corporate communication unit directly in charge. In case of disclosure of the business results, the Stock Exchange of Thailand will be notified prior to releasing to the media.

8. Whenever the Company is aware of the public leakage of any information, be it true or false, which may have a material impact on the price or value of the Company's securities, the Company will promptly notify or provide an explanation via the system of the Stock Exchange of Thailand.

9. Prohibiting all employees to access electronic mail of other employees by setting passwords for all electronic devices and installing the system software to control and supervise the operation of all employees.

10. Requiring the directors, executives and employees to refrain from trading land or investing in the business adjacent to the land acquired for company's project to avoid a conflict of interest.

11. Establishing safety protections for its computer and information systems and prescribes practice guidelines for its directors, executives and staff of all levels to comply with. This procedure is intended to protect any unapproved disclosure of important information and data or unauthorized access to the information source. Severe penalty is set for unauthorized disclosure of internal information and wrongful use of such information for personal benefits or for the benefits of others or actions which may be the cause of any conflicts of interest. All these actions are regarded as serious offenses and are subject to punishment.

12. The Information Technology Office must periodically review the control measures to keep pace with the changing information technology system and ensure that the storage and control of information is updated and safe at all times.

16.2 Guidelines on Market Sensitive Information

1. The Company arranges to have an adequate internal control system that classifies and monitors confidential information and market sensitive information aiming to protect against any possible leak of confidential and internal information. It also organizes relevant training and communicates with the staff on such guidelines via internal communication channels. The efforts intend to foster confidentiality awareness and impacts of any breach of confidentiality among its directors, executives and employees. Any violation of such guidelines shall receive disciplinary action.

2. The Company prescribes confidentiality as a condition in its employment contract which includes a confidentiality agreement, prohibition for disclosure of confidential information or use of market sensitive information for trading of the shares of the Company and its related companies, non-disclosure of corporate confidential information to any outside party even after the termination of employment as directors, executives or employees. The Company also prescribes the employer's right to access employee's information and communication records for efficient monitoring of the use of the Company's confidential information.

3. In the event of the use of outside consultants by the Company, the Company prescribes that these consultants must enter into the confidentiality agreement to assure that its internal and confidential information will not be disclosed or misused or made use of, for any benefits.

4. The Company generally notifies that its directors, executives, and employees who are in positions or in business lines which are responsible for such internal information, or who have access to such material internal information that may cause any impact to its share price, must be prohibited from engaging in any trading of the Company's securities for a period of 1 month before public disclosure of such internal information and other material information such as the Company's business performance and financial statements, and within 24 hours after such disclosure. The Company's Secretary shall inform those directors, executives and employees who are in the positions or in the business lines which are responsible for such internal information or who have access to such internal information, not to engage in any trading of the Company's securities during such mentioned period. Such prohibition includes the security trading activities of their spouses or cohabitants and minor children, or any entities in which they own over 30% of the shares.

In order to assure the compliance to the above-mentioned guidelines on the prohibition of share trading on market sensitive information, the Company thus prescribes the Policy on Notifying and Reporting of the Changes in Securities and Derivatives Holding in the Company and notified its related directors, first 4 executives to acknowledge their roles, obligations, duties in reporting securities holding according to the notification of

the Securities and Exchange Commission of Thailand (SEC), and regulation of the Stock Exchange of Thailand (SET) since accepting the position (please refer to further details in the topic "Policy on Notifying and Reporting of the Changes in Securities and Derivatives Holding in the Company").

In 2019 the Board of Directors reviewed the Company's policies on keeping and protecting of internal information as well as applied measures on managing market sensitive information. These policies and measures are listed in the Company's Code of Conduct and also disseminated via the Company's public website and internal website for acknowledgment and compliance by all its executives and employees. No directors, executives nor employees, who are in positions or in business lines which are responsible for such internal information, had case of violation or non-compliance with the security trading regulations by using internal information stipulated by the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET).

From 2003 up till 2019 there has been no case of the Company's directors or executives participating in the trading of securities by exploiting internal information.

17. Policy of Connected Transaction and Information Disclosure

For transparency in business operation and to avoid exploitation either directly or indirectly from director, executive, and shareholders who have controlling power and without conflict of interest, as well as protecting the right of minority shareholders for equality for the best interest of the company and all interested parties, the Company has a policy of connected transaction, as well as disclosure of information as follows;

17.1 For each of any connected transactions, the Company's Board of Directors shall oversee that the Company is in compliance with any relevant laws, rules of the Securities and Exchange Commission, and notifications of the Capital Market Supervisory Board. It also discloses such information to all its shareholders. The transactions are on a fair and arm's length basis, and under similar terms and conditions as applied to other customers.

17.2 In case the Company wishes to make transaction with connected person, the transaction must be made with same price and condition as if the transaction is done with third party, and must be fair transaction based on market price and according to fair and at arm's length pursuant to the rule and regulation determined by of the Securities and the Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET). This transaction must be entered into for the purpose of the Company's interest and the Company shall avoid the connected transaction regarding the granting of financial assistance.

17.3 To consider and approve for each connected transaction, such transaction must be reported to the Audit Committee for consideration of its validity of the transaction and suitability of the price in approving such transaction before presenting for approval form the Board of Directors or shareholders as the case may be. The Audit Committee shall review the transactions and offer their appropriate opinions thereof, as well as assess that the terms and conditions of such transactions are in accordance with the market standard. The prices related to such transactions are properly evaluated and are in line with the market prices. In the event that there is no reference of applicable market prices, the Audit Committee shall assure that the transacted prices are reasonable and such transactions create maximized benefits to the involved stakeholders.

17.4 In case the Audit Committee cannot evaluate such connected transaction or If market price is not available for comparison the Company will provide at least 3 independent appraisers approved by the Securities and Exchange Commission of Thailand (SEC) to evaluate market price to obtain suitable price and condition not exceeding the average of all independent appraisers for the best interest of the Company, shareholders and involved stakeholders.

17.5 The Company will present to Audit Committee for comment regarding validity of the transaction and suitability of the price in approving transaction between each other before presenting for approval form the Board of Directors or shareholders as the case may be.

17.6 If there is any need for approval from the Company's Board of Directors or shareholders for such transactions, the Company shall ask for such approval by processing the following:

(1) Arrange to have the directors who are involved in such related transactions temporarily leave the meeting room to allow other directors to freely review such transactions and the involved directors will not be allowed to vote for the relevant agenda items.

(2) Disclose the transaction and the resolution details such as names and relationship of the connected parties, pricing policy, value of the transactions, and opinions of the Audit Committee and the Board of Directors on such transactions, as well as other details which are prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand. Such disclosure shall be submitted to the Stock Exchange of Thailand on the date which the Board of Directors resolved the approval of such transactions, or within 9.00 a.m. of its next working day.

In the event that the approval from the Shareholders' meeting is required, the Company shall arrange to have an independent financial advisor express their opinions to the shareholders on such transactions. The resolution for approval of such transactions requires votes of not less than three-forth (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote. The vote counting shall not include the voting of the shareholders who are interest parties to such transactions.

17.7 The Company can only enter into the connected transactions on the date that the Board of Directors, or the shareholders (as the case may be), has given approval to such transactions.

17.8 The Company shall disclose information on related transactions such as name and relationship of related persons, policy on valuation of transaction amounts, and the opinion of the Company's Board of Directors on such transactions, in the Company's Annual Report and Annual Registration Statements (Form 56-1) for its shareholders perusal, which is certified by the certified public accountant in order to ensure that such connected transaction has no conflict of interest.

Connected Transaction in 2019

The Company has two connected transactions. Both related transactions were of medium size and required approval from the Board of Directors and the relevant information had to be disclosed to the Stock Exchange of Thailand. They were:

1. Approval of financial assistance receiving from related companies

As per the resolution of the 2018 Annual General Meeting of Shareholders that approved the issuance and sales the debenture in the amount of Baht 14,000,000,000 and the Company's intention to expand its investor base, the Company has propose its debenture sales to P.T. Corporation Company Limited and/or SC Office Plaza Company Limited and/or SCK Estate Company Limited and/or B.B.D. Development Company Limited and/or OAI Management Company Limited in the total amount at any time of not more than Baht 1,400,000,000. The term of the debentures for each sale will not exceed 5 years and financial cost of the debentures depends on the prevailing interest rate in the money market. The interest rate on the debentures for this sale is fixed at the same rate of interest as those sold to other persons, which will depend on the prevailing market condition at time of

the issuance and sales of the debentures or as per the terms and conditions then applicable. The debentures shall be issued in accordance with the notifications of the Capital Market Supervisory Board, the notifications of the Securities and Exchange Commission (SEC) and/or any other relevant notifications or regulations that are imposed at the time of each and every issuance and sale of the debentures. The highest interest rate applied shall not exceed 5.5% per annum. The five above mentioned companies have the same group of major shareholders as the Company. Therefore, any issuance and sales of any bill of exchange by the Company to them, in this regard, shall be deemed as related transactions that must be complied with the Securities and Exchange Law and its relevant notifications

Upon consideration of the total value of the compensation of these transactions, the total interest payment to be received from the purchase of the debentures for the allocated amount, at any time, of not exceeding Baht 1,400,000,000 and for the term of not exceeding 5 years, as well as at the highest interest rate applied of not exceeding 5.5% per annum shall be no more than Baht 385,000,000. This total amount when compared with the net tangible assets of the Company as of 30 September 2018 only accounted for 2.48% of the net tangible consolidated assets of the Company and its subsidiaries. The transaction amount was over 0.03% but lower than 3% of the book value of the net tangible assets of the Company. Thus, for the given size of the transaction amount it remained within the scope of authorization of the Board of Directors. The Audit Committee and the Company's Board of Directors considered that this financial assistance is of benefit to the Company and the interest rate on the debenture is set fairly at the market rate. The transactions are deemed to be fair and on an arm's length basis. The Board of Directors therefore resolved the approval of this financial assistance receiving from related persons as per the board resolution No. 2/2019 on February 20, 2019 which allow the related parties to invest in the debentures once or more than once under the revolving nature of the instruments, in a similar manner to other general investors. The Company has fully complied with the rules and regulations on connected transactions.

2. Approval SC Expedition Company Limited, the Company's subsidiary, to rent lands with buildings in the Ratchawat area, Dusit District, Bangkok Metropolis for its hotel business.

The Company's Board of Directors approved SC Expedition Company Limited , its subsidiary in which the Company holds 99.99% shares of it, to rent 14 pieces of land (Land title No. 2784 102832 102833 102836 102837 102838 5196 27870 101714 101715 101716 102841 101707 and 102842) with the total land area of 1 Rai 43.4 square wah, including a building with a total area of approximately 482.55 square meters, at No. 526 Nakhon Chai Si Road, Khwang Nakhon Chai Si Road, Dusit District, Bangkok Metropolis and another building with a total area of approximately 451.23 square meters, at No. 1264, 1266, and 1268,Rama V Road, Khwang Nakhon Chai Si Road, Dusit District, Bangkok Metropolis. The total rental duration is 30 years fron Khunying Potjaman Damapong (the mother of the Company's major shareholders and a controlling person of the Company). The total rental fee for the above-mentioned land and buildings are Baht 99,680,000.

Additionally, the Company's Board of Directors also approved the rent of a building of approximately 5,280.05 square meters at No. 1376/1 Nakhon Chai Si Road, Khwang Nakhon Chai Si Road, Dusit District, Bangkok Metropolis, which is situated on the land plot No. 101707 and 102842, from P.T. Corporation Company Limited (a related company of the Company since the Shinawatra family which holds 60.39% in the paid-up capital in the Company is also shareholders in P.T. Corporation Company Limited, thus, both companies have the same group of major shareholders). The rental fee for the building is Baht 24,930,000. The rental purpose is for hotel development. The two renters are considered related parties of the Company. The total value of these two items of the land and buildings is Baht 124,610,000, with a Net Present Value of Baht 50,058,343.

The calculation of the total value of these related transactions for the whole rental period plus the development cost of the buildings is Baht 279,110,000, with a Net Present Value of Baht 204,558,343, accounting for 1.73% (NPV: 1.27%) of the net tangible consolidated assets of the Company and its subsidiaries(the net tangible assets of the Company as of June 30, 2019 which was reviewed by the auditor was Baht 16,116,051,000). The transaction amount was over 0.03% but lower than 3% of the book value of the net tangible assets of the Company.

The Company hired 3 independent appraiser companies to assess the value of the rental fee. The average rental fee calculated from the appraisal results of the 3 appraiser companies is Baht 124,732,147 (Net Present Value: 50,219,819 Baht). This figure is then used as the basis of consideration in reviewing these transactions.

The Audit Committee and the Company's Board of Directors considered that:

1. The total rental fee for land and buildings of Baht 124,610,000 (Net Present Value: 50,058,343 Baht) is lower than the average rental fee calculated from the appraisal results of the 3 appraiser companies, which are licensed by the Office of the Securities and Exchange Commission (SEC), at Baht 124,732,147 (Net Present Value: 50,219,819 Baht).

2. Such rental rate is set at an appropriate level and is in line with the fair market price of the rental fee within the locale. The transactions are fair and on an arm's length basis. The location involved is also suitable for investment.

3. The transactions are deemed an expansion of investment by the Company, and represent a good investment opportunity with reasonable investment consideration. The Company expects that it will get suitable investment returns both in terms of revenues and profit.

Thus, the Company's Board of Directors approved the land and building rent of its subsidiary from Khunying Potjaman Damapong and P.T. Corporation Company Limited. These transactions are related transactions for which the Board of Directors resolved its approval as per the board resolution No. 6/2019 on November 11, 2019. The Company has fully complied with the rules and regulations on connected transactions.

Since 2003 up to 2019 the Company has never violated any rules and laws prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand on connected transactions since it became a publicly listed company. When comparing the amount of connected transactions or the intercompany transactions undertaken with the Company's revenue and expenses, the involved amounts have always been less than 25% of the Company's net profit or net loss.

18. Policy of preventing interested director and executive from having conflict of interest

The Company has the policy as follows;

18.1 Directors, executives, and employees shall not use the opportunity of being director, executive, or employee of the Company to exploit personal interest or intimate person, either in terms of finance or other aspects of business (please refer to further details in the topic "Policy of Guideline Relating to Conflict of Interests").

18.2 Discourage all its employees against making any connected transactions, except in such cases which can necessarily benefit the Company and only if they are duly allowed under the rules and regulations prescribed by the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET); namely disclosure of information on name and relationship of related individuals, policies on pricing and valuation and the board opinions on transactions related to such policies. In addition, the Company also discourages interrelated transactions which could be deemed as actions of offering financial assistance such as lending and providing credit guarantee to companies other than its own subsidiaries.

18.3 Prevents undertaking any personal business that impacts corporate working-time and duties, and avoid any business transactions with the Company on a personal behalf, family behalf or transacting any business with the Company for any juristic entity which having interest therein or conducting any business which competes with the Company's activities.

18.4 Requires the Company's directors, executives, and employees, who are in positions or in business lines which are in charge of such internal information, or who have access to such internal information to avoid from trading any of the Company's securities during the 1 month period prior to the public disclosure of its financial statements or its internal information thereof and within 24 hours after such disclosure in order to bar any possible insider trading actions. The requirement is set in accordance with its prescribed good governance policy. In the event that there any occurrences of any incidents which could be regarded as a conflict of interest and connected transactions, the Company's Board of Directors shall review each such incident with caution, and fully abide with the rules and regulations prescribed by the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET). The pricing as well as the terms and conditions relating to any of the Company's connected transactions shall be made on an arm's length basis and details such as value, transaction party, reason and necessity of such transaction shall be disclosed in the Company's annual report. The Internal Auditor Office and the Audit Committee are also assigned to oversee and manage any possible problems relating to any conflict of interests. The Company has established its policy guidelines on protective measures for the use of the Company's internal information and to make certain that the measures are acknowledged and practiced. (Please refer to further details in the topic "Rules for proper use of inside information" Section of this annual report).

18.5 In case any director or executive has any interest in any agenda, the Company determines that the director or executive shall refrain from attending the meeting in that particular agenda to allow other directors or executives, who have no interest in the agenda, to consider the agenda.

Sice 2018 up to 2019, the Company had no assets trade that did not comply/or violate the rules of the Securities Exchange of Thailand and the Office of the Securities and Exchange Commission (SEC).

19. Shareholding Structure Disclosure

The Company follows policies and implementations on disclosure of shareholdings structure including the list of major shareholders, the list of shareholders with controlling interests, as well as the list of shareholders who are institutional investors. The Company only discloses the names of its top 10 largest shareholders and the free float of its shares. The Company maintains its free float ratio according to the rules prescribed by the Stock Exchange of Thailand (SET). At present, the Company has its free float ratio at not less than 15%.

As of December 31, 2019, its free float ratio was 39.07 approximately, which is higher than the prescribed standard of the Stock Exchange of Thailand (SET). The Company reports its shareholding structure in its annual report, its disclosure report concerning additional information (Form 56-1), on its website (www.scasset.com) and on the website of the Stock Exchange of Thailand (SET).

In addition, the Company also discloses its business structure and its shareholding positions in its subsidiaries to ensure shareholders' confidence and the Company's accountability. Shareholders can review the transparency and accountability of the Company's business operations. The Company has no complex ownership and capital structure, no cross holding, and no pyramid scheme in shareholding.

20. Shareholding by Members of the Board of Directors

In order to encourage its board members to freely perform their duties, minimize potential conflicts of interest, and enhance segregation of duties between management and business ownership, the members of the Board of Directors are required to perform their duties as reliable representatives of the shareholders in the oversee of business management and operations. They are also responsible for the setting of corporate strategies, plans, and policies. In ensuring the duty to maximize shareholder value and the Company's value, avoiding conflict of interests, protecting rights and equality of every shareholder, the Company requests all its board members to maintain all their combined shareholding at a level of not more than 25% of the Company's outstanding shares. It also communicates with the board members on the emphasis of understanding the Company's goals and policies, as well as abiding with good corporate governance.

In 2019, the members of the Company's Board of Directors did not jointly and directly hold more than 25% of the Company's issued shares, which the details on the shareholding ratio held by each board member and the first top four executives are reported in the topic "Details on directors, executives, advisors, controlling persons, and the Company Secretary" section of this annual report.

21. Not offer any financial assistance to other companies which are not its subsidiaries.

It is the Company's policy to avoid any transactions with other companies, which are not its subsidiaries, in a manner that may be deemed as a rendering of financial assistance such as lending money or guaranteeing credit to other companies, except such transactions which involve an offering of financial assistance to its subsidiary or an offering of financial assistance to its joint-venture company for the amount contributed according to the ratio of its shareholding under its joint-venture agreement.

In 2019, there were no related party transactions in the manner that may be deemed as a rendering of financial assistance under any circumstances.

Role of Stakeholders

In every business stakeholders whether shareholders, employees, customers, creditors, business partners, competitors, investors, external auditors, society, environment, etc. are the major factors that contribute to the success and sustainability of its business. The Company's Board of Directors thus recognizes the importance of its stakeholders' roles and assures that their rights are protected according to their related contractual terms and conditions, the relevant laws and regulations and corporate governance guildlines. It also promotes collaboration between the Company and its stakeholders to enable business and financial strength and sustainability.

The Company has adhered to policy of conducting its business along with placing emphasis on the importance of the Corporate Social Responsibility and Sustainable Development, and continued such policy doctrine at all time. In 2019, the Company published its Sustainability Report in accordance with the framework of the Global Reporting Initiative (GRI), as a separate report from its annual report (Please refer to further details in the topic "Sustainability Report 2019" which is a separate report that the Company publishes and disseminates to its shareholders). The Company believes that business must be conducted according to the principles of transparency, honesty, and trustworthiness as per the Code of Conduct and good corporate governance. The Board of Directors applies the Corporate Governance Code 2017 for publicly listed companies for compliance and observance in order to perform its business conduct with responsibility to all its stakeholders, not only its shareholders but also includes its employees, customers, trade partners, communities, environment, and society, with aims to create sustainable added-value to its business. This is deemed as promoting benefits among business, stakeholders, society, and environment.

The Company strongly believes that for an organization to be successful and achieve its sustainable growth, it must grow hand in hand with the surrounding society. Therefore, the Company recognizes and pays attention to the rights of all its stakeholders, both the internal and external parties such as shareholders, customer, employee, executive, business partner, creditor, trade competitor including public and society. The Company monitors to ensure that all stakeholders' rights are protected and equitably treated as well as generating awareness and consciousness within its organization and to further advocate to its business alliances.

Additionally, in order to promote the development of society together with the growth of the Company, the Board of Directors prescribes its policies on innovation development intending to create joint value between the Company and its stakeholders. Other prescribed policies are prohibition of breach of intellectual property rights, which includes copyrights as well as other intellectual properties related to computer programs. Other policies include the governance and management of information technologies, human rights violations, and anti-corruption policy and measures, which prohibits facilitation payments for the granting of the Company's potential business benefits and all forms of bribery. These policies are strictly observed.

To ensure that all stakeholders' rights are protected, the Company provides a communication channel through which stakeholders can communicate their suggestions and complaints by directly contacting to the Company's Board of Directors, Company Secretary or Internal Audit Department and make their suggestions or voice their complaints especially on issues which may cause damage to the Company to each of the board members including the Company Secretary and Internal Audit via their address or emails (Please refer to further details in the topic "Whistleblowing Policy" Section of this annual report), or contact the Investor Relation Department (Please refer to the further details in the topic "Disclosure & Transparency" Section of this annual report).

The Company also recognizes the support provided by various stakeholder groups in performing their roles and duties that help enrich the soundness and prosperity of the Company's business. It also intends to offer fair remuneration and equitable interests to all parties concerned. The disclosure of the Company's policies and practices in relation to its shareholders, customers, employees, trade partners, creditor, trade competitors, and public and society can be summarized as follows:

1. Shareholders

Policy and Guidelines towards Shareholders

The Company intends to be a good representative of its shareholders in conducting its activities with honesty and good professional ethics. It manages its business with the ultimate objective of driving for a long-term sustainable growth in the Company's value and complying with its promised corporate mission. It also aims to maximize shareholders' economic satisfaction and to create a continued flow of good earnings to its shareholders in long-term, and respects its disclosure obligations in reporting accurate and transparent information to its shareholders whilst complying with following conduct:

1. prescribing that its directors, executives, and staff conduct and manage the Company's business according to its vision, mission, and abide by its prescribed principle of good corporate governance, as well as undertake their duties with honesty, prudence and commitments without any conflict of interests and with equitable treatment towards major and minor shareholders. Their aim shall include the maximization of shareholders' benefits, as well as sustainable yield and added value to all shareholders.

2. Overseeing that the Company's assets are in place, not misappropriated, or not improperly impaired in value.

3. Reporting the Company's position, operating performance and financial status to all shareholders; consistently, equitably, and completely as per factual conditions of the present and its outlook, both on the positive and negative points via various channels which the shareholders can access such information easily.

4. Offering opportunities for its shareholders to propose additional meeting agenda items, and nominate qualified candidates for any available director position, prior to the shareholders' meeting date, while allowing its shareholders to submit their questions to the Company in advance of the shareholders' meeting date via the Company's Website www.scasset.com (Please refer to further details in the topic "Shareholders' Rights" Section of this annual report). The Company also regularly makes public release on its website encouraging its shareholders to visit its development projects.

5. Provide sufficient details regarding the shareholders' meetings and all relevant information to shareholders prior such meetings for the shareholders to promptly make their decisions.

6. Managing the Company so that it can achieve its maximized operational capability, while effectively and efficiently fulfilling its corporate objectives, both short-term and long-term, as well as being competitive in its business performance with targets set to provide shareholder annual dividend in accordance with dividend payment policy.

7. Overseeing that the Company's directors, executive and employees or their families, or related persons do not abuse the Company by exploiting any inside information for their own benefit, and/or acting in a manner that may lead to any possible conflicts of interests against the Company.

In 2019, there were no complaints from shareholders on any matters.

2. Customers

Policy and Guidelines towards Customers

It is the Company's policy to establish and publicly express a clearly defined and applicable policy on its equitable treatment and accountability towards customers, and particularly on its intention to attain customer satisfaction and trust. The Company continues innovating new products and services that can be satisfactorily delivered to its customers. These products and services must fulfill its customers' needs in terms of quality and fair pricing and are developed with health and safety consideration in mind. The Company also abides by their duties to be responsible to the environment and to create sustainable growth. All these are the long-term success factors for its business.

Therefore, the Company consistently searches for efficient and effective methods to satisfy its customer's needs. In order to assure good long-term relationships with its customers, the Company set up the following business guide lines:

1. Products and Services

(1) Hiring standardized and accountable contractors to construct the Company's buildings.

(2) Delivering quality products and services that are in line with or beyond the customers' expectations, at a fair price and safety for customers' health.

(3) Supplying its customers with adequate, accurate, and updated information to protect them from any possible misunderstandings on quality, quantity and conditions of such products and services without misrepresentation of the relevant facts.

(4) Delivering goods and services that well serve its customers by continuing to invest in creativity, innovation, research, and development. It also develops its "Living Solutions Platform" with the intention to enable its homebuyers and customers to dwell satisfactorily, safely, and happily.

(5) Contacting customers in a courteous, proficient and trustworthy manner. Establish proper systems and processes to manage customers' complaints. Arrange the department to take responsible of providing quickly advices, solutions and respond to customers' needs, and be committed towards customers' ultimate satisfaction in goods and services.

2. Confidentiality of customer's information

Directors, executives and employees of all levels will duly keep customer's confidential information and will not illegally use such information for their benefit or for the benefit of any related parties. They will not disclose such information prior to the receipt of any proper consent from the customers or from the authorized personnel of the Company, except for information which is required for disclosure by law or under the relevant legal process.

3. After-Sales Services

With commitment to create customer satisfaction and trust that in order to enhance the Company's business sustainability, the Company also recognize that customers are important and should be treated with sincerity, the Company thus provides the following after-sales services to build a better customer relationship:

(1) Proving an information brochure that introduces service team to custormer after transferring of property ownership.

(2) Follow-up and monitor customer's satisfaction. Promote good relationship with homebuyers by providing the installations of CCTV (closed-circuit television) systems at the projects' entrance and exit points, to ensure quality of life and safety of homebuyers even after the transfer of the Company's responsibility as the developer of such projects to relevant juristic persons that oversee the projects.

(3) Developing a maximum security system for residences by designing and installing full-scale integrated security systems in the common and residential areas of the projects such as home alarm systems, automatic light control systems etc.

(4) Reviewing and properly correct problems and flaws during the warrantee period.

(5) Monitoring customer's satisfaction after any maintenances and repairs

(6) Organizing social and environmental awareness activities to enhance closer relationships between the Company and its customers.

(7) Providing contact channels for customers to suggest, complain on matters, or request for help or advice on matters concerning the Company; either directly to the Company's address or to contact its 24-Hour Call Center at 1749, or to the Company's Website (www.scasset.com).

(8) Providing The "SC MINE" online services, to further raise its service quality to a new level that can well-accommodating its customers' lifestyle and provide "convenience around the clock" to its clientele. For example, the online services enable its customers to directly check payment records, make payments, make a request for repairmen and maintenance work, and participate in the Company's events/ promotion programs.

(9) Providing "SC Service on Delivery", the service aims to take care of homebuyers' needs after the home ownership transfer, which includes the electrical system and home security system check by a well-trained team of professionals.

(10) Applying Net Promoter Score (NPS) System, this system is to assess customer satisfaction and customer brand loyalty and use the assessment and information outcome to continually improve its work process, aiming to fulfill customer needs for products and services.

(11) Organizing customer relationship management by listening to the customer's feedback from various channels, meeting with the staffs of the "Contact Centre 1749" to get information on customer's opinions, remarks, suggestions to the Company and its products for further improvement. The aim is to develop good response that will best satisfy the customer needs.

(12) Operating a Customer Relation Management (CRM) system that helps provide necessary information and solutions that best serve customers' needs. It regularly organizes free customer events and family gatherings that encourage building of a "quality" community. These events and gatherings include:

- Organize the "SC Asset Green Market" fair for the Company's office building tenants to encourage green and healthy living under its promoted "Lively Neighbourhood" concept which promotes direct sales of community products to consumers. The Company's customers as its building tenants and employees are inspired to be health conscious and are introduced to health products. The Company also organizes educational activities, waste sorting programs, and "Rak Loak, Ruam Jai Recycle" program which encourages the selling of recyclable items etc.
- Social charity organized in collaboration with the Company's employees and its office building tenants such as performing morning merit by making and giving alms to monks in the morning, the annual "Religious Bathing" rite for the Buddha Image on Songkran Day, and blood donation campaigns.

In 2019, the Company organized various activities for the benefits of its customer. (please refer to further details in the "Sustainability Report for 2019" which is published as a separate report and disseminated to the Company's shareholders).

3. Employees

Policy and Guidelines towards Employees

The Company regards its employee as the most valuable economic resource that greatly contributes to the Company's successful achievement. Therefore, it strongly promotes a good corporate culture and a supportive working environment. Team work, unity, and good working relationships are also encouraged. The Company treats its employees ethically and morally, and abides by its manifest prescribed practice guidelines on workplace safety & hygiene procedures, staff remuneration, benefits, and provident fund, skill and capacity development, It also adheres to the following guidelines:

1) Treating employees with respect by being polite and respecting their individuality as well as their human rights pursuant to the Company's human right policy.

2) Appointing, transfering, rewarding and punishment are made on fair justifications and based on employee's capability, knowledge and suitability under the provisions of the Company's established rules and regulations.

3) Paying attention to employee's proficient opinions and recommendations.

4) Establishing a complaint and whistleblowing process to assure fair treatment among employees and to protect them against any possible unfair treatment.

5) Arranging to have a supervisory committee to handle any employee's misconduct or any complaint against a wrongful act of an employee. In order to assure fairness and justice for all involved, the Company also provides a whistleblower protection program and anti-retaliation protections for complainants (Whistleblowing Policy).

6) Emphasizing the importance of the employee's knowledge development and skill improvement, by consistently providing them with equal opportunities, and providing continuity of internal and external training; for example. proficiency training in fields of work skills, technology, law, and staff fringe benefits. The Company also provides its employees with the chance to have training with external agencies, both domestically and overseas, to enhance their work efficiency. The Company aims to encourage its employees to apply their acquired knowledge to their daily task or to improve their work performance, and intends to stimulate workplace collaboration and teamwork, create a bonding relationship among employees, as well as between supervisors and subordinates by organizing in-house training and interoffice activities.

7) Continue developing and enhancing knowledge and competency of employees on other aspects as well. The Company intends to focus on skills and ideas for continual work improvement in all aspects. It also supports creativity and innovative development that provides added value.

8) Assuring a work environment that supports the protection of life and property of the employees, and ensure the health and safety of the workplace, by clearly stating the importance of the employee's security and well-being in the employee's manual. (Details of which appear in the "Guidelines of Policy and Practice towards Safety and Hygiene Policy").

9) Procuring policy and implementation actions to take care of employee work conditions and security, as well as employee benefits and rewards; such as provident fund, medical benefits, dental care, special living allowances for low income employees, an annual medical check-up, money wedding gift, monetary contributions for funerals, disaster relief money, life insurance, accident assurance etc. The Company also encourages its employees to continue making use of their entitled benefits to maintain a healthy and good quality style of living (Details of which appear in the "Guidelines of Policy and Practice towards Employee Remuneration and Benefits" Section of this annual report). Employees can access the relevant information via the Company's intranet.

10) Promoting balance between work life and personal life, the Company also continues to support its employees' interests by forming various activity clubs for employees with appropriate common interests in sports and other hobbies such as a badminton club, a table tennis club, a soccer club, a photographic club, and a yoga club. From 2011 until present, the Company also organized sessions for meditation practice every Wednesday after working hours in order to promote good ethics and morale for the employees.

11) Lawfully abiding to governing rules and regulations on employee.

12) Promoting its employees' efficiency and good corporate performance together with encouraging the Company's philosophy of "Work Life Balance" which emphasized the well-balance life style of each employee that requires three basic elements; namely work, family, and health by

- "Birthday" – the Company allows its employees to take leave on their birthday
- "Health Day" – the Company arrange for its employees to have their choices of exercise every Thursday evening by procuring the exercise room and indoor stadium without charge such as badminton court, table tennis court and exercise equipment as well as recreation room, karaoke room in order to help its employees to release their tension.
- " Friday 4" – the Company allows its employees to finish their work at 4 p.m. on the last Friday of each month so that its employees can spend more time with their family or by themselves.

• "Flexi Hour" allows the employees to have flexible working hours. The employees can select their starting working hours which are set at 8.30 a.m.,9.00 a.m., and 9.30 a.m. This aims to better promote balance in employees' life and work.

Human Resource Management Policies

1. Screening and selecting employees who are knowledgeable and skilled to work for the Company. In this regard, the Company takes into account that the human resource shall be efficiently exploited to achieve the maximum interest.

2. Supporting employees' career advancement by evidently setting its employee development path and assuring that all levels of its employees are entitled to have systematic and continual career development path as planned so that they can efficiently perform their current work duties and well-prepared for the challenges of their future responsibilities and promotions.

3. Managing its employees' wages, salaries and fringe benefits equitably and offering comparable remunerations as other leading companies in the same business.

4. Applying a merit promotion system for salary increment and promotion, basing assessment on an individual employee's knowledge, performance, and competency.

5. Employing for any job vacancies shall begin with internal selection of existing employees that are knowledgeable, skilled, and basically qualified for the positions before recruiting any candidates from the outside.

6. Promoting teamwork spirit among employees and encouraging team collaboration in the office as if all employees are from the same family.

The Company deems that supervisors of all levels have their responsibilities to oversee their subordinates, motivate their team, and encourage knowledge and skill development of their staff so that they can work efficiently. Supervisors should also be role models for their people.

Policy and Guidelines on Employee Remuneration and Benefits

It is the Company's objective to create quality of life for its employees to motivate them to commit to their work and focus on working together to bring their organization to success and to keep on developing their work proficiency. Therefore, the Company has prescribed a policy on employee remuneration and welfare to be fair and suitable to individual work performance, and in line with the Company's operational results both in the short-term and long- term. The short-term basis is the staff bonus which relates to the Company's operational results and the long-term basis is the staff salary and provident fund which is deemed as long-term financial benefits for the staffs. The Company also provides other fringe benefits both in accordance with the legal requirement such as social security, and in excess of the legal requirement such as loans from financial institutions arranged by the Company, health and accident insurance, and other monetary assistance namely wedding money, funeral hosting fee, funeral money for employees and employees' parents, and scholarships for employees' children, etc. The details are provided as follows:

Remuneration

1. Salary

The Company's policy is to fairly offer its employees' remunerations which are higher than the legal requirement, based on the Company's short and long term performances. The Company applies sarary payment system

based on individual responsibilities. In order to motivate a continual development of its employees' operational competency, the Company appropriately adjusts their salary levels to be in line with the Company's business targets and growth direction, as well as its individual work achievements based on its KPI approach.

2. Bonus

Every beginning of each year the Company and its employee set as agree target to be achieved applying Objective & Key Result: OKRs for the Company itself, operation team and and assessment resut of relevant KPI for calculationg annual bonus for employees.

3. Provident Funds

The funds are intended to promote savings and financial security for employees and their families as well as allowing the employes to have tax benefit. Employees also receive tax credit. Employees have the right to participate as a member of the "SC Asset Group of Companies Registered Provident Fund". The investment of the employee contribution is subject to the employees' choice of plan. The employees can inform the fund manager of their preferred choices of investment plan. The employees can also choose their contribution rate which varies from 3% to 15% of their monthly salary. The Company shall pay its employer contribution at the rate between 3% to 7% subject to the employees' length of employment, life insurance, and health.

In 2019, there were 817 executives and employees who participated as members in the Company's provident fund, from a total of 876 persons entitled to join the fund.

Fringe Benefits

1. Social Security Fund

It is available in the event of illness and accident not related to work. The contributions to the fund are compulsory and made by employees, the Company, and the government

2. Arranged Life and Halth Insurances

The Company has arranged life and health insurances for its employees. The employees can benefit from these insurances when they are sick. The policy covers both in and out patient, accident, and death. The sum insured depends on the job grade of each employee.

3. Loans

The Company coordinates with financial institutions and has agreements with some of them for employee loans under the following conditions:

(1) These loans are available for full-time employees who have worked with the Company for no less than one year.

(2) Borrowers must have a qualified income amount at the level as specified by the lending banks, and the banks shall lend at the amount of no more than 90-100% the pledged collateral appraised by the Bank.

(3) Repayments shall be made from the borrowers' payroll account, as per the lending bank's approval.

(4) Loan amount shall be finalized by the lending bank, and subject to changes in accordance with the bank's lending rules.

4. Workmen's compensation fund

In the event of work-related illness/injuries the contribution to the workmen's compensation fund shall be paid

5. Gifts for hospital visits

For hospitalization or childbirth of employees or employee's spouse.

6. Monetary Assistance

It is available for events such as marriage, disaster relief money, payment for funeral flowers and wreaths and sponsoring money for funeral ceremony. This monetary assistance is available for employees and their parents, spouses, and children etc.

7. Extra activities

Extra activities are organized for employees and management to participate, and aimed to reduce stress from work, as well as allow employees to get to know their co-workers who are employees of other departments. This will enhance cooperation and unity, positive thinking, and organization strength. These activities include New Year celebration, Loy Kra Thong celebration, etc.

8. Granting of scholarship for employees' children

The granting of scholarship for employees' children is a way to assist and relieve the Company's employees from their financial hardship caused by educational expenses of their children. The Company provides a scholarship for each employee's family for their children who are studying in the educational levels from kindergarten to bachelor degree.

The policy to promote knowledge and understanding of employees in investment

The policy to promote knowledge and understanding of staff in investment is an attempt to take care and create understanding for the Company's employees on their long-term personal financial management plan. The Company thus arranges training on personal financial management for its employees, by providing training in investment where experts from the securities company or related agencies, such as Bangkok Bank Pubic Company Limited to give knowledge relevant to the benefits of the provident fund and investment in the funds appropriate for the employees of all levels to assure returns to support their spending throughout their work life and after retirement The Company thus arranges training on personal financial management for its employees to promote their financial understanding and knowledge.

Policy and Guidelines on Safety and Hygiene

The Company recognizes the importance of safety, health and wellness, and work environment in the workplace that may impact the work performance of its employees Therefore, the Company prescribes its "safety, health, and environmental policy" as follow;

1. Providing its "safety, health, and environmental management in accordance with the legal enforcement of the Occupational Safety, Health and Environment Act B.E. 2554 or according to international standards as well as other regulations.

2. Prescribig measures to prevent workplace accidents and promoting workplace safety guidelines.

3. Monitoring and evaluating the outcomes of such prescribed measures and guidelines as per its safety, health, and environmental policy as well as encouraging their due compliance to achieve the highest effectiveness at work.

4. Promoting and encouraging all levels of employees to have knowledge, understanding, and consciousness about safety, and to realize the importance of safety, as well as be aware that safety is the duty and responsibility of everybody about safety and all supervisors are to be good examples for their subordinates in promoting and encouraging employees' awareness regarding workplace safety.

5. Providing employees with fringe benefits that support good health and safety.

In 2019 the Company undertook the following actions as per its policy and guidance on Safety, Health, and Working Conditions for employees.

- **The appointment of a Workplace-Safety Committee:**

The Company gave notice that a Workplace-Safety Committee had been appointed and its registration had been processed with the Department of Labor Protection and Welfare. The Committee was set up to prepare workplace-safety planning, to protect and establish measures against accidents, and to propose procedures or measures for improvement of the workplace to be in line with the standard guidelines on safety at work. The members of the Workplace-Safety Committee are required to attend training programs that are specifically arranged for them. The Workplace-Safety Committee shall also continuously meet on a monthly basis to monitor the effectiveness of the safety process within the overall business organization, and assure that the organization is continually achieving high standards of safety.

In 2019 the Workplace-Safety Committee has taken following actions according to the policy on Safety, Health, and Working Conditions for employees;

- Arranging to have personal protection equipment for employees in all its development sites.
- Reviewing and notifying regulation on dress code for project engineers as per the applicable law, rules and the Company's policy.
- Surveying the working environment both at the Head Office and the project sites in terms of index of dust, light, noise , heat etc.
- Publicizing on safety issues via the Company's various media channels, and organizing various activities to promote knowledge, understanding, and awareness on self-care and care of others on safety aspects.

- **Training/ Development:**

The Company continually organizes various training programs as per legal requirement for every employee to know and understand safe work practices. The Company appropriately arranges training for staff of all levels to be aware of their roles, duties and responsibility regarding safety in the workplace;

- Orientation for new recruits: The Company informs and communicates to its new recruits on its policies and guidelines on workplace safety, health, and the environment. This subject is listed as an important agenda issue in the said orientation. Policy guidelines on fundamental workplace safety are discussed, together with relevant work directions for new recruits who are office staff as well as on site employees.
- Workplace Safety Programs for Supervisors: This training course is a compulsory course for employees who are managers and senior managers to learn how to properly control and monitor workplace safety, health, and environment, and to act as good examples to their subordinates. The Company recognizes that the good understanding on workplace safety of these supervisory staff will largely benefit the safety and health of all employees.

- Arranging basic firefighting techniques training to protect employees against harm from fire and dangers from fire and loss to individuals or the workplace, as well as arrange protection against potential causes of fire that may impact the public.
- Arranging of annual training for the emergency team leaders on evacuation during a fire as well as fire drills and evacuation plans for employees, trade partners, and customers in the Company's office buildings, high-rise buildings/condominiums.

As of December 31, 2019, the amount of personnel who were trained under these programs are as follows:

Course	Persons
Orientation for new recruits: workplace safety, health, and the environment	64
Workplace Safety Programs for Supervisors	30
Basic firefighting techniques training	33
Annual training for the emergency team leaders on evacuation	50

- **Medical Care Benefits**

- Providing a health insurance card from the health insurance company prescribed by the Company, and are entitled to the relevant benefit plan which covers medical and treatments costs in the participating hospitals under such plan for the amount not more than the prescribed limits, which vary according to work levels. Employees also receive dental care benefits in addition to their general health care package.
- Providing a nursing room at the workplace, whereas employees who work at development sites can request for basic medicine at the site office of such sites.
- Arranging to have vaccinations against influenza for all employees without cost.

- **Health Care Benefits**

The Compay places importance to the employees' health care, the Company thus continually arrange following activites to promote better health and have more efficient in work so that can result in the Company's sustainable business growth by

- arranging an annual health checkup which is planned according to each employee's age bracket.
- Providing fitness and leisure facility for its employees named "SC Social Club" which occupies a total space of 1,143 Square Meters, for employees to use this facility for exercise, relaxation, leisure, and after-work socializing. The decision was made following the Company "Work Life Balance" concept which emphasizes the well-balanced life style of its employees.
- Organizing the "3 Month Fat Burning" program which allows staff whose weight and body mass index are higher than the applicable standard to participate in the program to take care of themselves, promote health and wellness, and reduce their risk of getting Non-communicable Diseases (NCDs).
- Organizing the "Eating 400 Grams of Good Fruit and Vegetable" with the Thai Health Promotion Foundation to encourage its employees to consume at least 400 grams of fruit and vegetables according to the recommendation of the World Health Organization. There is research which supports this recommendation which claims that it will reduce the risk of getting Non-communicable Diseases (NCDs).

- **The Reporting of accident at work**

The Company prescribes a channel for its employees to report information on accidents at work via its application named "SC In One", which provides an easy and quickly access connection. The "SC In One" application shall record information on accidents at work and their causes. This information can enable the relevant work units to come up with appropriate actions and guidance for further improvement in accordance with the applicable safety standard and to render safest work condition for the employees and outsiders who work in the Company's workplace.

With suitable and continuous actions taken as per the Company's guidelines and regulations on workplace safety and health, the 2019 statistics for accidental rate, workplace absence rate, and workplace sickness and injury rate are provided as follows:

Statistics for work – related inuries

Head Office	-None-
Sites	3 persons

Statistics for work – related illness

Head Office	-None-
Site	-None-

Work Absent Rate

Leave	Persons	Days	Average (Day : Person)
Sick Leave	520	1,821	3.5
Personal Leave	585	1,699	2.9
Annual Leave*	704	4,898	6.95

* Only for employees who were entitled to annual leave; newly recruited employees are not included.

4. Creditors

Policy and Guidelines and Practice towards Creditors

It is the Company's policy to recognize the importance of its creditors, and its obligated duties; whether to its trade partners or financial institutions. It always preserves its excellent credit worthiness by duly honoring prompt payment schedules to its lenders and trade creditors, and fully complying with all prescribed loan covenants. It also treats all creditors with equitability and fairness by observing the following practices:

1. Providing correct, relevant, and adequate information about the Company to creditors for their accurate credit reviews or makes decision. The Company shall not conceal its information or material facts which can cause damages to creditors.

2. Preparing agreements with all creditors in the manner that is lawful, equitable, and fair, without taking advantages of its counter parties.

3. Utilizng the loan and credit facilities obtained from the creditors or financial institutions in accordance with their prescribed lending purposes.

4. Repay its debt obligations according to their prescribed repayment conditions promptly.

5. Maintaining its Interest Bearing Debt ratio at the level not to exceed 2 times which is the required level prescribed by its financial institution creditors. As of year-end 2018, the Company's Interest Bearing Debt ratio was at 1.26

6. In the event of any occurrences of any material adverse situations that might impair the Company's repayment capability, the Company shall promptly inform its lenders and shall jointly work out potential solutions with them to protect all parties against any possible damages. The Company shall strictly comply with the requirements regarding disclosure of information. In a case where the Company meets with the financial problems or significant issues that may have a material impact on the financial status, or ability to repay debts, the Company will set a plan to resolve such financial problems, taking into consideration the fairness towards debtors and stakeholders. The Company's management team is required to report the remedial actions to the Board of Directors on a continual basis.

7. Comply with obligated term and conditions set by creditors or financial institutions strictly. This includes the terms and conditions relating to guarantee and the maintenance of collateral quality to be in line with the conditions stipulated by the creditor or financial institutions.

In 2019 there were no issues related to financial liquidation and ability to repay debts, and according to the review of the Company's accounting and financial information revealed no defaulted or late payments to any creditors; both financial institutions and trade creditors, no breach of covenants on misrepresentations or inappropriate disclosure of information, no violation on any terms and conditions of any financial agreements, and no breach of any collateral contracts.

5. Trade Partners

The Company set policies and practice guidelines for trade selection processes and commercial transactions that are based on fair and productive treatment towards all its trade partners, with emphasis on good conduct, rightfulness, legitimacy, and duly complying with governing trade conditions. Its policies and practices include:

1. For the selection of its trade partners, who are construction contractors, the Company shall set a committee to oversee the selection based on submission of work proposals. Candidates will be measured against the same criteria in order for them to be treated in a fair and equal manner. The criteria include:

- Business size (Registered Capital)
- Financial position
- Availability of workforce
- Availability of machinery
- Availability of materials sources for construction or production
- Experiences and track records
- Ability to complete and deliver work assignment
- Performance warranty
- After-sale services

2. Offering the opportunity for new trade partners to work with the Company and develop their technical skills and new skills.

3. Providing correct and accurate information and reports.

4. Refraining from demanding, receiving or paying deceitful benefits to its trading partners.

5. Encouraginh trade partners to become aware of the need to adopt an anti-corruption stance and cooperate with trade partners to prevent and combat fraud and corruption by not giving bribe in all forms to government officials or the Company's employees.

6. Complying with conditions prescribed in its agreements strictly.

7. In the event that the Company cannot abide by any of its obliged conditions, it will promptly notify its trade partners about the situation and try to jointly search for remedies on the grounds of a good business relationship.

8. Meeting with trade partners who are the Company's contractors on a monthly basis and annually basis to assure proper understanding of the work process to ensure benefits to all parties.

9. Establishing proper payment schedules for costs of goods, wages and service expenses Clearly, and making payments in accordance with such prescribed schedules promptly. The Company developed its supply chain system that allows its trade partners to quickly issue trade documents, settle the payments, and verify the accuracy and correctness of such transactions via the system. This allows its trade partners to receive quick and correct payment amounts, which help improve their liquidity positions.

10. Overseeing and assist trade partners in their working for the sustainable growth purpose along with the Company and assure them of the Company's fair treatment.

11. Providing contact channels for trade partners to voice any potential unfair treatment that may arise during the working relationship with the Company by directly submit the matter to each of the board members, the Company Secretary or report to the Company's Internal Auditor Department via its email address of Internal_Audit@scasset.com (Please refer to further details in the "Corporate Governance" Section on the topic of "Whistleblowing Channel" of this annual report).

12. Supporting and controling trade partners to treat their employees fairly regarding work remuneration and respect of human rights including child labor prohibition.

13. Organizing annual social activities to promote a good working relationship with trade partners Consistently, and to jointly be involved in charity acts that benefit the society. (Please refer to further details in the topic "Sustainability Report 2019" which is a separate report that the Company publishes and disseminates to its shareholders).

Since the Company provides whistleblowing channels for its trading partner to submit complaints, or report concerns on any infringements of the Company's policy and practice guidelines on trade rules with trade partner, unfair selection of trade counterparts, breach of counterpart selection standards, fair business dealing with trade partner, benefits demand or benefits provided for receiving of any favorable treatments or improper gains from trade counterparts, as well as any other similar issues, in 2019, there were no complaints from the company's trade counterparties or contractors.

6. Co-Investors

Policy and Guidelines towards Co-Investors

Co-investment ventures can strengthen the Company's business operations both in terms of funding and exchanging of modern technologies. Besides it helps in elevating the Company's business operational expertise. The Company therefore recognizes the importance of all co-investors and prescribes the following guidelines:

1. Respecting co-investors' rights and treat all co-investors fairly and equitably.

2. Providing operational assistance to co-investment activities and promote co-investment potentiality so that they can achieve their planned targets.

3. Promoting and supporting exchanges of opinions and suggestions, as well as collaborate in setting business plans and strategies with the goal to achieving maximized benefits of the co-investment ventures.

4. Allocating benefits Appropriately, equitably, and transparently.

5. Following-up on the operations of the co-investment ventures to assure that they are conducted in accordance with applicable laws and policies, as well as abide by the guidelines of good corporate governance and sustainable development.

7. Trade Competitors

Policy and Guidelines towards Trade Competitors

Fair trading practices are the Company's focal policy and an important code of conduct by which the company abides. The Company commits to promoting fair competition, transparency, non-discrimination, and also to abide to legally prescribed trade agreements and conventions, principles of best practice, and internationally accepted trade rules and regulations. The Company practice guidelines are as follows:

1. Abiding by generally accepted business framework.

2. Supporting and promoting free and fair trade, refrain from any monopolistic attempts or from any restrictive efforts that might obligate its counterparts to solely trade with the Company

3. No breaching any confidentiality obligations or unlawfully and unethically obtain competitor's trade secrets.

4. Not damaging competitors' reputation by spreading harmful rumors.

5. Avoid entering into any trade agreement or action which may cause unethical competition, or trade monopoly.

6. Avoid competition by using unscrupulous methods such as spreading rumors, distorted information, or false information about competitors.

7. Not carrying out any act that may cause infringement of intellectual property

In 2019, there were no complaints from the Company's trade competitors on unfair competition or unfair trade practice against trade competitors.

8. Investors

Policy and Guidelines towards Investors

Investors are one of the sources of funding with lower borrowing costs than the financial institutions to support the company's business growth and ability to compete with other operators. The Company thus places importance on the investors by defining the following practices:

1. Overseeing the business undertakings to achieve the annual target.

2. Reporting the quarterly business and financial results with accurate and transparent information in order that the investors are updated and understand the changing financial status and operational results in each quarter.

3. Facilitating the investors to communicate with the Company's Investor Relations Office via the Company's website at www.scasset.com and by telephone as well as through other information technology communication channels.

4. Maintaining the Company's financial balance and reliability for stable business undertakings.

9. Independent Auditors

Policy and Guidelines towards Independent Auditors

Independent auditors are deemed as stakeholders in auditing the Company's financial statements to reflect the true and accurate operational results and financial status to report quarterly to all stakeholders. The Company thus defines the following practices:

1. Certified independent auditor(s) shall not be engaged in the company as executives, employees, or consultants, so to assure all stakeholders in obtaining the accurate information presented in the quarterly financial statements.

2. Facilitating the certified auditors to independently examine and have access to all kinds of relevant data from the units concerned.

3. In the case where certified independent auditors give dissenting points or make remarks in the financial statements requiring correction from the Company, the Audit Committee shall oversee that the corrective actions are taken by the management accordingly

10. Government Agencies

Policy and Guidelines towards Government Agencies

The Company's business is real estate development so there is the need to maintain business relationships with various government agencies, such as the Land Office, District Office, Department of Public Works, The Bangkok Metropolitan Administration etc., to apply for land allocation permits, building construction permits, as well as other relevant permits. In order to prohibit and protect against any corruption, the Company thus prescribes its policies and measures against corruption which is published on its website (www.scasst.com) for dissemination of such policies and measures to all its employees and stakeholders for acknowledgement. (Please refer to "Policies and Measures against Corruption" on the Company's website: www.scasset.com, Section: "Corporate Governance" and details on internal controls for protection against corruption under the topic of "Internal Controls and Risk Management") The provided guidelines are as follows:

1. The Company's employees and business units that require contact with government agencies must strictly observe the Company's policies and guidelines against corruption

2. The Company's employees and business units must be cooperative with government agencies and abide by all their prescribed rules and regulations.

3. The Company's Internal Audit Unit shall review and inspect the internal controls to assure that there is no violation on the Company's policies.

11. Social and Environment

- **Fair Practices and Social Responsibility Policy**

By observing the doctrine of fairness in its business practices, and committing not to be lured by any illicit gains from wrongful business conducts, the Company creates business confidence and assures its stakeholders of its social consciousness. This best practice shall enhance its lasting business prosperity. It is the Company's philosophy to pursue a sustainable growth path, and therefore well-realizes that long run business survival requires quality products, professional integrity, public awareness and social contribution. The Company therefore adopts the following practice guidelines

1. Avoiding any actions which may result in any conflict of interest, or upon any occurrence of any conflict of interest shall apply the appropriate mediation process and fair dispute resolution, whereby proper disclosure shall consequently be made thereafter.

2. Promoting competitiveness in free trade while avoiding any attempts at nepotism.

3. Not supporting or encouraging any misappropriation of intellectual property rights. (Please refer to further details in the topic "No Infringement of Intellectual Property Rights Policy and Practice" Section of this annual report.).

4. Setting up management systems to assure the protection against bribery and fraud or instigate processes which can promptly detect any bribery and corrupt practices.

5. Inspiring its employees to recognize the importance of avoiding acts of deception, intimidation, and all types of corruption.

6. Exploring and understainding governing laws and relevant regulations, prior to the undertaking of any business act or transaction, to avoid any possible business engagement that might impact on the existing community pattern or social way of life.

7. The Company consistently fosters moral and ethical behavior, social responsibility, and environmental awareness in all levels of its employees. It also gives significant weight to trade partners who are fair-minded and have a good sense of social responsibility. (Please refer to further details in the topic "Guidelines of Policy and Practice towards Staff Training on Environmental Issues" Section of this annual report).

8. The Company places emphasis on compliance with government stipulated policies as well as actively participating in a social governance network. Its actions include complying with the new worker's compensation scheme stipulated by the government and offer no less than minimum wage to its workers, allowing the National Electronics and Computer Technology Center to install a closed-circuit television system (CCTV) in front of the Shinawatra Tower III to monitor traffic conditions on Viphavadi-Rangsit Road and Uttraphimuk Elevated Tollway.

9. In the event of any situations or news that is linked and related to the Company, it will promptly communicate to the public by disclosing facts and updating ongoing circumstances without any cover-up or distortion of truth, in order to make the public fully and promptly aware of the Company's position.

10. The Company pledges and commits to create residential products which support the environmentally friendly or "Green" concept, makes the best use of natural resources utilization, by selecting construction design, materials, equipment, and technology which are of an energy saving nature for its development projects. It consistently supports various research works, developed both in-house and through cooperation with external efforts, to produce environmentally friendly or "Green" concept housings. Furthermore, its project designs are based on key elements of energy saving, global warming reduction, and waste treatment efficiency. In its development projects,

water and waste treatment systems are installed in accordance with the required standard to treat waste water prior to its release into any public drainage system (Please refer to further details in the topic "Sustainability Report 2019" which is a separate report that the Company publishes and disseminates to its shareholders).

- **Policy to Promote and Develop Innovations**

In the current global situation, advancement of technology and speediness of the digital world has placed dramatic change on the people's way of living as well as business operations. In response to dynamic changes of the modern days, the Company has established a policy to promote and develop innovations, details are as follows;

1. Established the innovation working committee to work on research, development and innovations in order to enhance the quality and market value of the products that will elevate the Company's competitive edge in accordance with the goal and strategy.

2. The innovative development is not created only economic value of the organization, but to upgrade the potential of the employees so they also keep up with the changes, taking human needs as the initial focus point and then turning that focus onto customers or concerned of all stakeholders.

3. Innovations that are created by the Company must provide benefits to the well-being and living conditions of humans with emphasis on social and environmental responsibility to create shared value for all sectors of society for the purpose of sustainable growth.

4. The Company provides budgets and additional knowledge to its research with the objective to research, develop, promote, and organize various activities to stimulate the use of knowledge and creativity towards innovation, application and adaptation of existing works contributable to the Company as well as the overall economy and society.

In 2019 the Company created new innovation for its business activities by

- "Bann Ruejai Platform": This platform was developed from the surveys on basic human needs according to the "Human-Centric" concept. The problems and needs in daily life of customers are reviewed and used as the important basis for the development of this platform. This platform was also developed with the help of various corporate alliances who specialize in various fields. The Company and these corporate alliances have cooperated in the development of this invention by gathering various innovations and solutions to enhance more conveniences, safety, and comfortable living conditions for customers. This, indeed, will allow the customers to have more time for other important matters in life.
- "Home Automation": This is another function on the "Bann Ruejai Platform" that adds comfort to the customers' life style as they can turn their electrical appliances off and on using this application.
- "RueJai Subscription": This is aimed at offering the Company's customers with a high quality living standard, and suitable solutions for their convenient and modern life styles. This scheme is equipped with services offered under the "Baan RueJai" program which includes a delivery service for car wash and home.

(Please refer to further details in the "Sustainability Report 2019" which has been published as a separate report and disseminated to the Company's shareholders).

- **Social and Community Development Policy**

The Company considers that a well-built community with ongoing development is an important foundation for a good and pleasant society. Therefore, it is the Company's policy to support social activities and/or participate in community events which are supportive to community strength, and develop residential products that bring

no potential adverse impacts to the surrounding community, while also avoiding being the cause of any source of possible pollution emission. It also actively engages in health and environmental improvement activities in the communities which surround its development sites and supports their social development to enforce the concept of amicable cohabitation and cooperation for mutual benefits among society members (Please refer to further details in the "Sustainability Report 2019" which is a separate report that the Company publishes and disseminates to its shareholders). The Company pursues the following practice guidelines:

1. Surveying and inspecting any communities close by and far from its development estates in order to assess the possibility of any adverse impacts caused by the Company's current and future operations, and apply such assessment to rectify/improve its operations in order to protect the community and society against any direct or indirect damage and adverse conditions.
2. Supporting volunteer work that relates to the community and social development.
3. Helping protect the community and social surroundings and make them cleaner and safer for peaceful cohabitation, and support the community sanitary condition.
4. Supporting the basic infrastructure requirements of the surrounding community and society such as schools, health care centers, roads etc.
5. Supporting and participate in charity work such as organization of activities which promote righteous acts, and reduce unethical activities in order to maintain a virtuous lifestyle under the sufficiency economy doctrines.

The Company carried out many internal measures and procedures that indicate the assurance of its proper business conducts, which are beneficial to both the economy and society. The Company also allows a site visit to outsiders such as the media & press, security analysts, domestic and foreign institutional investors, financial institutions, university faculties & students, etc., as well as providing overview presentations on the real estate industry and orientations on the "Management Technology and Product Concept" for development projects of the Company and its subsidiaries. It also emphasized the importance of safeguarding of public interests and a better quality of life in the Thai society by participating in community development programs and charitable attempts in order to give something back to society.

In 2019 the Company undertook activities which promote community and social development by

- "Sang Mitr Chid Rua" Project: This Project is aimed to recycle the customers' belonging and things that are no longer a necessity, and donate them to workers in the Company's project sites. The Company invited its customers/employees/trade partners to donate their clothing and belongings which were in good condition to construction workers, foundations, and those with less social opportunity
- The "Kids' Mission" project: This project is a project intended to promote a better quality of life for kids in the construction sites, and aimed to avoid accidents at work as well as reduce concerns over caring of workers' children. This project also led to the overall improvement in work efficiency of workers

(Please refer to further details in the "Sustainability Report for 2019" which has been published as a separate report and disseminated to the Company's shareholders).

- **Policy and practice guidelines on efficient use of resources**

The Company is committed to conducting business with accountability towards all groups of stakeholders, as well as society, community and the environment. The Company also recognizes the importance of optimum and effective use of resources while minimizing any impact on society and the environment. The Company

believes that the efficient and effective management and allocation of resources will lead to achieving the objective of creating sustainable value and growth. The Company thus set up a policy on the efficient use of resources, covering all aspects of the resources necessary for business undertakings including financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital, as well as natural resource capital. To achieve these objectives, the Company stipulates the duty of its executives and employees to control and reduce the use of natural resources, while promoting awareness of the value of natural resources and its effective uses, efficient uses of recycled materials, and wastes reduction as measures to protect and reduce impacts on the environment. To achieve its policy success, the Company also implements practice guidelines as follow:

1. Guidelines on Financial Capital Utilization

Financial capital is a key factor in enhancing sustainable business growth. The Company thus pays attention to the importance of balancing all dimensions of financial resource management, which includes:

(1) Diversified methods of fund raising: The Company considers various types of financial instruments for its financing and fund raising. It also utilizes such instruments in an appropriate proportion and mix. The main financing methods applied by the Company to fund its business operations are issuance of common shares to be sold to shareholders and investors, borrowings from financial institutions, and the issuance of debt instruments such as bills of exchange and debentures.

(2) Maximizing fund utilization: The Company maximizes its fund utilization in an efficient way with the target set at a level not to exceed that of the industry average as a means to control and minimize financial cost and expenses.

(3) Controlling financial risk: The Company controls its financial risk by utilizing an appropriate mix of financial instruments at a suitable timing. It also considers the long-term impacts of each of the financial instruments, their maturity, and obligations and prudently applies them to support its business growth.

(4) Maintaining good financial credibility: The Company always maintains its good financial credibility in its obligations to others whether they are financial institutions or trade creditors and duly respect their payment terms as prescribed in the relevant agreements or documents.

2. Guidelines on Promoting Manufactured Capital Utilization

(1) Encouraging the primary selection of locally made construction materials and the use of materials which are environmentally friendly ("Green Procurement"), aiming to promote domestic economy and avoid negative impacts on the environment.

(2) Prescribing the use of "Total Quality Management" to improve its construction process. In addition, it makes surveys and collects information on its construction problems to improve efficiency in its construction process and produce quality products that satisfy consumer needs. It also encourages the efficient use of production resources.

(3) Establishing the "SC LAB" to be its research center for material quality and to test construction equipment. This laboratory also works on improving the production process in order to perfect each construction step so as to avoid errors during the actual construction. "SC Lab" promotes and fosters learning which improves the quality of the work process while testing construction materials to assure the superior quality of the Company's final products and services.

3. Guidelines on Promoting Intellectual Capital Utilization

(1) Encouraging the wider recognition of intellectual resources to catch up with growing social changes. It organizes training course such as "Innovative Workshop", which supports knowledge improvement, for its executives and employees. Startup professionals are invited to be the workshop facilitators and to share their experiences and knowledge with the Company's staff. The training provides new thinking dimensions and different analytical approach as well as creative methods in finding work solutions. It is the Company's intention to improve its business operation by applying new innovations and state of the art technologies to its products and projects.

(2) Having Organized activities which promote creative thinking among its executives and employees since 2009. Each employee from every business unit and division are encouraged to express their opinions or creative thinking in developing the Company's products and projects. This attempt helps in promoting and inspiring new thinking, improvement, and adaptation of innovative ideas and technologies for new products, services, and projects. the Company hosted a program called "Hackathon" to inspire its employee to collaborate with each other in learning new techniques and ideas and to apply them for their work. This represents the introducing of staff innovative ideas and applying them into work and action. It also helps in creating added value to the Company's goods and services.

(3) Fostering new foreign technologies and knowledge for its executives and employees by arranging overseas business visits for them to learn about new product designs and updated services. The Company's staff learns new techniques and is exposed to new experiences which can inspire new innovative ideas that can be adapted into products that are beneficial to consumers. These new ideas are applied to develop new styles of housings and condominiums in the Company's developments and new services that are offered to their clients.

4. Guidelines on Promoting Human Capital

The Company recognizes that human resources are the most important capital because it is the main driver that influences success in a corporate's sustainable business growth. Thus the Company focuses on knowledge management of its staff and intends to the enhance business potential of its executives and employees, together with its promotion of business ethics and morals. The guidelines are established as follows:

(1) Setting to have proficiency and creative thinking training frequently during the year for executives and employees to enable its staff to have adequate professional knowledge, business acumen, and understanding of relevant rules and regulations that allow them to work efficiently under the guidelines prescribed by the Company. The training which includes required proficiency knowledge, are aimed to guide the staff and give them potential for career advancement, and to encourage team work and leadership among executives, senior officers, and employees. Additionally, specific training on leadership and management is also offered to promote and improve staff leadership and management skills for their future career development. (Please refer to more details of these training courses in the "Human Resource Policy")

(2) Building organizational culture via activities and campaigns. The Company organizes staff activities that maximize employee engagement to encourage their proficiency, potential, and work commitment. This enables the staff to make best use of their personal potential for the benefits of the organization. These activities and campaigns include cultural activities, "SKYDIVE" campaigns – which foster the staff's organizational values, and other festive activities.

(3) Promoting exercise consciousness among executives and staff to keep them healthy. As most of the Company's executives and staff spend long hours at their desks increasing the risk of office syndrome, the

Company thus established its in-house gym for staff to exercise during their free time. The Company also makes campaigns to encourage its executives and employees to jointly walk and jog at the nearby Vachirabenjatas Park (Rot Fai Park) every Thursday.

(4) Taking good care of its staff and their family. It offers scholarships for staff and their family members to assist and inspire them to develop their skills, knowledge, competency, and experiences, enabling their work potential and responsibility that are required for both their career advancement and corporate business growth.

(5) Every Wednesday the Company organizes group chanting, and meditation. Learned monks are invited to preach. These activities intend to create value in ethics and morals for the Employees.

5. Guidelines on Promoting of Social and Relationship Capital

(1) Developing all its housing and condominium products to satisfy individual needs, and emphasizes on the idea of making human needs the initial focus point, rendering real life benefits to consumers, and offering quality products and services.

(2) Establishing consumer confidence in the Company's products by offering quality goods and services that consumers can experience. This is a focal positive factor that induces good word-of-mouth among consumers which reinforce the "SC Asset" branding, enhance its corporate recognition, and expand its consumer base, all of which shall support the Company's sustainable business growth.

(3) Creating good relationship with trade partners and all stakeholders, and exercise equitable treatments towards them.

(4) Monitoring its construction and development to assure that they do not cause negative impacts to the society and environment. The Company is also committed to generating benefits to the society and the environment.

6. Guidelines on Promoting Natural Capital

(1) Promoting measures and activities which encourage its staff to use natural resources efficiently and reduce energy consumption through the 3Rs policy; reduce, re-use and recycle. These measures and activities include substituting the printed copies of staff salary payment slips with an electronic version, using energy saving light bulbs in the Company's office buildings, reusing paper by printing or writing on the reverse side of paper that has been used already, and applying the use of garbage separation rules. The Company also gave the research fund to Shinawatra University and also sent its staff to join the Shinawatra University's research team to study and research green home building such as residential planning, green home design and selection of material.

(2) Promoting a reduction in paper use for meetings under the "Green Meeting" concepts that substitute paper documents with an electronic version thereof that can conveniently be downloaded and/or open for viewing via wireless devices. At present, these Green Meeting concepts are applied in all of the Company's Board of Directors Meetings and all other meetings of its sub-committees. The action is intended as a tool to set a good example and a best practice guide for the Company's employees.

(3) Establishing the use of "E-Document" as a practice guide in the work process to enhance convenience, speed, as well as reduction of irrelevant work steps, uses of paper and supplies in the organization via the application of green technology. The Company invested in its centralized electronic document and records management system that gather and store digital information for all work units on its online network. These e-records can be retrieved for viewing via the same system.

(4) Establishing its own e-procurement system named "Supply Chain" to be used between the Company and its trade partners. This integrated procure-to-pay process is a standardized online automated system, implemented to ensure the trade partners of the Company's accountability and credibility in its procurement process. It also reduces steps in the procurement cycle and shortens operation time for the parties involved.

(5) Establishing the electricity and energy conservation program by applying the Building Automation System (BAS) to manage energy saving for its building. The system controls and plans energy uses via its software and also takes into account the "Peopleware" planning aspect to set an energy conservation plan and time schedule for equipment with high electricity consumption. The Company also participates in the "energy conservation building" project organized by the Metropolitan Electricity Authority and launched a campaign on electricity saving by means of an internal public relations channel such as dissemination of information via tenants' emails to promote energy saving. A 5% monthly electricity saving target is also set.

(6) Developing suitable technology for its work services by investing in the "Virtual Machine System (VMS)" project. VMS is a computer operating system that can support the Company's operational process and run various application systems under the same process server. This provides safety and efficiency to the work systems of the Company's goods and service, and promptly processes its responses to all its various stakeholder groups. Other benefits of the VMS also include electricity saving, and increased work efficiency.

The efficient uses of resources as per the details prescribed in the "Sustainability Report 2019" under the "Environmental Actions" Section. This report shall be made as a separate report that the Company publishes and disseminates to its shareholders

- **Policy on Management of Natural Resources, Environment, and Ecosystem**

The Company prescribes its policy on management of natural resources, the environment and ecosystem aimed for the best use of the limited natural resources, and be a part of the attempt to reduce environmental problems, as well as to promote the effective management of natural resources, and to protect the ecosystem and biological diversity. The policy includes:

1. Operating of business activities of the Company must be in compliance with the applicable legal requirements, the Real Estate law, the rules and standards on environment or any applicable laws on conservation of biological resources. This compliance must be the minimum standard of practice and relevant action shall be made to assure that such activities are undertaken in accordance with the Company's prescribed guidelines on sustainable development.

2. Applying the "Green Building" concept which is environmentally friendly and make the best use of natural resources in producing residential units. The Company chooses and selects designs, materials and supplies, and technologies that help conserve energy for its condominiums and residential units in its development projects. In designing its projects, the Company is always aware that its structural designs, and material selections encourages energy saving and can help in reducing the effect of global warming. As for waste treatment, the Company installs waste and water treatment systems in its development projects to treat the sewage and wastewater before discharging them to public water systems.

3. Applying technologies and production processes that are up to environmental standards, whilst being aware of reducing the use of natural resources as much as and substituting their use with the material choices that are ecofriendly or do not affect the environment.

4. For the construction of its condominiums and residential units, the Company requests contractors to try to save large sized plants and to keep them in their original form. The construction work must also have protection

measures against impacts caused to the ecosystem and biodiversity supply chain. In each of its projects, the Company makes appropriate selection of its project sites, and arranges to have proper environmental management according to the terms as specified by the prescribed standards. Additionally, it also closely and regularly manages and monitors the construction management of those projects.

5. Before commencing construction, the Company always communicates and establishes a relationship with the surrounding communities, holds discussions with interested parties who are directly impacted by its development. This helps the Company in implementing appropriate protective measures that will lessen ecological impact, and encourage further cooperation in environmental conservation and protection, as well as deriving mutual benefits from biodiversity.

6. Promote the knowledge development, awareness, and understanding on the conservation of natural resources continually, the environment, and ecosystem, as well as protection of biodiversity, among its staffs of all levels, contractors, and employees of trade partners.

In 2019, the Company operated its business in full compliance with its policy and measures on resource management, environmental and ecosystem conservatism. These actions include environmental management in the Company's construction work, reduction of electric power consumption, maximization of water resources use, and waste treatment measures.

- **Policy and practice guidelines on Business Operation under Environmental Standard**

The Company realizes that the global population increase and economic growth has not only caused excessive consumption of natural resources, but has also increased water, air, waste, and toxic pollution. In addition, global warming also impacts human beings and the ecology system. The Company also prescribes its policy on the conducting of business operations under environmental standards in line with its policy on management of natural resources, the environment, and ecosystem.

1. Conducting its business according to the general legal compliance and shall abide by the real estate development laws such as the Enhancement and Conservation of National Environmental Quality Act, the Land Allocation Act, the Condominium Act, or any other applicable laws including any relevant regulations and environmental standards.

2. Supporting and Promoting efficient and sustainable use of resources, as well as to improving quality of human life by tackling environmental problems because of protection is everyone's responsibility and should be carried out jointly.

3. Arranging to have an appropriate environmental management system while undertaking construction management for residential projects and regularly monitoring the outcome, provided that operations related to the company's high-rise building construction are compliant with applicable laws and regulations. The Company also additionally studies and learns on environmental aspects in order to reduce the environmental impacts

4. No supportting the use of materials affecting environment.

5. Developing products/services without impact on environment and for safety use

6. Providing its employees and the public information regarding any environmental impact, safety, and health care issues.

7. Encouraging customers to be aware of any environmental concerns on the utilization of the Company's products and services.

8. Having an emergency plan that can respond to potential environmental problems, with prompt reporting procedures to concerned governing authorities in the event of such emergency.

9. Promoting and encouraging all stakeholders including customers, trade partners, employees, and communities which surround the Company's office premises and development sites to be concerned and aware of the importance of the environment and induce them to assist the Company in its environmental conservation efforts and to promote all aspects of sustainable development.

10. Arranging to have operation measures that encourage eco-friendly conduct by abiding to the practices of minimizing stakeholder impacts such as consistent monitoring and inspection of construction works, installment of water gates and waste treatment controls, assess and monitor quality of water emission from the Company's development projects to protect water glut and water pollution. These measures are for the benefits of the residents in the Company's projects as well as their nearby communities and the surrounding environment

In 2019, under the concept of maximization of efficient use of resources, the Company organized the "Circular Living" Project via two activities which were:

- The "Recycled Plastic Road" Project which was co-hosted with the Siam Cement Group Public Company Limited and the Dow Chemical Thailand Limited. The project involved the recycling of used plastics, mixing them with asphalt, and pouring it on the top of concrete roads in the Grand Bangkok Boulevard Ramintra - Serithai Project.
- The "Be Right Back" Project with the slogan of "the more you sort, the more you become sustainable" (the more you sort waste before discarding, the more sustainable you will become) The project is aimed at creating consciousness and providing knowledge to the Company's customers in over 500 households to be aware of their role in solving plastic waste problems. These customers in over 500 households are encouraged to sort waste before discarding which in turn can reduce over 5,000 Kg, of Carbon dioxide (CO2e) from the Carbon Footprint.

(Please refer to further details in the "Sustainability Report 2019" which is a separate report that the Company publishes ad disseminates to its shareholders).

• **Policy and practice guidelines on employee training regarding environmental issues and utilization of natural resources**

The Company pays attention to the importance of environmental protection and regards this issue as a key element in its business conducts. It places emphasis on two focal aspects which are (1) being environmentally friendly and (2) workplace safety, these concepts are well-applied to cover its corporate, employees, customers and trade partners and all other stakeholders of the Company.

Additionally, the Company's employees are encouraged to be aware of the benefits of the conservation of natural resources, the environment, and ecosystem which is in line with the Company's policy on management of natural resources, the environment, and ecosystem, and its policy on conducting its business operation under the prescribed environmental standards. The Company consistently arranges appropriate skill enhancement programs for its employees, in-house and externally, to develop their ecological knowledge and environmental awareness by undertaking the following activities:

1. Arranging employees training, directly and indirectly, on energy and environmental knowledge which consists of energy saving technologies, energy conservation, choices of green energy. The Company arranges to have training and activities that cover knowledge on the environment and utilization of natural resources. This

training is aimed at equipping the Company's staff with proper skills and knowledge concerning environmental management and sustainable ways for utilization of natural resources. The training courses offered included the "Persons Responsible for Energy (PRE) - General, Refresh PRE, Reporting on Wastewater Treatment System of Pollution Sources (as per Ministerial Regulations B.E. 2555), Insight on Technology Updates on Energy Conservation, Standard Course on Wastewater Effluent from Allotted Land" and Legal Courses on Laws on Environmental Impact Analysis Report for Building, Land Allotment and Public Services".

In 2019, the Company provided the training and seminar course regarding energy and environmental as following details,

Courses	Held By
Vibhavadi Zero Waste Project	Thailand Responsible Business Network (TRBN)
SD symposium 10 years "Circular Economy: Collaboration for Action	Siam Cement Group Public Company Limited
The Future of Sustainability by Prof. John C. Warner	Faculty of Science, Chulalongkorn University

2. Disseminating academic information on energy conservation to the Company's employees and homebuyers via its newsletter. The information includes the best ways to save electricity, and how to save battery life of smartphone and tablet.

3. Promoting innovation of energy saving techniques and apply them in the Company's pilot project such as installing roof-top solar panels on the clubhouse roof to produce renewable solar energy during the daytime.

- **Policy and practice guidelines on the Prohibition of Intellectual Property Rights, Copyright and Computer Program Infringement**

It is the Company's policy to support recommendations from the Corporate Governance and Sustainable Developments Committee, as well as suggestions from management and employees on practice guidelines on corporate social responsibility, by applying the concept of corporate social responsibility and adopting the ethical moral of equality in doing business. These conducts brings confidence to the Company's stakeholders and support its long-term business path. The Company shall not be tempted by benefits from engaging in any unethical activities. The first principle in its Code of Ethics underlines the respect for intellectual property rights which rule out its support for any violation of intellectual property rights of others, whether they are infringements of copyright, trademark, trade secrets, and other aspects of intellectual property entitlements. Regarding the compliance of its respect for intellectual property rights, the Company undertakes the actions as follows:

1. Supporting and promoting innovative creation of new products including architectural work, housing patterns, and condominium designs, with no infringement of copyright rights of others.

2. Reviewing information, data, press release, and printed materials utilized for its business purpose are not in infringement of the copyright work of others. If so it will respectively comply with their terms and conditions of use.

3. Not wrongfully using information, data, press release, printed materials, and trade secrets, or make use of them without the proper lawful authorization of their owners. If the Company utilizes information, data, press release, and printed material which belong to others, it will refer to their sources or make known of their owner's names, or provide the links to the original thereof.

4. Not disclosing information of its trade partners, customers, and stakeholders, without being authorized by their respective owners, unless according to its due compliance with laws, rules, and regulations of the relevant authority, or directives of a government agency, or court orders.

5. Prohibiting and discouraging any illegal use of unlicensed computer software applications by the Company's directors, executives and employees.

6. Installing duly licensed software applications on all the Company's employees' workstations legally. If there is any need to install any additional software applications on any employee workstation, the license software will be installed and monitored by Information Technology Department.

7. Stipulating the prohibition of intellectual property's right infringement as a conditions in the contract standard made and enter between the Company and other trade partners in order to prohibit the Company's trade partner not to infringe other's intellectual property right.

In 2019, the Company reviewed its business operations for the year on any possible infringement of intellectual property rights, and found no incidents thereof.

- **Policies and Guidelines on Governance and Management of Information Technology**

Presently, with the growing competition among businesses, it is the Company's belief that administrative and management efficiency can render faster responses to social and information needs of the society as well as excelling corporate competitive advantages. Thus, the application of proper information technology for the administrative and management process can induce productivity, business potential, added value, and business sustainability. The Company also takes into account risks related to information technology in business such as information access risk, integrity risk, and availability risk etc. The Company has assigned its Information Technology Department to monitor and suggest review and control measures against possible IT risks, and prescribes such approved measures to be its supervision and management policy on information technology. Such measures and policies are in line with its corporate strategy and in accordance with the Company's visions and objectives. They are also prescribed as required framework for operations for employees at all levels and related outsiders, with the intention of providing clear and precise planning and actions. The Policies on Governance and Management of Information Technology also cover IT risk management, allocation of IT resources for business operations, and IT security that governs confidentiality, integrity, availability, as well as relevant guidelines and measures that include:

1. For security of the Company's IT and data system, all levels of employees are not authorized to have access to data and information which is outside their scope of job responsibility or is information which they are not authorized to use or access. Each employee is required to use only his/her username and password when accessing the Company's IT system.

2. The Company prescribes the use of software on employee's computers which require that only standard software programs are allowed. Any employee who wants to use additional software program for his/her work must have their business unit or division apply for procurement of relevant licensed software programs that are needed. The application must also be submitted in writing to the Information Technology Department for arrangement. If there is any need to install any hard disk formatting, the Information Technology Department must be informed of any hard disk formatting request, and shall be the party in charge of such formatting. None of employee is allowed to install new computer software, format hard disks, or upgrade any software application by themselves, as the action may incur software license problems and computer security threats.

3. Prohibiting to install any hacking & tracking tools or any decryption software. Proper monitoring of data protection system is encouraged.

4. Prohibiting its employees of all levels to make any configuration to its computer network and to not install or alter any IP address, computer names, and domain names of their computers without approval from the Information Technology Department. It also forbids the sending, transmitting, watching, and possessing of any electronic information which is inappropriate and illegal, as well as undertaking any online actions or uploading of information which are not related to the Company's business to any outside computer network or internet by using the Company's computer network.

5. Ensuring the protection of errors or disruption of its business operational process or organizational work resulting from the failure or disruption of the information system and to be able to recover the information system within the appropriate period of time, the Company thus prescribes the information backup system to assure the continuity of work. The Company regularly saves information on backup tapes stored outside its computer centre or its server room. It also has a regular information retrieval practice to assure that information is safely backed up and can be perfectly and completely retrieved.

Guidelines of Policy and Practice on Anti-Corruption

The Board of Directors has dedicated to operate the Company's business within integrity, transparency and anti-corruption, so the Board has formulated the Company's anti- corruption policy to prevent and counter corruption, both internally and externally.

1. Guidelines of Policy and Practice for Prevention of Internal Corruption

The Company conducted its business with fairness, transparent and does not engage bribery and corruption, the clear policy is therefore prescribed to prohibit its directors, executives and employees to exploit their positions for self or family benefits, or for benefits of others, whether such benefits are in monetary terms or in any other form. The guidelines are as follows:

(1) Directors, executives and employees of all levels are prohibited to demand or receive any monetary or personal rewards offered by the Company's customers, trade partners, or any other individuals for the work they perform on behalf of the Company.

(2) Directors, executives and employees of all levels are prohibited to borrow or raise funds from the Company's customers and trade partners, except that when such borrowings represent loans from their banks or financial institutions of which they are customers.

(3) Directors, executives and employees of all levels are prohibited to receive any gifts from trade partners or any other outside individuals as a result of their work position or for the work they perform.

(4) Directors, executives and employees of all levels have duties and responsibilities to safeguard and make best use of the Company's assets for its corporate benefits and shall not exploit the use such assets for their own benefit, or for the benefit of others.

(5) Directors, executives and employees of all levels are prohibited to participate in unfair treatment or to extend preferential treatment to the Company's trade partners

(6) In the event that any of the Company's transactions or business which its directors, executives and employees have any personal interest or are personally involved in, their involvement must be reported to the Company and they must also withdraw themselves from such transactions or business.

(7) Providing training courses on anti-corruption for employees aiming to promote honesty and accountability in work, and to provide knowledge on various types of corruption, their relevant impact and consequential damage, ways to avoid and limit corruptions, as well as punitive measures prescribed for the failure of employees to observe the Company's anti-corruption rules.

2. Guidelines of Policy and Practice for Prevention of External Corruption

In addition to the practice guidelines stipulated by the Company against internal fraud and bribery, it also prescribes the practice guidelines for its directors, executives and employees of all levels which prohibit them from participating in any act of corruption outside the organization. To adhere to its transparency, business integrity, and fair treatment, the Company will not participate in all forms of bribery or undertake in any illegal acts to achieve its business goals. The guidelines are as follows:

(1) The Company's employees are prohibited from using the Company's reputation, assets or work time to support any activities that generate personal benefits.

(2) In seeking support from other organizations, particularly from any government agencies, the Company shall comply with its normal applicable rules and procedures, and shall not be involved in or support any bribery.

(3) In maintaining a relationship with outsiders by providing entertainment and reception, or offering of company's products, the actions shall be taken in a reasonable manner and in accordance with generally acceptable practices for such occasion and tradition, and the value thereof shall not be too lavish and can be accounted for.

3. Policy against the Bribery of Government Officials

Corruption is a major problem which erodes economic and social stability. Therefore, combined efforts from all economic and social sectors are required for its reduction and elimination. In the course of the Company's business, it is normal to contact relevant government agencies which administer real estate development. In the process of obtaining various official construction approvals, the Company prescribed its policy against corruption by not supporting bribery to government officials and promoting ethical values and an anti-corruption spirit within its organization. It also encourages its executives and employees to respect fair trade, honesty, and integrity. The Company, in collaboration with other economic and social sectors, supports actions or activities against corruption aiming to get rid of corruptive endeavors through the following practices:

(1) Prohibiting any direct or indirect payment of bribery to government officials for obtaining its business targets.

(2) Fully co-operating with trade partners to prevent and combat fraud and corruption by not giving bribe in all forms to government officials or the Company's employees.

(3) Operating its business in compliance with rules and regulations of laws in order to avoid the opportunity for any bribery request.

(4) Rectifying its mistakes in accordance with rules and regulations of the law, and avoid bribing its way out In the event of any business mistakes.

(5) Compliing with rules and conditions prescribed by government agencies willingly aiming to fight against corruption and wrongful acts of government officials. For instance, in the event of it becoming a counterparty of any government agencies, it shall make proper disclosures to the Revenue Department of its payment accounts for the projects in which it participates as a counterparty in accordance with the prescribed conditions of the National Anti-Corruption Commission in order that its accountability and tax calculation and filing can be reviewed.

(6) Promoting ethical and professional values among executives and employees in its organization, and makes known that bribery is an abusive act of social exploitation that cannot be a cause of sustainable business achievement.

(7) Providing adequate and efficient internal control to prevent the inappropriate performance of employees.

(8) Providing a review of the Policy against the Bribery of Government Officials and improve it to be in accordance with the changes of business and law.

4. Policy on Ethical Awareness of Executives and Employee against Corrupt Practices

The Company realizes that corruptive acts can harm the organization and society as a whole. Therefore, in order to induce ethical awareness against fraud while promoting operational efficiency, quality work, and integrity, the Company prescribes the following practice guidelines:

(1) Providing knowledge training for its employees on its anti-corruption policy and measures as well as any relevant laws, rules, and regulations thereof to foster employees' understanding on various forms of corruption, their impact, the damage caused by corruption, ways to avoid and curb corruption, punishment on conduct in violation of the Company's anti-corruption policy and regulations, as well as notifying, reporting, and whistleblowing suspicions of corruption. This training also fosters and facilitates employee engagement in the Company's organizational culture.

(2) Disseminating knowledge about the harm of fraud and corruptive acts and their impact on themselves, family and society.

(3) Organize activities that congratulate and praise executives and staff who are conduct themselves well, and are hardworking, and honest.

(4) Arranging activities such as group meditation and religious teachings for executives and employees to participate and encourage them through these activities to pursue ethical conduct and avoid dishonest acts.

In 2019, the Company prepared e-learning modules on its anti-corruption policy and measures, with the intention to provide understanding to its executives and employees on the subject. It also arranged to have relevant knowledge assessment on this subject via its intranet.

5. Policy on supervision, controls and monitoring of corruption risk

In order to ensure the efficiency of its anti-corruption measures, the Company delegates to its internal business units to be in charge of supervision, controls and monitoring of any situation that entails corruption risk within the organization falls within their area of duties and responsibility. It also set the practice guidelines for tracking and monitoring corruption risks as follows:

(1) The Company appointed the Internal Audit, which directly reports to the Audit Committee of which its committee members are independent directors, to audit and review the Company's internal controls and its operations to ensure their business efficiency and effectiveness, as well as their compliance with the Company's prescribed rules, regulations, and policies. The internal controls cover important business operations such as sales and marketing, procurements, contract procedures, accounting and financial reporting, and other relevant processes or situations that may entail corruption risk.

(2) The Company requires that the Audit Committee shall inform the Chief Executive officer and directly report to the Company's Board of Directors on any event which may entail corruption risks, or any relevant urgent issue to be discussed to find appropriate solutions.

(3) All executives are required to supervise and monitor the subordinates on the compliance to the Company's anti-corruption policy and measures. In the event that corruption is detected, it shall be reported immediately to the Internal Audit.

(4) The Company provides its employees and its stakeholders with various communication channels to monitor corruption risks and to inform, report, and notify suspicions of corruption or actions that may damage the Company. These channels include direct communication to the address or email address of the Company's Directors and the Company Secretary, or via the e-mail address of the Internal Audit. The Company's corporate communication channels also appear on the Company's Website (www.scasset.com) on the "Corporate Governance" Section.

The Company also prescribes measures for informant and whistleblower protection to ensure the fair and equitable treatment of such informants and whistleblowers.

In 2019, there was no situations were found or reported through any of the communication channels on corruption, within the organization. However. the Company obtained a complaint regarding the fraud ease carried by the Company' business partner with outsider.

6. Policy on monitoring and assessment on the compliance of Anti-Corruption Policy

The Company prescribed guidance on monitoring and assessment on the compliance of anti-corruption policy to ensure that its anti-corruption policy and measures are updated, modified and improved to suit changes in the current situation, economic conditions, and social environment, as well as to assure that its directors, executives and all employees act in compliance with its policy, business ethics, rules, and regulations that relate to anti-corruption. The guidance is as follows:

(1) The Company appointed the Audit Committee to review and supervise on anti-corruption compliance to be in accordance with the prescribed policy and measures, particularly with regards to the effectiveness of relevant internal control systems; whilst also reviewing that the Company's risk assessment sufficiently covers corruption risk, and its risk management is appropriate and adequate.

(2) The Company appointed the Audit Committee to be responsible for the audit, review, and control of its operation processes to ensure its accountability, accuracy, and appropriateness, as well as regularly assess, review, and reconsider its anti-corruption policy and measures at least once a year to reflect on changes in the risk landscape, and to adjust its applicable practice guidelines to be in line with its policies, principles, rules, regulations, notifications, laws, and changes in business circumstances, as well as to find measures to mitigate the risk.

In 2019, in the Audit Committee Meeting No. 7/2019 held on November 8, 2019, the Internal Audit Department reported the results of its reviews on Anti-corruption Measures. The reviews covered the compliance of anti-corruption policies and measures, as well as the efficiency of the Company's internal control system to assure their sufficiency in administering corruption. Additionally, in the Audit Committee Meeting No. 8/2019 held on December 4, 2019, the meeting also reviewed the sufficiency of the Company's internal controls system as per the evaluation form on the assessment of sufficiency of the internal controls system prescribed by the Securities and Exchange Commission (SEC). The review covered the risk assessment process on the Company's operations and also included the corruption risk .The review outcome showed that the Company has a risk assessment process that covers all risk aspects.

7. Risk assessment on the corruption risk

The Company annually undertakes to assess its risks regarding the corruption. Information on its past business operations are compiled and submitted to the Company's Risk Management Committee for review and approval on risk management guidelines and measures, as well as the appropriate action plans for comprehensive risk management to eliminate or mitigate risks to be in low or acceptable levels.

In 2019, the Risk Management Committee assessed the corruption risk within the organization and found that this risk incident had never occurred in the Company so that remaining as a low level risk that required no corrective measures, but the Company shall continue to monitor its relevant risk signal on a regular basis.

8. Participation of Activities Related to Anti- Corruptions

With awareness and recognition of the importance of good governance, transparency and anticorruption practices, the Company fosters preventive measures against fraud and corruption in its organization. It encourages ethical conduct of good governance among its directors, executives and employees, and inspires them to strictly abide by anti-corruption practices.

In 2019, The Company has notified its trade counterparties and its business alliances to encourage for participation as members of Anti Corruption Network.

9. No Gift Policy

In order to conduct its business with transparency, reduce any possible burden among its trade counterparties, and discourage behaviors which may induce corruption, the Company has prescribed the following No Gift Policy:

(1) The Company's executives and all level of employees are prohibited to receive or offer gifts, souvenirs, and any other benefits on behalf of the Company during any festive occasions.

(2) The Company's executives and all level of employees are informed for the purpose of its No Gift Policy as well as encourage its executives and all staffs to communicate with all outsiders about this policy.

(3) Company Secretary is appointed to issue notification letters to its trade counterparties and its stakeholders to inform them of its No Gift Policy in all festival and festive occasions. This is intended to create transparency among each other in their business conducts.

(4) In the event that the Company's executives and employees receive gifts and souvenirs, the recipients must refuse them and inform the provider of the Company's No Gift Policy. If the executives and employees cannot contact the provider for the return of such gifts and souvenirs, they must send these gifts and souvenirs to the Human Resource Department for further charitable donation thereof, or for any other appropriate action.

In 2019, the Company issued its notifications to its trade partners asking for their cooperation in refraining from offering gifts to its directors, management, and employees during all festive seasons which is in line with the Company's "No Gift Policy". The issue is also relayed via various internal communication channels for its employees to comply with. This attempt is intended to reduce any chances of giving or receiving bribes as well as any conditions that may allow corruption to occur.

10. Actions Performed in Relation to the Anti-corruption Policy

In 2019, the Company campaigned against corruption both within and outside its organization, and continually followed up as well as evaluated the outcome of the compliance with its anti-corruption policy. During the

year, no case in which such noncompliance by any of the Company's directors, executives, and employees was so found, and no corruption case occurred within organization. However, as for external cases that involve corruption, there is a corruption case involving a contractor of pre-cast concrete work who was a trade partner of the Company, who created a false purchasing order that is claimed to be an order from the Company and presented it to a bank for assignment of payment right. Upon the detection of such wrongdoing, the Company informed the bank. As the action of this contractor is against the Company's anti-corruption policy, the Company hence has suspended its engagement with this particular contractor.

- **Anti-Money laundering Policy and Guidelines**

The Company has prescribed on Anti-Money Laundering Policy and Guidelines that although the Company is not in a business which is required to legally report its transactions to the Anti-Money Laundering Office (AMLO), the Company still gives importance to all aspects of anti-corruption practices; and thus requires its home buyers to duly identify themselves by providing copies of their identity documents such as personal identification and house registration. As for the payments of its goods and services, if there is any doubt of irregularities, the company shall then examine and promptly send such information to relevant authorities for due investigation.

- **No Violation of Human Rights Policy**

The Company puts emphasis on human dignity and fundamental human rights. These beliefs are the Company's key pillars in its human resource development that results in equitable treatment of its employees and stakeholders. This fair treatment creates a better workplace environment, as well as enhances ethical spirit and cooperative efforts among individuals within and outside the organization, which in turn helps support employees creativity and a service minded attitude. Therefore, To ensure that the Company's business is free from human rights violation, the Company has prescribed it policy and guidance against violation of human rights as per the UN Guiding Principles on Business and Human Rights (UNGP) to prevent violation of human rights in every activity of the Company's business

1. Supporting and respecting the protection of human rights and providing equitable treatment of mankind without discrimination against any difference in physical appearance, spiritual belief, race, nationality, religion, gender, language, age, gender identity, disability, education, and social status, as well as not using these differences in making judgements for employment decisions or work evaluations.

2. Monitoring that the Company does not engage in business conducts which violate any human rights, such as the use of forced labor and any illegal foreign workforce, child labor, and sexual harassment etc.

3. Treating its employee with non-violence which includes the prohibition of sexual harassment, sexual abuse, severe punishment, physical and mental abuse, physical and mental threats or verbal bullying.

4. Encouraging its executives and employees of all levels to freely express their opinions and views to directors or top management.

5. Developing skill and proficiency training to employees on equal basis and offer them learning opportunity and appropriate career advancement without discrimination or unfairly deprived .

6. Providing fair and appropriate employment conditions for employees and offer suitable remuneration that match their competency.

7. Providing welfare benefits to the employees, of at least no less than the minimum legal requirement, such as annual leave, a suitable overtime schedule, and a relevant medical care scheme.

8. Encouraging employees to maintain a good balance between their career and personal life, to be ethical, to follow the good philosophy of sufficiency economy, while motivating them to participate in social volunteer activities, and promote staff's religious practices, on an unbiased basis.

9. Providing the employee and the employee's representatives with accurate operational results and business status of the Company.

10. Supporting a two-way dialog and cooperation between employer and employee, and the employee's representatives in order to improve the quality of the workplace.

11. Treating the employee's personal information confidentially, and refrain from disclosing, disseminating, or using this information without the employee's prior permission, except when such disclosure is made due to enforcement of laws, court orders, official directives, or when such disclosure is for the benefit of human resource management.

12. Prescribing as a normal practice guideline that work instructions, administrative orders, and job interviews shall not be made by using improper words, or inappropriate gestures that pose a threat or incite others.

13. Reinforcing its employee to respect another person's rights and when communicating with others, refrain from speaking, writing or making gestures by using aggressive, abusive, improper, threatening, accusing or negative words and expressions.

14. Arranging workplace hygiene and occupational safety such as the implementation of pollution controls in the work process, promotion of health standards in the workplace, and the proper application of safety measures against accidents and diseases.

15. Improving the workplace environment and providing better work conditions for its employees, as well as opportunities to express their competency and prospects of quality life, and chances for skill training.

16. Arranges to have its risk assessment on human rights to acknowledge possible incurred risk and to enable it to prepare appropriate protective measures or to reduce potential impacts of such risk on the Company's business conducts in order to ensure that its business conducts are without acts of human rights violations.

17. Arranging an appropriate reporting/complaint process. Any of the Company's employees or outside parties who see or experience any act in violation of human rights, or unfair treatment can report or file a complaint via any channels established as per the Company's "Whistleblowing Policy". The Company shall protect whistleblowers/complainants and their report shall be treated as confidential as per the guidance prescribed by the Company. Upon the outcome of the investigation violation of human rights does exist, the Company shall punish the employee who is the offender strictly according to its regulations, and shall properly compensate the victim on a case by case basis as appropriate, as well as try to find relevant safeguarding measures to prevent the occurrence of any such a violation again.

Additionally, the Company always recognizes that if it is to promote the society without violation of human rights, it must initially set its own protective guidelines not to involve in any business operation that engages in human rights abuses. From 2014 to 2019 , the Company prescribed in its hire of work contract the compliance requirement with applicable labor laws which demand its trade partners to comply with all applicable labor laws and regulations, including remunerations, health and safety in the workplace. Such contract provision also requires payment of at least legal minimum wages and prompt payment of wages to workers, and in the event that contractors or contract counterparties do not comply with such requirements, the Company acting as their hirer can deduct any payment that shall be made under such contracts to relevant contractors or contract counterparties and make direct payments to their workers in order to preserve and restore the workers' rights. The workers of the Company's contractors or contract counterparties are required to be trained on health and safety in the workplace and to wear proper personal protective equipment at work. The

Company's contractors or contract counterparties are to refrain from using illegal workers, namely child labor or illegal immigrants. These requirements and compliance which are set by the Company to be carried out by its contractors or contract counterparties aim to ensure that these contractors or contract counterparties respect the human rights of all human beings without any distinction, the principles of anti-human trafficking, and the commitments not to engage in any violations of human rights.

Information Disclosure and Transparency

The Company recognizes the importance of providing investors and concerned parties convenient, thorough, and equitable access to the Company's information. It also makes correct, complete, transparent, thorough, equitable, and timely disclosure of information which includes financial information, operational results, and any other information that investors and concerned parties can use in making their investment decisions. It disseminates the information through the Stock Exchange of Thailand (SET) various distribution channels and information services, press releases, analyst meetings, overseas road shows, annual report, as well as on the Company's web site in Thai and English versions. The information includes nature of business, financial statements, public relation news, shareholders' structure, organization structure, committee and subcommittee profiles, management profiles, investor relations information, annual report, and meeting notifications.

In 2019, the Company had no record of late submission of financial report for both quarterly and annually to relevant regulatory authority.

Policy on Dissemination of Information to the Public

The Company's Board of Directors prescribed a policy on dissemination of information to the public aimed to equitably provide accurate, correct, complete, and transparent information to all stakeholders. The policy includes the following:

1. Upon approval from the Company's Board of Directors, the Company shall report, on a quarterly basis, its operational performance together with its financial statements to the Securities and Exchange Commission and the Stock Exchange of Thailand in order that its shareholders, investors and other stakeholders are informed.

2. The Company shall disseminate its operational performance, financial statements, and other relevant information on its business operations via the information channel of the Stock Exchange of Thailand and on the Company's website, www.scasset.com, as well as organize press conferences and analyst meeting.

3. All publicly disseminated information must be accurate, complete, and transparent to all stakeholders and related parties. It must not be released with the aim to manipulate share trading prices or mislead the public from the actual facts on its operational performance.

4. The Company established an Investor Relation Division to communicate with outside parties namely its shareholders, institutional investors, other investors, analysts and related government agencies. Information disseminated to these parties shall be made on equitable and fair basis, and is information that is already made public. They are also allowed to meet with the Company's management as appropriate under the condition that the information has already been made public.

Guidelines of Practice on Communications of Corporate Information via Various Media Channels

The Company clearly prescribed its practice on dissemination of information by its executives and employees via various media channels as follows:

1. The Chief Executive Officer shall be the person who releases the information regarding policies, business overview, vision, management, branding and corporate public relations.

2. The Chief Corporate Officer and/or The Chief Financial Officer shall be the person who releases the information to press and media on assets for sales, assets for rent, financial and investment information, new projects, development concepts for each proposed projects, market movement, related industry, customer relationship management, and corporate social responsibility.

The Chief Executive Officer or The Chief Corporate Officer or the Chief Financial Officer of the Company reports its operational results to the public on a quarterly basis via press conference and press release. Provision of corporate information to the public is undertaken with due care particularly on information which can be misinterpreted or possibly induce material impact on its share prices.

Shareholders and stakeholders can contact the Company's Investor Relations Unit for information as well as obtain a disclosure of corporate information from the Company's Website (www.scasset.com), which is accurate, complete and transparent. (Please refer to further detail in the topic "Disclosure and Transparency" Section of this annual report).

The Disclosure and Transparency of the Company can be summarized as follows:

1. Information on the Meeting Attendance of Individual Director of the Board of Directors and Sub-Committees

The Board of Directors and its 5 Sub-Committees, namely the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance and Sustainable Development Committee, and the Risk Management Committee held the meetings in 2019, the attendance records of each Sub-Committee thereof as well as the accumulated attendance records of the Board of Directors as from the year 2004, are presented as follows:

Directors	Number of Meetings Attended / Number of Meetings						
	Board of Directors		Executive Committee 2019	Audit Committee 2019	Nomination and Remuneration Committee 2019	Corporate Governance and Sustainable Development Committee 2019	Risk Management Committee 2019
	2004 - 2019	2019					
1. Mr. Rath Kitivejosoth	101/101	7/7	-	-	-	-	-
2. Mr. Nuttaphong Kunakornwong	43/45	7/7	10/12	-	-	2/2	4/4
3. Mr. Nathpath Ouajai	85/86	6/7	12/12	-	2/2	-	-
4. Mr. Kunodom Tharmmaphornphilas	86/86	7/7	-	9/9	2/2	-	-
5. Mr. Prasert Samanawong	80/80	7/7	-	9/9	2/2	-	4/4
6. Mr. Precha Sekhararidhi	78/78	7/7	-	9/9	-	2/2	4/4
7. Mr. Songsak Premsuk	33/33	7/7	12/12	-	-	2/2	-
8. Ms. Vilasinee Puddhikarant	19/27	4/7	10/12	-	-	-	-
9. Mr. Attapol Sariddipuntawat	18/19	6/7	12/12	-	-	-	4/4

Remark: Mr. Songsak Premsuk was appointed by the Meeting of the Board of Directors No. 7/2019 on December 11, 2019 to be a member of the Nomination and Remuneration Committee in replacement of Mr. Nathpath Ouajai who resigned from his position

2. Policy on the notifying and reporting of changes in the Company's security holding and holding of the Company's forward contract

The Company recognizes the importance of full and equitable disclosure of information. In order to assure its shareholders' trust and confidence in its investments the Company's Board of Directors has issued its policy on changes in securities and derivatives holding for its directors and executives to assure that its investors can follow the movement in securities holding positions of its directors and executives, as these directors and executives are in a position to have access to the Company's inside information, and hence may use this opportunity to exploit and derive benefits from such information prior to its public release. Therefore, the Company prescribes that

1. If the Company's Directors and the Company's first four executives wish to buy or sell the Company's securities and forward contracts, they must make known the decision to buy or sell at least 1 business day prior to such transaction to the Board of Directors via their designated person, as follows:

(1) In the event that the Company's Directors and the Company's first four executives wish to buy or sell the Company's securities, he or she must report their decision, in advance, to the Company Secretary.

(2) In the event that the Company Secretary wishes to buy or sell the Company's securities, he or she must report their decision, in advance, to the Chairman of the Company's Board of Directors.

2. Directors and the first 4 executive positions of the Company must prepare and submit a report on the changes in the Company's securities and forward contracts holding, as well as those of their spouses and cohabitants, minor children, as well as the juristic person in which these directors and the first four top executive positions of the Company, or their spouses or cohabitants or minor children hold more than 30% of its voting shares and are the major shareholders of such juristic person. These individuals and juristic persons must complete the electronic form (Form 59) and submit it via the online system to the Office of the Securities and Exchange Commission within 3 business days after the purchase, sales, transfer or receipt of securities and future contract of the Company.

Indeed, "Securities" here means shares, convertible securities, or derivatives as defined by the notification of Securities and Exchange Commission.

3. If the Company has filed the relevant information of its directors and the first 4 executive positions of the Company who are newly appointed via the online system to the Office of the Securities and Exchange Commission, but there is no record, and these individuals have undertaken any purchase, sales, transfer or receipt of securities and derivatives, they must report the changes in their holding of securities and derivatives of the Company within 7 business days from the date of such transactions to the Office of the Securities and Exchange Commission.

4. Upon the reporting of the changes in the Company's security holding to the Office of the Securities and Exchange Commission (SEC), the Company's Directors and the Company's first four executives who buy or sell the Company's securities must submit a copy of such report to the Company's Board of Directors via the Company Secretary on the same day as the date of such reporting to the Office of the Securities and Exchange Commission (SEC), for further reporting to the Meeting of the Company's Board of Directors, and for record keeping.

5. The Company Secretary has a duty to report on selling - buying the Company's securities / the holding of securities and forward contracts of the Company by the Company's directors and the first 4 executive positions of the Company to the Company's Board of Directors for acknowledgement during each board meeting.

Report on the Acquisition and Disposal of Company's Security by Directors and First 4 Executives

The Company determined that, in compliance with the Securities and Exchange Commission's regulations, all directors and first 4 executives of the Company have to report every transaction of their acquisition and disposal of Company's security (SC) including their spouse or cohabitants and minor children, or entities who holds more than 30 percent of shares according to the Securities and Exchange Act B.E.2535 (the amendment B.E. 2559) to the Board of Directors and submit the said report to Company Secretary unit for reference pursuant to the provision prescribed by the Securities and Exchange Commission of Thailand (SEC) and the Company's Policy on the notifying and reporting of changes in the Company's security holding and holding of the Company's forward contract.

Report of holding of Company's security (SC) of directors and their spouse or cohabitants and minor children in the Year 2019

Directors	2018	2019		
	Number of Shares on December 31, 2018	Acquired	Disposed	Number of Shares on December 31, 2019
1. Mr. Rath Kitivejosoth	-	-	-	-
2. Mr. Nuttaphong Kunakornwong	-	1,600,000	-	1,600,000
Spouse [1]	1,176,915,495	-	-	1,176,915,495
3. Mr.Nathpath Ouajai	-	-	-	-
4. Mr. Kunodom Tharmmaphornphilas	-	-	-	-
5. Mr. Prasert Samanawong	-	-	-	-
6. Mr. Precha Sekhararidhi	37,968	-	-	37,968
7. Mr. Songsak Premsuk	-	-	-	-
8. Ms. Vilasinee Puddhikarant	-	-	-	-
9. Mr. Attapol Sariddipuntawat	8,289,843	300,000	-	8,589,843

Note: [1] Mr. Nuttaphong Kunakornwong's wife is Miss Pintongta Shinawatra Kunakornwong who holds 1,176,915,495 shares. Such shares have been held before Mr. Nuttaphong Kunakornwong was elected to be the Company's director on March 1, 2012

Report of acquisition or disposition of Company's security (SC) of first 4 executives including their spouse or cohabitants and minor children in the Year 2019

Executives	2018	2019		
	Number of Shares on December 31, 2018	Acquired	Disposed	Number of Shares on December 31, 2018
1. Ms. Pradthana Patsaman	4,796,718	-	-	4,796,718
2. Mr. Somboon Kuptimanus	7,361,612	-	-	7,361,612
3. Ms. Namtip Promchua	-	-	-	-
4. Ms. Pannee Tharaphat	-	-	-	-
5. Ms. Sirikul Kriangkrai [1]	-	50,000	-	50,000

Executives	2018	2019		
	Number of Shares on December 31, 2018	Acquired	Disposed	Number of Shares on December 31, 2018
6. Mr. Somchai Laohaburanakit	-	-	-	-
7. Mr. Paphandech Pacharachanant	-	-	-	-
8. Mr. Manit Banchongthanakit [2]	503	-	-	503
9. Mr. Mongkut Techolarn	-	-	-	-
10. Mr. Prayongyut Itthiratchai	-	-	-	-

Note: [1] Ms. Sirikul Kriangkrai has held 50,000 shares before being the first four exeucitve on July 1, 2019
[2] Mr. Manit Banchongthanakit has held 503 shares before being the first four exeucitve on July 1, 2019

3. Policy on Reporting of the Interests of Directors, Executives, and Related Persons

To assure transparency and preventing the problem of conflict of interest, the Company prescribed that its directors and executives must report their interest or the interest of their related parties. This interest is defined as interest related to the management of companies and subsidiaries as per the Securities and Exchange Act. This report is intended to provide the Company with relevant information required for the compliance of the regulations on connected transactions that can cause possible conflicts of interest which may lead to the syphoning of benefits from the Company and its subsidiaries. The information therein shall also be used as protection against the involvement of its directors, executives, and persons involved in the decision-making process of any relevant connected transactions. The policy on reporting of interest is thus prescribed to assist the Company, its directors, and its executives to comply with the prescribed laws and to protect against any occurrence of any event of conflict of interest. The rules and procedures are:

1. Directors and executives are required to report their interest or the interest of their related parties particularly on the interest related to management of companies or subsidiaries by completing the report on the interests of directors and executives in the form as prescribed by the Company. (This report appears in the form as prescribed by the Thai Listed Companies Association with some adjustment made to adapt the form to be following the nature of the Company's business and the conditions prescribed by relevant agency) The report must be processed as follow:

(1) The first report: should be submitted within 7 business days from the date of the appointment as the Company's directors or as the first four top executive positions of the Company.

(2) Report on the changes of information on involved interest: should be submitted within 3 business days from the date of the changes in such information.

2. Directors and executives are required to submit the report on their interest or the interest of their related parties to the Company Secretary within the prescribed timing as stated in Clause 1.

3. The Company Secretary shall perform the following tasks:

(1) Submitting the interest reports to the Chairman of the Company's Board of Directors and the Chairman of the Audit Committee within 7 business days from the date of the receipt of such report.

(2) Keeping these interest reports submitted by the Company's directors and executives.

(3) Disclosing information on the interests of directors, executives in the annual report and the form 56-1

4. If any directors and executives have any interest in any transactions which the Company shall undertake, such directors and executives will not be allowed to participate in the review and authorization of such transaction.

Report of Interest of Directors, Executives, and Related Persons in 2019

In 2019 there were no directors, executives, and related persons who had interests that may cause any conflict of interest, therefore there was no submission of interest report to the Chairman of the Company's Board of Directors and the Chairman of the Audit Committee.

4. Disclosure of the External Auditors and the External Auditor's Certified Audit Statements

For the appointment of the Company's external auditors, the Company shall consider the hiring of certified auditors to properly, completely, and independently perform the auditing process, without any conflict of interest with the Company, its subsidiaries, affiliates, executives, major shareholders, or any other connected parties thereof, and with approval from the Securities and Exchange Commission of Thailand (SEC) in order to assure auditor independence in auditing, expressing of opinions, and certifying of the Company's financial statements.

In 2019 the Company appointed Mrs. Anothai Leekitwattana, an auditor from PricewaterhouseCoopers ABAS Company Limited, to be the certified external auditor of the Company who was also approved by the Office of the Securities and Exchange Commission (SEC), and to audit and certify the Company's financial statements. This certified external auditor is independent, has no relationship or no conflict of interests with the Company, its directors, executives, major shareholders, or persons related to such persons. The Company disclosed the auditor remunerations as well as the audit fee and other related service charges are disclosed in the topic of "Auditors' Fee" and in the past the Company's financial statements have been audited and certified with "unqualified auditor's opinion".

5. Providing Diversified Communication Channels

The Company recognizes the importance of information disclosures that are accurate, full, and transparent whether they are financial information, operational results, and other important information. Other than the disclosures that are required by law, the Company also adds many channels for release of information to assure that it is conveniently and equitable accessible to its shareholders, investors or other stakeholders:

(1) Investor Relations Unit: The unit which has direct contact and communication with investors, and security analysts.

(2) Opportunity Day The quarterly of the Company's operational results are releases to investors and analysts which are organized as "Info Meeting" or "Opportunity Day" events.

(3) Press conference and press releases: The Company distributes its press releases and newsletters on its operational results or financial status.

(4) The Company arranges employees' meetings to clarify its policies, and business directions, as well as explain about its new products. It also disseminates news and information to its employees via electronic channels and media such as intranet, email, and various social medias.

(5) The Company arranges Company Visit Projects for securities analysts.

(6) Annual Report and Annual Registration Statement.

(7) The Company's website "www.scasset.com".

6. Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2)

The Board of Directors prepared the Company's Annual Registration Statement (Form 56-1) and disseminate within 3 months after the end of fiscal year. The Board of Directors also prepared the Company's Annual Report (Form 56-2) in compliance with the regulations of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET) and disseminate within 120 days after the end of fiscal year, as one of the disclosure channels for precise, accurate and complete information relating to the Company's business operation and annual operating result ,to provide the shareholders, stakeholders, investors or general public with the information for their consideration and decision-making. The disclosure included the information on shareholder structure, securities held by the directors and executives, policy and practice of good corporate governance, vision and short-term & long-term business goals, financial positions and business performance, Board of Directors' responsibility for financial reporting, nature of business operation and competition, business group structure, key risk factors, policy on dividend payment, policy on whistle blowing, details of directors and independent directors, policy on remuneration for directors and top executives and criteria for monetary and non- cash remuneration, the meetings and attendance records of the Board of Directors and Sub-Committees, information on directors' development and training, policy on disclosure of individual director's acquisition and disposal of / or Company's security holding, policy on related transactions, internal control and risk management, reports from the Board of Directors and Sub-Committees on their performing the duties, report on interested directors, report on environmental and social responsibility, and information relating to investor relations.

In 2019, the Company publicly disseminated its Annual Registration Statement ended as December 31, 2019 (Form 56-1) on March 25, 2019 and its 2019 Annual Report (Form 56-2) on March 26, 2019.

7. Information Disclosure via SET Channel and Website www.set.or.th

In addition to information disclosure through Company's diversified channels in compliance with the Stock Exchange of Thailand's regulations relating to the disclosure of information, the Company also disclosed the material information and news in Thai and in English via SETLink and website www.set.or.th to allow the shareholders, stakeholders, investors, and general public an easy, thorough and equitable access to such material information.

8. Company's Website www.scasset.com

The Company maintains its website both in Thai and in English to release and present its information to the shareholders or investors to assure that they are timely informed of the situations, such as nature of business operation, quarterly and yearend financial statements, newsletters, shareholding structure, organizational structure, subsidiary company structure, information relating to directors and executives, information relating to investor relations, the Company's Articles of Association, objectives of incorporation, updated Company's affidavit and Memorandum of Association, and annual reports.

9. Investor Relations Unit

The Investor Relations Unit is also set up to provide assistance and convenience to shareholders and investors. The unit arranges investor relation plans in advance to make useful information, news, and public relation release available for investors, shareholders, analysts, and the general public. It also arranges quarterly presentations of corporate results and operational performance to analysts, institutional investors and financial institutions, media, and press conferences, as well as supplying relevant disclosure of information to the Stock Exchange of Thailand (SET). All the actions are undertaken to assure that the Company has fully complied with rules, regulations, and applicable laws.

In 2019, the Company arraged various activites to provide infomartin in relation to operation results ann to communicate with investors via following channels

Activities	2019
Info Meetings	4
Opportunity Day Event	1
Press Conferences relating to Business Plan	1
News Letters relating to operational results	4
Company Visit	4
Site Visit	3

The Company provides a Code of Conduct for Investor Relations by publishing such code on the Company's website (www.scasset.com) under the Corporate Governance Section. This code aims to assure that the conduct of the Company's investors relations is proper, appropriate and fair. The Company also prescribes guidelines related to the scope of work of the investor relations to assure that they conduct their duties under the principles of good corporate governance. This shall create confidence among shareholders, investors, the general public, and all stakeholders, and shall create added value and business sustainability.

Investors or any interested persons can directly contact the Company's Investor Relations Unit for via the following 5 channels for more information:

1) Mail : SC Asset Corporation Public Company Limited
1010 Shinawatra Tower III, 10th Floor,
Viphavadi Rangsit Road, Chatuchak, Chatuchak,
Bangkok 10900
2) Phone : 66 (0) 2949-2344
3) E-mail : ir@scasset.com
4) Fax : 66 (0) 2949-2499
5) Website : www.scasset.com

10. Policy on Disclosure of the Company's Non-monetary Performance

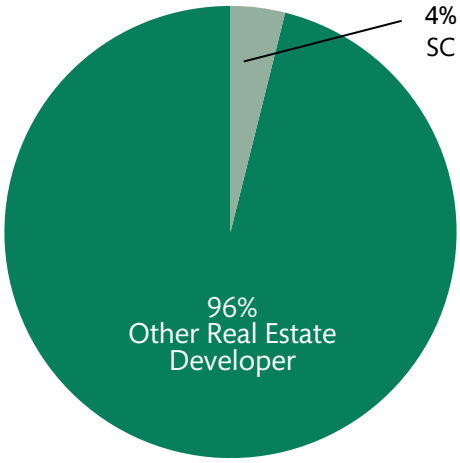
The Company arranged to disclose its operating results which are not classified in monetary figures in order that the Company is made aware of the needs and satisfaction in the Company's products and services for which this information can be applied to the development and improvement of its products and services to properly respond to its client's needs and satisfaction. The Company can also improve it marketing strategies and create its competitive advantage against other companies.

1) Market Shares

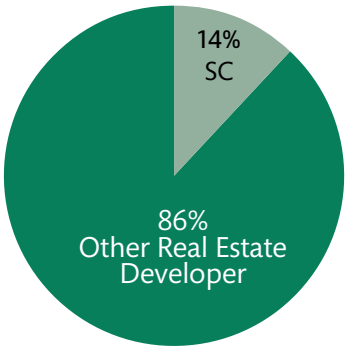
In 2019, the aggregate market sale of the real estate sector for types of single detached house, townhome and condominium in Bangkok Metropolitan Region was Baht 363,302 million, divided into the aggregate sales for single detached house was Baht 96,421 million, the aggregate sales for townhome was Baht 71,763 million and the aggregate sales for condominium was Baht 195,118 Million.

In previos year, with regards to the overall market sales of real estate for single detached house, townhome and condominium, the Company was able to capture 4% of this market, accounting for Baht 14,425 million. The Company earned Baht 9,669 million for single detached house, Baht 1,068 million for townhome and Baht 3,688 million for condominium.

Aggregate Sales of Real Estate Sector
(Single detached house, Townhouse and Condominum in Bangkok Metropolitan Region)

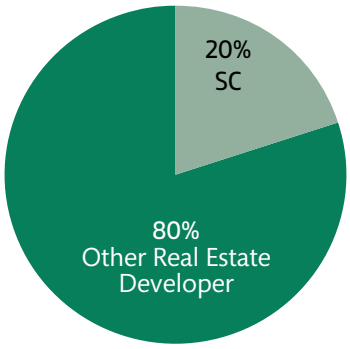


Sales of single detached house
for the price range of over Baht 10 Million (in the Bangkok Metropolitan Region)



For the market shares for single detached house in Bangkok Metropolitan Region at a price range of over Baht 10 Million, the Company maintained 14 % of its market

Sales of single detached house
for the price range of over Baht 20 Million (in the Bangkok Metropolitan Region)



For the market shares for single detached house in Bangkok Metropolitan Region at a price range of over Baht 20 Million, the Company maintained 20 % of its market

Source: Agency for Real Estate Affairs (AREA) and the Company's Information

2) Customer's Satisfactory Levels

The Company has carried out surveys and gathered information, opinions, and satisfactory data of its customers in the fields of its "After Sale Services", "Repairment Services", and "Product and Services". The satisfactory score levels range from 1 to 10.

The results of the customer's satisfactory surveys are disclosed in the "Sustainability Report for 2019" which is published as a separate report and disseminated to the Company's shareholders.

11. Financial Reporting

The Company prepared the quarterly and year-end financial reports, financial statements, management discussion and financial analysis (MD&A) and released via SET Community Portal (SCP). The quarterly financial reports, financial statements, management discussion and financial analysis (MD&A) were also posted on Company's website www.scasset.com. In addition, such information was disclosed in the Annual Information Disclosure (Form 56-1) and Annual Report after the Board of Directors endorsed the financial statements according to the conditions and timeframe specified by the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET) to facilitate the shareholders, stakeholders and interested public to access, investigate and update Company's financial information at all times.

Since its registration as SET listed company in 2003 to 2019, the Company has been neither recorded for late submission of the quarterly and yearend financial reports and financial statements, nor instructed by the Securities and Exchange Commission of Thailand (SEC) to rectify the financial statements.

12. Site Visit

To promote transparency and confidence in the Company's business operation, the Board of Directors initiated site visit program for the shareholders and investors as well as financial institutions to observe the Company's project development process to understand the actual work process based on good governance alongside environmental and social responsibility.

13. Other Disclosures

Other than all aforesaid mentioned disclosure, the Company also discloses the Company's substantial information as follows:

1. The structure of shareholders (Please refer to further details in the topic "Structure of Shareholders" Section).
2. The Shareholding of directors and executives including their spouses or cohabitants and minors. (Please refer to further details in the topic "Details of Directors, Executives, Advisor, Controlling Persons and Company Secretary" Section).
3. The good corporate governance policy (Please refer to further details in the topic "Corporate Governance Policy" Section).
4. The Company's objectives/ targeted plans (Please refer to further details in the topic "Nature of Business" Section).
5. The financial status and results of operations (Please refer to further details in the topic "Financial Status and Results of Operations" Section).

6. The business nature and competition (Please refer to further details in the topic "Nature of Business" Section).

7. The business structure (Please refer to further details in the topic "Structure of the Company and its Subsidiaries" Section).

8. key operational risks (Please refer to further details in the topic "Risk Factors" Section).

9. The dividend payment policy (Please refer to further details in the topic "Dividend Payment Policy" Section).

10. The whistleblowing policy (Please refer to further details in the topic "The whistleblowing policy" Sections).

11. The profile of directors (Please refer to further details in the topic "Details of Directors, Executives, Advisor, Controlling Persons and Company Secretary" Section).

12. The Independent Directors (Please refer to further details in the topic "The Board of Directors" and "Independent Directors" Sections).

13. The disclosure of directors' remuneration criteria (Please refer to further details in the topic "Remuneration for Directors and Executive" Section).

14. The disclosure of executive's remuneration criteria (Please refer to further details in the topic "Remuneration for Directors and Executive" Section).

15. The disclosure of number of meeting attendance of the Board of Directors and the number of meeting attendance of individual director (Please refer to further details in the topic "Board of Directors' Meeting" and "Information on the Meeting Attendance of Individual Director of the Board of Directors and each Sub-Committees" section).

16. The disclosure of directors' seminars and training courses attendance (Please see the "Additional Training Courses or Relevant Seminars Attended by Directors" section).

17. Policy on Reporting of the Changes in Securities and Derivatives Holding (Please see "Policy on Reporting of the Changes in Securities and Derivatives Holding" and "Report of acquisition or disposition of Company's security (SC) of directors and first 4 executives including their spouse or cohabitants and minor children in the Year 2019" sections).

18. The disclosure of connected transaction policy which states that every connected transaction is required the Board of Directors' consideration and approval (Please see the "Policy of Connected Transaction and Information Disclosure" and "Connected Transaction" section).

Responsibility of the Board of Directors

The Board of Directors plays an important role in corporate governance for the best interest of the Company, and is accountable to shareholders. The Company therefore emphasizes the importance of equitable, prompt, fair and transparent disclosure of sufficient information to shareholders, investors and related parties. It is the Company's policy to appoint an independent director to hold the position of the Chairman of the Board of Directors with qualifications as prescribed by the Stock Exchange of Thailand (SET). This position cannot be held by the same person as the Chief Executive Officer for the purpose of check and balance. The Chairman of the Board of Directors shall also have no relationship with the management. In order to assure efficiency, transparency, and lawfulness, as well as full compliance of the corporate activities and its good governance, all board members are encouraged to freely express their opinions regarding the Company's business operations. Additionally, there is a clear segregation of duties and responsibilities among the board members and the management team.

In 2019, the Company has lawfully conducted its business F in accordance with the Company's Article of Association as well as relevant laws and did not perform any acts of seriously breaching any regulatory compliance. The Company has prescribed on Board of Directors' responsibility policies as follows;

1. Responsibility of Organizational Leaders

Each member of the Company's Board of Directors fully understands their roles, duties and responsibilities as an organizational leader who must oversee that the Company has good management and governance. Directors and executives are also expected to be a good management example of which their roles and duties include:

1.1 Determining business objectives and primary corporate targets upon reviewing and analyzing economic and social environment, changes in circumstances that impact humans, and fast changes in technologies. All of these situations may impact the business and all stakeholders, and thus need to be clearly addressed so that all the relevant business units and divisions in the Company and its employees are informed and can efficiently react accordingly, and in accordance with the set business objectives and targets.

1.2 Determining annual and medium-term (3-5 years) corporate strategy with written policies on operations and key resource allocations both on human resources and financial resources. For human resources, finding knowledgeable personnel who are suitable to work with the Company, together with sourcing sufficient funding for financial resources allocation and for carry on credible business operation.

1.3 Governing and monitoring that each director and executive is performing his/her duty of care and loyalty, as well as administering the Company's business according to the prescribed policies, laws, regulations, board resolutions, and resolutions of the shareholders' meetings.

1.4 Determining the scope of duty assignment and responsibility of the Chief Executive Officer and clearly informing the management about the Company's annual business targets.

1.5 Following up on the Company's business performance and evaluating operational results so as to be aware of its strength and weakness, as well as oversee that operational results are correctly reported.

2. Good Corporate Governance Policy and Code of Conduct

2.1 Good Corporate Governance Policy

The Company's Board of Directors recognizes and abides by the principle of good corporate governance, as well as their roles and duties in good corporate governance, thus, the Board has prescribed the Company's Good Corporate Governance Policy and set rules and guidelines on such governance, of which the details shall cover 5 major aspects which are shareholders' rights, equitable treatment of shareholders, role of stakeholders, disclosure and transparency and responsibilities of the board. The Board of Directors has assigned the Corporate Governance and Sustainable Development Committee to oversee the matters and to maintain the compliance of such good governance standards in the conducting of the Company's strategies, operating activities, and business directions. These matters include the adherence of rules, laws, guidelines, international standards, as well as the annual follow up on the effectiveness of such conduct.

Furthermore, the Company's Board of Directors also acts as a role model in promoting a culture of good corporate governance and has set up a relevant inspection system to regularly and promptly monitor, assess, and review the Good Corporate Governance Policy, in the event of any significant changes, or at least once a year.

The Company also publishes its Good Corporate Governance Policy on the Company's website (www.scasset.com) under the heading of "Corporate Governance", and disseminates this policy within its internal communication system for all levels of employees to abide by, and apply this principle of good corporate governance as a guideline for their work and business conducts.

In 2019, the Company's Board of Directors reviewed and approved the application of the Good Corporate Governance Policy, of which some contents were adjusted to be in line with the principle for good corporate governance of publicly listed companies, and appropriate to the present business context of the Company.

2.2 Code of Conduct

To ensure the Company's business is disclosable, transparent accountable, moral, ethical, responsible to all stakeholders and enhance sustainable value to the organization, the Board of Directors prescribed Code of Conduct as a practice guideline for directors, executives, and employee of the Company as well as determined a guideline to promote directors, executives, and employees to comply with, and has continuously monitored such compliance. Executives and supervisors have also been instructed to monitor proper employees conduct and ethics through encouragement, guidance and role model examples. Penalties are also prescribed for those who fail to abide with them.

In addition, the Company regularly communicates with its directors, executives and employees and oversees that these conduct guidelines for their understanding to adhere and being implanted as working habits on the daily basis, and becoming culture and corporate value, which would help reflect transparency, integrity, respect in the company, and responsibility towards the duties, towards all interested parties for the interest of shareholders and other interested parties. The Board of Directors has prescribed that there shall be an annual review of the Code of Conduct to be in line with changes in situations and circumstances.

In 2019, the Company's Board of Directors reviewed the current Code of Conduct and was of the opinion that it remained appropriate and in line with the international standard. This Code of Conduct is disclosed on the Company's website (www.scasset.com) under the heading of "Corporate Profile"/ "Corporate Governance".

2.3 Supporting and Enhancing the Understanding of Good Corporate Governance and Code of Conduct

To support and enhance the provision of the sufficient knowledge and understanding of good corporate governance and business ethics to the directors, executives, and employees to adhere to in performing their respective duties with proper understanding in order to elevate the effectiveness of the corporate governance and business ethics, achieve the business goal, and build up transparency and integrity as the good corporate culture, the Board of Directors laid down the policy on good corporate governance and business ethics as follows:

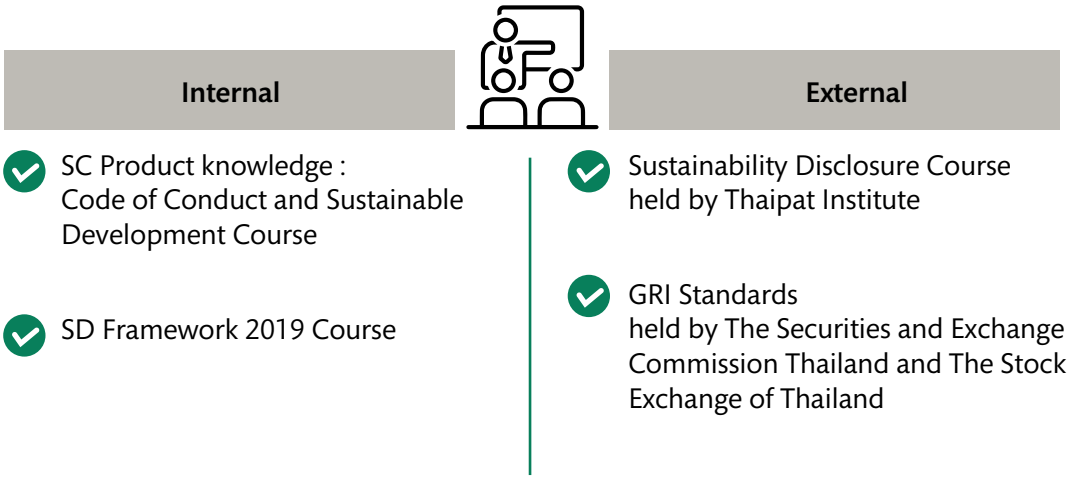
(1) Communicating the Good Corporate Governance Policy and Code of Conduct to directors, executive and employees for their acknowledgement since the first day of working by including as one of the orientation topics prepared for the new directors, executives and employees, whereby such policies were communicated to them from the first day in office.

In 2019, the Company organized the following orientations on the good corporate governance and code of conduct for executives and employees who had just taken up positions with the Company.

Orientations in 2019



(2) Procure both relevant internal and external courses to expand the knowledge and understanding of the good corporate governance and business ethics be provided to the directors, executives and employees on a continual basis



2.4 Assessment and Monitoring of Corporate Governance Policy and Code of Conduct Compliance

The Company believes that if its directors, executives and employees comply with its prescribed business ethics, this will benefit its growth and development path towards business sustainability, and will enable a wider public acceptance of its products which will cause a sound and further increase in its annual revenues. Therefore the Company pays attention to various key indicators that can be used to assess and monitor business ethics compliance of its staff both internally and externally as follows:

(1) Assessment and Monitoring of Business Ethics Compliance within the Organization

The Company prescribes that all its business units that work together or in collaboration with each other must make a satisfactory assessment of each other and provide suggestions for work improvement that could benefit the Company's business operations.

(2) Assessment and Monitoring of Business Ethics Compliance outside the Organization

The Company monitors and assesses customer satisfaction on its products and its employees' services. The assessment results are used to improve its products and services and to provide highest customer satisfaction. It monitors and assesses its business ethics compliance with trade partners to assure that they receive good cooperation while working with the Company, as well as monitors and assesses its business ethics compliance with its shareholders to assure that they are satisfied with provided information and the shareholders' meetings.

3. Policy on Vision and Mission

The Board of Directors has established the Company's vision and mission with both short-term 1 year and long-term 5 years in order to steer the executives and employee towards a common goal, and has it posted on the Company's website. Such vision and mission will be annually reviewed to be consistent with current circumstances and economic conditions. The Board of Directors consistently follows up with the Management on their yearly business operation in accordance with the vision, business direction and strategy.

In 2019, the Company's Board of Directors reviewed the corporate vision and mission for the past fiscal year while recognizing the changes in circumstances and scope of business. It approved the revised corporate vision and mission to assure that they are in line with social environment and current business competition, and still adhere to the core organizational goal of creation of sustainable value.

4. Policy on Core Business Goal and Strategy

The Company has prescribed its strategies and annual corporate plan by setting its Objective Key Results (OKRs) to allies with its corporate mission. The Company's executives from the level of Division Head upward are assigned to set their Objective Key Results (OKRs) and respectively form their business targets and strategies to be in line with the Company's achievement goals and to achieve the organizational OKRs both on the short-term of 1 year and long-term of 3-5 years. The OKRs involve the aspects such as sales, revenues, as well as brand quality and recognition. It also includes the goals of being "Living Solution Provider" which can offer integrated services for home dwellers, as well as achieving the organization goal of sustainable business growth. These aim to create confidence and assurance that its investments and business operations for each year are planned and conducted prudently and can achieve maximized business and shareholder value, as well as achieving major targets of business sustainability and being a quality developer.

The Company prepares its strategies and annual business plan by analyzing business environments, changes in business factors, and involved risks that may impact its value chain as well as the achievement of its core business goals. The Company undertakes research and studies on human needs to understand how to develop products and services that could effectively satisfy its customer desires.

Additionally, the Company also sets its strategic goals on application of innovative knowhow and lays out its business plan so that it can well respond to any possible changes in technology. All these actions enable the Company to excel in its business competition and able it to better respond to the real needs of all stakeholders while also being capable of fostering social and environment responsibility.

The Company Board of Directors oversees implementations of the Company's strategic plan and consistently monitors the Company's business performance. It also prescribes regular reporting of the corporate performance by setting Key Performance Indicator (KPI) measures for all respective business sectors. These measures assist in the follow-up of operational actions and assure that these actions are in line with their prescribed plans and strategies. The Company also prescribes the compulsory reviews of its strategy on an annual basis.

In 2019, the Company has set its strategies and annual business plan as well as reviewed these strategies and plans for its half year operation in July 2019 to assure that its business conducts are in accordance with the prescribed corporate vision and mission, and its 3-year core business strategies. The Company's Board of Directors also set its business growth plan for 2023 with net profit target of 3,000 Million Baht and an average growth that is adjustable to changes in the country's economic conditions.

5. Sustainable Business Value

The Company's Board of Directors understands its roles, duties, and responsibilities as the organization leaders which oversees that the Company maintains good corporate governance, as well as its duties to determine corporate objectives, goals, business strategies, operational policies, and monitoring of accurate reporting of operational results. All of these are to enhance sustainable business value. The Board of Directors oversees that the Company shall achieve its goal of business sustainability by:

1. Developing its products and services to always retain its high quality and remain in demand by analyzing human needs as the initial focus point and then turning that focus onto customers.

2. Creating a competitive advantage and being competitive vis-à-vis other developers, having good operational performance, and being aware that its production process shall not cause any long-term adverse impacts.

3. Operating its business with ethical conduct to customers and trade partners, and be responsible to all shareholders and stakeholders by enabling them to have equitable benefits.

4. Operating its business with concern regarding social benefits while its development process shall be developed toward further reduction of any adverse impacts on environment.

5. Being capable of adjusting to current and future changes, whether it is the changes in consumer behavior or in technologies.

6. Policy on the Diversity Structure of the Board of Directors

The Board of Directors structure is consistent with article 18 of the Company's Articles of Association; i.e., the Company shall have at least five (5) directors but no more than fifteen (15). At least half of the directors must haven domicile in the kingdom, and must be qualified according to the law.

The Company also takes into consideration of the diversity of structure on the Board of Directors for efficient management, flexibility and for the interest of the Company and achieve the Company's objective and goals. The Company has prescribed the Board of Directors' structural policy is as follows;

1. The Company's Board of Directors should comprise the members with diversify qualifications possessing knowledge, professional experience, expertise and specific skills in various fields contributable to the business operation and corresponding to both short-term and long-term business strategies per the Board Skills Matrix, without prejudice to their genders, nationalities, religions, proficiency or other specialized skills.

In 2019, the Company's Board of Directors structure comprises the members who possess the knowledge, professional experience and expertise as follows:

Knowledge, Professional Experience and expertise of Directors

Director	Type	Administration and Management	Real Estate Development	Engineering	Architecture	Finance	Accounting	Marketing	Legal	Information Technology
Mr. Rath Kitivejosoth	Independent Director	✓				✓			✓	
Mr. Nuttaphong Kunakornwong	Executive Director	✓	✓		✓					
Mr. Nathpath Ouajai	Director	✓	✓	✓						
Mr. Kunodom Tharmmaphornphilas	Independent Director	✓		✓						
Mr. Prasert Samanawong	Independent Director	✓					✓			
Mr. Precha Sekhararidhi	Independent Director	✓		✓						
Mr. Songsak Premsuk	Independent Director	✓			✓			✓		
Ms. Vilasinee Puddhikarant	Independent Director	✓				✓		✓		✓
Mr. Attapol Sariddipuntawat	Executive Director	✓				✓	✓			
Total		**9**	**2**	**3**	**2**	**3**	**2**	**2**	**1**	**1**

2. The Company has taken into account the suitable number of directors in the Board for the benefit of flexibility in management. Thus, it is the Company's policy to limit the Board composition to have at least 5 and not exceed 12 directors. This number of directors is suitable for the size and nature of the Company's business.

3. The Board of Directors comprise of specialists in various fields aimed to provide integrated knowledge and proficiency and At least one of the non-executive directors must possess the professional experience relevant to the Company's business. Currently, there are 7 non-executive directors, namely Mr. Rath Kitivejosoth, whose knowledge and professional experience in the field of legal and finance, Mr. Precha Sekhararidhi and Mr. Kunodom Tharmmaphornphilas, whose knowledge and professional experience in the field of engineering, Mr. Prasert Samanawong, whose knowledge and professional experience in the field of accounting, Mr. Nathapath Ouajai has knowledge and work experience in engineering, real estate development, and advertisement. (He is not an executive of the Company but is a director and an authorized signatory, who can sign and act on behalf of the Company. Therefore, he is not qualified to be an independent director.), Mr. Songsak Premsuk, whose knowledge and professional experience in the field of marketing, and Ms. Vilasinee Puddhikarant has knowledge and experiences in economics. She also has work experience in customer management and services. Those knowledge and experiences of those 7 non-executive directors are directly relate to and support the Company's business operation.

4. The Company promotes at least 1 female independent director. As of December 31, 2019, the female independent director is Ms. Vilasinee Puddhikarant.

5. The structure of the Board of Directors shall comprise of members who are independent directors in the number more than 50% of the total board members. As of December 31, 2019, the Company had 6 independent directors, which accounted to 66% of the total board members, or more than half of the total numbers of the board members, and thus is in compliance with the principle of good corporate governance. With this structure, the shareholders and stakeholders are confident that the Board of Directors could perform the duties on their behalf independently with an appropriate check-balance system.

6. The structure of the Company's Board of Directors consists of members who are non-executive directors in the number more than 66% of the total board members. As of December 31, 2019 the Company had 7 non-executive directors, which accounted for 77.77 % of the total board members, or more than two-thirds of the total numbers of the board members, and thus was in compliance with the principle of good corporate governance.

Summary of Board Structure as of December 31, 2019

Independent Directors	6 persons	66.66 %
Non-Executive Directors	7 persons	77.77 %
Executive Directors	2 persons	22.2 %
Female Director	1 persons	11.11 %
Non-Executive Directors who possess the professional experience relevant to the Company's business	7 persons	77.77 %

In 2019, the details of Board of Directors structure and its working experiences is appeared in the topic "Details of Directors, Management Team.

7. Policy of Separating Chairman of the Board of Directors and the Chief Executive Officer (CEO) Positions

The Company determines a policy that the Chairman of the Board of Directors must be an independent director according to the definition of the Stock Exchange of Thailand (SET) and must not be the same person as the Chief Executive Officer in order to reciprocally balance the power, as well as must not have any relationship with the management. There is a clear segregation of duty and responsibility in determining policy, monitoring, and governing of the business operation and management. The Chairman of the Company's Board of Directors has an important role and duty in determining policy, and monitoring and governing of the business operation to be in line with the prescribed policy. The Chairman of the Company's Board of Directors also supports and provides suggestions on the work of the management without interfering in the work scope which is under the management's responsibility. Furthermore, in any connected transaction relating to the Chairman of the Board of Directors and the Chief Executive Officer, there is a policy prohibiting interested party to take part in the approval, which other independent director will perform the duty in place of the Chairman in that transaction.

The Company also clearly prescribes and segregates the duty and responsibility of the Chairman of the Board of Directors and the Chief Executive Officer as follows:

Chairman of the Board of Directors	Chief Executive Officer
• Overseeing the Board of Directors' Meeting and Shareholders' Meeting and perform the duty of chairman of such meetings to ensure that the meetings are efficient and legal and comply with corporate governance principals as well as clear voting in each agenda, especially the agenda that is significant necessary including allocating sufficient time and promote each director to debate important matter thoroughly and exercise independent judgment. • Overseeing, monitoring, and ensuring that the Board of Directors efficiently carries out its duties to achieve the Company's objective and goals. • Overseeing and ensuring that all directors contribute to the Company's ethical culture and good corporate governance. • Setting the Board of Directors' Meeting agenda by discussing with the Chief Executive Officer which important matter should be included. • Promoting a culture of openness and debate through ensuring constructive relations between Executive Director and Non-Executive Directors, and between the Board of Directors and Management.	• Taking responsible for the management and business operation as per the direction and supervision assigned by the Board of Directors and the Executive Board. He is also committed to manage the Company according to its corporate plan and/or corporate budget approved by the Board of Directors and the Executive Board, for the best achievable benefits of the Company and its shareholders according to prescribed objective and goal of corporate plan. • Setting the Company's budget, operational plan, annual investment plan to be submitted to the Executive Committee and/or the Board of Directors for their review and approval. • Overseeing that the Company's executives and employees are performing their work as per the prescribed policies, with efficiency maximization, and achieve the Company's prescribed goals. • Reviewing new technologies to be used in management and operations of the Company aiming to increase its competitive edge, as well as to enhance its risk management. • Auditing, monitoring and evaluating of operational results of the management team. To assure that the operations are conducted as per the prescribed strategies and business plans, and as set in the policy and goals of the Company.

8. Policy on Nomination of Company's Directors

The Company has set the policy on nomination of its directors, whereby the nomination criteria and conditions including the qualifications and new director appointment process are clearly and transparently defined. The Board of Directors would take into account the appropriateness of Board structure and composition in accordance with the policy and corresponding to the Company's business strategies. Furthermore, the necessary professional skills and specialization to fulfill the Board proficiency as defined in the Board Skill Matrix, as well as the qualifications and professional experience which relate to and support both short-term and long-term business strategies, without prejudice to gender, nationality and religion are also taken into account. In certain cases, information from the Director Pool is used to screen the candidates in the selection and nomination process (Please refer to further details in the topic "The Board of Directors" and "Nomination of the Company's Director" Sections of this annual report).

9. Policy on the Limitation on the Number of Directorship Positions and the Holding of Directorship Position of Directors and the Chief Executive Officer (CEO)

Too many directorship positions held by a board member could impair his efficiency in well conducting his position as a good member of the Board of Directors. Therefore, to assure each director can devote to well perform theirs responsibilities, the Company has prescribed as follows;

1. Director may hold director position in other listed companies but not exceed 3 listed companies which SC Asset Corporation Public Company Limited is include. The Directors may also hold position either other non-listed companies or other organizations together not more than 5 companies as follows;

(1) Other non-listed private companies or other non-listed companies which operates business other than real estate development, and not in competitive with the Company, and he/she shall not take the position of the Chief Executive Officer of such company.

(2) Charity organization/foundation promoting public benefits and education.

From 2003 to 2019, there is no director holds director position in more than 3 other listed companies.

2. The Chief Executive Officer shall not maintain any other similar position in any other listed entity except for his/her position in the SC Asset Corporation Public Company Limited; furthermore, he/she shall hold positions no more than 4 other non-listed companies or other organizations:

(1) The Company's associated company which operates business other than real estate development, and he/she shall not take the position of the Chief Executive Officer or Managing Directors of such company.

(2) Charity organization/foundation promoting public benefits and education.

From 2003 to 2019, the Chief Executive Officer (CEO) of the Company hold a position in only 1 listed company, i.e. SC Asset Corporation Public Company Limited only.

10. Policy for Director's Term

The Company determines director's term according to the Public Company Act, B.E. 2535, and the Company's Articles of Association; that is, at every Annual General Meeting of shareholders, one-third of the Directors, or, if their number is not a multiple of three, the number nearest to one-third shall retire from office. Director's retirement in the first and second year after the registration of the Company shall be drawn by lots. In every subsequent year, the Directors who have served the longest in office shall retire. A retiring director is eligible to be re-elected. The Nominating and Remuneration Committee is mainly responsible for seeking candidate(s) with qualifications appropriate and having efficient performance to propose him or her to the Board of Directors for consideration in order to be proposed to AGM for approval further.

The Company indicated the starting date of each director position, as well as independent director, and has revealed which director is independent director in the Details of Directors section. In case of nominating an independent director who has been in the position for longer than 9 years to continue to be the independent director, the Board of Directors will present the rationale for the necessity at the Annual General Meeting of Shareholders for further approval. (Please refer to the further details in the topic "Board of Directors" and "Details of Directors, Management Team, Advisor and Controlling Persons" Sections).

In 2019, there was no director resigning from position due to the reason of corporate governance issue in the last year.

11. Policy on Chairman of the Board of Directors' Qualification

The Company has a policy in terms of qualification of directors (Please refer to the further details in the topic "Nomination of Directors and Top Executives" / "Qualifications of director" Sections.), the Company has also prescribed the specific qualification for chairman of the Board of Directors having following qualifications;

1. Must be an independent director according to the definition of the Stock Exchange of Thailand (SET) and the Company's Policy on Independent Director's Qualification.

2. Must be a non-executive director.

3. Must not be the same person as the Chief Executive Officer in order to reciprocally balance the power, and to prevent any person from having exclusive power.

4. Must not be part of the Company's management team, and not be a staff member, an employee, an advisor on a regular payroll, an auditor, a professional, or a person with controlling interest of the Company, its subsidiaries, its affiliates, and the audit company, or a person who may have a conflict of interest, and without benefits or interests as aforementioned.

5. Must have no relationship with the management.

12. Non-compliance with the Rules of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET)

The Company has a resolution and commitment as business practice that the Company's business operation must be compliant with the relevant laws, rules, procedures, and regulations, as well as consistent with general social accepted ethical benchmarks, which is supervised by the Board of Directors. In every the Board of Directors' meeting, the management must report performance, as well as other subject matters, including the case of warning letter and accusation from the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET) (if any) of the Company to the Board of Directors for acknowledgement to ensure that the Company's business operation is effective and difficulties are remediable in time.

In 2019, the Company had no violation against the rules of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET).

13. Compliance Unit

The Board of Directors has set up the Compliance Unit to support the Board in monitoring the performance of the management, employees as well as other units in the organization to ensure compliance with the relevant laws, rules and regulations of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET); and to coordinate with the governing authorities to update the relevant laws, rules and regulations governing the Company's business operation. The Board of Directors would set a monitoring work plan and assessment system, review and adjust the work plan, on a yearly basis, to align with the changing situations and regulations.

In 2019, Mr. Somboon Kuptimanus, Chief Legal Officer and Company Secretary is acting Head of the Compliance Unit and there was no illegal act nor violation of any laws, rules and regulations of the Securities and Exchange Commission of Thailand, the Stock Exchange of Thailand, and any other government agencies (Please refer to further details concerning the duty and scope of work of the Company Secretary appear in the "Company Secretary" Section of this annual report).

14. Information Technology Department

The Company has an Information Technology Department which manages information technology (IT), in particular. The department provides IT support to other functions in the Company's business operations and enhances their work potential. The department is responsible for setting and developing the IT system for internal use of the Company, and ensuring that such system can best serve its user. The department helps in solving IT problems related to malfunction, disruption, or other reasons. This department is also staffed with skilled experts who are capable of overseeing and solving problems in the Company's IT system within a reasonable amount of time. The Company also maintains an IT back up system which is always available for use. This backup information is stored outside its computer center or its server room. Internal information can thus always be replaceable and retrieved, enabling no disruption in the Company's business operation. This department also monitors any intellectual property breach vis-à-vis IT programs.

Additionally, the Company prescribes its policies and guidelines on the governance and management of its information technology system to maximize the efficiency and benefits. (Please refer to more details of this subject in the "Policies and Guidelines on the Governing and Management of Information Technology").

15. Independence of the Board of Directors from the Management

Each member of the Board of Directors is free to express his/her opinions on the business operation of the Company. There is a clear segregation of duties and responsibilities of the Board of Directors, as well as a clear delegation of management authority set in writing for the management. The intention is to allow the Board of Directors to freely perform its duties independently from the management. The Board of Directors has its duties to prescribe the Company's policies, visions, missions, objectives, primary business goals, business directions, and business strategies, for the management to implement. The Board of Directors is acting as a role model and promotes organizational culture that supports ethical conducts. It oversees the structure and the Board of Directors' performance, nomination, development, assessment, remuneration as well as sets policies on the remuneration structure for the Company's personnel to assure that it is appropriately allocated. It also oversees the work performance of the management by determining auditing method to oversight performance of the management efficiently, transparently, legally, and in compliance with various rules to enable the Company's operation to be appropriate and for the best interest of the Company and shareholders.

Additionally, the Company's Board of Directors prescribes its work scope in relation to its work collaboration with the management by reviewing business directions, business strategies, goals and targets, annual business plans, and the sufficiency and appropriateness of the risk management system and internal control system, as well as determines resource allocation, the development path, operational budgets, information disclosures, both financial and non-financial information, to assure that such information disclosure is accurate, timely, and credible.

16. Policiy on Knowledge Development of Directors, Chief Executive Officer and Executive

The Board of Directors encourages all directors, the Chief Executive Officer, Executives and the Company Secretary to attend training courses in order to continue improving their performances and seeking the knowledge of relevant laws and risks corning the Company's business and updated knowledge which is relevant for the modern times as technology quickly changes in the new digital age. They are thus encouraged to increase their skills and experience that are required as relevant attributes in driving the Company to achieve its goals. The process includes;

1. Directors, the Chief Executive Officer and Executives participate in knowledge enhancement seminars both internal and external that support their work duties such as training courses offered by the Thai Institute of Directors (IOD), the Stock Exchange of Thailand and the Securities and Exchange Commission of Thailand (SEC) or other organizations, as well as courses arranged by other agencies so that they can bring the obtained knowledge to apply for the sound progress of their organization. (Please refer to further details in the topic "Additional Training Courses or Relevant Seminars Attended by Directors" and "Details of Directors, Management Team, Advisor and Controlling Persons" Section of this Annual Report.).

2. Encouraging the Chief Executive Officer and Executives to participate in overseas study trips and training aimed at obtaining new skills and technology which can periodically be applied to their business tasks.

3. Developing creative thinking by making annual visits to companies in foreign countries to learn of new designs and techniques for the construction of houses and high-rise buildings that can be adapted for use in the Company's developments.

4. Encouraging the Chief Executive Officer and senior executives to read books written by experts in marketing, strategy, management, technology, and other aspects of business to promote their self-learning and then share this knowledge with other executives and subordinates.

17. Policy relating to Board of Directors Meeting

To determine policy that benefits the Company and ensures the Board of Directors can monitor the Company's performance continuously and efficiently, the Company specifies its policy for the meeting of the Board of Directors as follows;

1. The number of meetings is prescribed to appropriately suit the duties and responsibilities of the Board of Directors as well as the nature of the Company's business. The Company has prescribed at least 7 board meetings annually (at least once every quarter). The management shall submit a report on the Company's operational results for the month in which there is no board meeting to the board members so that they can timely and continuously oversee, supervise, and monitor the business operations and the management's actions.

2. The Company sets the meeting agenda and determines the meeting dates for the Board of Directors Meetings, meeting dates for the Meetings of the Sub- Committee and for the Annual Genral Meeting of Shareholders for the forthcoming year shall be set in advance and notified to all directors since the last year to allow all directors to manage their time to attend the meeting together. The meeting schedule will be published on the Company's Website. Such schedule and agenda may change as appropriate and additional meeting may be held if necessary.

During the Meeting of the Board of Directors No.7/2019 held on 11 December 2019, the board had prescribed in advance the Board of Director Meetings for 2020, and the 2020 Annual General Meeting of the Shareholders. This meeting was attended by all members of the Board of Directors. (Please refer to further details at the Company's Website www.scasset.com, Corporate Profile Menu, Corporate Governance Section and Schedules of the Meeting of Board of Directors and the Annual General Meeting).

3. The Company requests that all directors to recognize the importance of the attendance of all the Board and the Shareholders' meetings, and that they should try to participate in all such meetings, except if any urgent and important matters should arise. Each director should not attend less than 75% of the meetings held in each year (Please refer to further details in the topic "Information on Meeting Attendance by the Members of the Board of Directors and the Members of the Sub-Committees").

4. For voting, each director shall have one voting right, and the minimum quorum for the voting of at least two-third of total directors.

5. The Chairman of the Board of Directors and the Chief Executive Officer shall jointly review and select the meeting agenda for the board meetings. To assure that the important matters are among the agenda items, the Company allows each director to freely propose any agenda item which is deemed beneficial to the Company as additional agenda items for the board meetings. This proposal for additional items on the meeting agenda will be reviewed by the Board of Directors and processed via the Company Secretary.

6. The Chairman of the Board of Directors allocates adequate time for management to present documents and supplementary information for review and discussion of important issues. Each director is entitled to express independent opinions, to present any concerned agenda items, and scrutinize each agenda before voting. The Company Secretary performs duty of supporting the information documents and recording minutes of meeting in writing and then submitting the minute to the next Board's meeting for approval.

7. The directors who may have any interest in any agenda must temporarily leave the meeting and refrain from voting in that agenda in order to allow the meeting to freely consider the agenda.

8. The directors can request for relevant information needed for their decision making from the Company Secretary or the management prior to making their decision on the relevant resolution. In the event of necessity, the Board of Directors may arrange to obtain an independent opinion from any advisors or outside professionals, of which the related cost shall be borne by the company.

9. In meeting of the Board of Directors, executive or related person may be invited to attend the meeting to provide information and answer question. The Board of Directors may require the Company Secretary to follow up on the question or inquiry from relevant department and notify the Board of Directors within the determined period or in the next meeting.

10. Independent directors who are non-executives may organize meetings among themselves without the presence of the Company's management at least once a quarter, or not less than 4 times in a year to discuss business and management matters that are of interest, as well as other issues related to any meeting agenda item as appear on the invitation letter for the board meeting. The outcome of these meetings is reported to the Chief Executive Officer. (Please refer to further details in the topic "Policy on meeting of the non-executive directors").

11. Chairman of the Board of Directors assigns the Company Secretary to take responsibility to determine the meeting date, prepare adequate supplementary documents and send notice of Board of Directors meeting to all directors at least 7 days prior to the date of meeting in the form of normal document or electronic form to ensure that all directors will have sufficient time to understand all matters unless there was an emergency or urgent matter.

The Board of Directors can convene a meeting via electronic devices subjected to the conditions, procedures and methods specified by the law.

12. Prescribe that the Company Secretary shall take notes and prepare the Minutes of the Board of Directors Meeting that covers all material and relevant matters of the meetings. The minutes shall be ready within 14 days of the meeting date, and be submitted to the Board of Directors for its endorsement. The Company Secretary also has a duty to keep the minutes of Board of Directors Meeting, together with their attachments, which have been approved by the Board both in conventional and electronic form for future reference. Each director is always able to ask the Company Secretary for his/her reviewing of the minutes.

In 2019, the Board of Directors held 7 meetings of the Board of Directors. Each director regularly attended the meetings. The meeting attendance ratio was 92.06%. (please refer to further details in the "The Number of Meetings and the Number of Attendance of Board of Director" and "Information on the Meeting Attendance of Individual Directors of the Board of Directors and Sub-Committees".

18. Policy relating to Non-executive Directors' Meeting (Independent Directors)

The Board of Directors has prescribed the policy that non-executive directors (independent directors) shall hold meeting amongst themselves as necessary to discuss issues or proposals or recommendations relating to the Board of Directors meeting agendas, as well as the matters of management which come to their attention without an executive director or management team such as strategic plan and connected transaction etc. After the meeting, report, summary, and recommendation will be prepared and presented to the Board of Directors, the Chief Executive Officer or the management team for acknowledgement, as the case may be, in order to be implemented to improve management system and operation of the Company. These enhance benefits to the Company and all its stakeholders since opinions can be freely expressed and perspective thinking is encouraged. The Chairman of the Board of Directors as an independent director will be the chairman of the non-executive directors meeting and call the meeting of Non-Executive Directors prior to Board of Directors Meeting.

As of December 31, 2019, there are 6 Non-Executive Directors and Independent Directors consisted of:

1. Mr. Rath Kitivejosoth	Chairman of the Non-executive Director
2. Mr. Kunodom Tharmmaphornphilas	Non-executive Director (engineering background and having knowledge and experience relating to the Company's business)
3. Mr. Prasert Samanawong	Non-executive Director (accounting and financial back-ground and having knowledge and experience relating to the Company's business)
4. Mr. Precha Sekhararidhi	Non-executive Director (engineering background and having kownledge and experience relating to the Company's business)
5. Mr. Songsak Premsuk	Non-executive Director (marketing background and having knowledge and experience relating to the Company's business)
6. Ms.Vilasinee Puddhikarant	Non-executive Director (economic background and having knowledge and experience relation to the Company's business)

The Secretary of the Non-executive Directors' Meeting is Mr. Prasert Samanawong.

In 2019, there were 7 meetings of the non-executive directors (independent directors) which were held before each of the Board of Directors meetings, details are as follows:

Non-Executive Directors Meeting in 2019

No. 1/2019	January 18, 2019
No. 2/2019	February 20, 2019
No. 3/2019	May 13, 2019
No. 4/2019	July 18, 2019
No. 5/2019	August 9, 2019
No. 6/2019	November 11, 2019
No. 7/2019	December 11, 2019

The details of the meeting attendance by each of the non-executive directors in 2019 and accumulated records of attendance since 2009 are as follows:

Non-Executive Directors	Number of Meetings Attended / Number of Meetings Non-Executive Directors (Independent Directors)	
	2009-2019	2019
1. Mr. Rath Kitivejosoth	63/63	7/7
2. Mr. Kunodom Tharmmaphornphilas	63/63	7/7
3. Mr. Prasert Samanawong	56/56	7/7
4. Mr. Precha Sekhararidhi	56/56	7/7
5. Mr. Songsak Premsuk	33/33	7/7
6. Ms. Vilasinee Puddhikarant	19/27	4/7

19. Policy on Performance Assessment for the Board of Directors and Highest Level Executive

To abide by the good corporate governance polices, which involve the self-participations of board members, sub-committee members, and executives in such assessments as well as in solution findings for potential problems. All of these will lead to proper work improvement and remuneration planning. The Company's Board of Directors arranges to have performance assessments for the Board of Directors, the Sub-Committees, and executives at least once a year. These include the performance assessment of the entire Board, the performance assessment of individual director which was divided into 2 parts, self-assessment, and cross self-assessment by other directors, the performance assessments for all sub-committees, the performance assessment for the Chief Executive Officer (the highest level executive of the Company). It also prescribes relevant processes and procedures for such performance assessments,

Please refer to further details in the procedures criteria of perfomanc assessment of directors and the Chief Executive Officer in 2019 in the topic "The Board of Directors' Performance Assessment" and "Performance Assessment for the Chief Executive Officer" Sections of this Annual Report.

20. Policy relating to Preparation of Successor Plan for Management and Top Executives

To prepare personnel with suitable qualification, knowledge, and sufficient capacity as a replacement for Management and Top Executives in case of resignation, retirement, end of term, or not being able to perform duty due to any reason, and to allow continuous and smooth performance, efficiency, and reduce the risk of not having successor as a replacement, the Board of Directors determines the following policy;

1. Determining successor plan for management and top executives.

2. Determining management and top executives positions that requires successor plan.

3. Determininmg that Human Resource Department shall organize training course and prepare staff, young executive, and middle executive to become young executive, middle executive, and senior executive further.

4. Determining and look after remuneration and interest for personnel appropriately and fairly to maintain personnel and prepare for growth of the company in the long run.

Please refer to further details in the topic "Preparation of Successor Plan for Management and highest Executives Policy" Section of this Annual Report.

21. Policy on the Independence of the Internal Audit Unit

The Board of Directors, since the incorporation of the Company, has established Internal Audit Unit. At present, Miss Pannee Tharaphat, Senior Vice President, Internal Audit, is the Head of the Internal Audit Unit, and in order that the Internal Audit Office be independent from the Management to enable the Board of Directors to efficiently monitor the performance of the Company, the Board of Directors has set the reporting line of the Internal Audit Office to come under the Audit Committee which reports its performing of duties, the results or opinions in various issues, such as the number of meetings, assessment and review of the internal control system, connected transactions, proposed appointment of the external auditors, review of the financial statements, review of the compliance issues related to the policy and regulations, as well as opinions on those reviews. To ensure independence of the Internal Audit Office, the Audit Committee is authorized to appoint, transfer, dispose, and assess the performance of the Deputy Chief Internal Audit Officer (Please refer to further details in the topic "Attendance Record of Individual Members of the Board of Directors and Sub-Committees" and "Report of the Audit Committee" Sections of this Annual Report).

22. Internal Control and Risk Management Policy

The Board of Directors prescribes internal control policy and appoints the risk management committee to oversee the risk management and to have risk management measures which govern management activities. It also has responsibility of approving proposed operational plans, budgets and targets. The Board also emphasizes to the management the importance of efficient and appropriate internal control systems, the internal audit system, and risk management procedures for the operation, including the internal control to manage corruption risk in organization, government agencies business partner and all stakeholders. (Please refer to further details in the topic "Internal Control and Risk Management" Section of this Annual Report).

23. Guidelines of Policy and Practice towards the Conflict of Interests

The Board of Directors always adheres and complies with the policy that the Company's business operation will be performed fairly, honestly, transparently, and verifiably; thus, it prohibits its directors, executives and staff to exploit their positions for self- benefits or family benefits, or for benefits of those close to them, whether such benefits are of monetary nature or of any other nature whatsoever, as forbidden by the rules and regulations of the Stock Exchange of Thailand. The Company prescribes the following practice guidelines for its directors, executives and staff to abide by:

1. Receipt of money or rewards

Directors, executives and employees who may come into contact with any conceivable benefits or favors that may obstruct their independent judgment and action required in performing their duties, and hence may impact the interests of the Company and its customers shall comply with the following guidance:

(1) Directors, executives and employees of all levels shall not receive any money or personal rewards offered by the Company's customers, trade partners, or any other individuals for the work they perform on behalf of the Company.

(2) Directors, executives and employees of all levels shall not borrow or raise funds from the Company's customers and counterparties, except that such borrowings represent lending from their banks or financial institutions of which they are customers.

(3) Directors, executives and employees of all levels shall not accept any presents with a value exceeding that of the generally acceptable practices and shall be subject to any other rules and regulations relating the receipt of presents stipulated by the Company.

2. Conducting any other business activities outside the Company

Personal business activities of directors, executives and staff shall not impact their commitments to the Company's duties and work schedule. They are also required to disclose, in the formula as prescribed by with the Company, their business participations, whether it be for their own behalf, on behalf of their family, and/or in the name of any juristic party in which they hold any interests. Directors, executives and employees of all levels are forbidden from any participation in any commercial activities which are competitive to those of the Company's business, regardless of whether they direct or indirectly benefit from such participations.

The Company prohibits its directors, or the companies of which its directors are related to or hold shares in, to be the Company's counterpart in any trade, except for the transactions which are disclosed and fully comply with applicable laws and the prescribed regulations of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET).

3. Conflict of Interest Transaction

To prevent and create transparency in approving transaction that may have conflict of interest, the Company determines rule and procedure for approving connected transaction according to the rule of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET), which the price and condition must be as if it is transaction with third party and shall be according to general trading condition. Information of transaction that may have conflict of interest or connected transaction shall be disclosed. In addition, director who has interest must leave the meeting room temporary and refrain from voting in that agenda, which is the custom that the Board of Directors has always done.

4. Verifying of Conflict of Interest Transaction

In transaction that may have conflict of interest, the Company determines that the Audit Committee shall play an important role by determining that all transactions must be filtered by the Audit Committee first to determine whether such transaction is compliant with the rule of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET), and whether it is appropriate, fair, compliant with general trading condition, and is the best interest for the Company or not in order to be presented for further approval.

In 2019, the audit showed no case of any conflict of interest on their part against the Company.

24. Policy for Director and Top Executive Remuneration

1. Policy on Remuneration for Directors

The Company clearly and transparently prescribes the director remuneration policy which includes monetary remuneration and other remunerations such as meeting fees, bonuses, pensions, and other benefits. The Nomination and Remuneration Committee has its duty to review the appropriateness of these remunerations and assure that they are in line with the Company's long-term financial status and goals. By considering cfrom the Board of Directors' duties and responsibilities, and has been designed to the Company's Directors at the similar level to the industry compensation of Thai listed companies. It's believed that such remuneration could attract, retain and motivate the directors to perform their roles and carry out their responsibilities to accomplish the Company's goals efficiently and transparently. Board members who take the positon as member of any sub-committee should receive remuneration commensurate with their designagted duties and responsibilities.

Director remunerations determination process is annually reviewed and proposed by the Nominating and Remuneration Committee for consideration by the Board of Director and further approval by shareholders' resolution.In 2019 Annual General Meeting of Shareholders on the date of April 25, 2019, shareholder approved the director and member of sub-committee including bonus for the 2018 performance (Details of which appear in the "Shareholders' Rights" and "Director and Executive Remuneration" section of this annual report).

2. Policy on Remuneration for Chief Executive Officer (CEO) and Top Executives

The Company has established a remuneration policy for Chief Executive Officer (CEO), and top executives both in terms of monetary remuneration i.e., salary, Bonus (no meeting allowance provided) and other non-monetary benefits such as the housing welfare program for executives whose years of service exceed 3 years offers the rights for them to purchase houses or condominiums developed by the Company at a special discount, whereby the special discount scheme is clearly and transparently defined. The remuneration policy is clear and transparent formulated based on relevant considerations such as experiences, duties, roles, and responsibilities of the executives, as well as their performances or anticipated serviceable outcomes. All of these incentives are given in a level suitable for the company to retain their qualified chief executive officer (CEO) and executives, and in the range comparable to its industry peers who are also Thai public listed companies in the same industry sector.

The Remuneration policy for Chief Executive Officer (CEO) and top executives is prescribed in detail for both monetary remuneration and other non-monetary benefits and in both forms of short-term and long-term incentives:

Short term Incentive: The short-term incentives aim to motivate and inspire directors and executives' work performances. High-performance executives are a key element that creates good corporate results. The short-term incentives consist of both monetary incentives and other non-monetary incentives which are

(1) Short-term monetary incentives include salary and an annual bonus payable according to individual performance and actual company performance, salary increase for Chief Executive Officer (CEO), and top executives based on demonstrated individual achievement evaluated under the Balanced Scorecard (BSC) and applying Objective Key Results (OKRs) measure for setting relevant targets and strategy regarding the director remunerations to be in line with the major targets of the Company

(2) Other short-term non-monetary incentives include various benefits provided to Chief Executive Officer (CEO), and top executives such as the above mentioned housing welfare program

Long Term Incentive: The long-term incentives aim to reward directors and executives for their dedicated work performance and to create motivation for them to make long-term accomplishments. Retaining qualified employees to work for the Company for the long-term is its key strategy for corporate productivity and value maximization.

As of December 31, 2019, the Company provided its long-term incentives and the Annual General Meeting of Shareholder for the year 2017, the Annual General Meeting of Shareholder for the year 2018 and the Annual General Meeting of Shareholder for the year 2019 have resolved to approve the issuance and offering the warrant to purchase the ordinary shares of the Company (ESOP - Grant I, ESOP – Grant II and ESOP – Grant III) for 3 programs.

ESOP – Grant I

Total Number of Warrants to be Offered	34,200,000 Units
Offering Price per Unit	Baht 0 (zero Baht)
Offering Period	January 31, 2018
Terms	Not exceeding 5 years from the date of issuance and offering
Number of Reserved Shares	34,200,000 shares
Exercise Ratio	One warrant per one ordinary share
Exercise Price	3.71 Baht per shares calculating from the weight average closing of the Company's shares trade on the Stock Exchange of Thailand during the period of 15 consecutive working days prior of the day Shareholders' Meeting, (no discount from the market price)

ESOP – Grant II

Total Number of Warrants to be Offered	39,000,000 Units
Offering Price per Unit	Baht 0 (zero Baht)
Offering Period	January 31, 2019
Terms	Not exceeding 5 years from the date of issuance and offering
Number of Reserved Shares	39,000,000 shares
Exercise Ratio	One warrant per one ordinary share
Exercise Price	3.72 Baht per shares calculating from the weight average closing of the Company's shares trade on the Stock Exchange of Thailand during the period of 15 consecutive working days prior of the day Shareholders' Meeting, (no discount from the market price)

ESOP – Grant III

Total Number of Warrants to be Offered	Not exceeding 40,000,000 Units
Offering Price per Unit	Baht 0 (zero Baht)
Offering Period	The offering shall be completed within one year from the date on which the issuance and offer of the Warrants under the Program is approved by the Annual General Meeting of Shareholders for the year 2019 (the due date will be on April 24, 2020, currently the warrant has not been yet offered)
Terms	Not exceeding 5 years from the date of issuance and offering
Number of Reserved Shares	Not exceeding 40,000,000 shares (at the par value of Baht 1) or 0.96 percent of the total paid-up shares.
Exercise Ratio	One warrant per one ordinary share
Exercise Price	3.05 Baht per shares calculating from the weight average closing of the Company's shares trade on the Stock Exchange of Thailand during the period of 15 consecutive working days prior of the day Shareholders' Meeting, (no discount from the market price)

The Employee Stock Option Program helps create an ownership culture and motivate Chief Executive Officer (CEO) and top executives to work with dedication and efficiently. The stock option plans also effectively support the retaining of qualified employees, motivate corporate productivity, enhance long-term value maximization to stakeholders, and ensure growth as well as business sustainability.

In addition to the above mentioned remunerations and incentives, the Company also clearly prescribed a remuneration process for Chief Executive Officer (CEO) and top executives according to their roles and positions, as follows:

1) **The Chief Executive Officer (CEO)** The process in remunerating for the Chief Executive Officer (CEO) based on the consideration of the performance assessment assessed by the Chief Executive Officer's Performance Assessment Sub-Committee, which consists of

- Chairman of the Board of Directors (Independent Director)
- Chairman of Audit Committee (Independent Director) and
- Chairman of Nomination and Remuneration Committee (Independent Director)

The Chief Executive Officer's performance assessment results will be reported to the Nomination and Remuneration Committee for determining the monetary remuneration as well as and other non-monetary and in both short-term incentives and long-term incentives forms for further proposing to the Board of Directors for approval.

2) **The Top Executives:** the Nomination and Remuneration Committee has been assigned to determine the reasonable and appropriate remuneration for top executives. The remuneration is considered from the individual executive's performance as well as the Company's.

In the year 2019, the Company determined the remuneration both monetary remuneration and other non-monetary benefits and in both short-term and long-term incentives forms for the Directors, the Chief Executive Officer (CEO) and the top executives in accordance with the policy prescribed by the Company. (Please refer to further details in the topic "Shareholders' Rights" and "Director and Executive Remuneration" sections of this annual report).

25. Policy related to the Company Secretary

The Board of Directors determines that the Company shall have the Company Secretary, which the appointment shall take into account and compliant to the rule determined by the law and good corporate governance principles. The Secretary must completed a degree in law or accounting, and has been trained in course relating to performing secretary's duty to perform the duty of giving legal advice and recommendation relating to various rules to the Board of Directors. The duties included the supervising activities of the Board of Directors, making appointment and preparing meeting invitation letter together with meeting documents completely and sufficiently, as well as coordinating to ensure compliance with the resolution of the Board of Directors. Information and role of the Company Secretary has already been disclosed. (Please refer to further details in the topic "Company Secretary" section).

26. Offence on Corruption, Corporate Governance, and Negative Reputation

In 2019, the Company and all directors, including executives had no offence or violation against the rule of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET). There was no offence in terms of corruption or ethics, and there was no executive resigning due to the issue of corporate governance, as well as the Company had no bad reputation due to failure of performing monitoring duty of the Board of Directors.

The Company realizes the importance of anti-corruption. Therefore, the Company's representative was sent to attend the meeting with organization and authority that publish knowledge relating to preventing and verifying corruption in the organization such as international conference on anti-money laundering, etc..

27. Policy Prohibiting the Company's Directors, Executives and Employees to Borrow Money from the Company

To ensure trust and reliability in the managerial transparency and to protect against conflict of interest, it is the Company's policy to prohibit its directors, executives and employees to directly and indirectly apply for a Company loan in all cases, except if such borrowing is made in accordance with laws on commercial banks, insurance, or rules on employee benefits. This prohibition governing the borrowing of the Company's money by its directors, executives and employee as well as the guaranteeing of the Company includes:

1. The lending of the money to spouses or minor children of the Company's directors, executives, and employees.

2. The lending of the money to any ordinary partnership that the Company's directors, executives, and employees, or their spouses and minor children are partners.

3. The lending of the money to any limited partnership that the Company's directors, executives, and employees, or their spouses and minor children are general partners.

4. The lending of the money to any company that the Company's directors, executives, and employees, or their spouses and minor children are shareholders of which their combined shareholdings is more than half of the total shares of the company.

Up to the present, there are no such cases where the directors, executives and employees have applied for a Company loan neither directly nor indirectly.

28. Policy on Change of Status and Responsibility of the Directors

In case any director changes status or responsibility which may have a material impact on the qualifications or his performing his duty as director: for example, his taking office in another juristic person with a similar nature of business, or conflicting or competing with the Company's business, or changing his duty and responsibility which result in his being disqualified as the Company's director, or his having a conflict of interest, or not being able to devote time and effort in performing the duty as director; the Company has established the practice guidelines that such director must notify such change in writing together with a resignation note to Chairman of the Board of Directors or Company Secretary.

29. Rules on Financial Creditability

The Company's Board of Directors prescribes rules on financial credibility and fund management to assure that the Company has sufficient funding to support its operation, and to maintain the Company's credibility among outsiders and financial institutions. The prescribed rules are as follows:

1. Managing the Company's liquidity and assure that the Company's liquidity is sufficient for its operational needs and investments. The Company utilizes its cash flow from operation, borrowings from financial institutions, issuance of debentures and bill of exchange as its funding source.

2. Having appropriate financial risk management and suitable financial structure, with regular monitoring on financial ratios with debt to equity ratio at a level no more than 2:1 which is the level required by the covenants of the Company's loan agreements by which the Company needs to strictly abide. Additionally, the Company also controls the ratios of its short-term and long-term debts, and ensures that the application of such fund is in accordance with their relevant borrowing purposes. The Company has its average cost of fund at a rate below MLR -2%.

3. Maintainings its good financial credibility strictly with respect to its repayment obligations for debts and borrowed funds by repaying accurate amounts on time as prescribed in the repayment and amortization schedules stated in the loan agreements or in the contracts and agreements with trade partners, trade creditors, financial creditors, and shareholders.

4. Disclosing accurate, timely, adequate and equitable financial information according to the prescribed rules and regulations of the Securities and Exchange Commission of Thailand, the Stock Exchange of Thailand, and in accordance with generally accepted accounting principles.

5. Maintaining financial discipline and a good financial management system with efficient internal controls.

6. Maintaining its credit rating assigned by acceptable credit rating agencies at a level not lower than BBB+.

7. Having the management monitor and evaluate the Company's financial position regularly and report it to the Board of Directors every quarter. In the event that there is any warning sign on the Company's liquidity the Board of Directors and the management shall jointly find measures to promptly solve it and closely monitor it by prescribing a suitable financial solution plan that is mindful of the rights of the stakeholders and creditors.

8. Disclosing the Company's operational results together with relevant financial statements in the Company's Annual Report and in the Form 56-1. The information provided should sufficiently reflect the Company's financial position and its operational performance and allow all stakeholders to acknowledge it accurately, completely and transparently.

30. Prohibition of Directors' Involvement in Businesses that are a Business Competitor

In order to avoid conflict of interests, and the use of internal information in a way that is not suitable with its objectives, the Company thus prohibits its directors from any involvement in businesses which are in the same line of business as the Company's business and is in competition with the Company. It also forbids its directors from being a partner in any ordinary partnership or as general partner in any limited partnership or to act as a director in any company that is involved in any business similar to that of the Company's, and deemed to be in competition with the Company, whether such action is for the self-benefit of the director or for the benefits of others.

31. Directors have a Duty to Notify the Company on Important Events

The Company's directors are required to promptly notify the Company through its Company Secretary as soon as there is an event or when aware of the occurrence of important events where:

1. Any director directly or indirectly becomes an interested party in any contract that the Company has made or shall make within the year. The said director shall provide the facts relating to the nature of such contract, the name of the contract's counter party, and the interest of the director in such case.

2. Any director buys or holds shares or debentures of the Company and its affiliates. He/she must promptly inform the Company Secretary about the said shares and debentures and provides details of their amount, method of acquiring, total number of the increase or decrease of such shares and debentures. The director also has the duty to notify the stock exchange of Thailand about the acquisition or disposal of such shares and debentures within 3 business days of such acquisition or disposal.

32. Responsibility of the Directors to Shareholders

Directors are responsible for any damage caused to the Company's shareholders and other related persons under the following circumstances:

1. Notification of false information or concealment of the Company's financial position and operational results in the event of that the Company is offering debentures or other financial instruments for sales.

2. Stating or filling in false information in documents submitted to the registrar, or state or fill in information which is contrary to that of the Company's registration information or the Company's actual documentation.

Preparing false balance sheets and income statements, minutes of the shareholders' meetings, or minutes of the Board of Directors.

33. Policy on Guarding the Classified Business Information

As the Company's directors are among those who could access the classified internal information, the Company has set the policy on guarding the business information confidentiality whereby the active or retired directors are prohibited from disseminating or taking any acts that benefit others with classified business information, or to make use of the information for their own benefit or benefit of others, or to violate the laws governing the use of internal information; with the exception that such disclosure is legally required or by court order. The directors must act with due consideration not to disclose or to prevent disclosure of the classified information including dialogues among directors or between directors and management team during the meeting sessions of the Board of Directors or Sub-Committees.

In 2019, the audit showed no case of violating any of the Company's policies made by Directors.

34. Promoting Innovation and Corporate Responsibility

The Board of Directors recognizes the importance of encouraging creativity among executives and employees of all levels by inspiring them to create new innovations, and allowing them to participate in creative thinking that shall bring added value to the Company's business. Additionally, it simultaneously promotes ethical conduct in creation of benefits to society, customers, and related parties, as well as fosters awareness in social and environmental responsibility. These include:

1. Organizing annual creative thinking activities for the Company's executives and employees to participate in and encouraging them to present their ideas which can contribute to new innovations and promoting value to the Company's developments. In addition, the Company also forms business alliances with those with expertise in innovation development. The actions include:

(1) Organizing "Hackathon" Program aimed to promote creativity and inspire employee's analytical minds. Employees are encouraged to present new ideas for creating or improving the Company's services by applying new technologies. This intends to increase the Company's competitiveness in responding to the needs of the society and its clients.

(2) Participating in a joint investment with Fixzy Company Limited under SC Able Company Limited to form an innovation startup business with the objective to design user applications whereby customers can contact repairers online. The decision helps enhance the Company's after-sales services and supports the needs and the new life style of modern consumers, as well as bringing benefits to the Company's business operations.

2. Managing the internal affairs of the Company and its activities. At present, the Company encourages its executives and employees to apply information technology for management of the company's business activities, aiming to create quick responses, become modernized, and increase business opportunities while providing improvements in risk management. These actions aim to bring achievement to the Company's prescribed business objectives and primary goals.

3. Overseeing that the management manages its business activities and human resources efficiently and allocates sufficient manpower for the administration of the Company's real estate development projects. Additionally, it also includes the management of a sound financial position that enhances the Company's financial and operational credibility, and monitors proper repayments of the Company's obligations, as well as oversees that there is no adverse impact to the Company's value chain while trying to achieve its business sustainability.

4. Overseeing and monitoring that the Chief Executive Officer and the Management operate the Company's business with responsibility vis-à-vis consumers, society, and environment. Every development project that the Company undertakes must include a plan regarding care and awareness of society and environment to assure that there is no additional impact caused by the Company's operation. Indeed, the Company intends to minimize any possible impacts that existed prior to the starting of its development. Furthermore, it is also concerned with the safety and health of the surrounding communities.

2. Sub-committees

The Company's Board of Directors has appointed directors appropriately equipped with knowledge and professional proficiency in the various sub-committees to help oversee corporate governance by a performing detailed study and screening of the issues within the scope of their respective responsibilities, with an aim to increasing the effectiveness of Board of Directors' performance. In this way, the sub-committees could more specifically consider and discuss the related issues and reported the result of their meetings to the Board of Directors on a regular basis, as well as their annual performance to the Company's shareholders in the Annual Information Disclosure (56-1Form) and the Annual Report (56-2) respectively.

Presently, 5 sub-committees have been appointed as follows:

The Executive Committee	The Audit Committee	The Nomination and Remuneration Committee	The Corporate Governance and Sustainable Development Committee	The Risk Management Committee

The Executive Committee

As of December 31, 2019, the Executive Committee consisted 5 members are as follows:

1. Mr. Nuttaphong Kunakornwong	Member (Chairman of the Meeting)
2. Mr. Nathpath Ouajai	Member
3. Mr. Songsak Premsuk	Member (Independent Director)
4. Ms. Vilasinee Phddhikarant	Member (Independent Director)
5. Mr. Attapol Sariddipuntawat	Member

The Secretary of the Executive Committee is Ms. Namtip Promchua, Deputy Chief Accounting Officer.

Scope of Duties and Responsibilities:

1. Formulating the policies, business direction, strategies and the construction business management of the Company by reviewing the current, and future economic trends and competitive situation as previously outlined to shareholders and submit to the Board of Directors for their approval.

2. Setting business plan, annual budget, and management guideline of the Company and submit to the Board of Directors for their approval.

3. Monitoring and following up operations to ensure compliance with policies and other management directions of the Company for its operational efficiency.

4. Monitoring and following up the performance of the Company as set forth in the approved business plans.

5. Considering all major project investments.

6. Carrying out financial transactions with financial institutions in respect of the opening of bank accounts, loans, pledge, mortgage, guaranty, and any other transactions including sales and purchases, and the registration of any land title as laid down in the objectives of the Company for the benefit of the Company's operations under the determined budget.

7. Operating any other activities specifically assigned by the Board of Directors.

Meetings:

Meetings of the Executive Committee shall be hold monthly meetings, at least once a month The meeting schedule for the whole year are made in advance and the members of the Executive Committee are informed for their acknowledgement.

In 2019, the Executive Committee held 12 meetings to follow up and manage the operation of the Company's business, of which the attendance details were disclosed under the topic "Attendance Record of an Individual Member of the Board of Directors and Sub-Committees.

The Audit Committee

The Audit Committee was formed on September 1, 2003, with committee composition, member qualifications, prescribed scope of duties and responsibilities, term of office, as well as meeting rules set in accordance with the Audit Committee Charter. Interested parties are encouraged to visit the Company's website: www.scasset.com for more information in the "Corporate"/ "Corporate Governance"/"Audit Committee Charter" Section.

As of December 31, 2019, the members of the Audit Committee consisted of 3 independent directors. All member of the Audit Committee have knowledge and understanding or experiences concerning accounting or finance, details are as follows:

1. Mr. Kunodom Tharmmaphorphilas	Chairman of the Audit Committee (Independent Director), having structural enginerring and financial accounting background. He has competence and experience to review the Company's financial statements.

2. Mr. Prasert Samanawong	Member (Indepependent Director), having financial and accounting background) He has competence and experience to review the Company's financial statements.
3. Mr. Precha Sekhararidhi	Member (Independent Director), having engineering, managemet, financial and accounting background) He has competence and experience to review the Company's financial statement.

The Secretary of the Audit Committee is Ms. Pannee Tharaphat, Deputy Chief Internal Audit Officer.

Term of Office:

The term of office of the members of the Audit Committee is 3 year each. Nevertheless, a retiring member is eligible for re-appointment.

Scope of Duties and Responsibilities:

1. Reviewing the Company's financial statements to ensure they are accurate, reliable and have sufficient disclosure with the generally accepted accounting principles.

2. Reviewing the efficiency and appropriateness of the Company's internal controls and internal audit systems. Oversee the independency of the Internal Audit Department. Give accord for considerations made regarding appointment, transfer, and cancellation of employment of the Chief of the Internal Audit Office, as well as review his/ her performance and remuneration.

3. Reviewing practices to ensure compliance with rules and regulations of the Stock Exchange of Thailand (SET), and other related authorities.

4. Considering, selecting, nominating, and appointing individuals who are independent and are auditors approved by the Securities and Exchange Commission of Thailand (SEC) to be the Company's external auditors, as well as to re-nominate the external auditors who are finishing their term for reappointment for another term, to propose the termination of the predecessor auditors' service as well as to propose remuneration of such external auditors. The Committee shall, at least once a year, arrange to have a meeting with the auditors the presence of the management therein.

5. Overseeing that connected transactions or transactions which may represent conflict of interest are reviewed according to applicable laws and regulations of the Stock Exchange of Thailand (SET) in order to ensure their rationality and for the benefit of the Company.

6. Reviewing the efficiency and effectiveness of the Company's risk management systems.

7. Reviewing and submit an opinion on Internal Audit plans, practices of the Internal Audit Department.

8. Preparing the Audit Committee Report and disclose it in the Company's annual report. The Audit Committee Report must be signed by the Chairman of the Audit Committee and should at least include the following information:

   (1) Opinions on the accuracy and accountability of the Company's financial statements.

   (2) Opinions on the Company's risk management and the adequacy of its internal controls System.

(3) Opinions on the Company's compliance with laws governing securities and exchange, rules and regulations of the Stock Exchange of Thailand (SET), or other relevant laws which govern business activities of the Company.

(4) Opinions on the suitability of the Company's auditor.

(5) Opinions on the transactions which may represent conflict of interest.

(6) Number of the Audit Committee Meetings and the attendance record of each committee member.

(7) Opinions or general remarks obtained by the Audit Committee in performing its duties in accordance with the Audit Committee Charter.

(8) Other transactions of which the general shareholders and investors should be aware under the scope of duties and responsibilities assigned by the Board of Directors to the Committee.

9. In performing the duties assigned to the audit Committee, if there is any finding of or doubts on any item or action which may have any material impacts to the Company's financial positions and operation results, the committee shall report to the Company's Board of Director for acknowledgement, consideration and assign management team to correct within designated time as appropriate, the said item or action as follow:

(1) Conflict of interest transections.

(2) Fraud, Corruption or irregularity or deficiency in material respects, in the internal control system.

(3) Violation of laws on securities and stock exchange and/or the notifications of the Securities and Exchange Commission of Thailand and/or the regulations of the Stock Exchange of Thailand and/or other laws relating to the business of the Company.

Upon implementation of such actions, report the outcome to the Audit Committee. If the remedies applied by the management fail to solve the problems and situations, the Audit Committee or any member of the Audit Committee may report to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand that there has been such transaction and action made as per the prior clause.

10. Reporting the performance of Audit Committee to the Board of Directors at least 4 times a year.

11. Having authority to invite management, executives or relevant employees of the Company to give opinions or participate in meetings or submit any necessary information required within the scope of duties and responsibilities assigned to the Audit Committee.

12. Having authority to hire external advisors or outsiders, under the Company's prescribed rules to give opinions or advice if necessary.

13. Reviewing and overseeng the compliance of the Company's Anti-Corruption Policy and Measure, as well as regularly review such policies and measures at least on an annual basis to assure that such policy and measures are in line with changes in the Company's risk factors.

14. Reviewing the accuracy of the reference documents and self-evaluation forms relating to the Company's anticorruption measures as per the requirement of the Thailand's Private Sector Collective Action Coalition against Corruption (CAC).

15. Carrying out the undertakings by the Board of Directors.

Qualification and Composition of the Audit Committee:

1. The Audit Committee must comprise of independent directors, as prescribed by the Company's definition, appointed by the resolution of the General Meeting of Shareholders or the Company's Board of Directors. A member of the Audit Committee shall be appointed as the Chairman of the Committee.

2. Members of the Audit Committee must not be a director who is assigned by the Board of Directors to make any business decision for the Company, its parent company, its subsidiaries, its affiliates, fellow subsidiaries, major shareholders or controlling persons.

3. Members of the Audit Committee must not be a director of the Company's parent company, its subsidiaries, its affiliates, and fellow subsidiaries which are listed companies.

4. The Audit Committee must comprise of three independent directors as a minimum. At least one of the directors among the members of the Audit Committee must have adequate experience to make an assessment review on the accountability of the financial statements.

5. Members of the Audit Committee must possess qualifications prescribed by the Securities and Exchange Commission of Thailand (SEC).

In addition to the above required qualification and specific composition of the Audit Committee, members of the Audit Committee also maintain qualification and specific composition as independent directors (Please refer to further details in the topic "Qualifications of Independent Director").

Meeting:

Meetings of the Audit Committee shall be at least 8 meetings per year.

In 2019, the Committee held 9 meetings including 4 meetings in connection with the Audit Committee's scope of duties, 4 meetings in connection with the audit results, the performance of the Audit Department and the compliance audit; and 1 exclusive meeting with the external auditors without the presence of the Management. The Audit Committee submits its report to the Board of Directors consistently without delay. The quarterly meetings were held with the certified auditors and Chief Accounting Officer to review the Company's financial statements. The attendance details were disclosed under the topic "Attendance Record of an Individual Member of the Board of Directors and Sub-Committees.

The Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was formed on April 29, 2005 by a resolution of the Board of Directors meeting No. 3/2548 which approved the merge of the Nomination Committee and the Remuneration Committee into the Nomination and Remuneration Committee. Its role, authority, duty, responsibility, qualifications, term of office, and meetings are prescribed in the Nomination and Remuneration Committee Charter. Interested parties are encouraged to visit the Company's website: www.scasset.com for more information in the "Corporate Profile"/ "Corporate Governance"/ "Charter" / "The Nomination and Remuneration Committee Charter" Section.

As of December 31, 2019, the Nomination and Remuneration Committee consists of 3 members. The Chairman of the Nomination and Remuneration Committee and all members are independent directors, details are as follows:

1. Mr. Prasert Samanawong	Chairman of the Nomination and Remuneration Committee (Independent Director)
2. Mr. Kunodom Thammaphornphilas	Member (Indpendent Director)
3. Mr. Songsak Premsuk[1]	Member (Independent Director)

Remark: [1] Mr. Songsak Premsuk was appointed by the Meeting of the Board of Directors No. 7/2019 on 11 December 2019 to be a member of the Nomination and Remuneration Committee in replacement of Mr. Nathpath Ouajai who resigned from his position

The Secretary of the Nomination and Remuneration Committee is Ms. Sirikul Kriangkrai, the Deputy Chief People Officer.

Term of Office:

The term of office of the members of the Nomination and Remuneration Committee is 3 year each. Nevertheless, a retiring member is eligible for re-appointment.

Scope of Duties and Responsibilities:

1. Setting policy and rules for selection of qualified candidates for director positions in the Board of Directors and in the Company's committees.
2. Reviewing and nominating qualified candidates for the Company's director positions and submit these names to the Board of Directors and/or the shareholders' meeting (as the case may be) for consideration and approval.
3. Reviewing and nominate qualified candidates for the Company's Chief Executive Officer and top executives in the event of the vacancy of such positions.
4. Setting policy and rules for remuneration of the members of the Board of Directors and top executives of the Company and submit such policy and rules to the Board of Directors for their approval, as the case may be.
5. Setting remuneration amount and criteria for the members of the Board of Directors and top executives of the Company to be in line with the business competition and in accordance with circumstances to inspire them to devote themselves in conducting their duties and responsibility.
6. Prepare successor plan for the position of the Company's Chief Executive Officer to submit to the Board of Directors for their approval.

Meetings:

Meetings of the Nomination and Remuneration Committee shall be hold at least twice a year.

In 2019, the Committee held 2 meetings, of which the attendance details were disclosed under the topic "Attendance Record of an Individual Member of the Board of Directors and Sub- Committees".

The Corporate Governance and Sustainable Development Committee

The Corporate Governance and Sustainable Development Committee was appointed as per the resolution of the Meeting of the Board of Directors No.1/2554 on January 12, 2011, to take responsibility on the formulation the policy and establishment the working plan regarding the good corporate governance corporate Social Responsibility and the corporate sustainable development.

As of December 31, 2019, the Corporate Governance and Sustainable Development Committee consists of:

1. Mr. Precha Sekhararidhi	Chairman of the Corporate Governance and Sustainable Development Committee (Independent Director)
2. Mr. Nuttaphong Kunakornwong	Member (Director and Chief Executive Officer)
3. Mr. Songsak Premsuk	Member (Independent Director)

The Secretary of the Corporate Governance and Sustainable Development Committee is Mr. Somboon Kuptimanus, the Company Secretary, Chief Legal Officer and the Head of Compliance Unit.

Term of Office:

The term of office of the members of the Corporate Governance and Sustainable Development Committee is 3 year each. Nevertheless, a retiring member is eligible for re-appointment.

Scope of Duties and Responsibilities:

1. Proposing good practices and recommendations regarding corporate governance, social & environmental responsibility and guidelines for sustainable development to the Company's Board of Directors. The practices should be appropriate and in line with the Company's business activities.

2. Encouraging the Company's directors, executives, and staff to always expand their knowledge on corporate governance, social & environmental responsibility and sustainable development for appropriate work application and uplift the standards of practice to those of international status and in accordance with recommendations from the relevant governing authority and agency.

3. Monitoring the application by the management on good corporate governance and social & environmental responsibility including guidelines for sustainable development in corporate development and in project development for the sustainable growth of the Company.

4. Consideingr and review the Company's policies on good corporate governance, the Code of Conduct, as well as other policies and guidelines which support the Company's business operations as per its corporate governance and its social and environmental responsibility to assure transparency, equitability, and business sustainability, as well as keeping in line with international standard guidelines. The consideration and review is made prior to the submission of such items to the Board of Directors for approval, and to assure that these documents are always updated and suited to prevailing circumstances.

5. Assessing the Company's performances on issues relating to good corporate governance.

6. Monitorig and review work systems within the organization to assure that they are in compliance with the Code of Conduct and the prescribed guidelines for good corporate governance, and make suggestions on practice guidelines to the Board of Directors on matters relating to corporate governance, social and environmental responsibilities and sustainable development.

Meetings:

Meetings of The Corporate Governance and Sustainable Development Committee shall be at least twice per year.

In 2019, the Committee held 2 meetings, of which the attendance details were disclosed under the topic "Attendance Record of an Individual Member of the Board of Directors and Sub-Committees".

Sustainable Development Working Group

The Corporate Governance and Sustainable Development Committee approved to form the Sustainable Development Working Group ("SD Working Group") on the date of December 16, 2014 to be directly responsible for undertaking the sustainable activities.

As of December 31, 2019, the SD Working Group comprises of 8 members as follows:

1. Mr. Suriya Pleansi	Chairman of the SD Working Group
2. Mr. Paphandech Pacharachanant	Member
3. Mr. Mongkut Techolan	Member
4. Mr. Prayongyut Itthiratchai	Member
5. Ms. Sirikul Kriangkrai	Member
6. Mr. Somchai Larhaburanakit	Member
7. Ms. Chomchada Kuladiloke	Member
8. Ms. Sudarat Charoengatemongkol	Member and Secretary

The working group was entrusted with the duty to formulate the strategies and implement the sustainable development activities in compliance with the policy laid down by the Corporate Governance and Environmental & Social Responsibility Committee, and to follow up the sustainable development activities of the Company to be in line with the approved strategies and work plans.

The Risk Management Committee

The Risk Management Committee was formed on the date of March 9, 2004, with committee composition, qualification, prescribed scope of duties and responsibilities, term of office, as well as meeting rules set in accordance with the Risk Management Committee Charter. Interested parties are encouraged to visit the Company's website: www.scasset.com for more information in the "Corporate Profile" /"Corporate Governance" /"Charter" /"The Risk Management Committee Charter" Section. Additionally, Risk Management Policy is provided via the Company's website: www.scasset.com in the "Corporate Profile" /"Corporate Governance" /"Risk Management Policy".

As of December 31, 2019, the Risk Management Committee consists of 4 members, which 2 of them are independent directors. The Chairman of the Risk Management Committee is an independent director, details are as follows:

1. Mr. Precha Sekhararidhi	Chairman of the Risk Management Committee (Independent Director)
2. Mr. Prasert Samanawong	Member (Independent Director)
3. Mr. Nuttaphong Kunakornwong	Member (Director and Chief Executive Officer)
4. Mr. Attapol Sariddipuntawat	Member (Director and Chief Corporate Officer)

The Secretary of the Risk Management Committee is Ms. Pannee Tharaphat, Deputy Chief Internal Audit Officer.

Term of Office:

The term of office of the members of the Risk management Committee is 3 year each. Nevertheless, a retiring member is eligible for re-appointment.

Scope of Duties and Responsibilities:

1. Considering and providing opinions on the drafts of risk management policies and framework, as well as determine the Company's risk appetite and risk tolerance prior to their submission to the Company's Board of Directors for consideration and approval.

2. Acknowledging, considering and approving the risk assessment report, directions, risk management measures, as well as relevant action plans in order to manage the risk appetite.

3. Overseeing and support the Company's risk management system to ensure that it achieve the prescribed objectives and targets, as well as suggest protection and mitigation methods to keep the risk levels within their acceptable range. It also follows-up on the operational plan to continuously mitigate relevant risks and to ensure that the plan is suited to the business environment, and ensure that risks are adequately and appropriately managed.

4. Providing suggestions on organizational risk management, as well as promote and support the continual improvement and development of a risk management system in the organization.

5. Reporting the key risk status of the organization as well as actions related to risk management to the Audit Committee and the Board of Directors regularly.

6. Reporting its performances and actions to the Audit Committee and the Company's Board of Directors continually.

7. Providing opinions and recommendations on outsourcing of work in the event that the Company needs to hire any outsiders for work due to insufficient internal manpower and/or lack of specific knowledge or expertise required to complete any targeted work plan. Nevertheless, such hiring shall only be temporary.

Meetings:

Meetings of The Risk Management Committee shall be at least 2 meetings per year.

In 2019, the Committee held 4 meetings, of which the attendance details were disclosed under the topic "Attendance Record of an Individual Member of the Board of Directors and Sub-Committees".

3. Independet Director

The Board of Directors has prescribed the definition of "Independent Director". Independent Director shall refer to any director who is independent from major shareholder and management and is able to express their opinions and report any suggestion independently as assigned, such as being the Chairman of the Board of Directors, member of the Audit Committee, member of the Nominating and Remuneration Committee and the Chairman of Corporate Governance and Social & Environmental Responsibility Committee without any concern over possible remuneration benefits or perceivable rewarded titles and not acting under of any control or influence by any individual or group that might force them not to express their independent opinions.

Thus, the person who shall be qualified to be independent director must be in fully compliance with the following qualifications and independent criteria as prescribed by the Notification of Capital Market Supervisory Board. Furthermore, the Company has defined its independent director more intensive than the minimum requirements in accordance with the Notification of the Capital Market Supervisory Board.

Roles and Duties of Independent Directors

While the roles and duties of independent directors are the same as executive directors, they also play crucial roles and duties to act independently to protect the interests of all stakeholders without dominance from any group of person(s).

Since 2009, the Company has encouraged the independent directors to hold their own meeting. As of December 31, 2019, comprising 6 independent directors including Mr. Rath Kitivejosoth, the Chairman of the Board of Directors, to hold their own meeting, without any participation from executives or individuals who could be deemed as company-related person or individual who may cause partiality in the meeting, before each meeting date of the Board of Directors to consider on each Board of Directors agenda item, and mutually make recommendations to the Board of Directors with respect to an improvement of the development and efficiency of the Company's management and operation for benefit to all stakeholders (Please refer to further details in the section "Responsibility of the Board of Directors" / "Policy relating to Non-executive Directors' Meeting (Independent Directors)" Section of this annual report). Presently, all 6 independent directors hold a directorship position in a listed company not exceeding 3 companies.

Qualifications of Independent Directors

Qualifications for the Company's Independent Director (Which is more stringent than the requirement of the office of Securities and Exchange Commission) are as follows:

1. Hold shares not exceeding 0.5 percent of the total number of shares with voting rights of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director.

2. Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the applicant, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person.

3. Must not be a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child of other directors, executives, major shareholder, controlling person, or person to be nominated as executive or controlling person of the applicant or its subsidiary company.

4. Neither having nor used to have a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person.

5. Neither being nor used to be an auditor of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of an audit firm which employs auditors of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person.

6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services.

7. Must not be a director appointed as representative of directors of the applicant, major shareholder or shareholder who is related to major shareholder.

8. Must not undertake any business in the same nature and in competition to the business of the applicant or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the applicant or its subsidiaries.

9. Must not have any other characteristics which cause the inability to express independent opinions with regard to the applicant's business operation.

10. Be able to attend the board meetings and freely make judgments and decisions.

11. Be equitably oversee the interests of all shareholders and oversee that there is no conflict of interest.

Business Relationship or professional Advisor

There was neither business relationship transaction nor professional advisor transaction between independent director (and director) and its parent company, subsidiary, or juristic person who may have conflicts of interest having the amount more than prescribed in Notification of the Capital Market Supervisory Board No. Tor Chor. 28/2551 Re: Application for an Approval of Offer for Sale of Newly Issued Shares Which is Defined Significantly and is not Independent, which are:

1. A normal business relationship transaction with the amount of three percent or more of the net tangible assets or twenty million Baht or more, whichever is lower. It shall include the transaction taking place during the course of six months prior to a date of transaction. The amount of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship commences.

2. Being an auditor or professional advisor of the company such as legal advisor, financial advisor or asset appraisal.

4. Nomination of Director and Top Executive

Nomination of the Company's Directors

The Nomination and Remuneration Committee has its duty to select and nominate candidates who are skilled and knowledgeable on the Company's business and possess the qualifications required by the Company to serve as directors in replacement of the former directors who have resigned or completed their term of office, or in any event are unable to carry on with their duty. The nomination will be submitted to the Board of Directors and/or the shareholders' meeting for approval, as the case may be. The Company has its selection process for its directors which include:

Qualifications of director

- Readiness to dedicate time and fully perform their assigned duties in the interest of the Company.
- Knowledgeable and skilled in the issues relating to the Company's business, and qualified as per the criteria set by the Company. These qualifications must be in accordance with the Company's business strategies both in the short-term and in the long-term. Additionally, they must possess expertise in the field of knowledge and skill that the Board of Directors presently lacks. The Company shall consider these needed skills according to its Board Skill Matrix.
- A work history that reflects honesty and transparency.
- Be an individual without prohibited attributes prescribed under the Public Limited Companies Act, B.E.2535, the Securities Exchange of Thailand Act, B.E.2535, the Company's regulations, and the principle of good corporate governance for publicly listed companies, as well as not having a lack of trust status as prescribed by the notification of the Office of the Securities and Exchange Commission of Thailand.
- No engagement in a business, or position as a director or an executive in an organization that is a competitor of the Company.
- Never work as an employee or business partner of the audit company that has worked as the external auditor of the Company during the past 3 years.
- Regarding independent directors, they must have the qualifications of independent directors as prescribed by the Company.

Transparent Nomination and Selection Criteria for Directors

- In the event that a director resigns from his/her position or the Company reviews the structure of its Board of Directors and concludes that it requires an additional board member with specific expertise to fill its Board Skills Competency Matrix, the Board of Directors shall resolve in the board meeting to assign the Nomination and Remuneration Committee to select a director with the necessary qualifications and experience in order to match the requirement of such board structure. The Company's Nomination and Remuneration Committee comprises of a chairman who is an independent director and does not have any executive director as a member of the committee. Therefore it is free to select candidates who are accordingly qualified as per the requirements of the skill competency and propose them to the Company's Board of Directors for their consideration.
- The Nomination and Remuneration Committee has prescribed the specific qualifications of the candidates for directorship such as maturity, leadership, vision and ability to express individual independent opinion.

• The Nomination and Remuneration Committee has also set the requirements on specific knowledge and expertise that the Board of Directors requires as well as taken in to account the needs to fulfill the knowledge and expertise that the board lacks. The Board Skill Matrix is applied in considering director candidates. The Company prepares the Board Skill Matrix which indicates necessary knowledge, experiences, and skills that are required of board members. This matrix consists of 9 fields which are management and business administration, real estate development, engineering, architecture, finance, accounting, marketing, legal and information technology.

• The Nomination and Remuneration Committee apply various channels in its candidate selection and also allow the Company's shareholders to nominate names of qualified candidates for directorship via the Company's website (www.scasset.com). In certain cases, the Company also makes use of the list of the "Director Pool" of the Institte of Director (IOD) as comparison criteria for directorship selection for new director or for reconsideration for renewal of directorship of its former directors for another office term In addition, it also allows each director to nominate qualified candidates. All of these aim to select qualified persons with knowledge and qualifications suitable for the required posts and for qualification which are still needed according to the board skill matrix.

Process for the Aappointment of Director

• The Nomination and Remuneration Committee shall select candidates whose qualifications are suitable for the directorship positions from various channels prescribed by the Company. Upon completion of the selection, the Nomination and Remuneration Committee shall follow the following process of appointment

(1) In case of resignation

Propose the qualified candidate to the Board of Directors for their consideration and appoint new Directors to fill the vacant position. The Company shall promptly notify the resolution of Board of Directors' meeting regarding the appointment new directors together with the new director's biography to the Stock Exchange of Thailand for acknowledgement.

(2) In case of retirement by rotation or in case of nomination the new director o add a new member into the existing board's structure

Propose the qualified candidate to the Board of Directors for their consideration and further propose to the shareholders' meeting for their approval. The detailed profile of the proposed new director as well as the opinions of the Nomination and Remuneration Committee and the Company's Board of Directors will also be provided, together with the Notice of the Shareholder's Meeting, to the shareholders for their consideration at least 7 days before the date of the shareholders' meeting.

• At every Annual General Meeting of Shareholders, one-third of the Directors, or, if their number is not a multiple of three, the number nearest to one-third shall retire from office. Director's retirement in the first and second year after the registration of the Company shall be drawn by lots. In every subsequent year, the Directors who have served the longest in office shall retire. A retiring director is eligible to be re-elected.

• In the event of positions vacated due to causes other than expiry by their terms, the Board of Directors must elect someone to be the Board members to replace such vacant positions, in the subsequent meeting of the Board of Directors. This election must be by resolution with the vote of not less than three-fourths of the remaining Board members, and the person must be qualified and not prohibited by Section 68 of the Public Limited Company Act B.E. 2535. In the case of any director having less than two months remaining on his/her term, the replacing director must be nominated as a director only for the remaining period of time of the previous director.

• At the Annual General Meeting of shareholders, the following rules and procedures shall apply to the election of a director:

(1) Each shareholder has a voting right equal to the number of shares owned.

(2) Each shareholder can exercise all votes applicable in voting for one or more persons as one or more directors. In the event of exercising voting rights for more than one director, such voting rights can be allocated by given fewer or more votes to any particular candidate.

(3) The candidate who acquires the highest number of votes shall be elected as the Company's director for that particular selection. In the event that there is more than one candidate with equal votes, the Chairman will be granted one casting vote to allow a final decision.

Nomination of the Chief Executive Officer

The rules and selection procedure for nomination of the Chief Executive Officer are as follows;

• Being qualified according to the requirements of the Company.

• Being knowledgeable with skills and experience in management and development of real estate.

• The Chief Executive Officer is solely able to hold only 1 directorship in public listed company i.e. SC Asset Corporation Public Company Limited and cannot hold more than 4 directorships in other entities as follows:

- The other private companies or other companies which conduct business other than real estate development or constitute a competitive with the Company's business or have no conflict of interest. In addition, the Chief Executive Officer shall take the position of the Chief Executive Officer or the managing director of such company.

- Charity organization/ foundation promoting public benefits and education.

• The Nomination and Remuneration Committee takes responsible to nominate the Chief Executive Oficer pursuant to prescribed criteria and procedures.

Nomination of Executive(s)

The Human Resources and Administration Department is responsible for seeking internal candidate(s) with qualifications appropriate, possessing knowledge, ability and experience from each particular line of activities to be appointed as executive of the Company. If the Company cannot seek appropriate qualified candidate(s) from the internal staff(s), the Company will seek and recruit appropriate qualified candidate(s) with knowledge, proven capability, vision and positive attitude to the Company and then propose him/her to the Chief Officer of each particular line of activities or the Chief Executive Officer for appointment.

5. Corporate Subsidiary Governance

The Company has a policy of investing in subsidiary and associated company by considering that business of subsidiary and associated company must support the Company's business, and the Company will receive investment return and benefit from the investment. In regulating performance of subsidiary and associated company, the Company has the following policy;

Policy on Governance of Subsidiaries

The Company's Board of Directors prescribes the management and supervisory policy for the Company's subsidiaries as follows:

1. Each subsidiary of the Company shall operate its business according to the Policy of its parent company which is SC Asset Corporation Public Company Limited.

2. The appointment of an individual to be a director or controller of the subsidiaries shall be prescribed in writing as per the resolution of the Board of Directors which shall be in accordance with the authorized directors of the parent company, except in the case that such subsidiaries are small companies which act as operating arms for their parent companies, then the Board of Directors shall assign the appointment authority to the Company's Chief Executive Officer.

3. The management of subsidiaries shall be under a similar internal control system as the parent company, aiming to ensure prudence, legality, and compliance of relevant rules for their transactions.

4. The Company prescribes that its subsidiaries shall have the same external auditor as its parent while disclosing its operational results, financial position of the company and consolidated financial position, related party transaction, acquisition and disposal of assets, and other material transactions as prescribed by law.

Policy on Investment and Governance of Joint Ventures

Presently, the Company has invested 2 joint ventures in order to biild business partnerships relationship as well as improve business potential by prescribing the investment and joint venture governance principals as follows:

1. The companies in which it shall invest must be in the business that support its primary business targets and enhance its competitive potential.

2. The terms and conditions prescribed in the shareholders' agreement for such investment must be clear and precise on the investment amount and management ratio in order to clearly state the management authority and the decision making power on material issues of the joint venture.

3. The company shall prescribe the role and duty of the joint venture to assure united business support between the joint venture and the Company aimed at achieving maximized potential towards sustainable growth.

Rules and Guidelines on Subsidiaries and Affiliates

1. The Company as the major shareholder, with the approval from the Board of Directors, appoints the Company's executive director who has qualification and experience appropriate for that business to be director of subsidiary and associated company according to the proportion of shareholding to perform management duty according to the scope of authority as assigned by the Board of Directors, which performance must be reported on quarterly and annual basis to the Board of Directors to be able to monitor compliance of the Company in the subsidiary. In case of important matter, approval from the Board of Directors is required such as the approval to increase or decrease capital, dissolution of subsidiary and associated company etc., unless for the urgent case which the delay would affect business of subsidiary and associated company, the Company's representative may perform action as appropriate to prevent such cause. However, such event must be notified and reported to the Chairman, and must be reported to the Board of Directors after such operation has been done without delay.

2. The Board of Directors will appoint executive director or other person such as executive to be the Company's proxy to attend the subsidiary's or associated company's Annual General Meeting, which the proxy from the Company has the duty of voting at the Annual General Meeting of Shareholders in various agendas, especially important agenda as the Board of Directors has already approved such as setting remuneration for director and chairman, or chief executive officer and managing director, increase or decrease of capital, approving budget and balance sheet, approving management structure, etc.

3. In case of subsidiary or associated company has insufficient workforce, or requires special personnel that the Company has those personnel as employees, the Company will support by sending its staff to give advice, and work in subsidiary or associated company temporarily as much as it is needed. However, such personnel still has the status of being the Company's employee.

4. The Board of Directors assigns the Audit Committee to review the Company's internal control system to ensure that it is sufficient, appropriate, and efficient in order to maintain the Company's investment benefits in its subsidiary and associated company, and to ensure that operation of subsidiary and associated company achieve the determined business plan target efficiently, comply with law, and produce well worth return in investment. The Internal Audit Unit shall perform duty of auditing, reporting, and evaluating the result of internal control of subsidiary and associated company to the Audit Committee for consideration and giving opinions, and then proposed to the Board of Directors further.

5. To ensure that operation of the Company, its subsidiary, and associated company is transparent and has good corporate governance. The Company has a policy that the Company, its subsidiary and associated company shall use auditor from the same auditing firm to work honestly and allow auditors to audit various transactions including looking for appropriate and sufficient evidence to comment on consolidated financial statement of the Company, its subsidiary, and associated company. Furthermore, the Company arranges the Audit Committee to meet together with auditors without having the management in the meeting at least once a year.

6. Member of the Executive Committee, who is a director in subsidiary and associated company, will receive remuneration from meeting allowance as executive director of the Company only. Subsidiary and associated company will not pay director remuneration.

As of December 31, 2019, the Company has 9 subsidiaries, 1 affiliate and 1 joint ventures (Please refer to further details in the "Structure of the Company and its Subsidiaries" and "General Information of the Company and its Subsidiaries").

6. Rules for Proper Use of Inside Information

It is the Company's policy to adhere to its professional ethics, and to have honest conduct in dealing with its customers, employees, trade partners, shareholders, creditors, trade competitors, community, society, and environment, including investors on the issues related to the use of inside information which is not publicly disclosed or any information that may impact the share price movement. Therefore, in order to properly manage the use of inside information and not allow it to be misused for the benefit any inappropriate purpose, the Company has prepared the policy on safeguarding and protection of inside information, and measures for controlling and safeguarding against the leakage of confidential information or inside information, as well as procedures for managing market sensitive information. (Please refer to further details in the "Equitable Treatment of Shareholders" section, topic "Policy on Safeguarding and Monitoring of inside Information Usage") The Company has prescribed the following practice guidelines:

1. At the time of public release of the Company's financial statements, or the Company's financial position and status, as well as other important details which are the Company's internal information, it is the Company's policy to prohibit its directors, executives and employees who are in positions or in business lines which are responsible for such internal information, or who have access to such internal information, from engaging in any trading of the Company's securities for a period of 1 month before public disclosure thereof and within 24 hours after such disclosure.

2. Director, Executive and employees shall avoid or be prohibited on trading of land property close to the planned development sites of the Company which may be perceived as the exploitation of internal information for self-benefit or for the benefits of others.

3. The Company also establishes safety protections for its computer and information systems and prescribes practice guidelines for its directors, executives and staff of all levels to comply with. This procedure is intended to protect any unapproved disclosure of important information and data or unauthorized access to the information source. Severe penalty is set for unauthorized disclosure of internal information and wrongful use of such information for personal benefits or for the benefits of others or actions which may be the cause of any conflicts of interest. All these actions are regarded as serious offenses and are subject to punishment. The relevant practice guidelines are prescribed in the Company's Code of Conduct and its Corporate Governance Policy which are also posted in the Company's website (www.scasset.com).

4. Pursuant to the Securities and Security Exchange Act B.E.2535 (Amended in 2016), security trading activities of the Company's directors, executives as well as their spouses or cohabitants , minors and their related persons, that involve the Company's securities and derivatives must be reported both in terms of trading transactions and changes of ownership in the form duly prescribed and submit such report to the Office of the Securities and Exchange Committee within 3 days after the trading and transfer date thereof. The Company's directors and executives are duly aware of their reporting duties in such trading and transfer of the Company and its Group's securities and derivatives as per the rules and regulations of both the Stock Exchange of Thailand and the Office of the Securities and Exchange Committee. (Please refer to further details in the section "Equitable Treatment of Shareholders" / topic "Policy on Safeguarding and monitoring of inside Information Usage" of this annual report).

In 2019, there was no case of violation by the Company's directors, top executives, and relevant employees on the use of inside information.

7. Auditor Remuneration

The Company and its subsidiaries paid the following audit fee to PricewaterhouseCoopers ABAS Limited which is the company that audit the Company's financial statements for 2019

Auditor Remuneration (Baht)	2019	2018
(1) Audit Fee		
• The Company	2,130,000	2,050,000
• Its Subsidiaries	2,535,000	2,170,000
(2) Non-audit fee		
• The Company	-None-	-None-
• Its Subsidiaries	-None-	-None-

8. Review of the Application of the Corporate Government Code 2017

In 2019, the Board of Directors considered and reviewed the application of CG Code 2017 according to the Company's business context. The 9 members of the Board of Directors consider and recognize their roles and duties as the "Governing Board" and thoroughly review such code with their understanding of benefits and importance of the application of CG Code 2017 to create sustainable value for the Company's business operations. The Board of Directors reviewed each principle in the CG Code 2017 to assure that there has been suitable implementation of such code in the Company's business context. Additionally, the Board of Directors approved additional revision of such code to be in compliance with the Company's current business context during the Company's Board of Directors Meeting No. 7/2562 dated December 11, 2018.

In 2019, the Board of Directors had reviewed and eliminated any content of the code which is not suitable for the Company's business operations, nevertheless there were issues with which the Company has not complied as stated in Clause 8.1

8.1 Compliance with Good Corporate Governance

During the entire year of 2019, the Company fostered and paid attention to its full and continual compliance with the principles of the good corporate governance for publicly listed companies B.E. 2555 published by the Stock Exchange of Thailand. Additionally, it has applied the principle of good corporate governance for publicly listed companies published in 2017 (CG Code 2017), by the Securities and Exchange Commission, for its governance and appropriately adapted such principles to its business practice. The policy including the practices and procedures related to good corporate governance have been reviewed and developed to comply with the generally accepted principles by adopting the new principles to apply to the Company's strategies and direction, in order that the Company's business operation could be developed and prosper transparently, open to investigation, and protecting the equitable rights of every shareholder including all other stakeholders. The following practices were developed during the year in review:

Nonetheless, the Company has undertaken other different approaches than those specified in good corporate governance principles as mentioned below:

(1) The Company has not set the maximum term for independent directors on the grounds that the Company has considered as essential factors the knowledge, competency and professional experience of each independent director, contributable to the benefits of all stakeholders and the Company's business growth, as well as the individual performance assessment throughout the term of directorship. Each independent director has proved that his independence is maintained without any conflict of interest and /or material interest with the Company. Over the past years there were no objections or allegation made by the stakeholders or governing authorities concerning the qualification of the Company's independent directors. Nevertheless, while not failing to observe the good corporate governance practice, the Company regularly developed and reviewed the internal control system, the audit system and the stakeholders' petition process to improve the efficiency of the audit system and to assure that all Company's independent directors will not be disqualified from independent directorship as specified by the Securities and Exchange Commission (SEC). It is also the policy of the Board of Directors that the Nomination and Remuneration Committee should review the term and years in office of the independent directors on a yearly basis.

(2) The Company has not yet prescribed cumulative voting as a voting method for its Board of Directors election as the practice of cumulative voting is perceived by the Company to have certain flaws, which facilitate minority shareholders to concentrate their votes on candidates who are not nominated by the Company, and

not selected via the Nomination Committee's selection process. The Nomination Committee knows what qualifications are suitable to corporate strategy and required to help the Company achieve its development and business suitability targets, and thus mostly required for a director to have. Therefore, a director candidate who is not reviewed and selected via the Nomination Committee's selection process may not be acceptable to work with other board members, which could then result in a non-cohesive corporate administrative and governance direction that could further cause damage to the Company's business operation.

8.2 Other Good Governance Practices

Other than compliance with abovementioned principles of the good corporate governance for publicly listed companies, the Company also set other guidelines that related to the principles of good corporate governance as follows;

(1) Guidelines to Encourage Directors, Executives and Employee to create the corporate culture in accordance with the Company's Code of Conduct

Apart from dissemination of information on Code of Conduct to its directors, executives and staff to comply with, the Company also prescribes other guidelines to encourage them to abide by, via the creation of corporate culture under the concept of "SKYDIVE" aiming to promote executives and staff characteristic in sharing a common corporate culture.

1. **CARE** means caring for customers, know customers' needs such as
   - Listening attentively to the problems of customers and colleagues.
   - Paying attention and being ready to assist, attending and remembering the things that customers and colleagues like or dislike so that their needs can be serviced.
   - Performance assessment is evaluated from customers' satisfaction.
   - Deliver products or services that exceed demand or expectation, create the best impression to the client and service receiver.

2. **COURAGE** means dare to think, speak, take action, and present new ideas such as
   - Have the courage to speak, express opinions, and try new things that have never been done before.
   - Willing to admit a mistake/ problem that occurs without finding fault, and trying to rectify the problem together.
   - Express opinions in meetings/ team, and raise a hand to ask when in doubt.
   - Have the courage to tell colleagues in the same work unit and from different work units, if they do something wrong.

3. **COLLABORATION** means work with other departments, companies, with the aim to reach the mutual goals such as
   - Learn and understand how to work with other departments and companies to develop products/services.
   - Work under agreed standards and guidelines, solving problems together using teamwork.
   - Meeting with other work units as teamwork, listening and gathering various ideas to work on.
   - Always paying attention to speed and quality of work so that others can carry on their work smoothly.

4. **CONTINUOUS IMPROVEMENT** means learning new things and continuing to develop such as
   - Learning, researching, and following business news.
   - Finding and updating new information and knowledge to continually improve one's work.
   - Always being eager to learn new things, to widen one's scope of thinking, even if the issue is not directly linked to work.
   - Finding ways to further improve the existing work despite that work is already being good.

(2) Creating of Business Model that Enhances Sustainable Value

The Company focuses on its business operations with primary objectives and goals to create sustainable value for its business. In order to achieve such objectives and goals, the Company has prescribed its business model intending to lead all employees toward the same targets and be capable of driving its organization in the same direction.

1. The Company is concerned with the quality, safety, and customer care in each process of its production of goods and services. It also takes into account the needs of the society and community in general. In each step of its business operation, the Company always ascertains its social and environmental responsibilities with the belief in sustainable growth that accounts for not only earning potential but also includes responsibilities towards customers, stakeholders, the Society, and the environment. With this belief, it can be sure that all social segments can grow together and thereby create achievable sustainable growth for the Company.

2. The Company recognize that to better compete in the marketplace by developing its products and services that well serve the customer needs and meet with the social preference, it must have qualified personnel who are equipped with knowledge, skills, expertise, and experience. Therefore, the Company is focused on promoting its staff learning and proficiency to enhance their work potential and efficiency. These enhancements are believed to support the achievement of the Company's prescribed business goals and create efficiency and continued growth in its operations. Additionally, the Company also concentrates on its ability to recruit qualified personnel to work in its organization and to inspire them to cultivate productive work. It also commits to retain its capable and proficient personnel to stay with its organization.

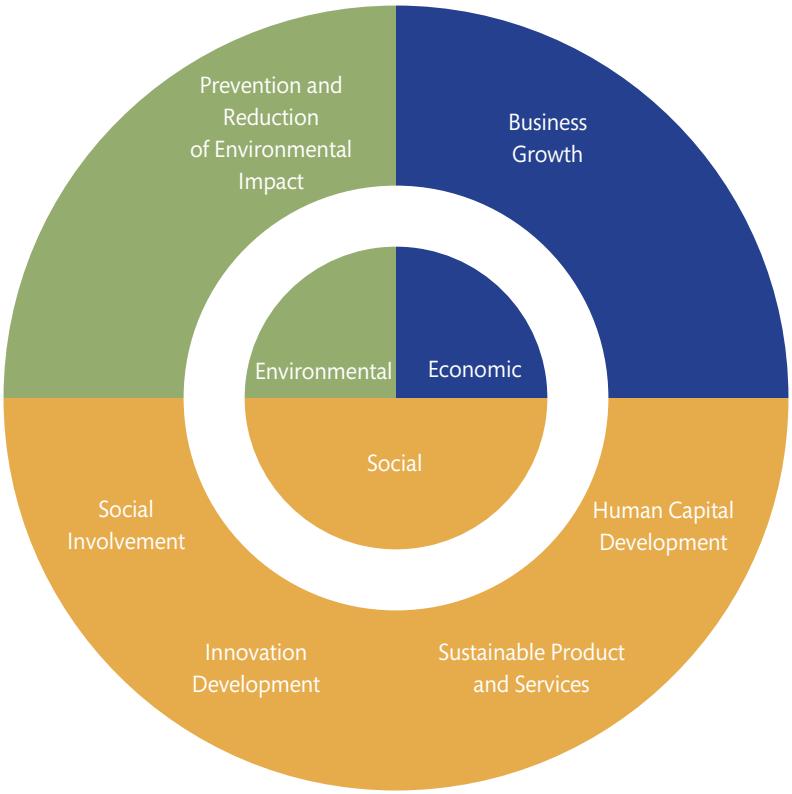
3. In prescribing its operational goals, the Company's Board of Directors has considered and analyzed surrounding circumstances, change factors, competitive market environment, and other elements that may impact business and its stakeholders. These considerations are intended to ensure that its prescribed goals are in line with current changes. The Board of Directors thus prescribes the regular review of the company's primary goals, objectives, and organization strategies to reassure that they are in keeping with changes in circumstances.

4. The changes in new technologies impact people lifestyles as well as economic conditions, and modern society. The Company's Board of Directors therefore realizes that the ability to adjust and adapt to the fast changes in technology and innovations is presently crucial and important, particularly for organizational development in fields such as competitive advantages, stability, and financial soundness. It is the Company's policy to pay attention to the continuous use of new innovations and technologies in its business operations. Additionally, it also encourages employees of all levels to participate in creative thinking that helps develop ongoing innovations that can be applied for the production of new products that are respond well to clients' needs, and create its competitive advantage in the current changing market environment.

CORPORATE SOCIAL RESPONSIBILITIES

The Company discloses its corporate social responsibility policy and corporate governance performance in sustainability report 2019, which were undertaken in compliance with international standards under the GRI Sustainability Reporting Standards (GRI Standards).

Details of which appear in the "Sustainability Report 2019" which is a separate report that the Company publishes and disseminates to its shareholders or at the Company's website: www.scasset.com.



INTERNAL CONTROLS AND RISK MANAGEMENT

At the Company's Board of Directors Meeting No. 7/2019 held on December 11, 2019, all 6 Independent Directors participated, 3 of whom are members of the Audit Committee. The Board of Directors had assessed the Company's internal control system by applying the Adequacy Assessment Form for the Internal Control System prescribed by the Securities and Exchange Commission of Thailand and also inquired about other relevant information from the management. The Board also reviewed the Audit Committee's report covering its assessments of the Company's internal system in 5 elements namely control environment, risk assessment, control activities measures, information and communication system, and monitoring and evaluation system.

The Board of Directors opined that the Company's internal control system and risk management is adequate and appropriate. The Company would disclose the Adequacy Assessment on the Company's Website (www.scasset.com).

In order to assure the adequacy and appropriateness of the Company's internal control system, the Company prepares an annual budget and arranges to have sufficient manpower available to efficiently undertake operational control tasks that are required to carry on systematically. The budget is allocated to each business unit in order that they can ensure a suitable workforce to monitor operations of the Company's subsidiaries and to assure that their assets are properly protected from any possible embezzlement or any unauthorized use by Directors or management. The monitors also cover transactions that pose a potential conflict of interest and transactions with related parties. The Board is of the opinion that sufficient monitoring is in place and other aspects of internal control measures are adequately applied (Please refer to further details in the topic "Corporate Subsidiary Governance").

In 2019, the audit Committee presented its opinion in the report of the Audit Committee that the Company has appropriate and adequate internal controls. The opinion is similar to that of the Company's Board of directors, Independent directors and The Company's external auditors (PricewaterhouseCoopers ABAS Co., Ltd.), who audited its 2019 financial statements, did not make any remark on the Company's internal controls. (Please refer to further details in the topic of "Financial Statements and Notes to Financial Statements")

The Company's Board of Directors prescribed the establishment of the Company's Internal Audit Unit as soon as it was first incorporated. At present Ms. Pannee Tharaphat, Senior Vice President – Internal Audit, is the Head of Internal Audit. She has been in this position since 2008 and has 37 years of experience in the internal auditing. She attended various internal audit training courses such as internal audit improvement, audit items and follow-up audit, audit techniques etc. She has good understanding of the Company's business and operations, and thus is suitable to perform her assigned tasks.

The Audit committee has its authority, duties and responsibilities as prescribed in the Charter of the Audit Committee. (Please refer to the further details in the Company's Website: www.scasset.com in the topic of "Corporate Profile/Corporate Governance/Charter/Charter of the Audit Committee") as well as the approval on the appointment, transfer, lay-off and performance appraisal of the Head of Internal Audit.

In case of the Compliance Unit, the Company appointed Mr. Somboon Kuptimanus, Company Secretary, acting the Head of Compliance Unit to be the person in the position of authority. The Compliance Unit oversees the Company's regulatory compliances. (Please refer to further details concerning qualifications of the persons in the position of authority in the topic of "Details of Head of Internal Audit, and Company Secretary and Head of Compliance"), and Ms. Namtip Promchua, Deputy Chief Accounting Officer is the Company's accountant. (Please refer to further details concerning qualifications of the persons in the position of authority in the topic of "Details of Directors, Management Team, Advisor and Controlling Persons").

Internal Audit

The Board of Director has set the Internal Audit Unit, which is independent and able to access the necessary information for its auditing and directly report to the Audit Committee. The Unit's scope of work, duties and authority are prescribed in its Internal Audit Charter which was approved by the Chairman of the Executive Committee and the Chairman of the Audit Committee. The internal audit duties include providing auditing and advisory services as well as monitoring, control and assessment of internal corporate systems with the goal of maintaining proper internal check-and-balance and ensure appropriate confidence in the achievement of the Company's operational objectives. Systematic assessment and development processes are implemented to assure that the existing risk management, control, and governance systems are effective and meet the Standard for the Professional Practice of Internal Auditing and fully satisfy relevant laws, rules and regulation of compliance audit. In addition, in order to enhance its audit process to be efficient, modern, and up-to-date, the Internal Audit Office has continually improved the quality of its internal audit tasks and taskforce by providing the general internal audit training to all its staff members, and also offering courses on specific skills such as Digital Treats & CobiT5, etc.

Internal Control

The Company's Board of Directors has emphasized on the importance of good internal control systems, and the efficiency of such controls on the management level and on the operational level. It encourages the management to prescribe rules, practice methods, and segregation of duties that create an appropriate level of checks and balances. In order to maximize the effective controls over utilization of corporate assets, the Company clearly set in writing the relevant scope of duties, responsibilities, and authorities of all executives and staff. In addition, their roles are also properly segregated.

The Company also applies the COSO (The Committee of Sponsoring Organizations of the Treadway Commission) methods and standards for its internal controls which govern all aspects of corporate activities; namely financial, operations and administration. Executive and staff scopes of authority are clearly defined in writing and the following corporate objectives are established to ensure operational rationality and success:

1. Corporate plans, projects and targets need to be implemented as set.
2. Financial, managerial and operational information must be accurate.
3. Operations and staff duties need to be carried out in accordance with the Company's rules and regulations, and abide with all applicable laws.
4. Corporate assets and resources must receive effective and efficient administration. Safeguarding corporate assets and adequate safety protection are essential.
5. Quality of operational process and control mechanism, at all steps, need to be regularly monitored and continuously improved.

The Internal Audit Department is responsible for the reviews of accuracy, sufficiency and efficiency of the Company's internal control system and submits its findings to the Audit Committee for further consideration and compliance review. All these actions are intended for enhancement of integrated coverage of proper controls in the following aspects:

(1) Management Control: The Internal Audit Department oversees that targeted corporate missions are achieved and business plans are prepared and carried out as per its prescribed objectives. It also monitors and assesses operational performance, and regularly reports the internal audit outcomes to the Audit Committee and the Board of Directors. The Executive Committee sets up the meeting on monthly basis.

(2) Operational Control: Review operational controls of various work systems such as cost system, purchase system, sales system, accounting system, and customer service system etc. Controls are also exercised through SC System, SAP (Systems Applications and Products), Customer Care system, Call Center system, E-Auction system and E-Slip Online is a system that provides the transmission of salary slips via the Company's intranet, etc. Most of these systems are internally developed programs applied for administrations and operations, aiming to enhance customer or user satisfaction.

(3) Financial Control: The Company applies the SAP system and SC System for accounting, financial and budget controls, as well as for financial ratio analysis. The system also assists in providing early warning signs for accounting irregularities and adverse financial concerns.

The Company's Board of Directors emphasizes having adequate, effective and efficient internal control systems as follows:

(1) Control Environment

The Company's Board of Directors encourages a good internal control environment by motivating executives and staff to conduct their duties on the basis of good business ethics and honesty, providing an organizational structure and work environment that enhance the effectiveness of the internal control mechanism as per the Company's targeted plan, clearly defining the scope of staff duties and reasonability, having apparent business objectives and measurable performance targets that are approved by the Board of Directors and offering reasonable remunerations based on internal and external factors. The existing organization structure enhances the management's ability to efficiently operate the Company's activities.

It is the Company's strategy to cautiously prescribe its policy and work procedures in writing, particularly for transactions related to financial operations, procurement, and general administration. It has internally developed a suitable control system to better monitor its operations in all business modules of the SC System which is a control process applicable for budget control, cost control, and expense payment etc. The SC system also performs data verification on a timely and systematic manner on the same data base system. The system emphasizes effective data storing for efficient operational and management controls. The Company also prescribes ethical codes and prohibitions as part of its corporate governance policy, and requires its directors, executives and employees to comply with such conduct codes in order to avoid an occurrence of any conflicts of interest. Such ethical codes and prohibitions are disseminated via a printed handbook, the company's Website (www.scasset.com), and internal e-mail regularly forwarded to its entire employees.

(2) Risk Assessment

The Board of Directors established the Risk Management Committee. There have been regular adjustments made in the Company's risk assessment process to update the appropriateness of the process under the best practice framework prescribed in the Company's Risk Management Policy which is disseminated to executives and staff for their awareness. Additionally, they can also view this policy on the Company's intranet via its website (www.intra.scasset.com). In 2019, the Risk Management Committee, which is comprised of the Company's non-executive directors, the Chief Executive Officer and Chief Corporate Officer, is responsible to set the objective of risk management and assess d the risk factors, both internally and externally, that could potentially impact the Company's business operations, as well as perform their impact assessments and analysis of their likelihoods of occurrences in order to response to such risks. The assessment outcomes were also presented to the Audit committee, and the Board of Directors. During 2019, there were 4 assessments and follow-ups of the risk factors. The Risk Management Committee have requested related business units to participate in the determination of the risk management measures and encourage them to implement such measures in their work unit. These business units are also asked to follow-up on incidents which are the root causes of such risk factors. The Company's risk management procedures are clearly stated and regularly updated. The risk management unit is responsible for monitoring the compliance of the risk management plan.

The Risk Management Committee includes risk assessments as a part of the Adequacy Assessment Form for the Internal Control System. The Internal Audit Office makes its annual audit plan and assesses the Company's risks which also includes fraud risks such as loss of assets , corruption etc.

(3) Control Activities Measures

The Company's Board of Directors establishes relevant controls for all scope of work processes. Reporting of operational outcomes is regularly required in order to provide the management with relevant information required for decision-making and problem solving. Segregation of duties in each business unit is clearly set to separate between the authorization of approval, accounting and information recording and monitoring and maintenance of assets in order to provide check-and-balance features. Authority and authorization limits are prescribed in writing for all decision making levels, the further details which appeared in the internal website of the Company "www.intra.scasset.com. Safeguarding procedures for corporate assets are exercised to protect against possible damage and inappropriate use.

Any corporate transactions with major shareholders, directors and executives or related parties of major shareholders, directors and executives are required, without any exception, to be accordingly approved by all authorized levels. The Company assigns the Accounting Department and the Legal Department to be responsible for reviewing and proposing required transaction authorization of which the authorization procedure is in compliance with the rules and regulations of the Securities Exchange of Thailand. All relevant transaction authorizations are to be considered by the Audit Committee. Approvals are made on the ground of maximized corporate benefits. In addition, control measures are also set to prohibit related parties from taking advantage of any situations for personal interests. Oversight frame-work is established to monitor business operations of subsidiaries. Procedures are prescribed to assure that the Company always acts in compliance with applicable laws and regulations.

(4) Information and Communication System

The Company's Board of Directors incessantly develops its information and technology system, most of which are internally developed to suit the internal data processing requirements of various work units as well as appropriate practices of the industry. In addition, the Company prescribed training schedule and employees can also independently study via the Company's website (www.scasset.com) regarding relevant systems such as SC System Video and Training. The company maintains a division which oversees data base management and controls. Data is properly sorted and processed for decision making of directors, executives, employees, shareholders and stakeholders with concerns over their accuracy, completeness, easy to access, understandable, and timeliness. Data are also classified and appropriately stored. The Company's directors receive, at least 7 days prior to each meeting, meeting notifications as well as relevant information and documents required for meeting attendance. Minutes of previous meetings and notes recording important questions or remarks, whether supportive or disagreeing, are also attached with the dispatched notifications.

Executives and employees of the Company at all levels are reminded to be cautious in using the Company's data base and IT system and to observe the rules and ethic codes prescribed by the Company. It is the Company's policy to maintain strict security measures on application of its information, data base and IT systems, which all employees are obliged to promptly comply with. The Information Technology Department is assigned to oversee system security and efficiency of the Company's computer and information systems, which are well monitored and continually updated by the Information Technology Department, in collaboration with the Internal Audit Office and other relevant departments. Contingent and back up plans are established for emergency purposes and against loss of data pursuant to Information Technology Security Policy. The Company's accounting policy and records comply with the generally accepted accounting standards as well as appropriate practices of the industry. The Company has never been informed by the external auditors regarding the error of accounting records maintenances.

(5) Monitoring and Evaluation System

For good practice for monitoring and assessment of the Company's operation, in 2019, the Company held 7 board meetings, monthly meetings of the Executive Committee, and weekly meetings among executives to review and monitor management performance and operational results to assure whether the results were in line with the targeted plan; or whether there were any changes or adjustment in strategy; or whether there were any adaption of targeted goals to changing circumstances. The Internal Audit Unit also performed their duty in auditing and assessing the overall organizational controls and followed up on any improvement and rectification of previous mistakes and errors and reported the outcomes to the Audit Committee to assure that compliances were made in accordance with the control plans, and subsequently reported to the Board of Directors on a quarterly basis.

Internal Controls against Corruption

The Company pays attention to the prevention against corruption and therefore, the Company's Board of Directors, executives, and the members of the steering committee on anticorruption have jointly prescribed the guidelines and rules for protection, monitoring, and governance of anticorruption in business operations. In order to assure that the guidelines and rules as prescribed in the internal controls can lead the organization to achieve its anticorruption goals, the Company has prescribed the following measures in its internal controls against corruption:

(1) The Company prescribes its policy and measures on anticorruption that includes guidelines on payments that may run the risk of being regarded as being created for corruption purposes such as donations, support money, receptions, and gift giving. These policy and measures are communicated and published in writing in the Company's website (www.scasset.com) for all employees to acknowledge and are also disseminated at the orientation of the new recruits. The Company also prescribe disciplinary action for any violation of such policy and measures.

(2) As the main business of the Company involves applications for land allocation permits and building construction permits that requires that the Company to work with government agencies which may expose it to a possible corruption risk, whether it be to facilitate conveniences or to remedy errors , the Company thus prescribes that its design and construction control divisions are jointly responsible for reviewing of the design and land allotment plans to assure that they are in compliance with any relevant laws and regulations prior to its handling of such designs and allotment plans to the business relation division, who shall submit the plans to relevant government agencies, for another review prior to the submission thereof. These actions can help to ensure that documents required to be submitted to the relevant government agencies are correct and free of errors, hence reducing the potential risk of bribery.

(3) To reduce potential bribery risk in trying to speed up the approval and authorization process regarding any issuance of permits or licenses, the Company prescribes that its relevant divisions and business units are to jointly determine the development period and project management timeframe that include possible delays and remedial time in order to avoid any need to speed up the approval and authorization process.

(4) In the event that the Company is required to use an agent to act on its behalf, the Company has to inform and explain to its agent that the Company has prescribed a suitable timeframe for any work in relation to any involvement with outside parties or government agencies, and also assure that such prescribed timeframe is in line with the actual processing time. Additionally, it has also included a condition in the relevant hiring contract prohibiting any bribery both giving and receiving, and such actions if committed shall be deemed as a breach of the hiring contract and the Company can therefore cancel such hiring.

(5) The Company uses an enterprise resource planning software, known as the SAP system, to record all its payments on expenses made for application of permits and licenses from government agencies. Each of these transactions are reviewed by the Company's outside auditors for accuracy as per rules, policies, and measures against corruption.

(6) The Internal Control Office reviews the operations in relation to the Company's applications for permits and licenses, as well as their relevant payments which includes payments which are deemed as having potential bribery risks. Thus, if there is any error or incompliance, the Internal Control Office shall duly report it to the Audit Committee and the Chairman of the Executive Board for acknowledgement.

Risk Management

The Company's Board of Directors emphasizes the importance of risk management and assigned the Risk Management Committee to oversee the Company's risk management and apply risk management as tools for managing the Company's corporate business. The Risk Management Committee is a Sub-committee to the Board of Directors, comprised of 4 committee members, 2 of whom are Independent Directors and Non-executive Officers and 2 members are the Company's top executives. The Chairman of the Risk Management

Committee is an Independent Director. The Company intends to apply risk management as a means to mitigate probable loss and enable the Company to achieve its sustainable growth, and create long-term added value for its shareholders. The Committee is also responsible for consideration and determining the Company's risk management policy as well as assessing and managing the Company's risks to be at an acceptable level. The committee also monitors and assesses the risk management performance of the Company and encourages all management levels to participate in risk management. (Please refer to further details in topic "Internal Control – COSO Structure" and the topic of "Responsibility of the Board of Directors").

Risk Management Policy

1. To form a Risk Management Committee of which its members are appointed by the Company's Board of Directors, and also have the Company's high-level executives participating as members of the Risk Management Committee.

2. To have a risk management process that is qualified under internal standards, managing the risks faced across the entire organization. Risk management shall be the responsibility of all levels of employees under a common framework and direction. A risk management system shall be used as a part of the Company's decision process in planning its business strategies, corporate budgets, work plans, and operations, as well as measuring its corporate performance and achievement.

3. To set protective guidelines and risk mitigation measures for the Company's activities and business, to reduce potential damage or loss, and to regularly monitor and assess risk management performance.

4. To have risk reporting systems that operate efficiently and are capable of providing suitable risk management reports to the Company's management, the Risk Management Committee, the Audit Committee, and the Board of Directors.

5. To have a Risk Management Committee that supervises the Company's risk management system and ensures that it is in line with the Company's policy. The Risk Management Committee shall review, offer opinions, make suggestions, and monitor the risk management process to safeguard its efficiency and effectiveness.

6. To review and assess the risk management policy and its risk management scope at least once a year. In 2019, there were 4 reviews thereof to assure that the existing risk management policy and its risk management scope were suitable and appropriate with the Company's current business operations.

Training Program for Employee

To ensure that the Company's Risk Management and Anti-corruption policies are abided by employees at every level, the Company provided Risk Management and Anti-corruption training programs and distributed relevant documents in order to effectively communicate Risk Management and Anti-corruption policies to employees. Executives who have knowledge base in both topics were invited to be a speaker at a seminar.

Guidelines on the Management of Key Risks The Company has an Enterprise Risk Management (ERM) framework, which follows the guidelines of the Stock Exchange of Thailand, and has undertaken the following actions in 2019:

1. Objective Setting: The Company clearly set its business objectives to ensure that these objectives suit its strategic targets and its own acceptable risk level. The Company manages its risks to be within the defined framework of its risk appetite and risk tolerance.

2. Event Identification: The Risk Management Committee considers potential risk events, related both to internal and external factors, which could occur and impact in each business unit such as management policy, personnel, operation, finance, information system, regulations, laws etc., to assess relevant situations and assure that executives in such units can set suitable guidelines and policies to properly manage and mitigate those potential risks.

3. Risk Assessment: The Risk Management Committee categorizes and prioritizes risks into three levels; high, medium, and low, based on their likelihood and impact and considers all relevant aspects which include both internal and external factors.

4. Risk Response: Once the Risk Management Committee identifies relevant risk events and assesses such risks, it shall find appropriate response measures to manage and mitigate any potential loss or impact, and keep such risks to be at an acceptable level.

5. Monitoring: The Risk Management Committee regularly arranges to have relevant follow-up on risk management to assure that appropriate actions are taken and risks are efficiently managed.

Additionally, the Risk Management Committee also prescribed the use of the Key Risk Indicators (KRIs) that provide an early signal of increasing risk exposure for each particular risk , the regular monitoring of risk events, and the preparedness for tackling any potential risks.

Management of Corruption Risk

The Company continuously manages its risks which also include the risk of corruption. The risk management process involves risk analysis and assessment, which is undertaken together with the assessment of other operational factors. It also controls risks which are correlated to its business, obligations, and work processes, and promotes awareness of risks and their impact on long-term business operations aimed at ensuring that the identified risks are properly and promptly considered and managed. The Company prescribes the following guidelines for managing its corruption risks:

1. Prescribed control environment. The Company recognizes the importance of good governance process which is exercised via roles and responsibilities of the Company's directors, executives, and employees in their attempts to protect and fight against corruptions. It also prescribes the Company's Corporate Governance Code and its Code of Conduct to guide its directors, executives and employees in performing their duties with honesty. Additionally, it also arranges to have proper communication channels to report complaints regarding workplace fraud and corruption.

2. Prescribe that its trade partners wishing to conduct business with the Company must acknowledge its policies and measures against corruption and to cooperate with such policies and measures. It also encourages executives and employees of its trade partners to comply with anticorruption measures, as well as provides a communication channel for reporting of any corruption related to the Company.

3. Assess fraud and corruption risks which include the prescription of risk measures on the risk impact, probability of occurrence, and acceptable risk tolerance level. The Company also determines main causes of such risks, as well as the sufficiency of its existing internal control system, together with the possible outcome of such control on this risk aspect. It reviews implementation measures for risk management to assure their adequacy and suitability in controlling the risk to be within the assigned tolerance framework. The Company prescribes its Internal Control Office and the Risk Management Committee to assess and evaluate these risks. The Company's executives and the relevant sub-committee are assigned to jointly prescribe additional control measures for management of such identified risks.

The Company assesses its corruption risk on an annual basis to ensure that its risk assessment covers any additional risks that may incur or any changes in the relevant risk factors.

4. Monitor to assure that the company promptly manages its relevant risks. The company monitors and oversees its internal control system and assesses the sufficiency of the system to assure that it can properly protect and manage relevant risks related to corruption.

DETAILS OF DIRECTORS, EXECUTIVE, ADVISOR, CONTROLLING PERSONS, THE PERSON TAKING THE HIGHEST RESPONSIBILITY IN FINANCE AND ACCOUNTING, THE PERSON SUPERVISING ACCOUNTING AND COMPANY SECRETARY

(Date as of December 31, 2019)

Mr. Rath Kitivejosoth

Independent Director / Non – Executive Director

Position	Chairman of the Board of Directors
Age	68 years
Appointed Date	August 29, 2003*
Highest Education	• Degree of National Defence College • Bachelor Degree in Law, Chulalongkorn University
Training	**Thai Institute of Directors (IOD)** • Director Accreditation Program (DAP) Class 30/2004 • Director Certification Program (DCP) Class 53/2005 • Audit Committee Program (ACP) Class 14/2006 • Improving the Quality of Financial Reporting Class 4/2006

Work Experience

March 1, 2007 – Present	Chairman of the Board of Directors	SC Asset Corporation Public Company Limited
2003 – 2007	Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee	SC Asset Corporation Public Company Limited
2005-2008	Executive Vice President	Small and Medium Enterprise Development Bank of Thailand
2004-2005	Member of the Audit Committee	Thai Real Estate Credit Fonciedr Company Limited

Position in Listed Company - The Stock Exchange of Thailand	None
Position in Other Non-Litsted Company	None
Shareholding	None (both directly and indirectly held)
Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

* 1st re-appointed at the 2006 AGM of April 26, 2006
2nd re-appointed at the 2009 AGM of April 22, 2009
3rd re-appointed at the 2012 AGM of April 23, 2012
4th re-appointed at the 2015 AGM of April 23, 2015
5th re-appointed at the 2018 AGM of April 23, 2018

Mr. Nuttaphong Kunakornwong
Executive Director

Position	Vice-Chairman of Director / Member of the Executive Committee / Member of Corporate Governance and Sustainable Development Committee / Member of the Risk Management Committee / Chief Executive Officer (Authorized Director)	
Age	40 years	
Appointed Date	March 1, 2012*	
Highest Education	• Master Degree of Business Administration from Depaul University, Chicago, IL, USA	
Training	**Thai Institute of Directors (IOD)** • Director Certification Program (DCP) Class 157/2012	
Work Experience		
January 19, 20108 – Present	Vice-Chairman of Director	SC Asset Corporation Public Company Limited
January 1, 2015 – Present	Chief Executive Officer	SC Asset Corporation Public Company Limited
December 16, 2014 – Present,	Member of the Risk Management Committee	SC Asset Corporation Public Company Limited
November 13, 2012 - Present	Member of the Corporate Governance and Sustainable Development Committee	SC Asset Corporation Public Company Limited
March 1, 2012 – Present	Director / Member of the Executive Committee	SC Asset Corporation Public Company Limited
November 14, 2019 – Present	Chairman of the Board of Directors	SC Expediton Company Limited
February 25, 2019 – Present	Chairman of the Board of Directors	Bridge Group (Thailand) Company Limited
May 25, 2018 – Present	Chairman of the Board of Directors	Scope Tower Company Limited
April 5, 2018 Present	Chairman of the Board of Directors	SC Alpha Inc.
July 24, 2017 Present	Chairman of the Board of Directors	Scope Company Limited
March 1, 2012 Present	Chairman of the Board of Directors	SC Able Company Limited[6]
March 1, 2012 Present	Chairman of the Board of Directors	Upcountry Land Company Limited
March 1, 2012 Present	Chairman of the Board of Directors	V. Land Property Company Limited
November 13, 2017 - June 13, 2019	Director	Fire One One Company Limited
2010 – 2012	Managing Director	Koon Development Company Limited
2010 – 2012	Managing Director	Pitchman Company Limited
2007 – 2010	Executive Manager	Nexus Property Consultants Company Limited
Position in Listed Company - The Stock Exchange of Thailand		None
Position in Other Non-Litsted Company		None
Shareholding	Director: Spouse / Cohabiting Couple : Minor Children :	1,600,000 shares (0.038 %) 1,176,915,495 shares (28.160%) None
Family Relationship among Directors and Executives		He is Ms. Pintongta Shinawatra Kunakornwong (a major shareholder)'s husband
Criminal records on violation of securities and futures contract laws		None
Illegal record in the last 10 years		None

* 1st re-appointed at the 2013 AGM of April 23, 2013
2nd re-appointed at the 2016 AGM of April 22, 2016
3rd re-appointed at the 2019 AGM of April 25, 2019

Mr. Nathpath Ouajai
Non – Executive Director

Position	Director/ Member of the Executive Committee (Authorized Director)
Age	62 years
Appointed Date	March 20, 2006*
Highest Education	• Master Degree of Business Administration, Thai Chamber University
Training	**Thai Institute of Directors (IOD)** • Director Accreditation Program (DAP) Class 53/2006 • Corporate Governance Report of Thai Listed Companies • Director Certification Program (DCP) Class 91/2007 **Other Institutions / Organization** • Mini MBA Class 21, Thammasat University • Modern Marketing Management Class 19, Chulalongkorn University • Graduate Diploma Program in Property Valuation, Thammasat University

Work Experience

March 20, 2006 – Present	Director / Member of the Executive Committee	SC Asset Corporation Public Company Limited
May 24, 2015 – Present	Director	SC Able Company Limited[6]
May 24, 2015 – Present	Director	Upcountry Land Company Limited
May 24, 2015 – Present	Director	V.land Property Company Limited
May 13, 2015- December 11, 2019	Member of the Nomination and Remuneration Committee	SC Asset Corporation Public Company Limited
2003 – 2005	Project Manager	Prothiphom Company Limited
2546 – 2548	Project Manager	Sinthoranee Property Company Limited
2546 – 2548	Project Manager	Property One Fund
2546 – 2548	Project Manager	Thairung Union Car Public Company Limited

Position in Listed Company - The Stock Exchange of Thailand	None
Position in Other Non-Litsted Company	2005 – Present, Managing Director, Back All Billboard Company Limited
Shareholding	None (both directly and indirectly held)
Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

* 1st re-appointed at the 2007 AGM of April 25, 2007
2nd re-appointed at the 2010 AGM of April 21, 2010
3rd re-appointed at the 2013 AGM of April 23, 2013
4th re-appointed at the 2016 AGM of April 22, 2016
5th re-appointed at the 2019 AGM of April 25, 2019

Mr. Kunodom Tharmmaphornphilas
Independent Director / Non – Executive Director

Position	Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee
Age	75 years
Appointed Date	March 20, 2006*
Highest Education	• Master Degree of Structural Engineering, Asian Institute of Technology (AIT)
Training	**Thai Institute of Directors (IOD)** • Improving the Quality of Financial Reporting Class 4/2006 • Audit Committee Program (ACP) Class 13/2006 • Director Accreditation Program (DAP) Class 53/2006 • Director Certification Program (DCP) Class 87/2007 • Accounting Standard for Director • Corporate Governance Report of Thai Listed Companies

Work Experience

March 20, 2006 – Present	Director / Member of Nomination and Remuneration Committee	SC Asset Corporation Public Company Limited
March 1, 2007 – Present	Chairman of the Audit Committee	SC Asset Corporation Public Company Limited
2001 – 2005	Deputy Director – General (Executive 9)	Department of Public Works and Town and Country Planning

Position in Listed Company - The Stock Exchange of Thailand	None
Position in Other Non-Litsted Company	None
Shareholding	None (both directly and indirectly held)
Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

* 1st re-appointed at the 2008 AGM of April 22, 2008
2nd re-appointed at the 2011 AGM of April 20, 2011
3rd re-appointed at the 2014 AGM of April 23, 2014
4th re-appointed at the 2017 AGM of April 21, 2017

Mr. Precha Sekhararidhi
Independent Director / Non-Executive Directos

Position	Director / Chairman of the Corporate Governance and Sustainable Development Committee / Chairman of the Risk Management Committee / Member of the Audit Committee
Age	73 years
Appointed Date	March 26, 2007*
Highest Education	• Master Degree of Engineering, Asian Institute of Technology (AIT) • Master Degree of Business Administration, Chulalongkorn University
Training	**Thai Institute of Directors (IOD)** • Director Accreditation Program (DAP) Class 13/2004 • Director Certification Program (DCP) Class 97/2007 • Risk Management Program for Corporate Leaders (RCL) Class 2/2015

Work Experience

December 16, 2014 – Present	Chairman of the Risk Management Committee	SC Asset Corporation Public Company Limited
January 12, 2011 – Present	Chairman of the Corporate Goverance and Sustainable Development Committee	SC Asset Corporation Public Company Limited
November 14, 2007 – Present	Member of the Audit Committee,	SC Asset Corporation Public Company Limited
March 26, 2007 – Present	Director	SC Asset Corporation Public Company Limited
Position in Listed Company - The Stock Exchange of Thailand		
1989 – Present	Managing Director	M.D.X. Public Company
Position in Other Non-Litsted Company		
2007 – Present	Chairman of the Board of Director	Creatis International Company Limited
1995 – Present	Director	GMS Power Public Company Limited
1974 – Present,	Chairmand of the Board of Director	Southeast Asai Technology Company Limited
Shareholding	Director : Spouse / Cohabiting couple : Minor Children :	37,968 shares (0.0009%) None None
Family Relationship among Directors and Executives		None
Criminal records on violation of securities and futures contract laws		None
Illegal record in the last 10 years		None

* 1st re-appointed at the 2009 AGM of April 22, 2009
2nd re-appointed at the 2012 AGM of April 23, 2012
3rd re-appointed at the 2015 AGM of April 23, 2015
4th re-appointed of the 2018 AGM of April 23, 2018

Mr. Prasert Samanawong
Independent Director / None – Executive Director

Position	Director/ Chairman of the Nomination and Remuneration Committee / Member of the Risk Management Committee / Member of the Audit Committee
Age	68 years
Appointed Date	January 31, 2007*
Highest Education	• Master Degree in Commerce, Thammasat University
Training	**Thai Institute of Director (IOD)** • Audit Committee Program (ACP) Class 21/2008 • Director Accreditation Program (DAP) Class 61/2007 • Director Certification Program (DCP) Class 85/2007 • Accounting Standard of Director • Risk Management Program for Corporate Leaders (RCL) Class 2/2015

Work Experience

May 13, 2015 – Present	Chairman of the Nomination and Remuneration Committee	SC Asset Corporation Public Company Limited
December 16, 2014 – Present	Member of the Risk Management Committee	SC Asset Corporation Public Company Limited
January 31, 2007 – Present	Director / Member of the Audit Committee	SC Asset Corporation Public Company Limited
1991 - 2000	Executive Vice President	Premier Product Company Limited

Position in Listed Company - The Stock Exchange of Thailand	None
Position in Other Non-Litsted Company	None
Shareholding	None (both directly and indirectly held)
Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

* 1st re-appointed at the 2008 AGM of April 22, 2008
2nd re-appointed at the 2011 AGM of April 20, 2011
3rd re-appointed at the 2014 AGM of April 23, 2014
4 re-appointed at the 2017 AGM of April 21, 2017

Mr. Songsak Premsuk
Independent Director / Non – Executive Director

Position	Director / Member of the Executive Committee / Member of the Corporate Governance and Sustainable Development Committee/ Member of the Nomination and Remuneration Committee
Age	62 years
Appointed Date	April 23, 2015*
Highest Education	• Diploma Strategic Marketing Management Program, Harvard Business School, USA • Bachelor's Degree from Faculty of Architecture, King Mongkut's Institute of Technology Ladkrabang
Training	**Thai Institute of Directors (IOD)** • Director Accreditation Program (DAP) Class 9/2004 • Ethical Leadership Program (ELP) Class 16/2019

Work Experience

December 11, 2019 – Present	Member of the Nomination and Remuneration Committee	SC Asset Corporation Public Company Limited
May 13, 2015 – Present	Member of the Executvie Committee / Member of the Corporate Governance and Sustainable Development Committee	SC Asset Corporation Public Company Limited
April 23, 2015 – Present	Director	SC Asset Corporation Public Company Limited
2013 – 2015	Qualified Director	NSTDA, Ministry of Science and Technology
2012 – 2015	Qualified Director	Institute for the Promotion of Teaching Science and Technology, Ministry of Education
2010 – 2014	Chairman of the Board of Director / Director	Office of Knowledge Management and Development (OKMD)
2009 – 2557	President	Voice TV Company Limited
2002 – 2007	Managing Director	ITV Public Company Limited
Position in Listed Company - The Stock Exchange of Thailand		
2018 – Present	Member of the Executive Committee	Praram 9 Hospital Public Company Limited
Position in Other Non-Litsted Company		
2007 – Present	Director	Thaicom Foundation
Shareholding		None (both directly and indirectly held)
Family Relationship among Directors and Executives		None
Criminal records on violation of securities and futures contract laws		None
Illegal record in the last 10 years		None

* 1st re-appointed at the 2018 AGM of April 23, 2018

Ms. Vilasinee Puddhikarant
Independent Director / Non – Executive Director

Position	Director / Member of the Executive Committee
Age	64 years
Appointed Date	January 15, 2016*
Highest Education	• Bachelor's Degree of Economics, East Texas State University, Texas, USA
Training	**Thai Institute of Director (IOD)** • Director Certification Program (DCP) Class 134/2010 • Board that Make a Difference (BMD) Class 8/2018 • Advance Audit Committee Program (AACP) Class 29/2018 **Other Institutions / Organizations** • Leadership Program, Capital Market Academy Class 14 • MINI MBA, Chulalongkorn University • Certificate of Good Governance for Medical Executives, class 3, King Prajadhipok's Institute

Work Experience

January 15, 2016 – Present	Director / Member of the Executive Director	SC Asset Corporation Public Company Limited
2013 – 2015	Chief Customer Officer	Advance info Service Public Company Limited
2007– 2012	Executive Vice President – Customer Management	Advance info Service Public Company Limited
2004 – 2007	Vice President – Customer and Service Management	Advance info Service Public Company Limited
2002 – 2004	Managing Director	Advance Contact Center Company Limited
1999 – 2002	Assistant Vice President – Call Center	Advance info Service Public Company Limited
1995 – 1999	Assistant Vice President -Information Technology	Shin Corporation Public Company Limited

Position in Listed Company - The Stock Exchange of Thailand

2018- Present	Director	Praram 9 Hospital Public Company Limited
2018 – Present	Dierector / Member of the Nomination and Remuneration Committee / Member of the Audit Committee	Forth Corporation Public Company Limited
2017 – Present	Advisor	Siam Commercial Bank Public Company Limited

Position in Other Non-Litsted Company

2019 – Present	Advisor	Advanced Wireless Network Company Limited
2018 – Present	Advisor	SCB Abacus Company Limited

Shareholding	None (both directly and indirectly held)
Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

* 1st re-appointed at the 2016 AGM of April 22, 2016
2nd re-appointed at the 2019 AGM of April 25, 2019

Mr. Attapol Sariddipuntawat
Executive Director

Position	Director / Member of the Executive Committee / Member of the Risk Management Committee / Chief Corporate Office (Authorized Director)	
Age	55 years	
Appointed Date	April 21, 2017	
Highest Education	• Degree of National Defence Collage class 24 • Master Degree in Business Administration, Kasetsart University	
Training	**Thai Institute of Directors (IOD)** • Director Accreditation Program (DAP) Class 142/2017	
Work Experience		
May 13, 2017-Present	Member of the Executive Committee	SC Asset Corporation Public Company Limited
April 21, 2017 – Present	Director	SC Asset Corporation Public Company Limited
April 1, 2017- Present	Chief Corporate Officer	SC Asset Corporation Public Company Limited
March 9, 2004 - Present	Member of the Risk Management Committee	SC Asset Corporation Public Company Limited
November 14, 2019 – Present	Chairman of the Board of Directors	SC Expediton Company Limited
February 25, 2019 – Present	Chairman of the Board of Directors	Bridge Group (Thailand) Company Limited
May 25, 2018- Present	Director	Scope Tower Company Limited
May 16, 2018 – Present	Director	SCNNR 1 Company Limited
July 24, 2017- Present	Director	Scope Company Limited
May 31, 2017– Present	Director	SC Able Company Limited[6]
May 31, 2017 – Present	Director	Upcountry Land Company Limited
May 31, 2017 – Present	Director	V. Land Property Company Limited
January 9, 2009 – 2017	Chief Financial Officer	SC Asset Corporation Public Company Limited
2003 – 2009	Executive Vice President – Corporate Support	SC Asset Corporation Public Company Limited
2002 – 2003	Vice President – Corporate Support	SC Asset Company Limited[2]
2000 – 2002	Assistant Managing Director of Corporate Support	N.C.C. Management and Development Company Limited
Position in Listed Company - The Stock Exchange of Thailand		
2012 – Present	Director	Praram 9 Hospital Public Company Limited
Position in Other Non-Litsted Company		None
Shareholding	Director : Spouse / Cohabiting couple : Minor Children :	8,589,843 shares (0.205%) None None
Family Relationship among Directors and Executives		None
Criminal records on violation of securities and futures contract laws		None
Illegal record in the last 10 years		None

Ms. Pradthana Patsaman
*The Person Taking the Highest Responsibility in Finance and Accounting

Position	Chief Financial Officer
Age	58 years
Highest Education	• Master Degree in Business Administration, the National Institute of Development Administration
Continuing Development Course in Accounting Knowledge	**Thai Listed Companies Association** • Strategic Financial Leadership Program (SFLP) of year 2019 2562 : Training Hours 6 Hours
Training	**Other Institutions / Organizations** • Strategic CFO Program Class 5 • Leadership Program, Capital Market Academy (CMA) Class 16 • Executives Development Program (EDP) Class 10

Work Experience

April 1, 2017 -Present	Chief Financial Officer	SC Asset Corporation Public Company Limited
2003 – 2017	Senior Vice President - Finance	SC Asset Corporation Public Company Limited
2002 – 2003	Vice President of Finance	SC Asset Company Limited[2]
1997 - 2002	Vice President - Financial and Accounting	N.C.C. Management and Development Company Limited

Position in Listed Company - The Stock Exchange of Thailand		None
Position in Other Non-Litsted Company		None
Shareholding	Executive : Spouse / Cohabiting Couple : Minor Children :	4,796,718 shares (0.115%) None None
Family Relationship among Directors and Executives		None
Criminal records on violation of securities and futures contract laws		None
Illegal record in the last 10 years		None

Mr. Somboon Kuptimanus

Position	Chief Legal Officer/ Company Secretary
Age	60 years
Highest Education	• Degree of National Defence College Class 24 • MINI MBA, Chulalongkorn University • Thai Barrister, Member of the Thai Bar Association
Training	**Thai Institute of Directors (IOD)** • Company Secretary Program (CSP) Class 2006 • Director Accreditation Program (DAP) Class 142/2017 **Other Institutions / Organization** • Leadership Program, Capital Market Academy (CMA) class 21 • The Programme of senior Executives on Justice dministration batch 18, National Justice Academy

Work Experience

April 1, 2017 -Present	Chief Legal Officer	SC Asset Corporation Public Company Limited
September 1, 2008 – Present	Company Secretary	SC Asset Corporation Public Company Limited
Noveber 15, 2013- December 16, 2014	Member of the Risk Management Committee	SC Asset Corporation Public Company Limited
2003 – 2017	Senior Vice President - Legal	SC Asset Corporation Public Company Limited
2003 – 2018	Director	Praram 9 Hospital Public Company Limited
2002 – 2003	Vice President of Legal	SC Asset Company Limited[2]
2000- 2002	Legal Manager	SC Asset Company Limited[2]

Position in Listed Company - The Stock Exchange of Thailand	None

Position in Other Non-Litsted Company

2006 – Present	Director	B.B.D. Property Company Limited
1998 – Present	Director	Bangkok Telecom Engineering Company Limited

Shareholding	Executive :	7,361,612 shares (0.176%)
	Spouse / Cohabiting Couple :	None
	Minor Children :	None

Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

Ms. Namtip Promchua
*The Person Supervising Accounting

Position	Deputy Chief Accounting Officer
Age	50 years
Highest Education	• Master Degree in Commerce and Accountancy, Thammasat University
Continuing Development Course in Accounting knowledge	**Dharmniti Traning Information Centre** • Accouting System, Document System and Financial Report Program of year 2020: Training Hours 7 Hours
Training	**Thai Institute of Directors (IOD)** • Director Certification Program (DCP) Class 185/2014

Work Experience

July 1, 2019 – Present	Deputy Chief Accounting Officer	SC Asset Corporation Public Company Limited
July 1,2017 – June 30, 2019	Chief Strategy Officer	BEC World Public Company Limited
July 1, 1999 – June 30, 2017	SVP-Portfolio Management	Intouch Holdings Public Company Limited
October 1, 1995 – June 30, 1999	Manager - Accounting Division	The M Group Public Company Limited
November 1, 1994 – September 30, 1995	Assistant Manager-Accounting	TPA Import Export Company Limited
November 1, 1991- October 31, 1994	Senior Auditor	SGV Arthur Andersen Thailand

Position in Listed Company - The Stock Exchange of Thailand	None
Position in Other Non-Litsted Company	None
Shareholding	None (both directly and indirectly held)
Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

Ms. Pannee Tharaphat

Position	Deputy Chief Internal Audit Officer	
Age	60 years	
Highest Education	• Master Degree of Business Administrion, Kasetsart University	
Training	**The Institute of Internal Auditors of Thailand** • Certified Professional Internal Auditor (CPIA)	
Work Experience		
April 1, 2017-Presnt	Deputy Chief Internal Audit Officer	SC Asset Corporation Public Company Limited
2008 – 2017	Senior Vice President – Internal Audit	SC Asset Corporation Public Company Limited
February 7, 2017 – December 16, 2014	Member of the Risk Management Committee	SC Asset Corporation Public Company Limited
2006 – 2007	Vice President – Internal Audit	SC Asset Corporation Public Company Limited
2005 – 2006	Comptroller	Shinawatra University
Position in Listed Company - The Stock Exchange of Thailand		None
Position in Other Non-Litsted Company		None
Shareholding		None (both directly and indirectly held)
Family Relationship among Directors and Executives		None
Criminal records on violation of securities and futures contract laws		None
Illegal record in the last 10 years		None

Ms. Sirikul Kriangkrai

Position	Deputy Chief People Officer	
Age	52 years	
Highest Education	• Master Degree of Business Administrion, Kasetsart University	
Training	**Thai Listed Companies Association** • Executive Development Program (EDP) of year 2019	
Work Experience		
April 1, 2018 - Present	Deputy Chief People Officer	SC Asset Corporation Public Company Limited
August 1, 2016 – March 31, 2018	Head of Human Resource	SC Asset Corporation Public Company Limited
April 1, 2011 – July 31, 2016	Vice President -Strategy & Planning	Advance Info Service Public Company Limited
January 17, 1999 – March 31, 2011	Human Resource Manager	Advance Info Service Public Company Limited
January 1, 1994 – December 31 , 1998	Human Resource Senior Officer	Shinawatra Computer and Communication Company Limited
June 1, 1991 – December 31 , 1993	Human Resource Officer	Charoen Pokphand Public Company Limited
Position in Listed Company - The Stock Exchange of Thailand		None
Position in Other Non-Litsted Company		None
Shareholding	Executive : Spouse / Cohabiting Couple : Minor Children :	50,000 shares (0.0012%) None None
Family Relationship among Directors and Executives		None
Criminal records on violation of securities and futures contract laws		None
Illegal record in the last 10 years		None

Mr. Somchai Laohaburanakit

Position	Deputy Chief Operating Officer - Property Management	
Age	58 years	
Highest Education	• Master Degree of Business Administrion, Kasetsart University	
Training	**Thai Listed Companies Association** • Executive Development Program (EDP) of year 2019	
Work Experience		
April 1, 2019-Present	Deputy Chief Operating Officer - Property Management,	SC Asset Corporation Public Company Limited
March 1, 2013 – March 31, 2019	Head of Property Management	SC Asset Corporation Public Company Limited
January 1, 2008 – February 28, 2013	Vice President - Property Management	SC Asset Corporation Public Company Limited
January 1, 2005 – December 31, 2007,	Assistant Vice President - Management	SC Asset Corporation Public Company Limited
February 1, 2004 – December 31, 2004	SM- Building Engineer	SC Asset Corporation Public Company Limited
January 1, 2000 - January 31, 2004	Building Engineer Manager	SC Asset Company Limited[2]
March 16, 1995 – December 31, 1999	Building Engineer	SC Asset Company Limited[2]
June 16,1991- March 15, 1995	Project Manager	C.P. Land Company Limited
April 1, 1985-June 15, 1995	Project Manager	C.P. Univest Company Limited
Position in Listed Company - The Stock Exchange of Thailand		None
Position in Other Non-Litsted Company		None
Shareholding		None (both directly and indirectly held)
Family Relationship among Directors and Executives		None
Criminal records on violation of securities and futures contract laws		None
Illegal record in the last 10 years		None

Mr. Manit Banchongthanakit

Position	Deputy Chief Business Development Officer	
Age	52 years	
Highest Education	• Master Degree of Genral Management, Shinawatra University	
Training	**Thai Listed Companies Association** • Executive Development Program (EDP) of year 2018	
Work Experience		
July 16, 2010 – Present	Deputy Chief Business Development Officer	SC Asset Corporation Public Company Limited
November 14, 2019 – Present	Director	SC Expedition Company Limited
May 16, 2019 – Present	Director	SC NNR-1 Company Limited
August 1, 2009 – July 15, 2010	Vice President – Property Deveopment Low - Rise	SC Asset Corporation Public Company Limited
January 1, 2009 – July 31, 2009	Head of Property Deveopment 1-4	SC Asset Corporation Public Company Limited
January 1, 2008 – December 31, 2008	Vice President – Cost & Procument	SC Asset Corporation Public Company Limited
February 1, 2006 – December 31, 2007	Assistant Vice President – Project Administration	SC Asset Corporation Public Company Limited
March 1, 2003 – January 31, 2006	Project Development Manager 1	SC Asset Corporation Public Company Limited
April 1, 1994 – October 31, 2002	Project Administration Manager	SC Asset Company Limited[2]
May 7, 1991 – March 20, 1994	Project Surveyor	LECE Company Limited
April 9, 1990 – February 10, 1991	Design Engineer	Thai Obayashi Company Limited
Position in Listed Company - The Stock Exchange of Thailand		None
Position in Other Non-Litsted Company		None
Shareholding	Executive : Spouse / Cohabiting Couple : Minor Children :	503 shares (0.00001%) None None
Family Relationship among Directors and Executives		None
Criminal records on violation of securities and futures contract laws		None
Illegal record in the last 10 years		None

Mr. Paphandech Pacharachanant

Position	Deputy Chief Business Support Officer	
Age	56 years	
Highest Education	• Bachelor Degree in Engineering, Chiang Mai University	
Work Experience		
January 1, 2012 – Present	Deputy Chief Business Support Officer	SC Asset Corporation Public Company Limited
January 1, 2008 – December 31, 2011	Vice President – Property Development Support	SC Asset Corporation Public Company Limited
April 16, 2007 – December 31, 2007	Assistant Vice President - Property Development Support	SC Asset Corporation Public Company Limited
January 1, 2002 - April 15, 2007,	Assistant Vice President	Quality House Public Company Limited
January 1, 1997 - December 31, 2001	Project Manager	V.S. Engineering and Construction Company Limited
January 1, 1995 - December 31, 1996	Project Manager	Falcon State Company Limited
January 1, 1992 - December 31, 1994	Project Manager	Kensington Company Limited
January 1, 1990 - December 31, 1991	Project Engineer	Siam Syntec Construction Company Limited
January 1, 1987 - December 31, 1989	Site Engineer	Italian Thai Public Company Limited

Position in Listed Company - The Stock Exchange of Thailand	None
Position in Other Non-Litsted Company	None
Shareholding	None (both directly and indirectly held)
Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

Mr. Mongkut Techolarn

Position	Deputy Chief Operating Officer - Property Development - Low Rise
Age	48 years
Highest Education	• Master Degree of Business Administrion, Kasetsart University
Training	**Thai Listed Companies Association** • Executive Development Program (EDP) of year 2018

Work Experience

January 1, 2018 – Present	Deputy Chief Operating Officer - Property Development - Low Rise	SC Asset Corporation Public Company Limited
January 1, 2010 – December 31, 2017	Deputy Chief Operating Officer - Property Development - Low Rise 2	SC Asset Corporation Public Company Limited
February 16, 2008 – December 31, 2009	Assistant Vice President - Property Development	SC Asset Corporation Public Company Limited
January 1, 2006 - February 15, 2008,	Deputy Chief Officer	Asian Property Public Company Limited
November 1, 2001 - December 31, 2005	Manager	Quality House Public Company Limited
November 1, 2000 - October 31, 2001	Project Engineer	J. Brother Company Limited
November 1 1994 - September 30, 2000	Project Engineer	Adisorn Construction Company Limited

Position in Listed Company - The Stock Exchange of Thailand	None
Position in Other Non-Litsted Company	None
Shareholding	None (both directly and indirectly held)
Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

Mr. Prayongyut Itthiratchai

Position	Deputy Chief Operating Officer - Property Development - High Rise	
Age	56 years	
Highest Education	• Master Degree of Business Administrion, Kasetsart University	
Work Experience		
April 1, 2017 – Present	Deputy Chief Operating Officer - Property Development - High Rise	SC Asset Corporation Public Company Limited
March 1, 2013 – March 31, 2017	Vice President - Property Development - High Rise	SC Asset Corporation Public Company Limited
January 1, 1999 – December 31, 2010,	Vice President – High Rise Construction	Quality House Public Company Limited
January 1, 1995 – December 31, 1998	Vice President – High Rise Construction	Siam Retail Development Company Limited
January 1, 1988 – December 31, 1994	Project Architect	Kaza Company Limited

Position in Listed Company - The Stock Exchange of Thailand	None
Position in Other Non-Litsted Company	None
Shareholding	None (both directly and indirectly held)
Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

Mr. Vitit Visalpattanasil

Position	Advisor	
Age	63 years	
Highest Education	• Certified Public Accountant • MINI MBA, Tammasat University • Bachelor's Degree in Business Administration (Accounting), Ramkhamhaeng University	
Work Experience		
July 1, 2019 – Present	Advisor	SC Asset Corporation Public Company Limited
April 1, 2017 – June 30, 2019	Chife Accounting Officer	SC Asset Corporation Public Company Limited
February 9, 2009 – December 16, 2014	Member of the Risk Management Committee	SC Asset Corporation Public Company Limited
2003 – 2017	Senior Vice President – Accounting	SC Asset Corporation Public Company Limited
2002 – 2003	Vice President – Accounting	SC Asset Company Limited[2]
1994 – 2002	Accounting & Financial Manager	SC Asset Company Limited[2]
Position in Listed Company - The Stock Exchange of Thailand		None
Position in Other Non-Litsted Company		None
Shareholding	Advisor : Spouse / Cohabiting Couple : Minor Children :	3,839,906 shares (0.092%) 18,984 shares (0.0009%) None
Family Relationship among Directors and Executives		None
Criminal records on violation of securities and futures contract laws		None
Illegal record in the last 10 years		None

Mr. Suriya Pleansri

Position	Advisor	
Age	65 years	
Highest Education	• Master Degree of Public Administration Program, The National Institute of Development Administration	
Work Experience		
April 1, 2019 – Present	Advisor	SC Asset Corporation Public Company Limited
January 1, 2016 – March 31, 2019	Senior Vice President – Customer Management / Deputy Senior Vice President – Property Management	SC Asset Corporation Public Company Limited
2007 –December 31, 2015	Senior Vice President – Property Management,	SC Asset Corporation Public Company Limited
2006 – 2007	Vice President – Property Management	SC Asset Corporation Public Company Limited
2004 – 2006	Manager – Property Management,	SC Asset Corporation Public Company Limited
March 9, 2004 – December 16, 2015	Member of the Risk Management Committee	SC Asset Corporation Public Company Limited
Position in Listed Company - The Stock Exchange of Thailand		None
Position in Other Non-Litsted Company		None
Shareholding	Advisor : Spouse / Cohabiting Couple : Minor Children :	2,374,312 shares (0.06%) None None
Family Relationship among Directors and Executives		None
Criminal records on violation of securities and futures contract laws		None
Illegal record in the last 10 years		None

Khunying Potjaman Damapong
Shareholder

Shareholding	117,109,887 shares (2.802%)
Age	64 years
Highest Education	• Associate of Arts Degree, Eastern Kentucky University

Work Experience and Position in other company

2008- Present	Vice Chairman	Thaicom Foundation
1998 – September 2003	Director	OAI Education Company Limited
1997 – March 2003	Director	V. Land Property Company Limited
1995 - March 2003	Director	SC Asset Company Limited[2]
1994 - September 2003	Director	SC Office Plaza Company Limited
1994 - September 2003	Director	SCK Estate Company Limited
1994 - September 2003	Director	P.T. Corporation Company Limited
1994 – July 2003	Director	SC Office Park Company Limited
1994 - July 2003	Director	OAI Asset Company Limited
1991 – August 2003	Director	OAI Leasing Company Limited

Illegal record in the last 10 years None

Mr. Panthongtae Shinawatra
Shareholder

Shareholding	14,000,000 shares (0.335%)
Age	42 years
Highest Education	• Bachelor Degree of Arts, Ramkhamhaeng University

Work Experience and Position in other company

September 19, 2011 – Present	Director	Rende Ploenchit Hotel Company Limited[5]
May 4, 2006 – Present	Director	Thaicom Foundation
January 9, 2004 – Present	Director	Okanit Company Limited
November 15, 2004 – 2019	Director	How Come Studio Company Limited
April 1, 2013 – November 5, 2018	Director	Voice Creation Company Limited
September 30, 2003 – November 5, 2018	Director	Voice TV Company Limited[4]

Illegal record in the last 10 years None

Ms. Pintongta Shinawatra Kunakornwong
Shareholder

Shareholding 1,176,915,495 shares (28.160%)

Age 38 years

Highest Education
- Master Degree of MSc Management, Cass Business School, City University, the UK
- Master Degree of MA Enterprise Management for the Creative Arts, London College of Communication, University of the Arts, London, the UK

Work Experience and Position in other company

December 21, 2017 – Present	Director	PD KhaoYai Company Limited
December 21, 2017 - Present	Director	PD Korat Company Limited
April 4, 2017- Present	Director	Peppermint Thailand Company Limited
May 12, 2016 - Present	Director	Alpine Gold and Sports Club Company Limited
May 12, 2016 - Present	Director	Alpine Garden Design Company Limited
May 10, 2016 - Present	Director	OAI Consultant and Management Company Limited
October18, 2013 - Present	Director	Thames Valley Khaoyai Hotel Company Limited
July 5, 2013 - Present	Director	Rende Ploenchit Hotel Company Limited[5]
February 29, 2012- Present	Director	Rende Develoopment Company Limited
2008- Present	Director	The Sister nail Company Limited[3]
2006 - Present	Director / Secretary	Thaicom Foundation
2004 - Present	Director	How Come Studio Company Limited
2004 – Present	Director	Okanit Company Limited
2013 – 2017	Director	Voice Creation Company Limited
2011 – 2017	Director	Shinawatra University
2003 – 2017	Director	Voice TV Company Limited[4]
2011 – 2012	Director / Member of the Executive Committee	SC Asset Corporation Pubic Company Limited

Illegal record in the last 10 years None

Ms. Paetongtarn Shinawatra
Shareholder

Shareholding	1,216,149,870 shares (29.099%)
Age	34 years
Highest Education	• Master Degree of MSc International Hotel Management, University of Surrey

Work Experience and Position in other company

December 21, 2017 - Present	Director	PD KhaoYai Company Limited
December 21, 2017 - Present	Director	PD Korat Company Limited
October 2017 - Present	Director	Shinawatra University
May 12, 2016 - Present	Director	Alpine Gold and Sports Club Company Limited
May 12, 2016 - Present	Director	Alpine Garden Design Company Limited
May 10, 2016 - Present	Director	OAI Consultant and Management Company
October 18, 2013 - Present	Director	Thames Valley Khaoyai Hotel Company Limited
February 29, 2012 - Present	Director	Rende Development Company Limited
2012 - Present	Director	The Sister nail Company Limited[3]
2011 - Present	Director	Rende Ploenchit Hotel Company Limited[5]
2006 - Present	Director	Thaicom Foundation
2004 - Present	Director	Okanit Company Limited
2012 - 2017	Director	Voice TV Company Limited[4]

Illegal record in the last 10 years None

Note :

[1] Advisors perform his duty in providing opinions to the Board of Directors and management but is not considered as having any control or participation in the management of the company.
[2] "SC Asset Company Limited" was changed to OAI Management Company Limited in August 2003
[3] The name of "ManCity Marketing Company Limited" was changed to O A I Marketing Company Limited in December 2009 and changed to the name of The Sister nail Company Limited in June 2012
[4] The name of How Come Entertainment Company Limited was changed to Voice Station Company Limited in December 2008 and changed to Voice TV Company Limited in June 2009.
[5] The name of "Ploenjit Arcade Company Limited" was changed to Rende Ploenchit Hotel Company Limited in May 21, 2013
[6] The name of "OAI Asset Company Limited" was changed to SC Able Company Limited In May 23, 2017

Shareholding, date as at December 31, 2019

Positoning Summary of Directors, Executives, Advisor and Controlling Persons

(Date as at December 31, 2019)

Name	SC	Subsidiaries									Related Companies													
		SCA	UL	VL	SCOPE	SC Alpha	SC NNR 1	SCOP TOWER	BGT	SCX	BBP	OCM	AG	VOICE	RENDE	AGD	BTE	RPH	Thames	Voice-C	OKN	PD Korat	PD Khaoyai	SIS	PR9
Mr. Rath Kitivejosoth	A,K																								
Mr. Nuttaphong Kunakornwong	B,D,F,I,J	A,D	A,D	A,D	A,D	A,D	A,D	A,D		A,D															
Mr. Nathpath Ouajai	C,D,F	C,D	C,D	C,D																					
Mr. Kunodom Tharmmaphornphilas	C,G,K,H																								
Mr. Precha Sekhararidhi	C,I,J,K																								
Mr. Prasert Samanawong	C,H,G, J,K																								
Mr. Songsak Premsuk	C,F,H,I,K																								
Ms. Vilasinee Puddhikarant	C,F,K																								C
Mr. Attapol Sariddipuntawat	C,D,F, J	C,D	C,D	C,D	C,D		A,D	C,D	C,D	C,D															C
Ms. Pradthana Patsaman	L																								
Mr. Somboon Kuptimanus	L										C,D						C,D								
Ms. Namtip Promchua	L																								
Ms. Pannee Tharaphat	L																								
Ms. Sirikul Kriangkrai	L																								
Mr. Manit Banchongthanakit	L						C,D			C,D															
Mr. Somchai Laohaburanakit	L																								
Mr. Paphandech Pacharachanant	L																								
Mr. Mongkut Techolarn	L																								
Mr. Prayongyut Itthiratchai	L																								
Mr. Vitit Visalpattanasil	N																								
Mr. Suriya Pleansri	N																								
Khunying Potjaman Damapong	M																								
Mr. Panthongtae Shinawatra	M																	C,D, L			C,D, L				
Ms. Pintongta Shinawatra Kunakornwong	M												C,D, L		C,D, L	C,D		C,D, L	C,D, L		C	C,D, L	C,D, L	C,D, L	
Ms. Paetongtarn Shinawatra	M												C,D, L		C,D, L	C,D		C,D, L	C,D, L		C	C,D, L	C,D, L	C,D, L	

Note

A	=	Chairman of the Board of Director
B	=	Vice-Chairman of Director
C	=	Director
D	=	Authorized Director
E	=	Chief Executive Director
F	=	Member of the Executive Committee
G	=	Member of the Audit Committee
H	=	Member of the Nomination and Remuneration Committee
I	=	Member of the Corporate Governance and Sustainable Development Committee
J	=	Member of the Risk Management Committee
K	=	Indpependent Director
L	=	Executive
M	=	Controlling Person
N	=	Advisor

The Company and its Subsidiaries

SC	=	SC Asset Corporation Public Company Limited
UL	=	Upcountry Land Company Limited
VL	=	V.land Property Company Limited
SCA	=	SC Able Company Limited
SCOPE	=	Scope Company Limited
SC Alpha	=	SC Alpha Inc.
SC NNR 1	=	NC NNR 1 Company Limited
SCOPE TOWER	=	Scope Tower Company Limited
BGT	=	Bridgt Group (Thailand) Company Limited
SCX	=	SC Expedition Company Limited

Related Companies

BBP	=	B.B.D Property Company Limited
OCM	=	OAI Consultant and Management Company Limited
AG	=	Alpine Golf and Sport Club Company Limited
VOICE	=	Voice TV Co., Ltd.
RENDE	=	Rende Development Company Limited
AGD	=	Alpine Garden Design Company Limited
BTE	=	Bangkok Telecom Engineerining Company Limited
RPH	=	Rende Ploenchit Hotel Company Limited
Thames	=	Thames Valley Khao Yai Hotel Company Limited
Voice-C	=	Voice Creation Company Limited
OKN	=	Okanit Company Limited
PD Korat	=	PD Korat Company Limited
PD Khaoyai	=	Pd Khaoyai Copany
SIS	=	The Sister nail Company Limited
PR9	=	Praram 9 Hostipal Company Limited

Information of the Directors of Subsidiary Companies

Directors	Subsidiaries								
	SCA	UL	VL	SCOPE	SC Alpha	SC NNR1	SCOPE TOWER	BGT	SCX
Mr. Nuttaphong Kunakornwong	● ●	● ●	● ●	● ●	● ●		● ●	● ●	● ●
Mr. Nathpath Ouajai	● ●	● ●	● ●						
Mr. Attapol Sariddipuntawat	● ●	● ●	● ●	● ●		● ●	● ●	● ●	● ●
Mr. Yongyutt Chaipromprasit				● ●			● ●		
Mr. Apisit Limlomwonge					● ●				
Mr. Parawut Kobboon					● ●				
Mr. Manit Banchongthanakit						● ●			● ●
Mr. Yusuke Gondo						● ●			
Mr. Nattagit Sirirat								● ●	

Note: ● Chairman of the Board of Directors ● Director ● Authorized Director

Date as of December 31, 2019

Details of shareholding of ordinary shares and debentures of the Company's Directors and Execitoves for the year 2019

Directors / Executives	SC		Subsidiaries																	
			SCA		UL		VL		SCOPE		SC NNR 1		SCOPE TOWER		SC Alpha		BGT		SCX	
	Shares	Debenture	Shares	Debenture	Shares	Debenture	Shares	Debenture	Shares	Debenture	Shares	Debenture	Shares	Debenture	Shares	Debenture	Shares	Debenture	Shares	Debenture
Mr. Rath Kitivejosoth	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Nuttaphong Kunakornwong	1,600,000								1		1		1				1		1	
Mr. Nathpath Ouajai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Kunodom Tharmmaphornphilas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Prasert Samanawong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Precha Sekhararidhi	37,968	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Songsak Premsuk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Vilasinee Puddhikarant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Attapol Sariddipuntawat	8,589,843	-	-	-	-	-	-	-	1	-	1	-	-	-	-	-	1		1	-
Ms. Pradthana Patsaman	4,796,718	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Somboon Kuptimanus	7,361,612	-	2	-	2	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Namtip Promchua	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Pannee Tharaphat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Sirikul Kriangkrai	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Somchai Laohaburanakit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Manit Banchongthanakit	503	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-
Mr. Paphandech Pacharachanant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Mongkut Techolarn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Prayongyut Itthiratchai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note : 1) Including shareholding by spouse and minor children
2) Shareholding, date as at December 31, 2019

Details of Head of Internal Audit and Head of Compliance
(Date as of 31 December 2019)

Ms. Pannee Tharaphat

Position	Deputy Chief Internal Audit Officer	
Age	60 years	
Highest Education	• Master Degree of Business Administrion, Kasetsart University	
Training	**The Institute of Internal Auditors of Thailand** • Certified Professional Internal Auditor (CPIA)	
Work Experience		
April 1, 2017-Presnt	Deputy Chief Internal Audit Officer	SC Asset Corporation Public Company Limited
2008 – 2017	Senior Vice President – Internal Audit	SC Asset Corporation Public Company Limited
February 7, 2017 – December 16, 2014	Member of the Risk Management Committee	SC Asset Corporation Public Company Limited
2006 – 2007	Vice President – Internal Audit	SC Asset Corporation Public Company Limited
2005 – 2006	Comptroller	Shinawatra University

Position in Listed Company - The Stock Exchange of Thailand	None
Position in Other Non-Litsted Company	None
Shareholding	None (both directly and indirectly held)
Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

Mr. Somboon Kuptimanus

Position	Chief Legal Officer/ Company Secretary
Age	60 years
Highest Education	• Degree of National Defence College Class 24 • MINI MBA, Chulalongkorn University • Thai Barrister, Member of the Thai Bar Association
Training	**Thai Institute of Directors (IOD)** • Company Secretary Program (CSP) Class 2006 • Director Accreditation Program (DAP) Class 142/2017 **Other Institutions / Organization** • Leadership Program, Capital Market Academy (CMA) class 21 • The Programme of senior Executives on Justice dministration batch 18, National Justice Academy

Work Experience

April 1, 2017 -Present	Chief Legal Officer	SC Asset Corporation Public Company Limited
September 1, 2008 – Present	Company Secretary	SC Asset Corporation Public Company Limited
Noveber 15, 2013- December 16, 2014	Member of the Risk Management Committee	SC Asset Corporation Public Company Limited
2003 – 2017	Senior Vice President - Legal	SC Asset Corporation Public Company Limited
2003 – 2018	Director	Praram 9 Hospital Public Company Limited
2002 – 2003	Vice President of Legal	SC Asset Company Limited[2]
2000- 2002	Legal Manager	SC Asset Company Limited[2]

Position in Listed Company - The Stock Exchange of Thailand	None
Position in Other Non-Litsted Company	

2006 – Present	Director	B.B.D. Property Company Limited
1998 – Present	Director	Bangkok Telecom Engineering Company Limited

Shareholding	Executive :	7,361,612 shares (0.176%)
	Spouse / Cohabiting Couple :	None
	Minor Children :	None

Family Relationship among Directors and Executives	None
Criminal records on violation of securities and futures contract laws	None
Illegal record in the last 10 years	None

RELATED TRANSACTIONS

Any Company arrangements by the Company and/or subsidiaries in transactions with related companies and/or persons have been for regular business operations, and necessary to acquire the strongest support for the operations of the group of companies. They have all been to the benefit of the Company. Such related transactions are necessary and justified. The Company's returns gained from these related transactions are subject to the toughest criteria regarding consideration of market prices or cost plus. In the case of cost plus price was determined by estimated cost calculated from the Company's budget plus a reasonable determined profit rate. The Company, through the Audit Committee and with the approval of the Board of Directors, annually takes into account the cost and profit rates that it sees as reasonable and proper prices.

Details of Related Transactions with Related Companies and/or Persons

For 3 year ended December 31, 2019, the Company and subsidiaries have engaged in transactions with related companies and/or persons as listed below

1. Revenue from Sales – The Company sold residential product to related persons.

Unit : Baht Million

Related Persons	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
Ms.Paetongtarn Shinawatra[4]	126.43	-	-
Mr.Panthongtae Shinawatra[2]	65.10	-	-
Ms.Pintongta Shinawatra Kunakornwong[3]	33.72	-	-
Mr.Nuttaphong Kunakornwong[5]	5.93	47.61	-
Mr.Attapol Sariddipuntawat[7]	-	13.89	5.75
Ms.Piyada Tianthai[11]	-	-	23.90
Ms.Wilasinee Puddhikarant[6]	-	-	8.65
Mr.Vitit Visalpattanasil[12]	-	-	3.33
Total	**231.18**	**61.50**	**41.63**

2. Revenue from Rental and Rendering Services – The Company provided rental space and services to related companies and/or person.

Unit : Baht Million

Related Companies and/or Person	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
Rende Development Company Limited [30]	2.83	2.75	2.68
B.B.D. Development Company Limited [19]	2.60	2.55	2.46
Thai-Com Foundation [17]	2.39	2.36	2.23
Shinawatra University [18]	0.10	2.07	4.46
Mr.Nuttaphong Kunakornwong [5]	0.09	-	-
Rende Ploen Chit Hotel Company Limited [31]	0.05	1.07	0.01
Voice TV Company Limited [28]	0.01	0.01	0.01
OAI Consultant & Management Company Limited [27]	0.01	-	-
P.T. Corporation Company Limited [24]	-	-	0.01
Total	**8.08**	**10.81**	**11.86**

3. Cost of Rental and Rendering Services – These transactions involved the payment made by the Company and subsidiaries to related companies and/or person.

Unit : Baht Million

Related Companies and/or Person	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
SC Office Park Company Limited [23]	35.63	33.94	30.94
SC Office Plaza Company Limited [22]	9.48	9.48	8.43
P.T. Corporation Company Limited [24]	6.21	6.20	1.60
Alpine Garden Design Company Limited [26]	0.23	0.29	0.26
Khunying Potjaman Damapong [1]	0.07	0.07	0.07
Alpine Golf & Sports Club Company Limited [21]	-	-	0.01
Total	**51.62**	**49.98**	**33.55**

4. Selling and Administrative Expenses - These transactions involved the payment made by the Company and subsidiaries to related companies.

Unit : Baht Million

Related Companies	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
Alpine Garden Design Company Limited [26]	14.17	16.06	2.36
OAI Consultant & Management Company Limited [27]	1.92	2.13	2.17
Rende Ploen Chit Hotel Company Limited [31]	1.37	-	-
Praram 9 Hospital Public Company Limited [33]	1.15	1.29	1.13
Alpine Golf & Sports Club Company Limited [21]	0.83	1.79	12.27
B.B.D. Development Company Limited [19]	0.12	0.12	0.12
Thai-Com Foundation [17]	0.10	0.10	0.10
Works Creative Company Limited[35]	0.10	-	-
Chiangmai Golf & Country Club Company Limited [25]	0.10	0.05	0.12
Healthlink Company Limited [34]	0.04	0.37	2.32
Thames Valley Khao Yai Hotel Company Limited [32]	0.03	1.12	1.05
OAI Leasing Company Limited [20]	-	0.16	0.41
Voice TV Company Limited [28]	-	1.04	2.32
SC Office Park Company Limited [23]	-	-	1.39
SC Office Plaza Company Limited [22]	-	-	0.21
Fortay (Thailand) Company Limited [29]	-	-	0.12
How Come Studio Company Limited [36]	-	-	0.02
Total	**19.93**	**24.23**	**26.11**

5. Trade Receivables – These transactions incurred from sales of residential units to executives under the criteria and term as prescribed by the resolution of the Company's Board of Directors and rendering services.

Unit : Baht Million

Related Companies and/or Person	As at December 31, 2019	As at December 31, 2018	As at December 31, 2017
Mr. Nuttaphong Kunakornwong [5]	20.71	22.05	23.39
Mr. Vitit Visalpattanasil[12]	-	5.14	5.44
Mr. Attapol Sariddipuntawat [7]	-	-	12.80
Ms. Busaba Damapong [14]	-	-	11.72
Shinawatra University [18]	-	-	1.28
Total	**20.71**	**27.19**	**54.63**

6. Loans from related persons – These transactions incurred from issuance of debentures to related persons.

Unit : Baht Million

Related Person	As at December 31, 2019	As at December 31, 2018	As at December 31, 2017
Ms. Anchalee Kunakornwong [9]	10.00	10.00	10.00
Mr. Kanit Patsaman [10]	2.00	2.00	2.00
Ms. Busaba Damapong [14]	-	-	230.00
Mr. Bhanapot Damapong [15]	-	-	80.00
Mr. Polapoom Damapong [16]	-	-	10.00
Mr. Attapol Sariddipuntawat [7]	-	3.00	3.00
Ms. Pranee Visalpattanasin [13]	-	2.00	2.00
Ms. Pradthana Patsaman [8]	-	1.00	1.00
Total	**12.00**	**18.00**	**338.00**

The Relationship of Related Companies and/or Persons are as follows

Related Companies and/or Persons	Relationship	Type of Business
1. Khunying Potjaman Damapong	Major shareholder's mother	-
2. Mr.Panthongtae Shinawatra2	Major shareholder's brother controlling person	-
3. Ms.Pintongta Shinawatra Kunakornwong	Major shareholder	-
4. Ms. Paetongtarn Shinawatra	Major shareholder	-
5. Mr. Nuttaphong Kunakornwong	Director	-
6. Ms. Wilasinee Puddhikarant	Director	-
7. Mr. Attapol Sariddipuntawat	Director	-
8. Ms. Pradthana Patsaman	Management	-
9. Ms. Anchalee Kunakornwong	Mother of Director	-
10. Mr. Kanit Patsaman	Spouse of management	-
11. Ms. Piyada Tianthai	Sister of Director	-
12. Mr. Vitit Visalpattanasil	Management (Vacated on 1 July 2019)	-
13. Ms. Pranee Visalpattanasin	Sister of vacated management	-
14. Ms. Busaba Damapong	Director (Resignation as director effective from 1 January 2018)	-

Related Companies and/or Persons	Relationship	Type of Business
15. Mr. Bhanapot Damapong	Spouse of resign director/ controlling person siblings	-
16. Mr. Polapoom Damapong	Son of resign director	-
17. Thai-Com Foundation	Major shareholder Family is a founder	-
18. Shinawatra University	Major shareholder Family is a founder	Education Business
19. B.B.D. Development Company Limited	Mr. Bhanapot Damapong is a major shareholder.	Real Estate Business
20. OAI Leasing Company Limited	Ms. Pintongta Shinawatra Kunakornwong is a major shareholder.	Car Rental Business
21. Alpine Golf & Sports Club Company Limited	Shinawatra Family is a major shareholder / controllng parson	Golf Business
22. SC Office Plaza Company Limited	Shinawatra Family is a major shareholder/ controllng parson	Land Rental
23. SC Office Park Company Limited	Shinawatra Family is a major shareholder / controllng parson	Land Rental, property management business.
24. P.T. Corporation Company Limited*	Shinawatra Family is a major shareholder/ controllng parson	Real Estate Business
25. Chiangmai Golf & Country Club Company Limited	A Subsidiary of OAI Management Company Limited.	Golf Business
26. Alpine Garden Design Company Limited	Ms. Paetongtarn Shinawatra is a major shareholder.	Garden Design Business
27. OAI Consultant & Management Company Limited	Shinawatra Family is a major shareholder/ controllng parson	Hotel Business
28. Voice TV Company Limited	Mr. Bhanapot Damapong and Ms. Pintongta Shinawatra Kunakornwong are major shareholder.	Import and distribution of all types of communications equipment and providing entertainment services.
29. Fortay (Thailand) Company Limited	A Subsidiary of OAI Consultant & Management Company Limited.	Coffee Business

Related Companies and/or Persons	Relationship	Type of Business
30. Rende Development Company Limited**	Shinawatra Family is a major shareholder/ controllng parson	Real estate business
31. Rende Ploen Chit Hotel Company Limited	A Subsidiary of Rende Development Company Limited.	Hotel Business
32. Thames Valley Khao Yai Hotel Company Limited	Ms.Pintongta Shinawatra Kunakornwong and Ms. Paetongtarn Shinawatra are major shareholder.	Hotel Business
33. Praram 9 Hospital Public Company Limited	Khunying Potjaman Damapong is a major shareholder.	Hospital Business
34. Healthlink Company Limited	A Subsidiary of B.B.D. Development Company Limited.	Hotel Business
35. Works Creative Company Limited	A Subsidiary of P.T. Corporation Company Limited.	Film and Video
36. How Come Studio Company Limited	Major shareholder siblings (dissolved 13 December 2019)	Production, production services and other entertainment services.

Remark :

* This company is in the business of rental of small office space, and began its operation before the listing of the Company in the Stock Exchange of Thailand. The company has no other competing business with the Company and only owns the office buildings for the rental business that was earlier listed in this report. In addition, the company's customer base is different from that of the Company. Its office buildings are not in the same location as the Company's. The highest rental rate commanded by the company is Baht 365 per sq. meter, whereas the Company's office rental rates are in the range of Baht 365-850 per sq. meter.

** This company is in the business of rental of small office space, and began its operation before the listing of the Company in the Stock Exchange of Thailand. The company has no other competing business with the Company and only owns the office buildings for the rental business that was earlier listed in this report. In addition, the company's customer base is different from that of the Company. Its office buildings are not in the same location as the Company's or its office locations are in provincial areas.

Summary of the Nature of Related Party Transactions

The Company and its subsidiaries entered into contracts with related persons/companies which were undertaken on the basis or conditions that it would be of benefit to the Company in the same manner as if they were undertaken with other general companies. The major transactions of this nature which were undertaken in 2019 are as follows:

- **Space rental and services**

  The Company and its subsidiaries entered into space rental and service contracts with related companies.

- **Land lease and uses of services**
  - The Company and its subsidiaries leased the land from a parent of the major shareholders and from related companies.
  - The Company used services related to hotel, golf course, billboard rental services, car rental service, etc. from related companies.

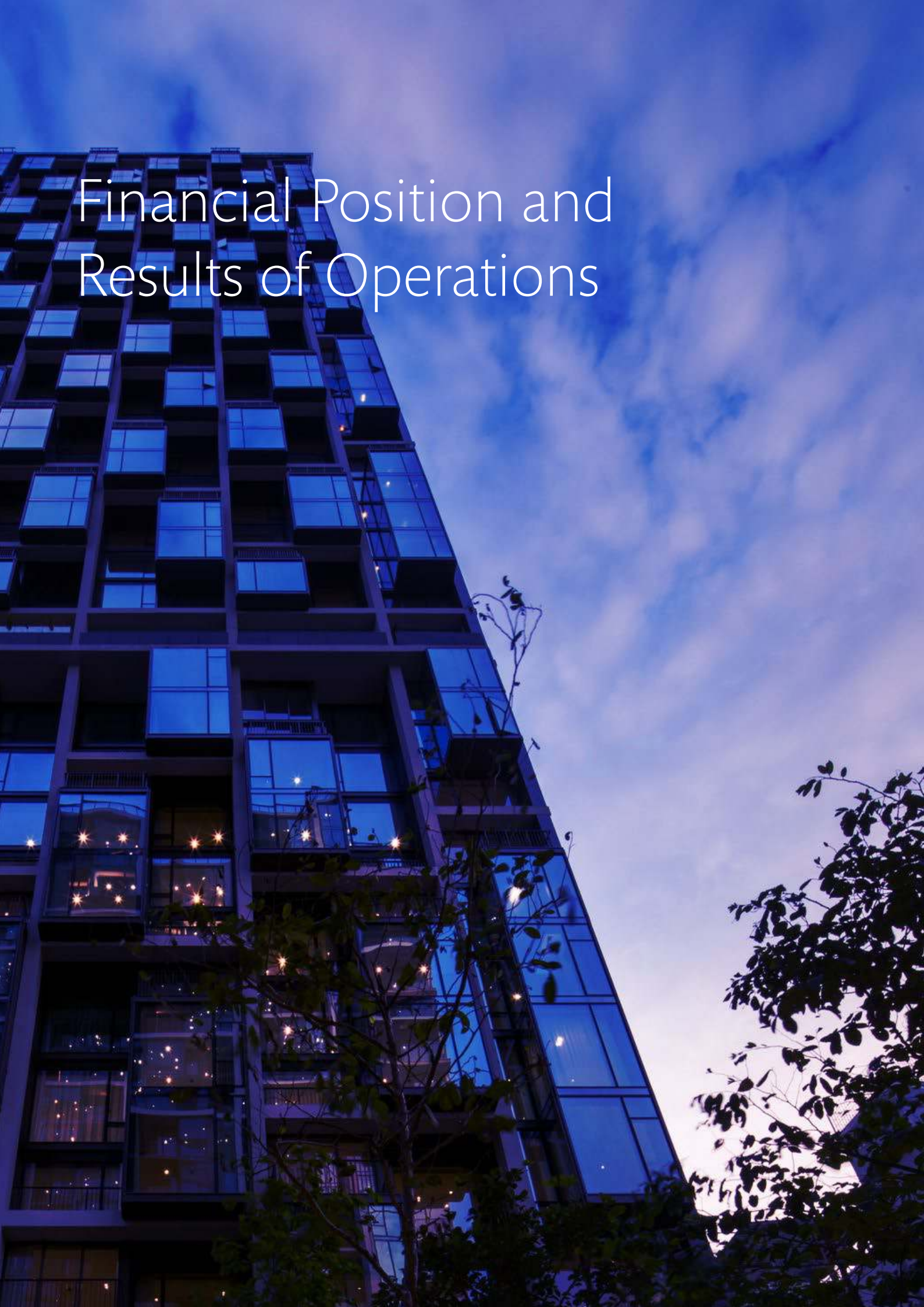
Procedures and Policies for Approval of Related Transactions

Approval procedures for related party transactions, which are transacted to support the Company's normal course of business operations, such as space rent, shall be governed by the conditions prescribed by the Company to suite the general nature of such trading activities. For other related party transactions, the Company shall prescribe measures and procedures which are in line with their underlying trade characteristic and nature, and use prevailing market prices for their pricing, similar to the transactions normally made to any other non-related customers. In the case that there are no applicable market prices for comparison, the Company will contract at least three independent specialists, approved by the Securities and Exchange Commission of Thailand, to appraise the transaction and define proper market price and suitable conditions. Then, it shall benchmark the appropriate price at the amount not higher than the average mean of all those independent assessments. Such implementation intends to assure the maximization of the Company and its shareholders' benefits. The Company shall also propose the outcomes and the matter to its Audit committee for reviewing and consider the rationality of such related party transactions and appropriateness of its pricing, prior to the further submission to the Board of directors, or in some cases to the shareholders, for the approval.

In accordance with the practice of disclosure of related transactions, the acquisition or sales of significant assets owned by the Company and subsidiaries conform to all the laws on securities and exchange, including regulations, notifications, orders of the Stock Exchange of Thailand and Thai Accounting Standards issued by the Federation of Accounting Professions.

Trend of Future Related Transactions

In the future related transactions will still be a regular part of business operations transactions such as the space rental etc. There may have transactions for the sale and purchase of land with related persons but they will be mostly extraordinary transactions. Any such transactions to be engaged in the future shall conform to the measures and procedures of approval as outlined.



Financial Position and Results of Operations

BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

Dear Shareholders,

The Board of Directors of SC Asset Corporation Public Company Limited is responsible for the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the company including all other financial information that appears in its reports. The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRSs), applying appropriate and consistent accounting policies with careful and reasonable estimations. The Company has properly and transparently disclosed all important information in the notes to the financial statements for the benefit of shareholders and investors.

The Board of Directors has provided appropriate and efficient internal control and risk management systems to ensure that the accounting records are accurate, complete and protect its assets and adequate to prevent any fraud or materially irregular operation.

In this regard, the Board of Directors has appointed the Audit Committee to review the financial reports, internal controls, connected transactions and internal audit system. The Audit Committee's opinion appears in this annual report.

The Auditor, namely Pricewaterhouse Coopers ABAS Ltd. has audited the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the Company. The Board of Directors supplied all relevant information and documents to the Auditor to allow them to express an opinion in accordance with generally accepted accounting standards. The Auditor's opinion is presented in the auditor's report as part of the annual report.

The Board of Directors believes that the overall internal control system of the Company is sufficient and appropriate, which ensures that the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the Company for the year ending December 31, 2019 are prepared in accordance with Thai Financial Reporting Standards (TFRSs).



(Mr. Rath Kitivejosoth)
Chairman of the Board of Directors



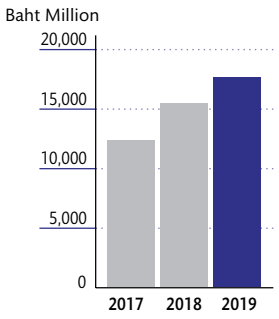
(Mr. Nuttaphong Kunakornwong)
Chief Executive Officer

FINANCIAL HIGHLIGHTS

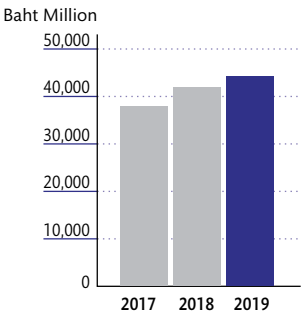
Unit : Baht Million

For the year ended 31 December	2019	2018 (Restated)	2017 (Restated)
Operating Results			
Total Revenues	17,787	15,478	12,364
Operating Revenues	17,637	15,447	12,341
Gross Profit	5,790	5,183	4,256
Operating Profit	2,539	2,345	1,769
Profit for the Years	2,026	1,800	1,285
Financial Position			
Total Assets	45,083	42,620	38,537
Total Liabilities	27,526	26,381	23,606
Total Shareholders' Equity	17,557	16,239	14,931
Financial Ratio			
Current Ratio (Times)	2.17	2.34	2.56
Gross Profit Margin (%)	32.83	33.56	34.48
Operating Profit Margin (%)	14.39	15.18	14.34
Net Profit Margin (%)	11.39	11.63	10.40
Return on Equity (%)	11.99	11.55	8.75
Return on Assets (%)	4.62	4.44	3.57
Debt to Equity Ratio (Times)	1.57	1.63	1.58
Basic Earnings per Share (Baht)	0.4848	0.4306	0.3076
Dividend per Share (Baht)	0.19 (1)	0.16	0.12
Book Value per Share (Baht)	4.20	3.89	3.57

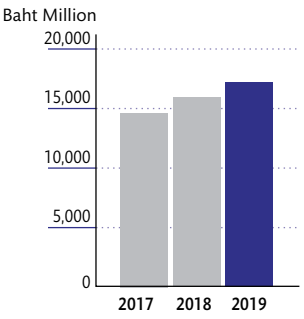
Remark: (1) Dividend per Share (Baht) was made at the rate approved by the Company's Board of Directors in its board meeting on 19 February 2020 and shall be submitted for the shareholders' approval during the Annual General Shareholders Meeting for 2020.



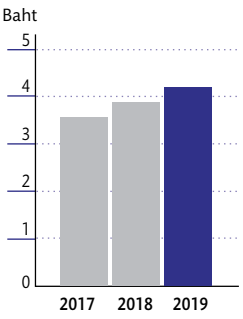
Operating Revenues



Total Assets



Total Shareholders' Equity



Book Value per Share

MANAGEMENT DISCUSSION AND ANALYSIS

1. Performance Overview

In 2019, The Company's operating revenues reached Baht 17,637 million. These revenues comprised of Baht 16,771 in real estate sales, Baht 801 million in revenues from rental and rendering of services, and Baht 64 million in revenues from consulting and management services. The Company had Baht 2,026 million in profit attributable to owners of the parent for the year and a profit per share of Baht 0.4848. The Company had 58 development projects for sales with the combined project value of Baht 56,200 million; comprising of 48 low-rise developments, and 10 high-rise developments. As of yearend 2019, the Company has a backlog of Baht 7,388 million.

In 2020, The Company set its revenue and presales targets of Baht 17,800 million and Baht 18,000 million, respectively. It plans to launch 13 new projects with a total project value of Baht 16,000 million, comprising of 12 low-rise developments with a total project value of Baht 12,500 million and 1 high-rise development with a total project value of Baht 3,500 million.

2. Analysis of the Company's Consolidated Operational Results between 2019 and 2018

2.1 Operational Analysis

2.11 Revenues

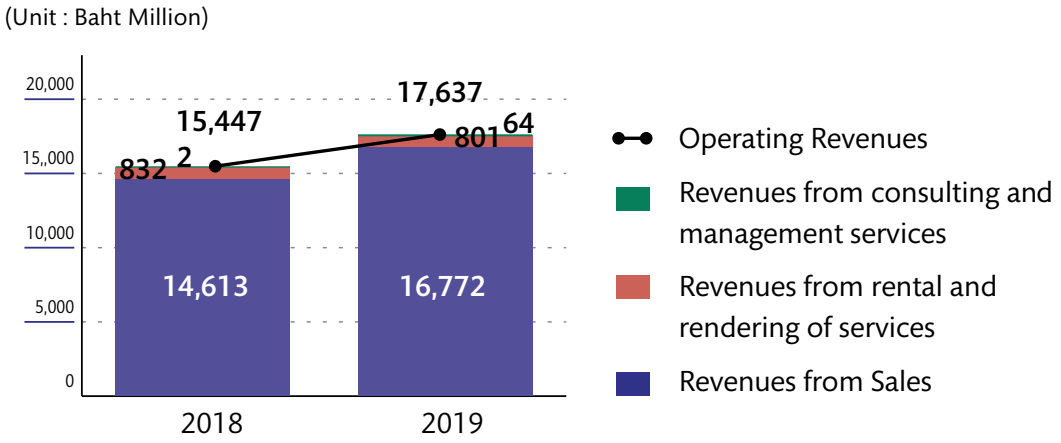
The Company's total consolidated revenues in 2019 was Baht 17,637 million as compared to Baht 15,447 million in 2018, showing an increase of Baht 2,190 million or 14%. The increase was mainly attributed to the following developments:

Unit: Baht Million

			Increase (Decrease)	
	2019	2018	Amount	%
Revenues from Sales	16,771	14,613	2,159	15
- Low – rise development projects	11,260	10,810	450	4
- High – rise development projects	5,511	3,803	1,709	45
Revenues from rental and rendering services	801	832	(31)	(4)
Revenues from consulting and management services	64	2	62	3,100

The revenues from sales comprised of Baht 11,260 million in sales of low-rise developments, increased 4% from 2018, and Baht 5,511 million in sales of high-rise developments, increased 45% from 2018.

2019 Operating Revenues 17,637 MB



• Revenues from sales increased by Baht 2,159 million or 15%, which mainly resulted from the growth of revenues from low-rise development projects which recorded Bath 11,260 million, increased by Baht 450 million or 4%. In 2019 and 2018, the Company reported the revenue from sales from 48 and 46 low-rise development projects, respectively. Whereas, revenues from high-rise development projects are rapidly growth which increased by 45%. Due to 3 luxurious high-rise developments completed construction process and started to transfer in 2019.

The low-rise developments in 2019 and 2018 comprised of single detached houses, townhouses, and shophouse, which the revenues can be broken down as follows:

Unit: Baht Million

	2019		2018		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Revenues from Low – rise development projects						
- Single detached houses	9,936	88	10,162	94	(226)	(2)
- Townhouses	1,120	10	521	5	599	115
- Shophouse	204	2	127	1	77	61
Total	**11,260**	**100**	**10,810**	**100**	**450**	**4**

Revenues from sales of the Company's low-rise developments came mostly from its single detached housing projects, accounted to 88% of revenues from sales of low-rise development projects. In 2019, the Company recognized its income from sales of 42 housing projects whereas in 2018, it recognized its income from sales of 41 such housing projects.

Revenues from sales of the Company's high-rise developments, accounted 33% of revenues from sales, came from 28 CHIDLOM, CHAMBERS ON NUT STATION, and CENTRIC RATCHAYOTHIN projects, which completed construction process and started to transfer in 2019, value Baht 3,562 million. Whereas in 2018, there were SALADAENG ONE and BEATNIQ projects completed construction process and started to transfer.

As of yearend 2019, there were Baht 7,388 million in backlog, comprised 77% of high-rise and 23% of low-rise development projects, waiting for transfers and income flows of future revenue recognition during the period of 2020-2022.

• Revenues from rental and rendering of services decreased by Baht 31 million, or 4%, caused by the decrease in subsidiary company's revenues from rental and rendering of services.

• Revenues from consulting and management services increased by Baht 62 million, or 3,100%, resulted from consulting and management services for joint venture.

2.1.2 Operating Cost

The Company's operating cost was Baht 11,846 million and Baht 10,263 million in 2019 and 2018 respectively. It increased by Baht 1,583 million or 15%. The increase was mainly resulted from the following developments:

Unit: Baht Million

	2019	2018	Increase (Decrease)	
			Amount	%
Cost of sales	11,493	9,942	1,551	16
Cost of rental and rendering of services	327	320	7	2
Cost of consulting and management services	26	1	25	2,500

• The Company's cost of sales increased Baht 1,551 million, mainly in line with the increase in revenues from sales.

• The Company's cost of consulting and management services increased by Baht 25 million, mainly in line with the increase in revenues from consulting and management services.

2.2.3 Other Income

Other income was Baht 38 million and Baht 31 million in 2019 and 2018, respectively. It increased Baht 7 million or 23%.

2.1.4 Selling Expenses

The Company's selling expenses was Baht 1,383 million, and Baht 1,271 million in 2019 and 2018, respectively. Selling expenses increased by Baht 112 million or 9%, mainly in line with the increase in specific business tax and transfer fee from revenues from sales.

2.1.5 Administrative Expenses

Administrative expenses were Baht 1,869 million and Baht 1,567 million in 2019 and 2018, respectively. The expenses increased by Baht 302 million or 19% due mainly to the expense related to employees.

2.1.6 Finance Costs

Finance costs were Baht 146 million and Baht 98 million in 2019 and 2018, respectively, showing an increase of 49%, or Baht 48 million. Because the financial costs of the condominium projects completed in 2019 were no longer recognized under the project cost but started to be recorded as expenses.

2.1.7 Income Tax Expense

Income tax expense was Baht 512 million and Baht 483 million in 2019 and 2018, respectively, an increase Baht 29 million resulted from the increase in operating profit for the year.

2.1.8 Profit for the year

The Company's profit attributable to owners of the parent for the year was Baht 2,026 million and Baht 1,800 million in 2019 and 2018, respectively, equivalent to an increase of Baht 226 million or 13% resulted from an increase in operating revenues as explained in clause 2.1.1.

2.2 Profitability

Unit: Baht Million

	Real Estate sales		Rental and rendering of Service		Consulting and management services		Total Segment	
	2019	2018	2019	2018	2019	2018	2019	2018
Operating Revenues	16,771.49	14,613.43	801.14	831.63	63.93	1.70	17,636.56	15,446.76
Operating Cost	11,493.37	9,942.60	327.02	319.81	25.80	0.90	11,846.19	10,263.31
Gross Profit	**5,278.12**	**4,670.83**	**474.12**	**511.82**	**38.13**	**0.80**	**5,790.37**	**5,183.45**
Selling and Administrative Expenses	2,442.32	2,325.23	33.45	23.22	-	-	2,475.77	2,348.45
Operating result by segment	**2,835.80**	**2,345.60**	**440.67**	**488.60**	**38.13**	**0.80**	**3,314.60**	**2,835.00**
Gross Profit Margin (%)	**31.47**	**31.96**	**59.18**	**61.54**	**59.64**	**47.06**	**32.83**	**33.56**
Operating Profit Margin (%)	**16.91**	**16.05**	**55.01**	**58.75**	**59.64**	**47.06**	**18.79**	**18.35**

	2019			2018			Increase (Decrease)		
	Unit	MB	@	Unit	MB	@	Unit	MB	@
Revenues from Sales									
- Low – rise development projects	1,456	11,260	7.73	1,165	10,810	9.28	291	450	(1.55)
- High – rise development projects	474	5,511	11.63	395	3,803	9.63	79	1,708	2.00
Total	**1,930**	**16,771**	**8.69**	**1,560**	**14,613**	**9.37**	**370**	**2,158**	**(0.68)**

• Consolidated gross profit for 2019 was higher than 2018 due to an increase in operating revenues, particularly from the growth in revenues from sales. The low-rise developments showed an increase in unit sales, despite a slight drop in the average price per unit. The high-rise developments showed an increase in unit sales, also the average price per unit increased significantly, especially when taking into account the ownership transfers of the Company's 28 CHIDLOM project which was super luxurious developments in 2019.

• Consolidated gross profit margin for 2019 was 32.83% lower than in 2018 due to the lower gross profit from revenues from sales and revenues from rental and rendering of services.

• Operating profit margin for the Company in 2019 was higher than in 2018 resulting from the effective in expenses management.

Unit: Baht Million

	2019		2018		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Operating Revenues	17,637	100	15,447	100	2,190	14
Profit attributable to owners of the parent for the year	2,026	11	1,800	12	226	13

• In 2019, profit for the year was higher than 2018 due to an increase in operating revenues were higher than an increase in expenses.

3. Analysis of 2019 and 2018 Financial Positions

3.1 Assets

As at year ended 2019, the Company had total consolidated assets of Baht 45,083 million, an increase of Baht 2,463 million or 6% from the previous year. The increase can be mainly attributed to the following developments:

Unit: Baht Million

	2019	2018	Increase (Decrease)	
			Amount	%
Cash and cash equivalents	880	1,142	(262)	(23)
Short-term investments	10	180	(170)	(94)
Real estate development cost	33,906	32,189	1,717	5
Deposits for land	1,146	323	823	255
Land awaiting for development	370	231	139	60
Investment properties	5,539	5,371	168	3

• Cash and cash equivalents decreased by Baht 262 million, caused by the use of cash from operating activities Baht 1,761 million, the use of cash from investing activities Baht 170 million, cash flow from financing activities Baht 1,676 million and exchange loss Baht 7 million.

• Short-term investments decreased by Baht 170 million, caused by the redemption of investment in fixed income funds during the year.

• Real estate development cost increased Baht 1,717 million due mainly to the increases in purchases of land for a future business expansion in development projects, project development cost, and work in process for both high-rise and low-rise developments.

• Deposits for land were Baht 1,146 million which scheduled to transfer in 2020.

• Land awaiting for development increased Baht 139 million due to the land classification.

• Investment properties increase of Baht 168 million resulted from gain from fair value adjustment.

Asset Utilization

• Normally, the Company's days receivable is around 15 days. The Company's management has confidence in collecting all its overdue receivables.

• Items accounted in the inventory are the real estate development costs as of yearend 2019. Inventory turnover was 3.50 times. There was allotted houses ready for sale value Baht 3,814 million.

3.2 Liabilities

As at year ended 2019, total consolidated liabilities was Baht 27,526 million in comparison to Baht 26,381 million in 2018, or an increase of Baht 1,145 million, or 4%. The increase was mainly caused by the following developments:

Unit: Baht Million

	2019	2018	Increase (Decrease)	
			Amount	%
Short-term borrowings from financial institutions	8,697	4,870	3,827	79
Trade and other payables	1,226	2,561	(1,335)	(52)
Accrued expenses	1,446	1,265	181	14
Advances received from customers	648	874	(226)	(26)
Current portion of long-term borrowings from financial institutions	1,348	1,737	(389)	(22)
Current portion of debentures	2,900	2,800	100	4
Long-term borrowings from financial institutions	3,651	4,339	(688)	(16)
Debentures	5,595	6,100	(505)	(8)

• Short-term borrowings from financial institutions increased by Baht 3,827 million due to an increase in short-term promissory notes, of which the borrowing of Baht 1,907 million are from the borrowing from promissory notes for financing of development projects.

• Trade and other payables decreased by Baht 1,335 million due to the land payables.

• Accrued expenses increased by Baht 181 million, resulting from the accruals relating to real estate construction expenses.

• Advances received from customers decreased by Baht 226 million due to the booking deposits and down-payments for condominium developments.

• Current portion of long-term borrowings and Long-term borrowings from financial institutions decreased by Baht 1,077 million due to a Baht 4,569 million increased in the long-term loans from financial institutions, despite a loan repayment of Baht 5,646 million during the year.

• Debentures decreased by Baht 405 million due to an issuance of new Baht 2,395 million debentures during the year and a payment on Baht 2,800 million debentures.

3.3 Shareholders' Equity

As at year ended 2019 and 2018, Shareholders' equity of the Company was Baht 17,557 million and Baht 16,239 million, respectively. The Baht 1,318 million increase in shareholder's equity in 2019 resulted from

• Dividend paid of Baht 669 million, which the Company received the resolution from the Annual General Shareholders Meeting held on 25 April 2019 to pay the dividend of Baht 0.16 per share from the 2018 net profit.

• Profits attributable to owners of the parent were Baht 1,992 million.

• Other components of equity showed a Baht 10 million increase in warrants and share option scheme. The Annual General Shareholders Meeting for the year 2019 and 2018 resolved the approval of the allocation of employee stock options to the Company's directors and staff (ESOP Scheme 1 and 2) in a total amount of no more than Baht 80 million units. The weighted average fair value of options granted during the period was determined using the binomial-lattice valuation model. Another component of equity involved the losses from exchange translation of Baht 7 million from the translation of the account of the Company's subsidiary in the United States.

• Non-controlling interests decreased by Baht 8 million caused by Baht 10 million in losses on non-controlling interests in 2019 and the increase in non-controlling interests of Baht 2 million.

3.4 Liquidity and Adequacy of Liquidity

As of December 31, 2019, the Company had total current assets of Baht 36,441 million, and total current liabilities of Baht 16,828 million. Its current ratio was 2.17. Its cash and cash equivalent as of December 31, 2019 was Baht 880 million, a decrease of Baht 262 million from the previous year due to the following activities:

• Net cash used from operations was Baht 1,761 million. Major changes were caused by the purchases of land for a future business expansion in development projects, project development cost, and work in process for both high-rise and low-rise developments.

• Net cash used in investing activities was Baht 170 million, due mainly to cash payment for the purchase of investment properties, the purchases of property, plant and equipment and the purchases of intangible asset.

• Net cash received from financing activities was Baht 1,676 million. The main inflows were long-term borrowings from financial institutions and the proceeds from the issuance of debentures during the year.

• Exchange loss on cash and cash equivalents was Baht 7 million.

Adequacy of Liquidity

Unit: Baht Million

Funding Sources as at year ended 2019	Facilities	Outstanding	Remaining
Short-term borrowings from financial institutions			
- Bills of exchange	4,000	3,780	220
- Promissory notes	10,916	4,937	5,979
Long-term borrowings from financial institutions	16,753	5,000	4,486
Debentures	14,000	8,495	5,505
Total	**45,669**	**22,212**	**16,190**

Portion	2019	2018
Short-term borrowings (%)	39	25
Long-term borrowings (%)	61	75
Total (%)	**100**	**100**

As at December 31, 2019, 61% of the Company's main funding sources were long-term borrowings. In 2019, the Company issued additional Baht 2,395 million of unsecured and unsubordinated, name-registered debentures without debenture holders' representative. The Company had the debentures outstanding of Baht 8,495 million which in accordance with the resolution of the Company's Annual General Shareholders Meeting held on 23 April 2017, which approved the issuance and sale of debentures for an aggregated amount not exceeding Baht 14,000 million. As at yearend 2019, the Company had outstanding debentures to be redeemed between the periods of 2020-2023. In addition, the other part of the Company's long-term funding came from long-term borrowings from financial institutions detailed as follow:

Contract No.	2019 Baht Million	Company	Borrowing Purpose	Borrowing Limit	Interest rate and repayment terms	Guarantees and collaterals
1	906	SC Asset Corporation Public Company Limited and V. Land Property Company Limited	Developing real estate projects for the periods ranging from 2 - 4 years	Baht 12,653 million 12 agreements (2018 : Baht 12,638 million 14 agreements)	- The interest is rate at MLR deduct fixed rate per annum and is payable on a monthly basis - The principal repayment at 70 % of selling price (depending on condition of each agreement) but not less than the amount specified by the commercial bank when the mortgage is released for the ownership right transfer to the purchaser.	a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio, and fire insurances for the construction must be made and benefits from such policies must be given to lenders as collaterals. b) Land together with constructions included in real estate development cost are pledged as collaterals.
2	3,500	SC Asset Corporation Public Company Limited	Working capital period not exceeding 3 - 5 years	Baht 3,500 million (2018 : Baht 3,500 million)	- The interest is fixed throughout the contract period and is payable at the end of each month. (Baht 2,500 million) - Fixed rate for the 1st year and for the 2nd - 5th at BIBOR 3 months plus fixed rate per annum. (Baht 1,000 million) - The principal is repayment at the end of the contract	a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio.
3	594	SC Asset Corporation Public Company Limited	Developing facilities and real estate construction SC Tower	Baht 600 million (2018 : Baht 600 million)	- Fixed rate for the 1st - 3nd years (4% per annum) and for the 4rd year onward at MLR deduct fixed rate per annum. The interest is payable on a monthly basis. - The repayment of principal must be made quarterly. The first installment shall be paid on the last day of the 39th month after the first withdrawal month. The Company must repay the principal within 150 months from the first withdrawal date.	a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio, and fire insurances for the construction must be made and benefits from such policies must be given to lenders as collaterals. b) The Company mortgaged Shinawatra Tower 1 and 2.
Total	5,000					

	2019	2018	Increase (Decrease)
Current ratio (Times)	2.17	2.34	(0.17)
Quick ratio (Times)	0.06	0.10	(0.04)

• Current ratio as of yearend 2019 was 2.17, decreased from the previous year. The major item in the Company's current assets was the real estate development cost, which increased from the previous year. The Company used its cash flow for acquisition of land, and development of its housing and condominium projects for sales of new launches aimed at supporting its future earnings growth.

• Quick ratio as of yearend 2019 was 0.06. The ratio was slightly lower than the previous year, caused by a decrease in cash and cash equivalents.

3.5 Capital Structure

	2019	2018	Increase (Decrease)
Debt to equity ratio (Times)	1.57	1.62	(0.05)
Interest cover ratio (Cash basis) (Times)	(0.66)	2.46	(10.39)
Cash flow coverage ratio (Cash basis) (Times)	(0.19)	0.06	(0.33)

• Debt to equity ratio as of the yearend 2019 was 1.57, showed a lower than that of yearend 2018. Under the current covenants of the Company's debenture and long-term borrowings from financial institutions, it is required to maintain its interest bearing debt to equity ratio at a level of no more than 2 for the entire duration of the debentures.

• Interest cover ratio (Cash basis) and Cash flow coverage ratio (Cash basis) as of yearend 2019 were -0.66 and -0.19, respectively. The ratios decreased from the prior year due to lower net cash flows from operating activities. In 2019, the Company had land acquisition expenditures for its future business expansion, project development costs, and construction in progress for high-rise and low-rise projects of more than 2018.

3.6 Contingent Liabilities

As of yearend 2019 and 2018, the Company had the following contingent liabilities relating to obligations from capital commitments:

Unit: Baht Million

Item	2019	2018
Capital expenditure in land for project development	3,193	1,891
Capital expenditure in property, plant and equipment and leasehold rights	6	14

The Company and its subsidiaries had the contingent liabilities relating to operating leases as lessee with the obligation to make lease payments for the following remaining period:

Unit: Baht Million

Operating Lease	2019	2018
Not later than 1 year	19	17
Later than 1 year but not later than 5 years	125	61
Later than 5 years	533	279
Total	**677**	**357**

3.7 Factors or circumstances which may impact the financial position or future operation

• Risk of higher development costs due to higher land prices. Land cost is a major element of the development costs of real estate projects. The prices of land have been consistently increasing, particularly in the central business districts (CBD). This price escalation may impact the proper cost structure for project development. The situation could also be intensified by shortage of labor due to the launching of major government capital investment plans.

It is the Company's policy to pursue a continual growth and stability strategy, so it always pays attention to its land acquisition schemes with appropriate advance planning that coincides with its upcoming development goals. The Company uses real estate agents as well as makes direct contact with land owners for its land acquisition. The Company also added online channel to contact with land sellers. Market survey, development planning, and feasibility studies are undertaken for each development plan. Land acquisition criteria are factors such as promising location, accessibility to public transportation network, close to major residential and commercial areas, and nearby public conveniences. All of these enable the Company's development projects to be well accepted by the market and its targeted clientele. In addition, the Company also adjusts its land acquisition strategy to suit present circumstances by selection of land choices in minor lanes in major residential areas rather than plots along the main roads of which their land prices are much higher. The Company also recognizes the importance of financial risk management by properly allocating its investment budget for land acquisition to coincide with its projected cash flow and revenue stream, as well as avoiding high levels of debt financing. The Company's financial strategies are well accepted by financial institutions that provides its financial support.

• There is a regulatory risk concerning the Bank of Thailand's new measures on real estate credit provided by financial institutions. The Bank of Thailand has reviewed its credit control for home financing by prescribing a minimum down payment for house purchase and enforcing a prescribed loan to value ratio for homebuyers who simultaneously have mortgage loans on two or more houses, and for mortgage loans of a residential unit with a price higher than Baht 10 million. If the second housing unit has a price lower than Baht 10 million, and the payment period of the loan for the first housing unit is more than 3 years, the homebuyer is required to put 10% in down payment. If the loan payment for the first housing unit is less than 3 years and the homebuyer applies for the mortgage loan of the second house of which the price is Baht 10 million up, the homebuyer is required to put 20% in down payment. For all the third housing units of any price, the required down payment is 30%. Furthermore, any other residential loans as well as any "top-up" credit will be included in the amount of

the requested mortgage loan if it shares the same collateral. These new measures will be enforced on 1 April 2019 and will only waived for the purchase contract that was entered into before 15 October 2018.

Nevertheless, the Company simultaneously develops residential real estate for sales which provide growth to the Company's revenues while engaging in the office rental business which generates a steady long-term flow of income to the Company. It is the Company's policy to create sustainable business growth. Low-rise developments account for around 60-70% and its cash flow and sales to construction management is easier to manage than condominium projects. Low-rise residential developments are purchased by homebuyers who intend to dwell in them Condominium projects involve a certain degree of investors who purchase for speculation. The Company's condominium projects have a rather low level of speculative purchases. The Company has expanded its development coverage area to Chachoengsao Province with the aim to benefit from the growth trend following the Eastern Economic Corridor (EEC) plan. The Company received well feed back and had higher than expected presales in this area. Additionally, as of 20 January 2020, the Bank of Thailand relaxed its new LTV measures by allowing first-time-homebuyers to obtain 100% finance of housing loans under Baht 10 million to acquire additional credit at the limit of 10% of their housing value to be used for decoration, repairs or alteration costs. For second home homebuyers, who were previously required to make payments for their first home for at least 3 years before they were entitled to pay only 10% of the housing value for down-payment of their second home, are currently allowed to make payments for their first home for at least 2 years to be entitled for the said 10% down-payment of their second home.

Future Plans

In 2020, the Company plans to launch 13 new projects with total estimated project value of Baht 16,000 million, details of which are as follows: (This information can be modified subject to changes in market circumstances).

Owner & Operator	Project Nature	Location	Launching Schedule	Project Value (Baht Million)	Progress
SC NNR-1	Condominium	Phaholyothin Rd.	1st half of the year	3,500	Under construction
VL	Housing Project	Tiwanon Rd.	1st half of the year	1,240	Under construction
SC	Housing Project	Vibhavadi Rd.	1st half of the year	100	Under development stage
SC	Housing Project	Vibhavadi Rd.	1st half of the year	420	Under construction
SC	Housing Project	Ngamwongwan Rd.	1st half of the year	620	Under construction
SC	Housing Project	Achariya Phasit 1 Rd.	1st half of the year	1,700	Under construction
SC	Housing Project	Chaiyapruek Rd.	1st half of the year	1,600	Under construction
SC	Housing Project	Kanchanaphisek Rd.	2nd half of the year	1,300	Under construction
SC	Housing Project	Sukhaphiban 2 Rd.	2nd half of the year	1,060	Under construction
SC	Housing Project	Phatthanakan 32 Rd.	2nd half of the year	1,250	Under development stage
UL	Housing Project	Tiwanon Rd.	2nd half of the year	1,100	Under construction
SC	Housing Project	Saimai Rd.	2nd half of the year	495	Under construction
SC	Housing Project	Kanchanaphisek - Bangbuathong Rd.	2nd half of the year	1,600	Under development stage

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of SC Asset Corporation Public Company Limited

My opinion

In my opinion, the consolidated financial statements of SC Asset Corporation Public Company Limited ("the Company") and its subsidiaries ("the Group") and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2019;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Valuation of investment properties. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
Valuation of investment properties Refer to note 15 of the financial statements. The management has recorded the investment properties at fair value which was calculated using the income approach model: discounted cash flow projections by independent professional valuers. The Group recognised changes in the fair value of investment properties as profit or loss in the consolidated statements of comprehensive income for the year. I focused on this area because fair value valuation models are complex and involve significant assumptions. Also, the information is subject to management's judgment. As of 31 December 2019, the management has estimated the fair value of the Group's investment properties to be Baht 5,538.69 million with a valuation gain for the year in the consolidated statements of comprehensive income of Baht 112.35 million for the year ended 31 December 2019. This came from a significant change in the assumption behind the cash outflow projection in relation to Land and Building tax. In determining a property's valuation, the valuers consider current property-specific information such as the existing tenancy agreements and rental income earned by assets. Assumptions in relation to the income approach mainly comprise the current rate of market rent, growth rate and discount rate, based on available market data and transactions, which have been applied to arrive at the valuation outcomes. I particularly focused on the reasonableness and impact of key assumptions, including: • the discounted cash flow projection derived from internal and external forecasts of and assumptions about the future performance to support the fair value of investment properties, and • the market rent, discount rate and growth rate, including the assessment of risk factors.	I examined management's valuation of investment properties, assessed the independent external valuers' competence and objectivity, and evaluated the discounted cash flow projection and the process by which they were drawn up. I tested the fair value calculations of the investment properties and checked on a sample basis for the accuracy and relevance of the input data and the appropriateness of the assumptions used in the discounted cash flow projection, such as: • comparing rental income earned by current assets and the current rate of tenancy agreements • assessing the appropriateness of the current rate of market rent and growth rate by comparing them to economic and property forecasts and the growth expectation of the nearby areas • examining the Land and Building tax rate used in cash outflow projections that it aligns with the current effective tax rate, and • considering the method used to calculate the discount rate and rates used in comparable industries. In performing this work, I used my auditor's expert to support my assessment of the reasonableness of the assumptions used by management. I found that the key assumptions used to calculate the fair value were supported by the available evidence and were in line with my expectations.

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.



Anothai Leekitwattana
Certified Public Accountant (Thailand) No. 3442
Bangkok
19 February 2020

Statement of Financial Position

SC Asset Corporation Public Company Limited
As at 31 December 2019

Unit: Baht

	Notes	Consolidated financial statements			Separate financial statements		
		31 December 2019	(Restated) 31 December 2018	(Restated) 1 January 2018	31 December 2019	(Restated) 31 December 2018	(Restated) 1 January 2018
Assets							
Current assets							
Cash and cash equivalents	7	880,137,390	1,141,621,797	1,062,512,496	580,761,425	772,368,139	823,670,165
Short-term investments	8	10,000,000	179,998,658	170,998,897	-	159,998,658	129,998,897
Trade and other receivables, net	9	179,968,099	115,451,754	129,573,162	229,223,069	154,423,990	127,252,039
Short-term loans to a related party	34.4	52,600,000	-	-	171,530,100	187,569,600	1,123,139,512
Real estate development cost	10	33,906,385,016	32,188,632,728	28,236,294,728	26,989,832,123	26,553,031,723	25,819,180,695
Deposits for land		1,145,563,848	322,644,400	1,023,791,620	1,068,827,648	104,564,900	448,758,788
Advance for construction work and materials		217,745,203	244,132,514	359,340,006	76,911,707	234,719,388	354,898,532
Other current assets		48,721,181	45,083,331	12,441,068	41,026,023	33,664,248	12,140,253
Total current assets		36,441,120,737	34,237,565,182	30,994,951,977	29,158,112,095	28,200,340,646	28,839,038,881
Non-current assets							
Trade receivable due more than one year	11	4,539,580	25,545,180	27,189,180	4,539,580	25,545,180	27,189,180
Land awaiting for development		369,783,859	231,412,859	231,412,859	369,783,859	231,412,859	231,412,859
Investments in subsidiaries	12	-	-	-	885,739,800	874,739,860	797,999,870
Interests in joint venture, net	13	613,138,156	658,096,118	-	659,999,980	659,999,980	-
Other long-term investments	14	6,500,000	40,000,000	40,000,000	-	-	-
Long-term loan to related parties	34.4	-	-	-	2,799,708,512	2,533,229,012	545,000,000
Investment properties, net	15	5,538,691,670	5,371,062,657	5,234,246,473	4,579,589,494	4,427,417,972	4,302,491,000
Property, plant and equipment, net	16	1,134,363,739	1,075,024,298	1,025,258,119	1,073,264,938	996,257,798	1,013,046,007
Intangible assets, net	17	67,001,477	40,784,761	26,883,336	64,500,087	40,516,440	26,541,798
Leasehold rights, net	18	867,346,913	901,137,045	934,927,178	826,925,757	857,370,371	887,814,985
Other non-current assets		40,228,855	39,535,040	22,040,542	31,188,006	30,006,592	20,007,531
Total non-current assets		8,641,594,249	8,382,597,958	7,541,957,687	11,295,240,013	10,676,496,064	7,851,503,230
Total assets		45,082,714,986	42,620,163,140	38,536,909,664	40,453,352,108	38,876,836,710	36,690,542,111

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Financial Position

SC Asset Corporation Public Company Limited
As at 31 December 2019

Unit: Baht

	Notes	Consolidated financial statements			Separate financial statements		
		31 December 2019	(Restated) 31 December 2018	(Restated) 1 January 2018	31 December 2019	(Restated) 31 December 2018	(Restated) 1 January 2018
Liabilities and equity							
Current liabilities							
Short-term borrowings from financial institutions	20	8,697,140,036	4,870,368,004	5,668,849,396	6,265,760,403	4,870,368,004	5,408,849,396
Trade and other payables	22	1,225,908,984	2,561,166,133	542,679,750	804,259,910	586,278,265	330,471,255
Accrued expenses		1,446,370,167	1,264,784,081	1,494,072,807	1,314,144,406	1,149,532,924	1,385,861,455
Advances received from customers		648,336,755	873,974,645	1,014,677,892	522,145,669	856,725,074	978,332,468
Current portion of long-term borrowings							
- Long-term borrowings from financial institutions	21	1,348,304,554	1,736,678,394	438,590,090	1,285,753,354	1,484,347,394	384,985,650
- Debentures	21	2,900,000,000	2,800,000,000	2,525,000,000	2,900,000,000	2,800,000,000	2,525,000,000
- Financial lease liabilities	21	2,435,314	2,768,353	2,281,502	1,308,613	1,146,133	731,371
Current portion of deferred leasehold revenue	23	796,979	2,328,213	5,123,525	533,280	533,280	533,280
Income tax payable		256,760,260	172,468,794	155,025,725	217,711,908	136,682,866	129,283,883
Other current liabilities		301,455,864	317,603,034	258,337,057	250,699,217	283,656,566	227,812,691
Total current liabilities		16,827,508,913	14,602,139,651	12,104,637,744	13,562,316,760	12,169,270,506	11,371,861,449
Non-current liabilities							
Long-term borrowings from financial institutions	21	3,651,450,000	4,338,750,000	4,100,000,000	3,566,250,000	4,338,750,000	4,100,000,000
Debentures	21	5,595,000,000	6,100,000,000	6,200,000,000	5,595,000,000	6,100,000,000	6,200,000,000
Financial lease liabilities	21	901,540	3,356,309	5,295,127	709,186	2,037,254	2,353,852
Deferred leasehold revenue	23	1,408,545	2,205,523	4,449,036	1,408,545	1,941,825	2,475,105
Rental and rendering of service deposits		169,053,507	170,478,867	146,922,268	145,879,581	146,060,226	143,305,527
Construction retention		426,067,187	381,592,457	302,504,970	378,441,957	341,148,685	275,916,278
Deferred tax liabilities, net	19	572,030,928	608,663,163	580,820,750	554,186,155	533,919,952	511,669,030
Employee benefit obligations	24	271,430,002	162,518,954	149,680,993	250,388,135	155,634,575	145,618,962
Other non-current liabilities		11,296,662	11,245,762	11,208,948	6,540,662	6,540,662	6,548,248
Total non-current liabilities		10,698,638,371	11,778,811,035	11,500,882,092	10,498,804,221	11,626,033,179	11,387,887,002
Total liabilities		27,526,147,284	26,380,950,686	23,605,519,836	24,061,120,981	23,795,303,685	22,759,748,451

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Financial Position

SC Asset Corporation Public Company Limited
As at 31 December 2019

Unit: Baht

	Notes	Consolidated financial statements			Separate financial statements		
		31 December 2019	(Restated) 31 December 2018	(Restated) 1 January 2018	31 December 2019	(Restated) 31 December 2018	(Restated) 1 January 2018
Equity							
Share capital	27						
Authorised share capital							
Ordinary shares, 4,379,332,012							
shares of par Baht 1.00 each		4,379,332,012	4,379,332,012	4,379,332,012	4,379,332,012	4,379,332,012	4,379,332,012
Issued and paid-up share capital							
Ordinary shares, 4,179,332,012							
shares of paid-up Baht 1.00 each		-	-	4,179,332,012	-	-	4,179,332,012
Ordinary shares, 4,179,624,512							
shares of paid-up Baht 1.00 each		4,179,624,512	4,179,624,512	-	4,179,624,512	4,179,624,512	-
Premiums on share capital	27	319,356,787	319,356,787	318,564,112	319,356,787	319,356,787	318,564,112
Other components of equity		15,837,580	12,996,686	2,210,190	23,751,316	13,842,466	2,210,190
Retained earnings							
Appropriated - legal reserve	28	437,933,202	437,933,202	437,933,202	437,933,202	437,933,202	437,933,202
Unappropriated		12,612,607,743	11,289,454,668	9,991,129,092	11,431,565,310	10,130,776,058	8,992,754,144
Equity attributable to owners							
of the parent		17,565,359,824	16,239,365,855	14,929,168,608	16,392,231,127	15,081,533,025	13,930,793,660
Non-controlling interests		(8,792,122)	(153,401)	2,221,220	-	-	-
Total equity		17,556,567,702	16,239,212,454	14,931,389,828	16,392,231,127	15,081,533,025	13,930,793,660
Total liabilities and equity		45,082,714,986	42,620,163,140	38,536,909,664	40,453,352,108	38,876,836,710	36,690,542,111

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Comprehensive Income

SC Asset Corporation Public Company Limited
For the year ended 31 December 2019

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2019	(Restated) 2018	2019	(Restated) 2018
Revenues					
Revenue from sales		16,771,487,466	14,613,432,327	14,864,695,567	12,851,122,020
Revenue from rental and rendering services		801,137,464	831,631,469	687,507,548	704,502,411
Revenue from consulting and management services		63,933,639	1,699,476	106,995,013	15,900,000
Total revenues		17,636,558,569	15,446,763,272	15,659,198,128	13,571,524,431
Cost					
Cost of sales		(11,493,366,319)	(9,942,598,087)	(10,234,649,509)	(8,810,823,889)
Cost of rental and rendering services		(327,023,541)	(319,812,929)	(297,108,801)	(287,988,799)
Cost of consulting and management services		(25,795,343)	(900,000)	(38,309,322)	(15,543,243)
Total cost		(11,846,185,203)	(10,263,311,016)	(10,570,067,632)	(9,114,355,931)
Gross profit		5,790,373,366	5,183,452,256	5,089,130,496	4,457,168,500
Other income	30	37,857,368	31,443,741	141,044,581	119,693,817
Gain (loss) from fair value adjustment and write-off of investment property		112,310,871	(691,909)	96,872,379	(12,581,121)
Dividend income	34.1	-	-	150,014,982	143,999,981
Selling expenses		(1,382,794,446)	(1,271,496,444)	(1,196,712,090)	(1,129,525,029)
Administrative expenses		(1,868,998,578)	(1,567,165,297)	(1,606,746,336)	(1,414,336,461)
Finance costs		(146,281,830)	(98,129,190)	(204,057,440)	(138,414,391)
Share of loss of joint venture	13	(14,641,113)	(1,903,862)	-	-
Profit before income tax expense		2,527,825,638	2,275,509,295	2,469,546,572	2,026,005,296
Income tax expense	32	(511,763,491)	(483,205,811)	(472,568,884)	(386,430,853)
Profit for the year		2,016,062,147	1,792,303,484	1,996,977,688	1,639,574,443

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Comprehensive Income

SC Asset Corporation Public Company Limited
For the year ended 31 December 2019

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2019	(Restated) 2018	2019	(Restated) 2018
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations	24	(43,264,096)	-	(34,314,863)	-
Income tax on item that will not be reclassified to profit or loss	32	8,652,819	-	6,862,973	-
Total items that will not be reclassified to profit or loss		(34,611,277)	-	(27,451,890)	-
Item that will be reclassified subsequently to profit or loss					
Currency translation differences		(7,067,956)	(845,780)	-	-
Total item that will be reclassified subsequently to profit or loss		(7,067,956)	(845,780)	-	-
Other comprehensive income, net of tax		(41,679,233)	(845,780)	(27,451,890)	-
Total comprehensive income for the year		1,974,382,914	1,791,457,704	1,969,525,798	1,639,574,443
Profit attributable to:					
Owners of the parent		2,026,423,982	1,799,878,105	1,996,977,688	1,639,574,443
Non-controlling interests		(10,361,835)	(7,574,621)	-	-
		2,016,062,147	1,792,303,484	1,996,977,688	1,639,574,443
Total comprehensive income attributable to:					
Owners of the parent		1,984,821,665	1,799,032,325	1,969,525,798	1,639,574,443
Non-controlling interests		(10,438,751)	(7,574,621)	-	-
		1,974,382,914	1,791,457,704	1,969,525,798	1,639,574,443
Earnings per share	33				
Basic earnings per share (Baht per share)		0.4848	0.4306	0.4778	0.3923

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Changes in Equity

SC Asset Corporation Public Company Limited For the year ended 31 December 2019

	Notes	Consolidated financial statements (Baht)								
		Attributable to owners of the parent								
		Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity		Equity attributable to owners of the parent	Non-controlling interests	Total equity
				Appropriated - legal reserve	Unappropriated	Warrants	Translation on financial statements			
Opening balance at 1 January 2018		4,179,332,012	318,564,112	437,933,202	9,975,166,939	2,210,190	-	14,913,206,455	2,221,220	14,915,427,675
Effect from changes in accounting policies	2	-	-	-	15,962,153	-	-	15,962,153	-	15,962,153
Opening balance at 1 January 2018 (Restated)		4,179,332,012	318,564,112	437,933,202	9,991,129,092	2,210,190	-	14,929,168,608	2,221,220	14,931,389,828
Change in equity for the year 2018										
Additional ordinary shares	27	292,500	792,675	-	-	-	-	1,085,175	-	1,085,175
Dividend paid	29	-	-	-	(501,552,529)	-	-	(501,552,529)	-	(501,552,529)
Warrants	26	-	-	-	-	11,632,276	-	11,632,276	-	11,632,276
Total comprehensive income for the year		-	-	-	1,799,878,105	-	(845,780)	1,799,032,325	(7,574,621)	1,791,457,704
Proceeds from increase in non-controlling interests		-	-	-	-	-	-	-	5,200,000	5,200,000
Closing balance at 31 December 2018		4,179,624,512	319,356,787	437,933,202	11,289,454,668	13,842,466	(845,780)	16,239,365,855	(153,401)	16,239,212,454
Opening balance at 1 January 2019		4,179,624,512	319,356,787	437,933,202	11,255,357,041	13,842,466	(845,780)	16,205,268,228	(153,401)	16,205,114,827
Effect from changes in accounting policies	2	-	-	-	34,097,627	-	-	34,097,627	-	34,097,627
Opening balance at 1 January 2019 (Restated)		4,179,624,512	319,356,787	437,933,202	11,289,454,668	13,842,466	(845,780)	16,239,365,855	(153,401)	16,239,212,454
Change in equity for the year 2019										
Dividend paid	29	-	-	-	(668,736,546)	-	-	(668,736,546)	-	(668,736,546)
Warrants	26	-	-	-	-	9,908,850	-	9,908,850	-	9,908,850
Total comprehensive income for the year		-	-	-	1,991,889,621	-	(7,067,956)	1,984,821,665	(10,438,751)	1,974,382,914
Proceeds from increase in non-controlling interests		-	-	-	-	-	-	-	1,800,030	1,800,030
Closing balance at 31 December 2019		4,179,624,512	319,356,787	437,933,202	12,612,607,743	23,751,316	(7,913,736)	17,565,359,824	(8,792,122)	17,556,567,702

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Changes in Equity

SC Asset Corporation Public Company Limited For the year ended 31 December 2019

	Notes	Separate financial statements (Baht)					
		Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity Warrants	Total equity
				Appropriated - legal reserve	Unappropriated		
Opening balance at 1 January 2018		4,179,332,012	318,564,112	437,933,202	8,975,398,124	2,210,190	13,913,437,640
Effect from changes in accounting policies	2	-	-	-	17,356,020	-	17,356,020
Opening balance at 1 January 2018 (Restated)		4,179,332,012	318,564,112	437,933,202	8,992,754,144	2,210,190	13,930,793,660
Change in equity for the year 2018							
Additional ordinary shares	27	292,500	792,675	-	-	-	1,085,175
Dividend paid	29	-	-	-	(501,552,529)	-	(501,552,529)
Warrants	26	-	-	-	-	11,632,276	11,632,276
Total comprehensive income for the year		-	-	-	1,639,574,443	-	1,639,574,443
Closing balance at 31 December 2018		4,179,624,512	319,356,787	437,933,202	10,130,776,058	13,842,466	15,081,533,025
Opening balance at 1 January 2019		4,179,624,512	319,356,787	437,933,202	10,095,954,421	13,842,466	15,046,711,388
Effect from changes in accounting policies	2	-	-	-	34,821,637	-	34,821,637
Opening balance at 1 January 2019 (Restated)		4,179,624,512	319,356,787	437,933,202	10,130,776,058	13,842,466	15,081,533,025
Change in equity for the year 2019							
Dividend paid	29	-	-	-	(668,736,546)	-	(668,736,546)
Warrants	26	-	-	-	-	9,908,850	9,908,850
Total comprehensive income for the year		-	-	-	1,969,525,798	-	1,969,525,798
Closing balance at 31 December 2019		4,179,624,512	319,356,787	437,933,202	11,431,565,310	23,751,316	16,392,231,127

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Cash Flows

SC Asset Corporation Public Company Limited
For the year ended 31 December 2019

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2019	(Restated) 2018	2019	(Restated) 2018
Cash flows from operating activities					
Profit before income tax expenses		2,527,825,638	2,275,509,295	2,469,546,572	2,026,005,296
Adjustments for:					
Dividend received from subsidiary	34.1	-	-	(150,014,982)	(143,999,981)
Depreciation of property, plant and equipment	16	78,437,899	96,737,885	65,025,285	94,534,763
Amortisation of intangible assets	17	10,171,820	7,088,208	9,874,249	7,000,653
Share of loss of joint venture	13	44,957,962	1,903,862	-	-
Loss from fair value adjustment in short-term investments	8	(1,342)	239	(1,342)	239
Unrealised loss from exchange rate	34.4	-	-	5,229,500	1,890,400
(Gain) loss from fair value adjustment on investment property	15	(112,351,538)	(10,351,952)	(96,913,046)	1,537,260
Loss from write-off of investment properties		40,667	11,043,861	40,667	11,043,861
Loss from disposal of property, plant and equipment		1,143,831	13,660,237	1,143,831	13,672,117
Loss on impairment of property, plant and equipment	16	-	1,873,913	-	-
Loss on write-down of real estate development cost	10	30,863,192	-	-	-
Loss on impairment of other long-term investment	14	33,500,000	-	-	-
Gain from disposal of intangible asset		(499)	-	(499)	-
Amortisation of leasehold rights	18	33,790,132	33,790,133	30,444,614	30,444,614
Revenue from amortised leasehold rights	23	(2,328,212)	(5,038,825)	(533,280)	(533,280)
Employee benefit obligations	24	65,646,952	20,682,961	60,438,697	17,860,613
Share-base payment reserve	26	9,908,850	11,632,276	9,908,850	11,632,276
Financial cost		146,281,830	98,129,190	204,057,440	138,414,391
		2,867,887,182	2,556,661,283	2,608,246,556	2,209,503,222
Changes in working capital:					
- trade and other receivables		(43,510,745)	15,765,408	(53,793,479)	(25,527,951)
- real estate development cost		(180,526,691)	(2,446,019,431)	381,132,118	145,273,551
- deposits for land		(1,145,563,848)	(322,644,400)	(1,068,827,648)	(104,564,900)
- advance for construction work and materials		26,387,311	115,207,492	157,807,681	120,179,144
- other current assets		(3,637,850)	(32,642,263)	(7,361,775)	(21,523,995)

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Cash Flows

SC Asset Corporation Public Company Limited
For the year ended 31 December 2019

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2019	(Restated) 2018	2019	(Restated) 2018
- other non-current assets		(693,815)	(17,494,498)	(1,181,414)	(9,999,061)
- trade and other payables		(2,017,102,104)	2,018,486,383	(147,516,323)	255,807,010
- accrued expenses		178,556,469	(240,360,613)	161,762,026	(247,394,804)
- advances received from customers		(225,637,890)	(140,703,247)	(334,579,405)	(121,607,394)
- other current liabilities		(16,147,170)	59,265,977	(32,957,349)	55,843,875
- rental and rendering of service deposits		(1,425,360)	23,556,599	(180,645)	2,754,699
- construction retention		44,474,730	79,087,487	37,293,272	65,232,407
- employee benefit obligations	24	-	(7,845,000)	-	(7,845,000)
- other non-current liabilities		50,900	36,814	-	(7,586)
Cash flows (used in) generated from operating activities		(516,888,881)	1,660,357,991	1,699,843,615	2,316,123,217
Interest paid		(788,829,612)	(676,262,105)	(682,065,034)	(664,391,762)
Income tax		(455,451,441)	(437,920,329)	(364,410,666)	(356,780,948)
Net cash (used in) generated from operating activities		(1,761,169,934)	546,175,557	653,367,915	1,294,950,507
Cash flows from investing activities					
Cash receipt (payment) for short-term investment	8	170,000,000	(9,000,000)	160,000,000	(30,000,000)
Cash (payment) receipt from short-term loan to related parties	34.4	(52,600,000)	-	10,810,000	933,679,512
Cash payment from long-term loan to related parties	34.4	-	-	(266,479,500)	(1,988,229,012)
Dividend received from subsidiary	34.1	-	-	150,014,982	143,999,981
Purchase of investment properties	15	(60,705,742)	(54,225,229)	(60,686,743)	(54,225,229)
Purchase of property, plant and equipment		(192,515,618)	(141,751,937)	(144,376,239)	(71,120,514)
Purchase of intangible asset		(36,388,539)	(20,989,633)	(33,857,899)	(20,975,295)
Proceeds from write-off of investment properties		4,000	39,136	4,000	39,136
Proceeds from sales of property, plant and equipment		2,585,012	4,028,576	1,199,983	4,016,696
Proceeds from sales of intangible asset		502	-	502	-
Cash payment for investment in joint venture	13	-	(659,999,980)	-	(659,999,980)
Cash payment for investment in a subsidiaries	12	-	-	(10,999,940)	(76,739,990)
Net cash used in investing activities		(169,620,385)	(881,899,067)	(194,370,854)	(1,819,554,695)

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Cash Flows

SC Asset Corporation Public Company Limited
For the year ended 31 December 2019

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2019	(Restated) 2018	2019	(Restated) 2018
Cash flows from financing activities					
Proceeds received (paid) for short-term loans from financial institutions		3,826,772,032	(798,481,392)	1,395,392,399	(538,481,392)
Proceeds from long-term loans from financial institutions	21	4,569,850,000	5,384,470,000	4,046,500,000	4,632,300,000
Cash receipt for issuing of debentures	21	2,395,000,000	2,700,000,000	2,395,000,000	2,700,000,000
Proceeds from issue of ordinary shares		-	1,085,175	-	1,085,175
Cash received from non-controlling interests		1,800,030	5,200,000	-	-
Repayment of long-term loans from financial institutions	21	(5,645,523,840)	(3,847,631,696)	(5,017,594,040)	(3,294,188,256)
Payment for liabilities under long-term lease contracts	21	(2,787,808)	(2,410,967)	(1,165,588)	(860,836)
Payment for redemption of debentures	21	(2,800,000,000)	(2,525,000,000)	(2,800,000,000)	(2,525,000,000)
Dividend paid	29	(668,736,546)	(501,552,529)	(668,736,546)	(501,552,529)
Net cash generated from (used in) financing activities		1,676,373,868	415,678,591	(650,603,775)	473,302,162
Net (decrease) increase in cash and cash equivalents		(254,416,451)	79,955,081	(191,606,714)	(51,302,026)
Cash and cash equivalents at 1 January		1,141,621,797	1,062,512,496	772,368,139	823,670,165
Exchange loss on cash and cash equivalents		(7,067,956)	(845,780)	-	-
Cash and cash equivalents at 31 December		880,137,390	1,141,621,797	580,761,425	772,368,139
Non-cash transactions					
Significant non-cash transactions for the year ended 31 December are as follows:					
- Transferred land deposits to real estate development cost		322,644,400	1,023,791,620	104,564,900	448,758,788
- Acquisition of property, plant and equipment under financial lease contracts	21	-	959,000	-	959,000
- Transferred property, plant and equipment to real estate development cost		51,009,435	-	-	-
- Transferred real estate development cost to investment properties		1,283,522	88,542,000	1,283,522	88,542,000
- Transferred real estate development cost to land awaiting for development		138,371,000	-	138,371,000	-
- Transferred investment properties to real estate development cost		6,620,000	5,220,000	6,620,000	5,220,000
- Transferred investment properties to property, plant and equipment		47,122	-	47,122	-
- Transferred real estate development cost to property, plant and equipment		-	23,355,853	-	23,355,853
- Land cost payable		681,844,955	-	365,497,968	-

The accompanying notes are an integral part of these consolidated and separate financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

SC Asset Corporation Public Company Limited
For the year ended 31 December 2019

1. General information

SC Asset Corporation Public Company Limited ("the Company") is a public limited company incorporated and resident in Thailand. The address of the Company's registered office is as follows:

1010 Vibhavadi Rangsit road, Chatuchak, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as "the Group".

The principal business operations of the Group are real estate development for sale and rental, including services management.

These Group consolidated financial statements were authorised for issue by the Board of Directors on 19 February 2020.

2. Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 4.

2.2 New and amended financial reporting standards that are relevant and have significant impacts to the Group

2.2.1 The Group has applied the following standard and amendments for the first time for their annual reporting commencing 1 January 2019

a) Thai Financial Reporting Standard no.15 (TFRS 15), Revenue from contracts with customers

The standard provides principle and approach of revenue recognition under five-step process. The underlying principle is that the Group will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It replaces the principles of transferring the significant risks and rewards of ownership of the goods or services to the buyer in accordance with TAS 11, Construction contracts, TAS 18, Revenue and related interpretations.

The Group has adopted the new TFRS 15, Revenue from contracts with customers from 1 January 2019 by applying the new standard retrospectively and have restated comparatives for the prior year presented (full retrospective approach). The Group did not apply practical expedient relates to completed contracts and contract modifications as allowed by TFRS 15.

The following tables show the adjustments made to the amounts recognised in each financial statement line item upon adoption of TFRS 15.

Unit: Baht

Statement of financial position	Consolidated financial statement					
	As at 31 December 2018			As at 1 January 2018		
	Previously reported	Adjustments	Restated	Previously reported	Adjustments	Restated
Trade and other receivables, net	69,100,744	46,351,010	115,451,754	90,825,285	38,747,877	129,573,162
Accrued expenses	1,307,870,971	(43,086,890)	1,264,784,081	1,534,062,565	(39,989,758)	1,494,072,807
Advances received from customers	827,158,779	46,815,866	873,974,645	955,892,948	58,784,944	1,014,677,892
Deferred tax liabilities, net	600,138,756	8,524,407	608,663,163	576,830,212	3,990,538	580,820,750
Retained earnings - Unappropriated	11,255,357,041	34,097,627	11,289,454,668	9,975,166,939	15,962,153	9,991,129,092

Unit: Baht

Statement of financial position	Separate financial statement					
	As at 31 December 2018			As at 1 January 2018		
	Previously reported	Adjustments	Restated	Previously reported	Adjustments	Restated
Trade and other receivables, net	108,072,980	46,351,010	154,423,990	88,504,161	38,747,878	127,252,039
Accrued expenses	1,190,694,255	(41,161,331)	1,149,532,924	1,422,144,122	(36,282,667)	1,385,861,455
Advances received from customers	812,739,779	43,985,295	856,725,074	924,996,948	53,335,520	978,332,468
Deferred tax liabilities, net	525,214,543	8,705,409	533,919,952	507,330,025	4,339,005	511,669,030
Retained earnings - Unappropriated	10,095,954,421	34,821,637	10,130,776,058	8,975,398,124	17,356,020	8,992,754,144

Unit: Baht

Statement of comprehensive income	Consolidated financial statement		
	For the year ended 31 December 2018		
	Previously reported	Impacts from TFRS 15	Restated
Revenue from sales	14,782,631,241	(169,198,914)	14,613,432,327
Cost of sales	(9,867,127,621)	(75,470,466)	(9,942,598,087)
Selling expenses	(1,538,835,166)	267,338,722	(1,271,496,444)
Income tax expense	(478,671,943)	(4,533,868)	(483,205,811)

Unit: Baht

Statement of comprehensive income	Separate financial statement		
	For the year ended 31 December 2018		
	Previously reported	Impacts from TFRS 15	Restated
Revenue from sales	13,003,440,554	(152,318,534)	12,851,122,020
Cost of sales	(8,742,247,042)	(68,576,847)	(8,810,823,889)
Selling expenses	(1,372,252,431)	242,727,402	(1,129,525,029)
Income tax expense	(382,064,449)	(4,366,404)	(386,430,853)

The adjustment made upon adoption of TFRS 15 are mainly attributable to:

- contract liabilities totalling of Baht 46.82 million that, under TFRS 15, would have resulted in later revenue recognition.

The adoption of TFRS 15 mainly affects the Group's accounting treatment as follows;

Accounting for increment costs of obtaining a contract

In 2018, the Group expensed commission fee amounting to Baht 70.03 million, which related to an obtaining of a contract, as incurred. The costs related directly to the contract are expected to be recovered. They were therefore capitalised as costs of obtaining a contract and presented as Trade and other receivables, net in the statement of financial position of Baht 18.84 million as of 1 January 2019 following the TFRS 15. The asset is amortised in consistent with revenue recognition pattern.

b) Thai Financial Reporting Standard no.2 (TFRS 2) (revised 2018), Share-based payment

The amendments made to TFRS 2 clarify:

- the measurement basis for cash-settled share-based payments; and
- the accounting for modifications that change an award from cash-settled to equity-settled.

They also introduce an exception to the classification principles in TFRS 2. Where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority, the whole amount will be treated as if it is equity-settled. Previously the tax portion was accounted for as cash-settled.

c) Thai Accounting Standard no.28 (revised 2018), Investments in associates and joint ventures

The amendment clarifies that the election by venture capital organisations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition.

d) Thai Accounting Standard no.40 (revised 2018), Investment property

The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer.

e) Thai Financial Reporting Interpretation no.22 (TFRIC 22), Foreign currency transactions and advance consideration

TFRIC 22 clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

2.2.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2020.

The Group assess the impact of adoption the new and amended Thai Financial Reporting Standards which are not mandatory for current period end 31 December 2019 as follows:

a) Financial instruments

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These new standards address the classification, measurement, derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

The Group has not early adopted the new Thai Financial Reporting Standards which are effective for the period beginning on or after 1 January 2020. The Group's management is currently assessing the impact of initial adoption of these standards.

b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

The Group has not early adopted the new Thai Financial Reporting Standard which is effective for the period beginning on or after 1 January 2020. The Group's management is currently assessing the impact of initial adoption of these standards.

c) Other new/amended standards

The new and amended financial reporting standards that will have significant impact on the Group are:

TAS 12	Income tax
TAS 19	Employee benefits
TAS 23	Borrowing cost
TAS 28	Investments in associates and joint ventures
TFRS 9	Financial instruments
TFRS 11	Joint arrangements
TFRIC 23	Uncertainty over income tax treatments

Amendment to TAS 12, Income tax - clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement) - clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

Amendment to TAS 23, Borrowing costs - clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

Amendment to TAS 28, Investments in associates and joint ventures (long-term interests in associates and joint ventures) - clarified the accounting for long-term interests in an associate or joint venture, which is in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under TFRS 9, Financial instruments before applying the loss allocation and impairment requirements in TAS 28, Investments in associates and joint ventures.

Amendment to TFRS 9, Financial instruments (prepayment features with negative compensation) - enabling entities to measure certain prepayable financial assets with negative compensation at amortised cost instead of fair value through profit or loss. These assets include some loan and debt securities. To qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model.

Amendment to TFRS 11, Joint arrangements - clarified that the party obtaining joint control of a business that is a joint operation should not emeasure its previously held interest in the joint operation.

TFRIC 23, Uncertainty over income tax treatments - explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored.
- that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- That the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Group has not early adopted the new and amended Thai Financial Reporting Standards which are effective for the period beginning on or after 1 January 2020. The Group's management is currently assessing the impact of adoption of these standards.

2.3 Principles of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting in the consolidated financial statements.

In the separate financial statements, investments in associates are accounted for using cost method.

Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method in the consolidated financial statements.

In the separate financial statements, investments in joint ventures are accounted for using cost method.

Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures including any long-term interests, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

2.4 Foreign currency translation

Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's and the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from foreign currency transactions of monetary assets and liabilities are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

2.5 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statements of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.6 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within administrative expenses.

2.7 Real estate development costs including properties under development

Real estate development costs including properties under development are those properties which are held with the intention of development and sale in the ordinary course of business. They are measured the lower of cost or net realisable value. Cost consists of land cost, expenses directly related to the project (design expense, public utilities expense, construction cost) and borrowing cost on loans funding a development property capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development. Net realisable value being the estimated sale value in the course of normal business less by necessary expenses for such sale.

2.8 Investments in debt and equity securities

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

Trading and available-for-sale investments

Trading investments and available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income and are subsequently reclassified to profit or loss when the investment is disposed.

Held-to-maturity investments

Held-to-maturity investments are carried at amortised cost using the effective interest method less impairment.

General investments

General investments are carried at cost less impairment.

Disposal of investments

On a disposal of an investment, the difference between the net disposal proceeds and the carrying amount (including cumulative changes in fair value recognised in equity) is recognised to the profit or loss. When the Group disposes an investment partially, the carrying amount of the disposed part is determined by the weighted average method.

2.9 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

After initial recognition, investment property is carried at fair value. Fair value is calculated using the estimated discount cash flows of the rental fee under the present leases agreements, including future rental fee under the current market condition and net from any expense cash flow anticipated to incur from real estate, or based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as of the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of leasehold land classified as investment property; others, including contingent rent payments, are not recognised in the financial statements.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those that a rational market participant would take into account when determining the value of the property.

Changes in fair values are recognised in profit or loss. Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in profit or loss within net gain from fair value adjustment on investment property.

2.10 Property, plant and equipment

Land is stated at cost. Plant and equipment are stated at cost less by accumulated depreciation and loss of value impairment (if any).

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Land Improvements	5 years
Buildings and Construction	2 - 50 years
Furniture and Fixtures	5 years
Office Equipment	3 - 10 years
Other Fixed Assets	3 - 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.13).

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Intangible asset

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 5 and 10 years.

2.12 Leasehold right

Leasehold right is consisted of the contractual right to obtain the leasehold right and the construction cost of the building on the said lease land which was operating lease bearing the condition to transfer the ownership of the said building to the landlord when the construction is completed and the leasing period is expired which held as prepaid lease payments of the compensation from the beneficial usage of the said land and building. It would be gradually amortised as cost of rental on the straight-line method under the beneficial life of the said right over the lease term.

2.13 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.14 Land awaiting for development

Land awaiting for development are consisted of cost of land and expenses directly related shown at cost net from accumulated allowance for impairment (if any).

2.15 Long-term lease

Where a Group company is the lessee

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

Where a Group company is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.16 Borrowings

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2.17 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

2.18 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.19 Employee benefits

2.19.1 Short-term employee benefits

Liabilities for short-term employee benefits such as salaries, wages, bonuses and contributions to Social Security Fund as expense when incurred. That are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

2.19.2 Defined contribution plans

The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

2.19.3 Retirement benefits

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually depends on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plan is the present value of the define benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise and are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

2.20 Share-base payment

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- Including any market performance conditions;
- Excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- Including the impact of any non-vesting conditions.

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

At the end of each reporting period, the Group reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

The Company issues new shares when the options are exercised. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

The option granted by the Company to the employees of subsidiary(ies) is treated as a capital contribution.

2.21 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.22 Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

2.23 Revenue recognition

Revenue excludes value added taxes or other sales taxes and is arrived at after deduction of trade discounts with the details are as follows:

2.23.1 Revenues from sales of houses together with land and revenues from sales of condominium units are recognised when control over the property has been transferred to the customer. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer.

2.23.2 The Group recognised service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.

2.23.3 Revenues from other rental and rendering of services, consulting and management services are recognised by accrual basis at the rate specified in the agreement.

2.23.4 Interest income and other revenues are recognised by accrual basis. Dividend income is recognised to receive payments is established.

2.24 Cost of sales and other expenses recognition

2.24.1 In calculating cost of sales for houses together with land and condominium units, the Group appropriates all estimated development costs (based on actual costs) to houses together with land and condominium units sold according to saleable areas and then recognising it as cost of sales in the statement of comprehensive income according to the revenues from sales already recognised.

The Group recognised the loss from the decrease of the real estate project's value (if applicable) under profit or loss for the year.

2.24.2 Costs of rental and rendering of services, consulting and management services and other expenses are recognised by accrual basis.

2.24.3 Incremental costs of obtaining a contract, the Group capitalises incremental costs of obtaining a contract (mainly sales commission to third parties and to employees) and amortised to selling expenses in the same pattern of related revenue recognition.

2.25 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.26 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of director that makes strategic decisions.

3. Financial risk management

3.1 Financial risk factors

The Group exposes to a variety of financial risks: market risk (currency risk, fair value risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The board of directors provides written principles for overall risk management which is carried out by a central treasury department (the Group treasury), including identification, evaluation and hedge of financial risks in close co-operation with operating units.

3.1.1 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that contracts are made with customers who have an appropriate credit history, limiting customers' credit limit.

Deposits are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any one financial institution.

3.1.2 Liquidity risk

The Group manages sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions.

3.1.3 Interest rate risk

The Group has interest rate risk from borrowings and debentures at fixed and floating interest rates. The Group has no significant interest-bearing assets. However, the Group considers that it is not necessary to hedge such interest rate risk, as the management believes that future movements in interest rate will not materially affect the Group's operating results.

3.1.4 Exchange rate risk

The Group has an investment in foreign subsidiary, whose net assets are exposed to currency translation risk. However, the Group considers that it is not necessary to hedge such foreign exchange risk, as the management believes that future movements in foreign exchange rate will not materially affect the Group's operating results.

3.2 Fair value estimation

The financial assets and liabilities possess book values which are comparable to market prices as these financial instruments will be due in the short time and bears interest rate comparable to market situation. As a result these financial assets and liabilities have reflected their fair values.

The following table presents the Group's financial assets that are measured at fair value at 31 December. See Note 15 for disclosures of the investment properties that are measured at fair value.

Unit: Baht

Assets	Consolidated and Separate financial statements	
	Level 1	
	2019	2018
Financial assets at fair value through profit or loss		
Investment in mutual fund - debt investment (Note 8)	-	159,998,658
Total assets	-	159,998,658

There were no transfers between levels during the year.

Financial instruments in level 1

The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand.

4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Measurement for the value of the investment properties

Fair value of investment properties, which has been assessed by an independent appraiser, is calculated using the estimated discounted cash flows of the rental fee under the present lease agreements, including future rental fee under the current market condition and net from any expense cash flows anticipated to incur from real estate. The discount rate applied is reflect the assessment of the current market condition under the appropriate financial value and risk factors on each type of assets. The discount rate is 5% - 11% per annum.

5. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

6. Segment information

The Board of Directors identify reportable segments of its business to examine the Group's performance by type of products and services as follows:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

Performance of each operating segment is measured by profit or loss from operation which is using the same basis that the Group measures its profit or loss from operation in the financial information. Revenue and costs are eliminated from transaction within the Group. Other income, finance costs and income tax are not allocated to each reporting segment.

Revenues and profits information by business segment for the year ended 31 December comprise the following:

	Consolidated financial statement (Baht'000)					
	For the year ended 31 December 2019					
	Real estate sales	Rental and rendering of services	Consulting and management service	Total segment	Eliminate	Total
Operating revenues						
Revenue from outside	16,771,488	801,137	63,934	17,636,559	-	17,636,559
Inter-revenues segment	132	23,842	96,641	120,615	(120,615)	-
Total operating revenues	16,771,620	824,979	160,575	17,757,174	(120,615)	17,636,559
Operating cost	(11,502,007)	(356,196)	(78,794)	(11,936,997)	90,812	(11,846,185)
Selling and administrative expenses	(2,442,318)	(33,450)	-	(2,475,768)	-	(2,475,768)
Operating result by segment	2,827,295	435,333	81,781	3,344,409	(29,803)	3,314,606
Unallocated expenses				(787,850)	11,825	(776,025)
Operating profit				2,556,559	(17,978)	2,538,581
Other income				157,436	(119,579)	37,857
Gain from fair value adjustment and write-off of investment property				112,311	-	112,311
Share of loss of joint venture				(14,641)	-	(14,641)
Finance costs				(241,089)	94,807	(146,282)
Profit before income tax expense				2,570,576	(42,750)	2,527,826
Income tax expense				(511,764)	-	(511,764)
Profit for the period				2,058,812	(42,750)	2,016,062
Timing of revenue recognition						
At a point in time	16,771,620	-	-	16,771,620	(132)	16,771,488
Over time	-	824,979	160,575	985,554	(120,483)	865,071
Total revenues	16,771,620	824,979	160,575	17,757,174	(120,615)	17,636,559

	Consolidated financial statement (Baht'000)					
	For the year ended 31 December 2018					
	Real estate sales	Rental and rendering of services	Consulting and management service	Total segment	Eliminate	Total
Operating revenues						
Revenue from outside	14,613,432	831,632	1,699	15,446,763	-	15,446,763
Inter-revenues segment	57,874	2,720	43,218	103,812	(103,812)	-
Total operating revenues	14,671,306	834,352	44,917	15,550,575	(103,812)	15,446,763
Operating cost	(10,013,616)	(358,341)	(16,443)	(10,388,400)	125,089	(10,263,311)
Selling and administrative expenses	(2,325,234)	(28,617)	-	(2,353,851)	5,400	(2,348,451)
Operating result by segment	2,332,456	447,394	28,474	2,808,324	26,677	2,835,001
Unallocated expenses				(478,604)	(11,607)	(490,211)
Operating profit				2,329,720	15,070	2,344,790
Other income				126,215	(94,771)	31,444
Loss from fair value adjustment and write-off of investment property				(692)	-	(692)
Share of loss of joint venture				(1,904)	-	(1,904)
Finance costs				(175,911)	77,782	(98,129)
Profit before income tax expense				2,277,428	(1,919)	2,275,509
Income tax expense				(483,206)	-	(483,206)
Profit for the period				1,794,222	(1,919)	1,792,303
Timing of revenue recognition						
At a point in time	14,671,306	-	-	14,671,306	(57,874)	14,613,432
Over time	-	834,352	44,917	879,269	(45,938)	833,331
Total revenues	14,671,306	834,352	44,917	15,550,575	(103,812)	15,446,763

7. Cash and cash equivalents

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash on hand	12,325,708	13,324,809	12,065,579	12,740,588
Deposit at bank	808,489,959	953,420,058	555,286,225	634,793,876
Cheque on hand	17,321,723	152,876,930	13,409,621	124,833,675
Short-term deposit at bank	42,000,000	22,000,000	-	-
Total cash and cash equivalents	880,137,390	1,141,621,797	580,761,425	772,368,139

The interest rates on bank deposits were 0.10 % - 1.40 % per annum (2018: 0.10% - 1.125% per annum) and these deposits have an maturity less than 3 months (2018: less than 3 months).

8. Short-term investments

At 31 December, short-term investments comprise the following:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Fixed deposits	10,000,000	20,000,000	-	-
Investment in mutual fund classified as trading investments	-	160,000,000	-	160,000,000
Re-measuring trading investments	-	(1,342)	-	(1,342)
Total short-term investments	10,000,000	179,998,658	-	159,998,658

As at 31 December 2019, fixed deposits of a subsidiary represent 7 months fixed deposits (2018: 6 - 7 months fixed deposits) bearing interest at the rates of 1.48 % per annum (2018: 1.35 % per annum).

9. Trade and other receivables, net

Trade and other receivables comprise the following:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade accounts receivables, net				
- Others	29,495,445	17,140,275	17,876,831	15,225,284
- Related parties (Note 34.3)	20,705,600	1,644,000	20,705,600	1,644,000
Less allowance for doubtful accounts	(9,290,924)	(9,290,924)	(9,290,924)	(9,290,924)
Total trade accounts receivable, net	40,910,121	9,493,351	29,291,507	7,578,360
Other receivables				
- Prepaid expenses	81,583,985	63,517,368	35,469,948	62,135,982
- Accrued income	56,170,499	37,630,257	163,521,805	79,974,450
- Advanced payment to employee	1,303,494	4,810,778	939,809	4,735,198
Total other receivables	139,057,978	105,958,403	199,931,562	146,845,630
Total trade and other receivables, net	179,968,099	115,451,754	229,223,069	154,423,990

Outstanding trade accounts receivable as at 31 December can be analysed as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade receivables - Related parties				
Not yet due	20,705,600	1,644,000	20,705,600	1,644,000
Total	20,705,600	1,644,000	20,705,600	1,644,000
Trade receivables - Others				
Not yet due	1,370,992	2,635,557	1,087,134	2,626,557

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Overdue for payment				
Less than 3 months	15,778,509	3,758,194	4,513,753	1,852,203
3 - 6 Months	1,154,908	-	1,084,908	-
6 - 12 Months	444,512	-	444,512	-
Over 12 months	10,746,524	10,746,524	10,746,524	10,746,524
Total	29,495,445	17,140,275	17,876,831	15,225,284
Less allowance for doubtful accounts	(9,290,924)	(9,290,924)	(9,290,924)	(9,290,924)
	20,204,521	7,849,351	8,585,907	5,934,360
Total trade accounts receivable, net	40,910,121	9,493,351	29,291,507	7,578,360

10. Real estate development cost

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Land	19,979,505,172	20,164,489,256	14,764,589,814	15,700,816,876
Project development cost and work in progress	4,520,703,538	4,121,571,148	3,862,656,175	3,438,365,910
Interest expenses	1,348,748,395	1,210,282,075	1,163,874,628	1,159,960,467
Unit and condominium being developed	4,243,321,046	3,750,648,652	3,981,621,906	3,648,996,124
Allotted houses ready for sale	3,814,106,865	2,941,641,597	3,217,089,600	2,604,892,346
Total real estate development cost	33,906,385,016	32,188,632,728	26,989,832,123	26,553,031,723

For the year ended 31 December 2019, borrowing cost of Baht 645.58 million and Baht 480.86 million had capitalised to the real estate development cost in the consolidated and separate financial statement, respectively. (2018: Baht 589.20 million and Baht 537.04 million, respectively).

For the year ended 31 December 2019, real estate development cost had recognised as the cost of sales in the consolidated and separate financial statement of Baht 11,493.37 million and Baht 10,234.65 million, respectively (2018: Baht 9,942.60 million and Baht 8,810.82 million, respectively).

For the year ended 31 December 2019, loss on write-down of real estate development cost to net realisable value had been recognised in profit or loss in the consolidated financial statement of Baht 30.86 million (2018: nil).

As at December 31 December 2019, real estate development cost of Baht 5,518.81 million (2018: Baht 4,627.73 million) is the projects expected to be developed and ready for sale for the period longer than 12 months since the date of statement of financial position.

As at 31 December 2019, land and construction under the Group's real estate project of Baht 11,088.81 million (2018: Baht 13,699.28 million) are pledged as collateral against credit facility and loan from financial institutions (Note 35) together with the maximum amount that the insurance company will accept and forfeit all the benefits from the insurance to the lender or beneficiary.

11. Trade receivable due more than one year

Trade receivable due more than one year at 31 December comprises of:

Unit: Baht

	Consolidated and Separate financial statements	
	2019	**2018**
Trade receivable	25,545,180	27,189,180
Less Current portion of trade receivable	(21,005,600)	(1,644,000)
Trade receivable due more than one year	4,539,580	25,545,180

As at 31 December 2019, trade receivable of Baht 20,705,600 (2018: Baht 27,189,180) represented sales of residential units to high level management of the Company, who had complied with rules as authorised by the Company's board of directors. The Company would allow right to occupy the purchased residential units before ownership right transfer since the agreement date and to pay by installments part of contractual amount as stipulated in the sales and purchase agreement until it reach the basis set by the Company and the remaining amount is payable at the date of ownership right transfer.

12. Investments in subsidiaries

The movement of book value of investments in subsidiaries for the year ended 31 December is as follows:

Unit: Baht

	Separate financial statements	
	At cost method	
	2019	**2018**
As at 1 January	874,739,860	797,999,870
Additional investment	10,999,940	76,739,990
As at 31 December	885,739,800	874,739,860

As at 31 December 2019, the Group comprises of the subsidiaries listed below. All subsidiaries are included in the consolidated financial statements.

	Type of business	Country of incorporation	Nature of Relationship	Percentage of shareholding and voting right		Separate financial statements	
						Cost method	
				2019	2018	2019	2018
				Percent	Percent	Baht	Baht
SC Able Company Limited	Real estate development	Thailand	Direct shareholding	99.99	99.99	99,999,960	99,999,960
Up Country Land Company Limited	Real estate development	Thailand	Direct shareholding	99.99	99.99	299,999,960	299,999,960
V. Land Property Company Limited	Real estate development	Thailand	Direct shareholding	99.99	99.99	352,999,960	352,999,960
Bridge Group (Thailand) Company Limited	Real estate agent	Thailand	Direct shareholding	99.99	-	9,999,970	-
SC Expedition Company Limited	Hotel	Thailand	Direct shareholding	99.99	-	999,970	-
Scope Company Limited	Real estate development	Thailand	Direct shareholding	90.00	90.00	89,999,980	89,999,980
SC ALPHA Inc.	Investment in real Estate in United States	United States	Direct shareholding	100.00	100.00	31,740,000	31,740,000
Scope Tower Company Limited	Real estate development	Thailand	Indirect shareholding via Scope Company Limited	79.99	79.99	-	-
						885,739,800	874,739,860

At the Board of Director's Meeting of the company No.1/2019 held on 18 January 2019, the Company had resolution to establish new subsidiary, Bridge Group (Thailand) Company Limited with authorised share capital of Baht 10.00 million, which included 1,000,000 ordinary shares with a par value of Baht 10 each. The Company acquired 99.99% ownership interest and aimed to be real estate agent. The new subsidiary company registered with the Ministry of commerce on 25 February 2019. At the same date, the Company has paid the share subscription amounting to Baht 9.99 million.

At the Board of Director's Meeting of the company No.6/2019 held on 11 November 2019, the Company had resolution to establish new subsidiary, SC Expedition Company Limited with authorised share capital of Baht 1.00 million, which included 100,000 ordinary shares with a par value of Baht 10 each. The Company acquired 99.99% ownership interest and aimed to develop hotel business. The new subsidiary company registered with the Ministry of commerce on 14 November 2019. At the same date, the Company has paid the share subscription amounting to Baht 0.99 million.

13. Interests in joint venture, net

The amounts recognised in the statements of financial position are as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Equity method		Cost method	
Joint venture	613,138,156	658,096,118	659,999,980	659,999,980
At 31 December	613,138,156	658,096,118	659,999,980	659,999,980

The amounts recognised in the statement of comprehensive income are as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Joint venture	(14,641,113)	(1,903,862)	-	-
At 31 December	(14,641,113)	(1,903,862)	-	-

The joint ventures listed below at 31 December has share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business.

Nature of investment in joint ventures 31 December 2019 and 2018.

Name of entity	Country of incorporation	Percentage of shareholding (Percent)		Type of business	Measurement method
		2019	2018		
SC NNR1 Company Limited	Thailand	54.99	54.99	Real estate development	Equity

As 31 December 2019, interest in joint venture comprise the following:

Unit: Baht

	Consolidated financial statements	Separate financial statements
At 1 January 2019	658,096,118	659,999,980
Elimination from equity method	(30,316,849)	-
Share of loss	(14,641,113)	-
At 31 December 2019	613,138,156	659,999,980

SC NNR1 Company Limited is a private company and there is no quoted market price available for its shares.

There are no contingent liabilities relating to the Group's interest in the joint venture.

14. Other long-term investments

The movement of other long-term investments for the period ended 31 December 2019 can be analysed as follows:

Unit: Baht

	Consolidated financial statements
Opening balance	40,000,000
Impairment	(33,500,000)
Closing balance	6,500,000

A subsidiary invested in 10% of share capital of a company which providing application for house repairing services. A subsidiary has paid the share subscription amounting to Baht 10.00 million in 2017.

A subsidiary invested in 20% of share capital of a company which providing technology consulting services to organizations and developing platform systems. However, the subsidiary has no significant influence over that company. As at a result, the subsidiary classified the investment as general investment and represent as "Other long-term investments" in the consolidated statement of financial position. The subsidiary paid the share subscription amounting to Baht 30.00 million in 2017.

During 2019, the subsidiaries recognized impairment of other long-term investments of Baht 33,500,000.

15. Investment properties, net

Unit: Baht

	Consolidated financial statements		
	Land and building	Building Improvement Under construction	Total
As at 1 January 2018			
Cost	4,788,398,000	3,751,211	4,792,149,211
Accumulated gain from fair value adjustment	442,097,262	-	442,097,262
Net fair value amount	5,230,495,262	3,751,211	5,234,246,473
For the year ended 31 December 2018			
Opening net fair value amount	5,230,495,262	3,751,211	5,234,246,473
Additions	34,711,378	19,513,851	54,225,229
Write-off	(11,082,997)	-	(11,082,997)
Transfer	3,624,991	(3,624,991)	-
Transfer in from real estate development cost	88,542,000	-	88,542,000
Transfer out to real estate development cost	(5,220,000)	-	(5,220,000)
Gain from fair value adjustment	10,351,952	-	10,351,952
Closing net fair value amount	5,351,422,586	19,640,071	5,371,062,657
As at 31 December 2018			
Cost	4,898,973,372	19,640,071	4,918,613,443
Accumulated gain from fair value adjustment	452,449,214	-	452,449,214
Net fair value amount	5,351,422,586	19,640,071	5,371,062,657
For the year ended 31 December 2019			
Opening net fair value amount	5,351,422,586	19,640,071	5,371,062,657
Additions	59,258,675	1,447,067	60,705,742
Write-off	(44,667)	-	(44,667)
Transfer	18,342,977	(18,342,977)	-
Transfer in from real estate development cost	-	1,283,522	1,283,522
Transfer out to real estate development cost	(6,620,000)	-	(6,620,000)
Transfer to property, plant, equipment (net)	-	(47,122)	(47,122)
Gain from fair value adjustment	112,351,538	-	112,351,538
Closing net fair value amount	5,534,711,109	3,980,561	5,538,691,670

Unit: Baht

	Consolidated financial statements		
	Land and building	Building Improvement Under construction	Total
As at 31 December 2019			
Cost	4,969,910,357	3,980,561	4,973,890,918
Accumulated gain from fair value adjustment	564,800,752	-	564,800,752
Net fair value amount	5,534,711,109	3,980,561	5,538,691,670

Unit: Baht

	Separate financial statements		
	Land and building	Building Improvement Under construction	Total
As at 1 January 2018			
Cost	3,666,226,761	3,751,211	3,669,977,972
Accumulated gain from fair value adjustment	632,513,028	-	632,513,028
Net fair value amount	4,298,739,789	3,751,211	4,302,491,000
For the year ended 31 December 2018			
Opening net fair value amount	4,298,739,789	3,751,211	4,302,491,000
Additions	34,711,378	19,513,851	54,225,229
Write-off	(11,082,997)	-	(11,082,997)
Transfer	3,624,991	(3,624,991)	-
Transfer in from real estate development cost	88,542,000	-	88,542,000
Transfer out to real estate development cost	(5,220,000)	-	(5,220,000)
Gain from fair value adjustment	(1,537,260)	-	(1,537,260)
Closing net fair value amount	4,407,777,901	19,640,071	4,427,417,972
As at 31 December 2018			
Cost	3,776,802,133	19,640,071	3,796,442,204
Accumulated gain from fair value adjustment	630,975,768	-	630,975,768
Net fair value amount	4,407,777,901	19,640,071	4,427,417,972

Unit: Baht

	Separate financial statements		
	Land and building	Building Improvement Under construction	Total
For the year ended 31 December 2019			
Opening net fair value amount	4,407,777,901	19,640,071	4,427,417,972
Additions	59,239,676	1,447,067	60,686,743
Write-off	(44,667)	-	(44,667)
Transfer	18,342,977	(18,342,977)	-
Transfer in from real estate development cost	-	1,283,522	1,283,522
Transfer out to real estate development cost	(6,620,000)	-	(6,620,000)
Transfer to property, plant, equipment (net)	-	(47,122)	(47,122)
Gain from fair value adjustment	96,913,046	-	96,913,046
Closing net fair value amount	4,575,608,933	3,980,561	4,579,589,494
As at 31 December 2019			
Cost	3,847,720,119	3,980,561	3,851,700,680
Accumulated gain from fair value adjustment	727,888,814	-	727,888,814
Net fair value amount	4,575,608,933	3,980,561	4,579,589,494

During the year 2019, investment property at its fair value using rental income approach with book value of Baht 6.62 million (2018: Baht 5.22 million) has been transferred to be recorded as real estate development cost due to change in its utilisation objective.

As at 31 December 2019, investment properties in the consolidated and separate company financial statements, at the book value of Baht 3.98 million, respectively (2018: Baht 19.64 million and Baht 19.64 million, respectively) are work in progress which have been measured the value at cost.

As at 31 December 2019, investment properties at the carrying amount of Baht 4,205.75 million (2018: Baht 4,059.80 million) are pledged as collateral against the credit facilities and loan from financial institutions (Note 35) together with the maximum amount that the insurance company will accept and forfeit all the benefits from the insurance to the lender or beneficiary.

A valuation of the group's investment properties was performed by independent valuer to determine the fair value of the investment property at 31 December 2019 and 2018. The fair values of the properties have been performed by Chartered Valuation and Consultant Co., Ltd.

As at 31 December 2019, investment properties under the cost method in the consolidated and separate company financial statements would have been carried at Baht 2,832.85 million and Baht 2,279.11 million, respectively (2018: at Baht 2,892.82 million and Baht 2,322.19 million, respectively).

The fair value measurement information in accordance with TFRS 13 'Fair value measurement' at 31 December 2019 is presented as follow:

Unit: Baht

	Significant unobservable inputs (Level 3)	
	Consolidated financial statements	**Separate financial statements**
Recurring fair value measurements		
Land and buildings	5,538,691,670	4,579,589,494

Financial instruments in level 3

If over or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation techniques used to derive fair values

Level 3 fair values of investment properties intended for rent have been generally derived using the estimate discount cash flow of the rental fee under the present lease agreements, including future rental fee under the current market condition.

There were no changes in valuation techniques during the period.

Valuation processes

The Group's investment properties were valued at 2019 by independent professionally qualified valuers ("independent valuers") who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. The Group's accounting department includes a team that review the valuations performed by the independent valuers for financial reporting purposes. This team reports directly to the senior vice president-accounting. Discussions of valuation processes and results are held at least once a year, in line with the Group's annual reporting dates. At each financial year end, the finance department:

- verifies all major inputs to the independent valuation report,
- assesses property valuation movements when compared to the prior year valuation report, and
- holds discussions with the independent valuer.

	Impact on investment properties					
	Consolidated financial statements			Separate financial statements		
	Change in assumption	Increase in assumption	Decrease in assumption	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	Decrease by 5.82 - 6.13%	Increase by 5.81 - 6.13%	1%	Decrease by 5.82 - 6.13%	Increase by 5.81 - 6.13%
Vacancy rate	5%	Decrease by 3.05 - 12.00%	Increase by 2.90 - 10.00%	5%	Decrease by 3.05 - 12.00%	Increase by 2.90 - 10.00%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

Amounts recognised in profit and loss that are related to investment property are as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Rental income	667,535,126	690,627,342	588,135,857	608,156,858
Direct operating expense arise from investment property that generated rental income	225,387,401	218,853,261	219,692,044	213,159,103
Direct operating expense arise from investment property that did not generated rental income	5,263,409	12,791,930	5,248,702	6,457,469

16. Property, plant and equipment, net

Unit: Baht

	Consolidated financial statements						
	Land	Land improvement, buildings and construction	Furniture and fixtures	Office equipments	Other fixed assets	Assets under construction	Total
At 1 January 2018							
Cost	282,409,784	774,407,950	76,588,846	122,042,307	165,233,618	-	1,420,682,505
Less Accumulated depreciation	-	(178,643,547)	(55,900,732)	(61,254,003)	(99,626,104)	-	(395,424,386)
Net book amount	282,409,784	595,764,403	20,688,114	60,788,304	65,607,514	-	1,025,258,119
For the year ended 31 December 2018							
Opening net book amount	282,409,784	595,764,403	20,688,114	60,788,304	65,607,514	-	1,025,258,119
Additions	52,696,428	27,818,659	3,040,647	3,202,936	33,491,715	22,963,568	143,213,953
Disposals, net	-	(9,139,430)	(1,085)	(15,958)	(8,532,340)	-	(17,688,813)
Transfer	22,852,837	-	-	-	-	-	22,852,837
Depreciation charge (Note 31)	-	(59,417,099)	(9,193,198)	(12,222,223)	(15,905,365)	-	(96,737,885)
Impairment	(1,873,913)	-	-	-	-	-	(1,873,913)
Closing net book amount	356,085,136	555,026,533	14,534,478	51,753,059	74,661,524	22,963,568	1,075,024,298
At 31 December 2018							
Cost	357,959,049	725,883,030	77,721,104	122,737,599	168,064,607	22,963,568	1,475,328,957
Less Accumulated depreciation	-	(170,856,497)	(63,186,626)	(70,984,540)	(93,403,083)	-	(398,430,746)
Less Provision for impairment	(1,873,913)	-	-	-	-	-	(1,873,913)
Net book amount	356,085,136	555,026,533	14,534,478	51,753,059	74,661,524	22,963,568	1,075,024,298
For the year ended 31 December 2019							
Opening net book amount	356,085,136	555,026,533	14,534,478	51,753,059	74,661,524	22,963,568	1,075,024,298
Additions	1,571,949	59,055,839	7,368,240	8,459,521	33,802,114	82,210,833	192,468,496
Disposals, net	(1,385,029)	-	(683)	(12,674)	(2,330,457)	-	(3,728,843)
Transfer in/(out)	-	14,706,345	110,813	-	-	(14,817,158)	-
Transfer in from investment properties, net	-	-	-	47,122	-	-	47,122
Transfer to Real estate development cost	(51,009,435)	-	-	-	-	-	(51,009,435)
Depreciation charge (Note 31)	-	(40,731,048)	(7,719,199)	(11,414,169)	(18,573,483)	-	(78,437,899)
Closing net book amount	305,262,621	588,057,669	14,293,649	48,832,859	87,559,698	90,357,243	1,134,363,739

Unit: Baht

	Consolidated financial statements						
	Land	Land improvement, buildings and construction	Furniture and fixtures	Office equipments	Other fixed assets	Assets under construction	Total
At 31 December 2019							
Cost	307,136,534	799,645,214	81,934,998	129,377,420	189,231,984	90,357,243	1,597,683,393
Less Accumulated depreciation	-	(211,587,545)	(67,641,349)	(80,544,561)	(101,672,286)	-	(461,445,741)
Less Provision for impairment	(1,873,913)	-	-	-	-	-	(1,873,913)
Net book amount	305,262,621	588,057,669	14,293,649	48,832,859	87,559,698	90,357,243	1,134,363,739

Unit: Baht

	Separate financial statements						
	Land	Land improvement, buildings and construction	Furniture and fixtures	Office equipments	Other fixed assets	Assets under construction	Total
At 1 January 2018							
Cost	282,409,784	774,407,950	75,016,468	121,194,783	154,941,547	-	1,407,970,532
Less Accumulated depreciation	-	(178,643,547)	(55,789,596)	(61,176,725)	(99,314,657)	-	(394,924,525)
Net book amount	282,409,784	595,764,403	19,226,872	60,018,058	55,626,890	-	1,013,046,007
For the year ended 31 December 2018							
Opening net book amount	282,409,784	595,764,403	19,226,872	60,018,058	55,626,890	-	1,013,046,007
Additions	-	23,263,509	2,010,079	2,473,557	32,350,034	12,485,351	72,582,530
Disposals, net	-	(9,139,430)	(1,085)	(15,958)	(8,532,340)	-	(17,688,813)
Transfer	22,852,837	-	-	-	-	-	22,852,837
Depreciation charge (Note 31)	-	(59,178,789)	(8,808,806)	(12,005,193)	(14,541,975)	-	(94,534,763)
Closing net book amount	305,262,621	550,709,693	12,427,060	50,470,464	64,902,609	12,485,351	996,257,798
At 31 December 2018							
Cost	305,262,621	721,327,880	75,118,158	121,160,696	156,649,955	12,485,351	1,392,004,661
Less Accumulated depreciation	-	(170,618,187)	(62,691,098)	(70,690,232)	(91,747,346)	-	(395,746,863)
Net book amount	305,262,621	550,709,693	12,427,060	50,470,464	64,902,609	12,485,351	996,257,798

Unit: Baht

	Separate financial statements						
	Land	Land improvement, buildings and construction	Furniture and fixtures	Office equipments	Other fixed assets	Assets under construction	Total
For the year ended 31 December 2019							
Opening net book amount	305,262,621	550,709,693	12,427,060	50,470,464	64,902,609	12,485,351	996,257,798
Additions	-	27,545,154	6,776,992	7,656,828	31,046,699	71,303,444	144,329,117
Disposals, net	-	-	(683)	(12,674)	(2,330,457)	-	(2,343,814)
Transfer in/(out)	-	4,228,128	110,813	-	-	(4,338,941)	-
Transfer in from investment properties, net	-	-	-	47,122	-	-	47,122
Depreciation charge (Note 31)	-	(30,168,365)	(7,093,358)	(10,990,203)	(16,773,359)	-	(65,025,285)
Closing net book amount	305,262,621	552,314,610	12,220,824	47,171,537	76,845,492	79,449,854	1,073,264,938
At 31 December 2019							
Cost	305,262,621	753,101,162	78,740,804	126,997,824	175,061,917	79,449,854	1,518,614,182
Less Accumulated depreciation	-	(200,786,552)	(66,519,980)	(79,826,287)	(98,216,425)	-	(445,349,244)
Net book amount	305,262,621	552,314,610	12,220,824	47,171,537	76,845,492	79,449,854	1,073,264,938

For the year 2019, depreciation expense of Baht 3.34 million (2018: Baht 3.91 million) has been charged in 'cost of goods sold', Baht 11.31 million (2018: Baht 23.43 million) in 'selling expense' and Baht 63.79 million (2018: Baht 69.40 million) in 'administrative expense' in the consolidated financial statement.

For the year 2019, depreciation expense of Baht 3.32 million (2018: Baht 3.90 million) has been charged in 'cost of goods sold', Baht 1.66 million (2018: Baht 23.52 million) in 'selling expense' and Baht 60.04 million (2018: Baht 67.11 million) in 'administrative expense' in the separate financial statement.

As at 31 December 2019, in the consolidated and separate company financial statements, vehicles at the book value of Baht 14.16 million (2018: Baht 11.65 million) are under long-term lease contracts.

As at 31 December 2019, property, plant and equipment at the carrying amount of Baht 812.35 million (2018: Baht 810.17 million) in the consolidated and separate financial statements are pledged as collateral against the credit facilities and loan from financial institutions (Note 35) together with the maximum amount that the insurance company will accept and forfeit all the benefits from the insurance to the lender or beneficiary.

17. Intangible assets, net

Unit: Baht

	Consolidated financial statements		
	Software	Software Under installment	Total
At 31 December 2018			
Cost	66,772,055	3,697,368	70,469,423
Less Accumulated amortisation	(29,684,662)	-	(29,684,662)
Net book amount	37,087,393	3,697,368	40,784,761
For the year ended 31 December 2019			
Opening net book amount	37,087,393	3,697,368	40,784,761
Additions	28,375,045	8,013,494	36,388,539
Transfer in / (out)	3,697,369	(3,697,369)	-
Disposals, net	(3)	-	(3)
Amortisation charge (note 31)	(10,171,820)	-	(10,171,820)
Closing net book amount	58,987,984	8,013,493	67,001,477
At 31 December 2019			
Cost	98,775,376	8,013,493	106,788,869
Less Accumulated amortisation	(39,787,392)	-	(39,787,392)
Net book amount	58,987,984	8,013,493	67,001,477

Unit: Baht

	Separate financial statements		
	Software	Software Under installment	Total
At 31 December 2018			
Cost	66,250,717	3,697,368	69,948,085
Less Accumulated amortisation	(29,431,645)	-	(29,431,645)
Net book amount	36,819,072	3,697,368	40,516,440
For the year ended 31 December 2019			
Opening net book amount	36,819,072	3,697,368	40,516,440
Additions	25,844,405	8,013,494	33,857,899
Transfer in / (out)	3,697,369	(3,697,369)	-
Disposals, net	(3)	-	(3)
Amortisation charge (note 31)	(9,874,249)	-	(9,874,249)
Closing net book amount	56,486,594	8,013,493	64,500,087
At 31 December 2019			
Cost	95,723,398	8,013,493	103,736,891
Less Accumulated amortisation	(39,236,804)	-	(39,236,804)
Net book amount	56,486,594	8,013,493	64,500,087

18. Leasehold rights, net

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Opening net book amount	901,137,045	934,927,178	857,370,371	887,814,985
Less Amortised leasehold rights for the year	(33,790,132)	(33,790,133)	(30,444,614)	(30,444,614)
Closing net book amount	867,346,913	901,137,045	826,925,757	857,370,371

As at 31 December 2019, in the consolidated financial statements, leasehold right consisted of leasehold land amounting to Baht 65.53 million (2018: Baht 70.15 million) and leasehold building amounting to Baht 801.82 million (2018: Baht 830.99 million), which comprised of as follows:

- The Company's leasehold rights are leasehold land and building with a related company, the condition of contract are disclosed as mentioned in the notes to financial statements No. 34.7. The leasehold rights consisted of leasehold land amounting to Baht 60.27 million (2018: Baht 64.45 million) and leasehold building amounting to Baht 766.66 million (2018: Baht 792.92 million).

- A subsidiary company has leasehold right as leasehold land with the Crown Property Bureau in order to construct car-park and office building amounting to Baht 5.26 million (2018: Baht 5.70 million) and leasehold building amounting to Baht 35.16 million (2018: Baht 38.07 million) on the said leased land. This leasehold has a term of 25 years commencing from 1 February 2007 onwards. A subsidiary amortised leasehold right from the first day and started to earn revenue from the service fee for the area of said car park and office building.

19. Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities as at 31 December is as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	-	-	-	-
Deferred tax assets to be recovered after more than 12 months	121,239,985	38,680,246	56,092,445	37,058,985
	121,239,985	38,680,246	56,092,445	37,058,985
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	-	-	-	-
Deferred tax liabilities to be settled after more than 12 months	(693,270,913)	(647,343,409)	(610,278,600)	(570,978,937)
	(693,270,913)	(647,343,409)	(610,278,600)	(570,978,937)
Deferred tax, net	(572,030,928)	(608,663,163)	(554,186,155)	(533,919,952)

The movement of deferred tax assets and deferred tax liabilities account is as follows:

Unit: Baht

	Consolidated financial statements					
	As at 1 January 2018	Charged/ (credited) to profit or loss	As at 31 December 2018	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	As at 31 December 2019
Deferred tax assets						
Investment properties	5,306,457	(988,187)	4,318,270	(2,012,688)	-	2,305,582
Employee benefit obligations	29,936,199	2,567,592	32,503,791	13,129,390	8,652,819	54,286,000
Tax losses	-	-	-	47,838,018	-	47,838,018
Others	1,863,255	(5,070)	1,858,185	14,952,200	-	16,810,385
	37,105,911	1,574,335	38,680,246	73,906,920	8,652,819	121,239,985
Deferred tax liabilities						
Investment properties	(608,877,960)	(19,979,888)	(628,857,848)	(43,527,577)	-	(672,385,425)
Leasehold rights	(3,526,504)	(4,206,452)	(7,732,956)	(4,206,451)	-	(11,939,407)
Others	(5,522,197)	(5,230,408)	(10,752,605)	1,806,524	-	(8,946,081)
	(617,926,661)	(29,416,748)	(647,343,409)	(45,927,504)	-	(693,270,913)
	(580,820,750)	(27,842,413)	(608,663,163)	27,979,416	8,652,819	(572,030,928)

Unit: Baht

	Separate financial statements					
	As at 1 January 2018	Charged/ (credited) to profit or loss	As at 31 December 2018	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	As at 31 December 2019
Deferred tax assets						
Investment properties	4,268,672	(796,629)	3,472,043	(1,818,629)	-	1,653,414
Employee benefit obligations	29,725,634	2,003,123	31,728,757	12,087,739	6,862,973	50,679,469
Others	1,863,255	(5,070)	1,858,185	1,901,377	-	3,759,562
	35,857,561	1,201,424	37,058,985	12,170,487	6,862,973	56,092,445

Unit: Baht

	Separate financial statements					
	As at 1 January 2018	Charged/ (credited) to profit or loss	As at 31 December 2018	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	As at 31 December 2019
Deferred tax liabilities						
Investment properties	(539,141,957)	(14,266,849)	(553,408,806)	(37,250,282)	-	(590,659,088)
Leasehold rights	(3,526,504)	(4,206,452)	(7,732,956)	(4,206,451)	-	(11,939,407)
Others	(4,858,130)	(4,979,045)	(9,837,175)	2,157,070	-	(7,680,105)
	(547,526,591)	(23,452,346)	(570,978,937)	(39,299,663)	-	(610,278,600)
	(511,669,030)	(22,250,922)	(533,919,952)	(27,129,176)	6,862,973	(554,186,155)

20. Short-term borrowings from financial institutions

Short-term borrowing from financial institutions as at 31 December can be analysed as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Bills of exchange	3,780,000,000	3,785,000,000	3,780,000,000	3,785,000,000
Less discount of bills of exchange	(20,339,597)	(20,631,996)	(20,339,597)	(20,631,996)
Bills of exchange, net	3,759,660,403	3,764,368,004	3,759,660,403	3,764,368,004
Promissory notes	4,937,479,633	1,106,000,000	2,506,100,000	1,106,000,000
Total short-term borrowings from financial institutions	8,697,140,036	4,870,368,004	6,265,760,403	4,870,368,004

Bills of exchange have term for repayment of ranging from 6 months to 7 months and bearing interest at fixed rate.

Promissory notes have terms for repayment of ranging from 1 month to 12 months and bearing interest at MLR minus fixed rate. Interest is payable monthly at the last working day or last day of the month or interest due together with the principal will be paid on the promissory note's maturity date.

As at 31 December 2019, bill of exchange of Baht 238.05 million (2018: Baht 237.89 million) in the consolidated and separate financial statements have been sold to related parties.

As at 31 December 2019, promissory notes of Baht 3,207.48 million and 776.10 million (2018: Baht 706.00 million and Baht 706.00 million, respectively) in the consolidated and separate financial statements, respectively, have been secured by pledging the real estate development cost, investment properties and land and construction as mentioned in the notes to financial statements Note 35.

21. Long-term borrowings

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current				
Current portion of long-term borrowings				
- Borrowings from financial institutions	1,348,304,554	1,736,678,394	1,285,753,354	1,484,347,394
- Debentures	2,900,000,000	2,800,000,000	2,900,000,000	2,800,000,000
- Finance lease liabilities	2,435,314	2,768,353	1,308,613	1,146,133
Total current borrowings	4,250,739,868	4,539,446,747	4,187,061,967	4,285,493,527
Non-current				
Borrowings from financial institutions	3,651,450,000	4,338,750,000	3,566,250,000	4,338,750,000
Debentures	5,595,000,000	6,100,000,000	5,595,000,000	6,100,000,000
Finance lease liabilities	901,540	3,356,309	709,186	2,037,254
Total non-current borrowings	9,247,351,540	10,442,106,309	9,161,959,186	10,440,787,254
Total long-term borrowings	13,498,091,408	14,981,553,056	13,349,021,153	14,726,280,781

The movements of long-term borrowings for the year ended 31 December can be analysed as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
As at 1 January	14,981,553,056	13,271,166,719	14,726,280,781	13,213,070,873
Issuance of debentures	2,395,000,000	2,700,000,000	2,395,000,000	2,700,000,000
Payment on debentures	(2,800,000,000)	(2,525,000,000)	(2,800,000,000)	(2,525,000,000)
Additional of financial lease liabilities	-	959,000	-	959,000
Repayment of financial lease liabilities	(2,787,808)	(2,410,967)	(1,165,588)	(860,836)
Additional borrowings	4,569,850,000	5,384,470,000	4,046,500,000	4,632,300,000
Repayment	(5,645,523,840)	(3,847,631,696)	(5,017,594,040)	(3,294,188,256)
As at 31 December	13,498,091,408	14,981,553,056	13,349,021,153	14,726,280,781

21.1 Long-term borrowings from financial institutions

Consolidated and Separate financial statements

Contract No.	31 December 2019 Million Baht	31 December 2018 Million Baht	Company	Borrowing Purpose	Borrowing Limit	Interest rate and repayment terms	Guarantees and collaterals
1	906.00	1,975.43	SC Asset Corporation Public Company Limited, V. Land Property Company Limited and Scope Company Limited	Developing real estate projects for the periods ranging from 2 - 4 years	Baht 12,653 million 12 agreements (2018 : Baht 12,638 million 14 agreements)	- The interest is rate at MLR deduct fixed rate per annum and is payable on a monthly basis - The principal repayment at 70 % of selling price (depending on condition of each agreement) but not less than the amount specified by the commercial bank when the mortgage is released for the ownership right transfer to the purchaser.	a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio, and fire insurances for the construction must be made and benefits from such policies must be given to lenders as collaterals. b) Land together with constructions included in real estate development cost are pledged as collaterals as mentioned in Note 10.
2	3,500.00	3,500.00	SC Asset Corporation Public Company Limited	working capital period not exceeding 3 - 5 years	Baht 3,500 million (2018 : Baht 3,500 million)	- The interest is fixed throughout the contract period and is payable at the end of each month. (Baht 2,500 million) - Fixed rate for the 1st year and for the 2nd - 5th at BIBOR 3 months plus fixed rate per annum. (Baht 1,000 million) - The principal is repayment at the end of the contract	a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio.
3	593.75	600.00	SC Asset Corporation Public Company Limited	Developing facilities and real estate construction SC Tower	Baht 600 million (2018 : Baht 600 million)	- Fixed rate for the 1st - 3nd years (4% per annum) and for the 4rd year onward at MLR deduct fixed rate per annum. The interest is payable on a monthly basis. - The repayment of principal must be made quarterly. The first installment shall be paid on the last day of the 39th month after the first withdrawal month. The Company must repay the principal within 150 months from the first withdrawal date.	a) The Company has to maintain financial ratios as specified by banks, e.g. debt to equity ratio, and fire insurances for the construction must be made and benefits from such policies must be given to lenders as collaterals. b) The Company mortgaged Shinawatra Tower 1 and 2 as collaterals as mentioned in Note 15.
Total	**4,999.75**	**6,075.43**					

21.2 Debentures

Consolidated and Separate financial statements									
Type of debentures	Name of debentures	Issues date	Credit limit Million Baht	Amount Units	Par value Baht	Total amount Million Baht		Redeem maturity period	Interest rate
						31 Dec 2019	31 Dec 2018		
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 5/2019	13 Jun 2019	500	500,000	1,000	500	-	13 Jun 2023	3.90% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 4/2019	29 Mar 2019	550	550,000	1,000	550	-	29 Mar 2022	3.65% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 3/2019	28 Feb 2019	145	145,000	1,000	145	-	31 Jan 2022	3.50% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 2/2019	11 Feb 2019	400	400,000	1,000	400	-	22 Mar 2021	3.28% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 1/2019	30 Jan 2019	800	800,000	1,000	800	-	30 Jan 2021	3.25% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 5/2018	06 Dec 2019	1,000	1,000,000	1,000	1,000	1,000	25 May 2020	3.14% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 4/2018	26 Sep 2018	200	200,000	1,000	200	200	25 Sep 2020	3.10% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 3/2018	22 Aug 2018	200	200,000	1,000	200	200	22 Aug 2020	3.10% per annum. The interest is payable every three months
			200	200,000	1,000	200	200	22 Aug 2021	3.30% per annum. The interest is payable every three months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 2/2018	16 May 2018	600	600,000	1,000	600	600	20 May 2021	3.10% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 1/2018	02 Feb 2018	500	500,000	1,000	500	500	02 Feb 2021	3.10% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 2/2017	11 Aug 2017	500	500,000	1,000	500	500	08 Aug 2019	3.09% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 1/2017	24 Feb 2017	2,900	1,000,000	1,000	1,000	1,000	24 Feb 2019	3.30% per annum. The interest is payable every six months
				1,900,000	1,000	1,900	1,900	24 Feb 2022	4.00% per annum. The interest is payable every six months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 2/2016	08 Nov 2016	500	500,000	1,000	-	500	08 Nov 2019	3.20% per annum. The interest is payable every three months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 1/2016	24 Mar 2016	1,000	1,000,000	1,000	-	1,000	24 Mar 2019	3.15% per annum. The interest is payable every three months
Name-registered debenture for unsubordinated, unsecured with a debenture holders' representative type	SC Debenture No. 4/2015	25 Jun 2015	3,000	3,000,000	1,000	-	1,300	25 Jan 2019	4.20% per annum. The interest is payable every three months
Total						8,495	8,900		

SC Debenture No. 1/2017 of Baht 12.00 million were issued to related persons (Note 34.5).

On 23 April 2018, the Annual General Meeting of the Company's shareholders approved the issuance and offering for sale of corporate debentures, in the amount of Baht 4,000 million and the total amount of debenture not exceeding Baht 14,000 million. The Board of Directors or directors were authorised to determine the details, terms and conditions in relation to the issuance and sale of such debentures.

The Company shall maintain debt to equity ratio at not exceeding 2 : 1 over time of debentures.

The interest rate exposure on the borrowings of the Group and the Company comprises the following:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
At fixed rates	10,998,336,854	13,006,124,662	10,997,017,800	13,003,183,387
At floating rates	2,499,754,554	1,975,428,394	2,352,003,353	1,723,097,394
Total borrowings	13,498,091,408	14,981,553,056	13,349,021,153	14,726,280,781

The effective interest rates at the statement of financial position date were as follows:

Unit: Percentage

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
- Borrowings from financial institutions	3-month BIBOR + fixed rates and MLR - fixed rates	MLR - fixed rates	3-month BIBOR + fixed rates and MLR - fixed rates	MLR - fixed rates
- Debentures	3.09 - 4.00	3.09 - 4.20	3.09 - 4.00	3.09 - 4.20
- Finance leases agreements	3.771 - 4.816	3.771 - 4.816	3.771 - 4.816	3.771 - 4.816

As at 31 December 2019, in consolidated and separate company financial statements, unused credit facilities from financial institutions is Baht 4,485.83 million and Baht 2,712.36 million, respectively (2018: Baht 6,092.47 million and Baht 5,637.32 million, respectively).

The facilities expiring within one year are annual facilities subject to review at various dates during year. The other facilities have been arranged to help finance the proposed expansion of the Group and the Company activities.

The carrying values and fair value of long-term borrowings are as follow:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current portion of long-term borrowings from financial institutions	1,348	1,737	1,286	1,484
Long-term borrowings from financial institutions	3,652	4,339	3,566	4,339
Total long-term borrowings from financial institutions	5,000	6,076	4,852	5,823

The fair value of current borrowings equal their carrying amount, as the impact of discounting is not significant. The fair values of long-term borrowings are based on discounted cash flows using a discount rate from the borrowing market rates which are available to the Group and the Company at the statement of financial position date. The carrying amounts of short-term borrowings are shown at an approximate fair value.

Maturity of long-term borrowings (excluding finance lease liabilities):

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Between 1 and 2 years	7,788,304,554	7,964,178,394	7,725,753,354	7,711,847,394
Between 2 years and 5 years	5,347,700,000	6,595,000,000	5,262,500,000	6,595,000,000
Over 5 years	358,750,000	416,250,000	358,750,000	416,250,000
	13,494,754,554	14,975,428,394	13,347,003,354	14,723,097,394

Finance lease liabilities - minimum lease payments:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Not later than one year	2,435,314	3,074,627	1,308,613	1,357,523
Later than 1 year but not later than 5 years	911,827	3,577,752	718,476	2,224,302
Less Future finance charges on finance leases	(10,287)	(527,717)	(9,290)	(398,438)
Present value of finance lease liabilities	3,336,854	6,124,662	2,017,799	3,183,387

22. Trade and other payables

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade payables				
- Related parties (Note 34.3)	3,017,165	14,797,887	2,894,821	13,459,292
- Others	404,362,681	2,454,073,763	342,318,512	483,851,063
Total trade payables	407,379,846	2,468,871,650	345,213,333	497,310,355
Other payables				
- Related parties (Note 34.3)	832,220	2,524,672	8,760,608	10,404,967
- Others	817,696,918	89,769,811	450,285,969	78,562,943
Total other payables	818,529,138	92,294,483	459,046,577	88,967,910
Total trade and other payables	1,225,908,984	2,561,166,133	804,259,910	586,278,265

23. Deferred leasehold revenue

Deferred leasehold revenue consisted of:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
At 1 January	4,533,736	9,572,561	2,475,105	3,008,385
Less Revenue from amortised leasehold right	(2,328,212)	(5,038,825)	(533,280)	(533,280)
At 31 December	2,205,524	4,533,736	1,941,825	2,475,105
Less Current portion of deferred leasehold revenue	(796,979)	(2,328,213)	(533,280)	(533,280)
	1,408,545	2,205,523	1,408,545	1,941,825

24. Employee Benefit Obligations

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Statement of financial position				
Retirement benefits	271,430,002	162,518,954	250,388,135	155,634,575
Profit or loss charge included in				
operating profit for Retirement benefits	65,646,952	20,682,961	60,438,697	17,860,613
Remeasurement for				
Retirement benefits	43,264,096	-	34,314,863	-

The movement in the defined employee benefit obligation over the year is as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
At 1 January	162,518,954	149,680,993	155,634,575	145,618,962
Current service cost	22,170,180	17,013,218	18,738,745	14,301,178
Past service cost	38,095,603	-	36,545,850	-
Interest expense	5,381,169	3,669,743	5,154,102	3,559,435
	228,165,906	170,363,954	216,073,272	163,479,575
Remeasurements:				
Loss from change in financial assumptions	33,384,992	-	30,780,589	-
Experience loss	9,879,104	-	3,534,274	-
	43,264,096	-	34,314,863	-
Payment from plans:				
Benefit payment	-	(7,845,000)	-	(7,845,000)
At 31 December	271,430,002	162,518,954	250,388,135	155,634,575

On 5 April 2019, an amendment bill to the Labor Protection Law was published in the Government Gazette. The amended law will become effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The effects of the amendment were recognised as past service cost during the year.

The significant actuarial assumptions used were as follows:

	Consolidated and Separate financial statements	
	2019	2018
Discount rate	1.83%	2.90%
Salary increment rate	7% - 9%	7% - 9%
Employee turnover rate	0% - 17%	0% - 17%
Retirement age	60 years	60 years

Sensitivity analysis for each significant assumption used is as follows:

	Consolidated and separate financial statement					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2019	2018	2019	2018	2019	2018
Discount rate	1%	1%	Decrease by 11.25%	Decrease by 10.44%	Increase by 13.48%	Increase by 12.37%
Salary growth rate	1%	1%	Increase by 12.38%	Increase by 12.77%	Decrease by 10.63%	Decrease by 10.98%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The Methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation is 18.4 years (2018: 18.6 years).

Expected maturity analysis of undiscounted retirement and post-employment medical benefits are as follows:

Unit: Baht

	Consolidated financial statements				
	Less than 1 year	1-2 years	3-5 years	Over 5 years	Total
At 31 December 2019					
Retirement benefits	-	17,716,915	52,234,882	1,066,581,200	1,136,532,997
Total	-	17,716,915	52,234,882	1,066,581,200	1,136,532,997
At 31 December 2018					
Retirement benefits	-	17,201,042	29,710,961	648,101,807	695,013,810
Total	-	17,201,042	29,710,961	648,101,807	695,013,810

Unit: Baht

	Separate financial statements				
	Less than 1 year	1-2 years	3-5 years	Over 5 years	Total
At 31 December 2019					
Retirement benefits	-	17,716,915	49,337,190	914,459,011	981,513,116
Total	-	17,716,915	49,337,190	914,459,011	981,513,116
At 31 December 2018					
Retirement benefits	-	17,201,042	29,710,961	585,388,261	632,300,264
Total	-	17,201,042	29,710,961	585,388,261	632,300,264

25 Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and their employees contributed to the fund monthly at the rates depending on the working life of the employees. A local financial institution is managing the provident fund and will be paid to the employees upon termination in accordance with the fund rules. For the years ended 31 December 2019, in the consolidated and Company's financial statements, the Group contributions Baht 28.27 million and Baht 25.40 million, respectively (2018: Baht 25.38 million and Baht 23.21 million, respectively).

26. Share-base payment

Share option schemes

The Company has introduced one share option which is an equity-settled scheme. The exercise ratio and price are detailed below:

	Issued date	Issued units	Exercise ratio	Exercise price	Exercise period	
		Million	Unit/share	Baht/unit	Start	End
ESOP scheme (Grant 1)	21 April 2017	11.00	1 : 1.00	3.71	21 April 2017	21 April 2022
		29.00	1 : 1.00	3.71	31 January 2018	31 January 2023
ESOP scheme (Grant 2)	23 April 2018	6.00	1 : 1.00	3.72	23 April 2018	23 April 2023
		32.45	1 : 1.00	3.72	31 January 2019	31 January 2024
ESOP scheme (Grant 3)	25 April 2019	6.00	1 : 1.00	3.05	25 April 2019	25 April 2024

The Annual General Shareholders Meeting for the year 2017 held on 21 April 2017 has the resolutions to approve the warrants to directors and employee allocation of 40,000,000 units, under the ESOP scheme (Grant 1). Initially, the meeting approved the right to directors of the Company totalling 11,000,000 units.

The Executive Committee's Meeting of the Company No. 2/2018 held on 31 January 2018 had the resolutions to approve the warrants to employee allocation of 29,000,000 units, under the ESOP scheme (Grant 1) on 31 January 2018.

The Annual General Shareholders Meeting for the year 2018 held on 23 April 2018 had the resolutions to approve the warrants to board of director and employee allocation of 40,000,000 units, under the ESOP scheme (Grant 2), the meeting approved the right to directors of the Company totalling 6,000,000 units.

The Executive Committee's Meeting of the Company No. 14/2018 held on 19 December 2018 had the resolutions to approve the warrants to employee allocation of 32,450,000 units, under the ESOP scheme (Grant 2) on 31 January 2019.

The Annual General Shareholders Meeting for the year 2019 held on 25 April 2019 had the resolutions to approve the warrants to board of director and employee allocation of 40,000,000 units, under the ESOP scheme (Grant 3), the meeting approved the right to directors of the Company totalling 6,000,000 units.

Warrants issued and offered to directors and employees are in registered form and non-transferable and the terms do not exceed 5 years from the issuance date. The exercise price of ESOP scheme Grant 1 and Grant 2 are at Baht 3.71 and 3.72 per share, respectively. The exercise ratio is one warrant to one ordinary share. The warrants can be exercised from the date of issuance with a maximum amount no greater than one-third of the total warrants, another one-third of the total warrants can be exercised after 1 year of issuance date and the remaining warrants can be exercised after 2 years of issuance date. The Group has no legal obligation to repurchase or settle the options in cash.

As at 31 December 2019, out of the 67,757,500 outstanding options were exercisable. There was no option exercised during the year 2019. The 67,757,500 outstanding options of ESOP scheme Grant 1 for director and employee, Grant 2 for director and employee and Grant 3 for director and employee have the expiry date at 21 April 2022 and 31 January 2023, 23 April 2023 and 31 January 2024 and 25 April 2024.

The weighted average fair value of options granted during the period determined using the binomial-lattice valuation model was Baht 0.2495, Baht 0.3455 and Baht 0.3895 per option for 21 April 2017, 21 April 2018 and 21 April 2019, respectively. The significant inputs into the model were a weighted average share price Baht 3.70 per share at the grant date, expected dividend rate 3.5% per annum, an expected weighted average option life of 2.08 years, and an annual risk-free interest rate of 1.42% - 2.13%.

The movement of share-based payment reserve for the year ended 31 December 2019 can be analysed as follows:

Unit: Baht

	Consolidated and separate financial statements
Opening balance	13,842,466
Expense during the year	9,908,850
Closing balance	23,751,316

27. Share capital and premium on share capital

Unit: Baht

	Consolidated and Separate financial statements		
	Issued and paid-up share capital	Premiums on share capital	Total
As at 1 January 2018	4,179,332,012	318,564,112	4,497,896,124
Issued of shares	292,500	792,675	1,085,175
At 31 December 2018	4,179,624,512	319,356,787	4,498,981,299
Issued of shares	-	-	-
At 31 December 2019	4,179,624,512	319,356,787	4,498,981,299

The Company's registered share capital as at 31 December 2019 comprises 4,379,332,012 ordinary shares (2018: 4,379,332,012 ordinary shares) with a par value of Baht 1.00 each (2018: Baht 1.00 each). And 4,179,624,512 shares are issued and fully paid-up (2018: 4,179,332,012 shares).

According to Section 51 of the Public Limited Company Act B.E. 2535, requires company to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("premiums on ordinary share"). Premiums on ordinary share are not available for dividend distribution.

28. Legal reserve

Unit: Baht

	Consolidated and Separate financial statements	
	2019	2018
At 1 January	437,933,202	437,933,202
Appropriation during the year	-	-
At 31 December	437,933,202	437,933,202

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least five percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than ten percent of the registered capital. The legal reserve is non-distributable.

29. Dividend paid

At the Annual General Shareholders Meeting for the year 2018 held on 23 April 2018, the meeting had passed a resolution to approve the distribution of dividend from the net operating profit for the year 2017 at amount of Baht 0.12 per share, totaling Baht 501.55 million. The dividend was paid on 22 May 2018.

At the Annual General Shareholders Meeting for the year 2019 held on 25 April 2019, the meeting had passed a resolution to approve the distribution of dividend from the net operating profit for the year 2018 at amount of Baht 0.16 per share, totaling Baht 668.74 million. The dividend was paid on 23 May 2019.

30. Other income

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Interest income	5,038,624	7,961,568	110,844,915	97,273,820
Other income	32,818,744	23,482,173	30,199,666	22,419,997
	37,857,368	31,443,741	141,044,581	119,693,817

31. Expense by nature

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Changes in real estate development cost	1,717,752,288	3,952,338,000	436,800,400	733,851,028
Employee related expenses	1,235,531,709	996,546,402	1,080,968,870	893,315,319
Advertising expenses	528,905,928	520,740,754	436,339,659	461,512,020
Depreciation and amortisation (Note 16,17)	88,609,719	103,826,093	74,899,534	101,535,416
Rental expenses	27,576,440	18,485,644	19,786,541	15,583,814

32. Income tax expense

Income taxes for the year ended 31 December comprise the following:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current income tax	539,742,907	455,363,398	445,439,708	364,179,931
Deferred income tax:				
Deferred income tax assets (Note 19)	(73,906,920)	(1,574,335)	(12,170,487)	(1,201,424)
Deferred income tax liabilities (Note 19)	45,927,504	29,416,748	39,299,663	23,452,346
	511,763,491	483,205,811	472,568,884	386,430,853

A reconciliation between current income tax expense and the product of accounting profit multiplied by the applicable tax rate is as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Profit before income tax expenses	2,527,825,638	2,275,509,295	2,469,546,572	2,026,005,296
Income tax was calculated tax rates at 20%	505,565,128	455,101,859	493,909,314	405,201,059

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Effective:				
Income must not be excluded in tax calculation	-	-	(30,002,996)	(28,799,996)
Expenses not allowed as expenses as tax	24,741,404	41,679,502	11,446,447	36,869,504
Tax losses for which no deferred income tax asset was recognised	3,768,026	-	-	-
Expenses allowed to be double deduction	(2,811,786)	(13,575,550)	(2,783,881)	(26,839,714)
Defined tax relating to the origination and reversal of temporary differences	(19,499,280)	-	-	-
Income tax expenses	511,763,491	483,205,811	472,568,884	386,430,853

The tax (charge)/credit relating to component of other comprehensive income is as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Remeasurement on employee benefit obligations	8,652,819	-	6,862,973	-

33. Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares in issue and paid up during the year.

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Net profit attributable to ordinary shareholders of the Company (Baht)	2,026,423,982	1,799,878,105	1,996,977,688	1,639,574,443
Weighted average number of ordinary shares outstanding (Shares)	4,179,568,416	4,179,568,416	4,179,568,416	4,179,568,416
Basic earnings per share (Baht per share)	0.4848	0.4306	0.4778	0.3923

The Company has no diluted potential ordinary shares in issue during the year.

34. Related-party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

Major shareholders of the Company are Shinawatra group family. The remaining shares are widely held.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Relationship between the Company and related parties, which has transactions are as follows:

Company	Nature of relationship
SC Able Company Limited	Subsidiary
Up Country Land Company Limited	Subsidiary
V. Land Property Company Limited	Subsidiary
Scope Company Limited	Subsidiary
SC Alpha Inc.	Subsidiary
SC Expedition Company Limited	Subsidiary
SC NNR1 Company Limited	Joint venture
Scope Tower Company Limited	Scope Company Limited is a major shareholder
SC Office Park Company Limited	Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra are major shareholders
P.T. Corporation Company Limited	Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra are major shareholders
Works Creative Company Limited	P.T. Corporation Company Limited is a major shareholder
SC Office Plaza Company Limited	Miss Pintongta Shinawatra Kunakornwong is a major shareholder
OAI Consultant and Management Company Limited	Khunying Potjaman Damapong is a major shareholder
Alpine Golf & Sports Club Company Limited	Khunying Potjaman Damapong, Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra are major shareholders
OAI Leasing Company Limited	Miss Pintongta Shinawatra Kunakornwong is a major shareholder
B.B.D. Development Company Limited	Mr. Bhanapot Damapong is a major shareholder

Company	Nature of relationship
Voice TV Company Limited	Mr.Bhanapot Damapong and Miss Pintongta Shinawatra Kunakornwong are major shareholders
Thai-Com Foundation	Major shareholder family is a founder
Healthlink Company Limited	B.B.D. Development Co., Ltd. is a major shareholder
Chaingmai Golf and Country Club Company Limited	B.B.D. Development Co., Ltd. is a major shareholder
Alpine Garden Design Company Limited	Miss Paetongtarn Shinawatra is a major shareholder
Rende Development Company Limited	Miss Pintongta Shinawatra Kunakornwong is a major shareholder
Praram 9 Hospital Public Company Limited	Khunying Potjaman Damapong is a major shareholder
Fortay (Thailand) Company Limited	OAI Consultant and Management Co., Ltd. is a major shareholder
Rende Ploenchit Hotel Company Limited	B.B.D. Development Co., Ltd. is a major shareholder
Thames Valley KhaoYai Hotel Company Limited	Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra are major shareholders
B.P. Property Company Limited	Khunying Potjaman Damapong, Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra are major shareholders
Shinawatra University	Khunying Potjaman Damapong, Miss Pintongta Shinawatra Kunakornwong and Miss Paetongtarn Shinawatra are major shareholders of OAI Education Co., Ltd. which is a holder of permission certificate to set up Shinawatra University

Group's policy regarding business transactions with related entities and persons comprises the following:

- Revenues from sales to related persons: parts of the revenues are included 4% discount from normal price accordance with authorised criteria by the Company's Board of Directors. Another part is sales of residential unit to high level management of the Company whom had complied with criteria and conditions as authorised by the Company's Board of Directors.
- Revenues from consulting and management services are according to the mutually-agree basis with the consideration of the actual cost incurred plus appropriate profit.
- Cost of rental and rendering of services is in accordance to the mutually-agreed which is calculate from actual cost incurred plus appropriate profit.
- Interest on loans bearing at the fixed rate and MLR - fixed rate per annum.

The following transactions were carried out with related parties:

34.1 Sales of goods and services

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Revenues from sales				
A subsidiary	-	-	132,233	57,873,913
Related persons	231,178,410	61,502,094	231,178,410	61,502,094
	231,178,410	61,502,094	231,310,643	119,376,007
Revenues from rental and rendering of services				
A subsidiary	-	-	3,485,315	636,599
Related parties	7,986,404	10,806,149	7,986,404	10,806,149
Related person	89,845	-	24,845	-
	8,076,249	10,806,149	11,496,564	11,442,748
Revenues from consulting and management services				
Subsidiaries	-	-	15,225,000	15,900,000
Joint venture	91,770,013	-	91,770,013	-
	91,770,013	-	106,995,013	15,900,000
Interest income				
Subsidiaries	-	-	107,313,555	94,618,330
Joint venture	569,063	-	569,063	-
	569,063	-	107,882,618	94,618,330
Other income				
Subsidiaries	-	-	667,473	-
Related parties	-	-	-	5,673,451
	-	-	667,473	5,673,451
Dividend income				
A subsidiary	-	-	150,014,982	143,999,981

34.2 Purchases of goods and services

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cost of rental and rendering of services				
Related parties	51,550,800	49,912,507	44,059,200	42,426,907
A Related person	72,000	72,000	-	-
	51,622,800	49,984,507	44,059,200	42,426,907
Selling and administrative expenses				
Subsidiaries	-	-	62,044,132	29,401,462
Related parties	19,931,660	24,227,159	19,287,165	23,953,223
	19,931,660	24,227,159	81,331,297	53,354,685
Purchasing of land				
A subsidiary	-	-	-	5,915,195
Cost of land				
A subsidiary	-	-	132,233	57,873,913
Interest expense				
Subsidiaries	-	-	5,230,650	-
Related persons	412,570	648,000	412,570	648,000
	412,570	648,000	5,643,220	648,000

34.3 Outstanding balances arising from sales/purchases of goods and services

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade receivables				
Related persons				
Current portion	20,705,600	1,644,000	20,705,600	1,644,000
Long-term portion	-	25,545,180	-	25,545,180
	20,705,600	27,189,180	20,705,600	27,189,180
Accrued income				
Subsidiaries	-	-	377,704	8,253,910
Joint Venture	36,039,266	-	36,039,266	-
Related parties	103,453	92,750	103,453	92,750
	36,142,719	92,750	36,520,423	8,346,660
Accrued interest income				
Subsidiaries	-	-	100,192,926	41,456,094
Joint Venture	569,063	-	569,063	-
	569,063	-	100,761,989	41,456,094
Trade payable and other payables				
Subsidiaries	-	-	7,933,177	7,882,545
Related parties	3,849,385	17,322,559	3,722,252	15,981,714
	3,849,385	17,322,559	11,655,429	23,864,259
Advance received from customers				
Related persons	5,469,300	23,753,370	5,469,300	23,753,370
Deposit for rental and service				
Subsidiaries	-	-	877,500	877,500
Related parties	1,652,050	1,651,450	1,652,050	1,651,450
	1,652,050	1,651,450	2,529,550	2,528,950
Retention				
Related parties	357,029	-	357,029	-

34.4 Loans to related parties

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Short-term loans to related parties	52,600,000	-	171,530,100	187,569,600
Long-term loans to related parties	-	-	2,799,708,512	2,533,229,012
	52,600,000	-	2,971,238,612	2,720,798,612

The movement of short-term loans to related parties for the year ended 31 December 2019 is as follow:

Unit: Baht

	Consolidated financial statements	Separate financial statements
Opening book amount	-	187,569,600
Additions loans during the year	52,600,000	112,190,000
Repayment received during the year	-	(123,000,000)
Exchange differences	-	(5,229,500)
Closing book amount	52,600,000	171,530,100

Short-term loans to related parties in Thai Baht and US Dollar has the interest at the fixed rate per annum (31 December 2018: MLR - fixed rate per annum). These loans are due for repayment at call.

The movement of long-term loans to related parties for the year ended 31 December 2019 is as follow:

Unit: Baht

	Separate financial statements
Opening book amount	2,533,229,012
Additions loans during the year	601,479,500
Repayment received during the year	(335,000,000)
Closing book amount	2,799,708,512

Long-term loans to related parties has the interest at the fixed rate per annum (31 December 2018: MLR - fixed rate per annum). These loans are due for repayment within 4 years.

34.5 Loans to a related persons

The movement of loans to a related persons for the year ended 31 December 2019 is as follow:

Unit: Baht

	Consolidated and separate financial statements
Opening book amount	18,000,000
Transfer-out	(6,000,000)
Closing book amount	12,000,000

Loans from related person are from issuance of name-registered debenture which have maturity period and interest rates as mentioned in Note 21.

34.6 Directors and key management compensation

Key management includes directors (executive and non-executive), members of the Executive Committee, the Company Secretary. The compensation paid or payable to key management for employee services is shown below:

Unit: Baht

	Consolidated and separate financial statements	
	2019	2018
Short-term employee benefits	111,315,821	58,688,838
Retirement benefits	6,387,254	2,166,289
Director compensation	8,890,000	9,030,000
	126,593,075	69,885,127

34.7 Key contract

The Company has entered into a land lease agreement with a related company under “Reciprocal land lease contract" dated 26 June 2014. The contract has period of 32 years 6 months, all rental fees in contract period total amount is Baht 318.56 million. Furthermore, the company must investment to build the office building with a total investment estimated amount of Baht 851.52 million and agree to transfer ownership of this office buildings to the lessor on the expiry of the leasing period without any compensation payment.

35. Commitments and contingencies

Commitments

Obligations from credit facilities obtained from the financial institutions

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Letter of guarantee (Utilized)	2,555,274,887	2,280,418,931	2,106,668,619	1,882,125,111

The above credit facilities are secured by land together with construction of real estate projects as mentioned in the Notes 10 to financial statements and land together with the construction of Shinawatra Tower 1, 2 and 3 as mentioned in the Notes 15 and 16 to the financial statements.

Operating lease commitments

As a leasee

The Group has obligation in relation to operating lease on the part of a lessee who will be obligated to pay leasing fee in future for the following periods:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Not later than 1 year	18,378,703	16,617,300	7,150,000	6,600,000
Later than 1 year but not later than 5 years	125,376,799	61,149,369	30,371,000	37,521,000
Later than 5 years	533,004,035	279,464,668	259,340,168	259,340,168
Total	676,759,537	357,231,337	296,861,168	303,461,168

As a lessor

The Group has entered into the long-term land rental agreement with a company to build a retail trade center. The rental agreement is for the period of 15 years, commencing from 23 August 2008 with the following rental fees:

1st - 3rd year (from 23 August 2008-22 August 2011) rental fee of Baht 75,000.00 per month
4th - 6th year (from 23 August 2011-22 August 2014) rental fee of Baht 78,750.00 per month
7th - 9th year (from 23 August 2014-22 August 2017) rental fee of Baht 82,687.50 per month
10th - 12th year (from 23 August 2017-22 August 2020) rental fee of Baht 86,821.88 per month
13th - 15th year (from 23 August 2020-22 August 2023) rental fee of Baht 91,162.98 per month

Capital commitments

As at 31 December, the Group has capital commitments as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Capital expenditure in land for project development	3,191,909,467	1,891,328,200	2,505,164,867	908,459,600
Capital expenditure in property, plant and equipment and leasehold rights	6,132,037	13,679,973	6,132,037	13,679,973

36. Subsequent event after reporting date

36.1 At the Board of Directors' Meeting of the Company No. 2/2020 held on 19 February 2020, has the resolutions to:

36.1.1 Approve the proposed dividend from its operating results for 2019 at Baht 0.19 per share, totaling approximately Baht 794.13 million. The dividend payment will later be proposed for approval in the Annual General Meeting of the Company's shareholders.

36.1.2 Approve the warrants to directors and employees allocation of 42,000,000 units, under the ESOP scheme (Grant IV).

36.1.3 Approve an increase of registered share capital of the Company by issuance of 42,000,000 new ordinary shares with a par value of Baht 1 each. Share allotment will be processed as reserved for the ESOP scheme (Grant IV).

36.2 On 17 January 2020, the Group has additionally invested in investment in subsidiaries which is SC Alpha Inc. amounting to US Dollar 13 million by increase additional paid-in capital of the subsidiary. The subsidiary company received fully additional paid-in capital on 17 January 2020.

36.3 At the Board of Directors' Meeting of the Company No. 7/2019 held on 11 December 2019, has the resolution to approve to establish new subsidiary, SC Asset Three Company Limited with authorised share capital of Baht 1.00 million, which included 100,000 ordinary shares with a par value of Baht 10 each. The Company acquired 99.99% ownership interest and aimed to invest in property development. The new subsidiary company registered with the Ministry of commerce on 31 January 2020. At the same date, the Company has paid the share subscription amounting to Baht 0.99 million.

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