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The Company received the royal award of “Thailand Corporate Excellence Awards 2020” in recognition of distinguished performance in the category of Corporate Management Excellence. Evinced precisely that the company readiness and planning of business operations In the present situation. It is another pride of the company with success in 2020

Awards



๑๖. Quality Award



Farmhouse DELIVERY



สั่งซื้อเดลิเวอรี่
@farmhousethai





The company is the leader in the production and sale of fresh bakery by quality standards. Also, develop products and services with online ordering and delivery system for consumer several choices



Royal Group



GABA





'The Royal' product type and a thick slice bread have No.1 selling of Thailand. by the selection of raw materials with the high-quality production process in Royal Whole Wheat, Royal 12 Grain, and Royal Sprouted Grain from Farmhouse brand



Financial Highlights

Financial Statements in which the equity method is applied

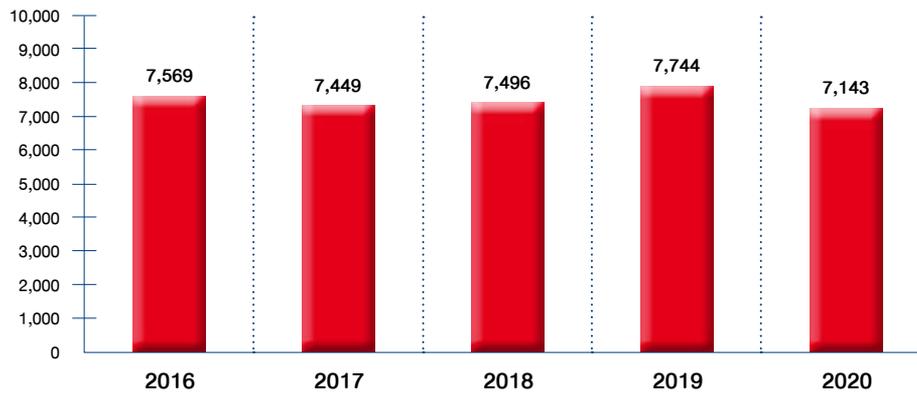
	2020	2019	2018
Financial Status (Million Baht)			
Total Assets	10,298.89	9,480.09	8,690.27
Total Liabilities	1,049.02	1,110.72	1,269.13
Total Shareholders' Equity	9,249.87	8,369.37	7,421.14
Performance (Million Baht)			
Total Sales	7,143.48	7,743.97	7,495.57
Total Revenues ^{/2}	7,185.94	7,784.28	7,530.72
Cost of Sales	3,742.85	4,143.42	4,294.41
Profit for the year	1,678.67	1,700.74	1,431.35
Financial Ratio			
Gross Profit Margin (%)	47.60	46.49	42.71
Net Profit Margin (%)	23.36	21.67	18.90
Return on Equity (%)	19.05	21.54	20.26
Total Assets Turnover (times)	0.73	0.86	0.91
Return on Assets (%)	49.37	53.82	45.66
Stock Data (Baht)			
Par Value per Share	1.00	1.00	1.00
Book Value per Share	20.56	18.60	16.49
Basic Earnings per Share	3.73	3.78	3.18
Dividend per Share	*** ^{/1}	1.90	1.60
Number of Share (Million Shares)	450	450	450

^{/1} Interim dividend payment for the performance from January 1st - June 30th 2020 from the BOI Promotion at 0.96 Baht per share.

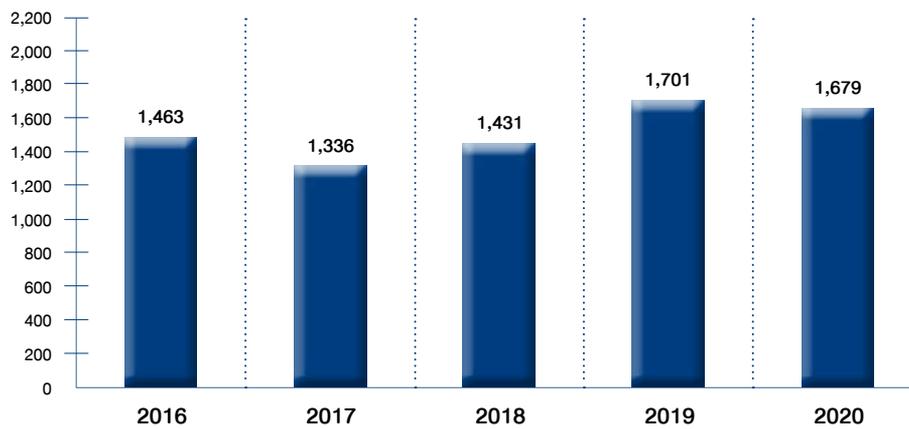
^{/2} Total Revenues without the Finance income.



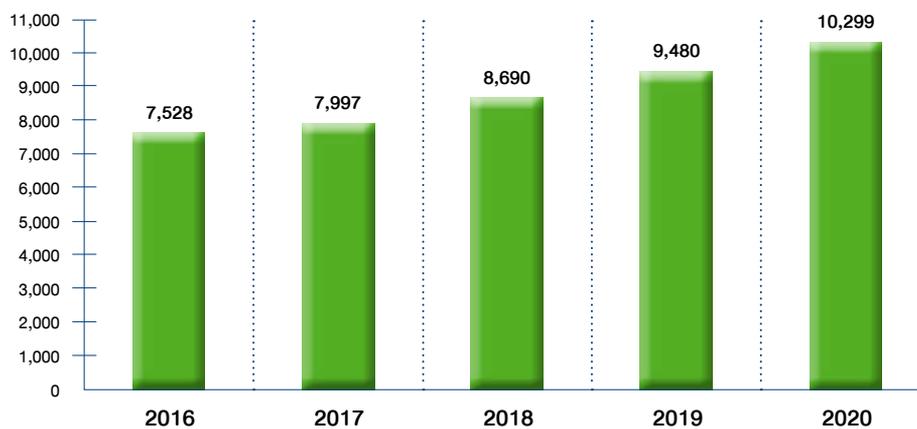
Total Sales (Million Baht)



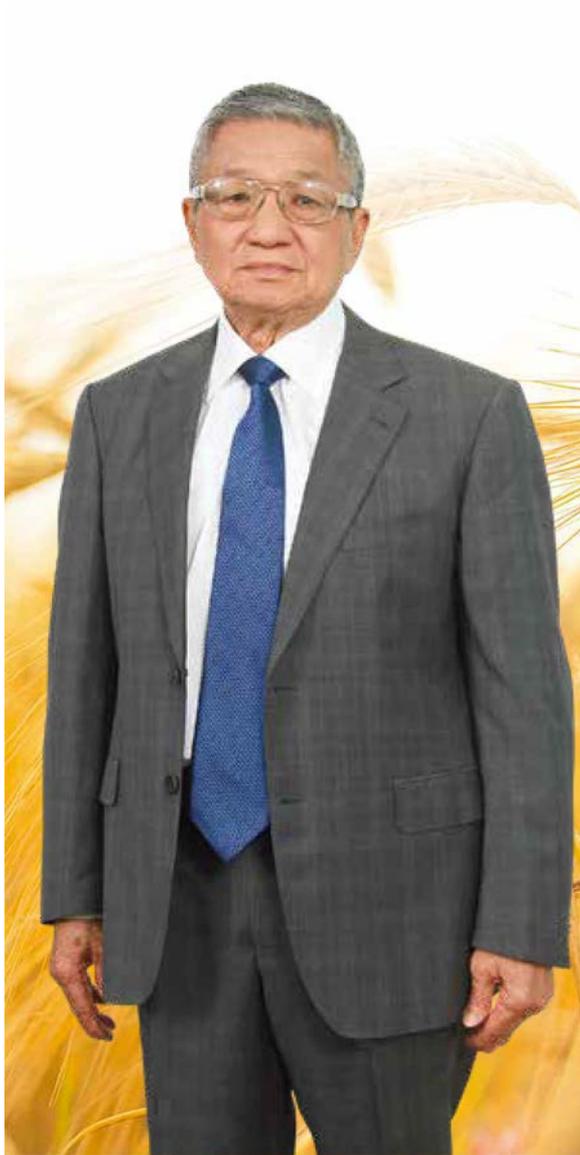
Profit For The Year (Million Baht)



Total Assets (Million Baht)



Message from the Board of Directors



Mr. Pipat Paniangvait

Chairman of the Board

Vision

Being the leader of bakery manufacturer and distributor to serve clean, fresh, safe, nutritional products at international quality standard together with the responsibility to the consumers, society and environment

Mission

1. Research and develop innovation of healthy products, focusing on using natural, high-quality, delicious, clean, fresh, safe and useful raw material
2. Develop modern, clean, safe production process with smart technology and good, effective controlling system to support competitiveness
3. Develop selling and delivery management with analytic and managerial information technology to provide goods and services for the consumers with timely, efficient, clean and safety manner
4. Encourage and develop potential of employees to have knowledge of changing technology, creativity and capability to accomplish growing career path
5. Establish love, unity and fairness in compliance with good corporate governance principle to support strengthening and sustainable organization

These are the things that the executive directors and employees at all levels adhere to as well as a practice to lead to success in sustainable business operations

For the year 2020, the world has encountered into the situation of Covid-19 Outbreak, which caused the economic, social, and other impact globally. Both internal and external economic sectors of Thailand was worsen, and lots of businesses were suspended, or even closed. The government announced many measures against such Covid-19 outbreak, which also affected lifestyle and consumers' behavior. The Company has recognized this crisis, thus implementing several preventive measures to save good health in the production process and all staffs, as well as at any workplaces, delivery process, or at the uses of any equipment, in order to ensure that all of our products are safe for consumers.

This situation has affected the sales volume of the Company in 2020, decreasing to 7,143.48 million Baht or by 7.75% from a year earlier. However, even with such decreasing volume, the net profit of the Company stood at 1,677.27 million Baht, decreasing by only 1.44% from a year earlier as a result of our effective management. The Company has implemented the Zero-Waste Policy, and Total Productive Maintenance (TPM) to encourage participation from all staffs, as well as controlled the cost of production, energy, and other expenditures in an efficient manners.

In addition, the Company developed Digital Marketing in order to approach target customers to be in line with “New Normal” lifestyle and consumers’ behavior.

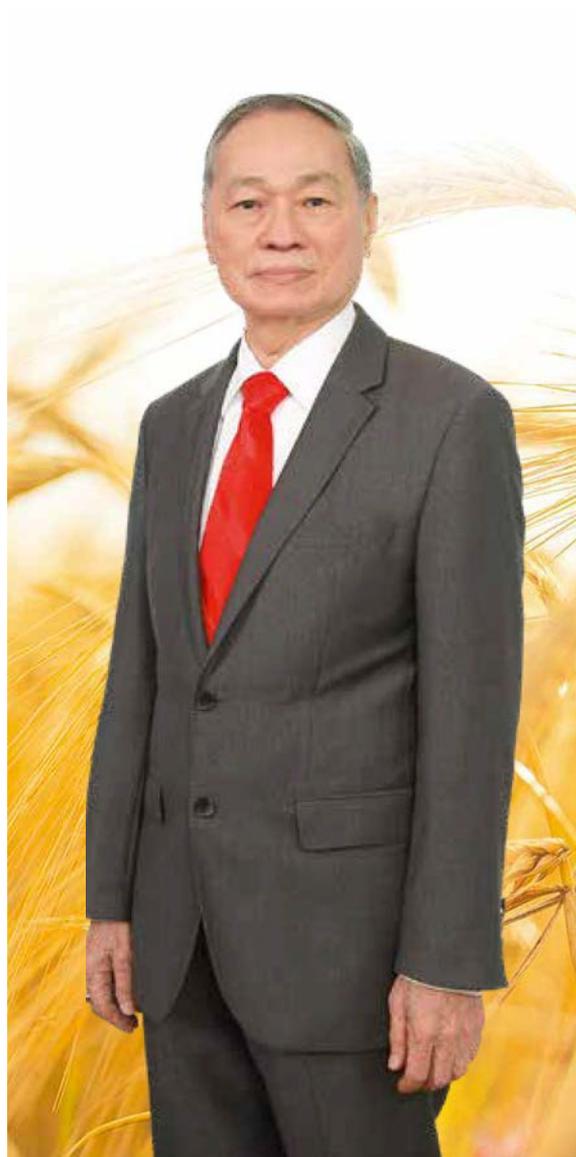
As a result of economic impact, the Company postponed the plan to construct new factory building. We focused on new technology to support maximum utilization of existing machinery and factory resources. Meanwhile, the Company continued product development to be able to serve customers’ need with nutrient products, in compliance with our production policy to serve good and healthy products for consumers.

The Company still committed to Good Corporate Governance Principle, no matter in economic, social, or environmental aspects to encourage sustainable growth. In 2020, the Company received “Thailand Corporate Excellence Awards 2020” from Thailand Management Association (TMA) in cooperation with Sasin Graduate Institute of Business Administration. The Company was also selected in “ESG100” (Environmental Social and Governance) by Thaipat Institute, based on the overall evaluation of environmental, social, good governance performance of Listed Companies.

The Company received “Marketeer No.1 Brand Thailand” in 2018-2020 for 3 consecutive years. The product of “Farmhouse” was accredited to be no.1 popular brand in Thailand under bread products as per the survey of Video Research International (Thailand) Ltd., a subsidiary of Video Research Ltd. Japan, in cooperation with Marketeer Research, which was performed with international standard of marketing survey.

The Company has also realized the importance of social development. The Company donated to Ramathibodi Foundation to acquire the ambulances with hydraulic equipment, and also provided bakery products for the project of “Sharing Happiness, Giving Care” to support several organization to handle activity to relief social impact from Covid-19 situation.

Lastly, the Board of Directors would like to take this opportunity to appreciate the customers, shareholders, business partners, and related parties for continuous trust and support. The Company also appreciates full and complete dedication of the Executives and all staffs to strengthen our business growth in a sustainable manner.



Mr. Apichart Thammanomai
Vice Chairman of the Board and Managing Director

Board of Directors



Mr. Pipat Paniangvait
Chairman of the Board



Mr. Apichart Thammanomai
Vice Chairman of the Board
and Managing Director



Mr. Apisate Thammanomai
Vice Managing Director



Mr. Vichai Kulsomphob
Director



Ms. Petcharat Anantawichai
Director and Senior Management,
Accounting Dept. and Finance Dept.
Manager / Company Secretary



Ms. Panida Prayottaweekij
Director and Senior Production Manager



Dr. Pojjanee Paniangvait
Director



Mr. Pun Paniangvait
Director



Ms. Saipin Kittipornpimol
Director and Assistant Managing Director



Ms. Ubolluck Luevoravinyu
Director and Assistant Managing Director



Prof. Dr. Teravuti Boonyasopon
Chairman of Independent Director and
Chairman of Audit Committee



Mr. Wattanachai Chotechutrakul
Independent Director and
Audit Committee



Prof. Piyamirt Sritara
Independent Director



Mr. Thanapich Mulapruk
Independent Director and
Audit Committee



Mrs. Aim-On Pathumarak
Independent Director and
Audit Committee

Board of Independent Director and Audit Committee



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Independent Director



Mr. Thanapich Mulapruk
Independent Director and
Audit Committee



Mrs. Aim-On Pathumarak
Independent Director and
Audit Committee

Policies and Overview of Business Operation

President Bakery Public Company Limited was registered as company limited on October 29, 1980 and registered to transform into public company limited on July 19, 2002 with registered capital of 300 million baht and paidup capital of 300 million baht. In 2006, the Company increased its registered capital from 300 million baht into 450 million baht in accordance with the shareholders meeting no. 27 on April 25, 2006 and had registered capital increase on June 15, 2006. On April 28, 2011, the resolution of shareholders meeting no. 32 had approved to change par value of 10 baht per share to 1 baht per share, by which number of shares after the change of such par value increased from 45 million shares to 450 million shares. The Company had registered the change of par value of ordinary share with the Ministry of Commerce on May 12, 2011.

At present, the Company owns three factories, two located in Lad Krabang Industrial Estate with the total area of 18 rai and 3 ngan and the other one located in Bang Chan Industrial Estate with the total area of 12 Rai, 2 Ngan, and 57 square wah. The primary business of the Company is to manufacture bread and bakery products under our own brand to be distributed via retail shop (traditional trade) or via modern trade distribution channel. The product distribution of the Company is in the form of outright selling and will receive the unsold products in return for new delivery in order to serve fresh products. The Company has also conducted retail bakery business under our own brand to be distributed via the Company's retail shops and to serve direct purchasing order of the consumers. In addition, the Company also distributes our products upon direct order of fast food and convenience stores.

The Company business are separated into 4 lines, which are as follows :

1. Wholesale bakery business, manufacture and distribute sliced bread, hamburger bun, hotdog bun, ready to eat bread such as filled flavored bread, ready made sandwiches, cake and confectionery, all of which are distribute under "Farmhouse" trademark, Vending Machine.
2. Retail bakery business such as bakery that are distribute at Deliya by Farmhouse, Madame Marco cake, Good Morning Farmhouse (sandwich franchise), Farmhouse Moon Cake and Farmhouse.
3. Fast food and catering / restaurant business distribute hamburger and hotdog bun, sliced bread, french bread, croissant crispy bread and Pizza Dough to fast food such as Mc Donald, KFC, Pizza Hut, Burger Kings, Chester Grill, A&W, The Pizza Company, Sizzler, Dairy Queen, Mos Burger, Sata Fe', Chocolate Ville and S&P as well as fried product such as bread crumbs.
4. Export business manufacture goods to be export in the form of frozen products.

1.1 Vision and Mission

Leadership and Vision

The Board of Director participated in the approval of the Company's vision and mission in order to perform inline with the vision and mission set. The management appointed strategic working group to stipulate Company's strategy plans and prepared strategy plans for each sector, which can be use as guidelines in business operation as well as provide systems that monitored, improve and evaluate operating performance by comparing to the plan and budget set in order to add highest value to the Company. The vision and mission are as follows:

Vision

Being the leader of bakery manufacturer and distributor to serve clean, fresh, safe, nutritional products at international quality standard together with the responsibility to the consumers, society, and environment

Mission

1. Research and develop innovation of healthy products, focusing on using natural, high-quality, delicious, clean, fresh, safe, and useful raw material
2. Develop modern, clean, safe production process with smart technology, and good, effective controlling system to support competitiveness.
3. Develop selling and delivery management with analytic and managerial information technology to provide goods and services for the consumers with timely, efficient, clean, and safety manner
4. Encourage and develop potential of employees to have knowledge of changing technology, creativity, and capability to accomplish growing career path
5. Establish love, unity, and fairness in compliance with good corporate governance principle to support strengthening and sustainable organization

Objective In Operating Business

The Company intended to be the leader in manufacturing and distribution of bread and confectionery in the form of wholesale that always hold the standard and quality, including intention to continuously promote new innovation and develop new products for the consumers to have the opportunities to consume good quality products within suitable price, as well as to expand the market into

new group of consumers. This also includes developing existing products to add more value in order to meet the demand and behavior of consumers that change over time.

In addition, the Company aims to continuously accelerate penetration in operating retail bread and bakery business, as well as expand into related food business in the future.

1.2 Significant Changes and Development

Significant Development Over The Past 3 Years

Year 2018

Change in Major Shareholders

The Structure of major shareholders of the Company has changed in 2018. Thai President Foods PLC (TFMAMA) submitted the merging intention with the Company to the Securities and Exchange Commission and the Stock Exchange of Thailand on 20 Aug, 2018, hereby raising the shareholding of the Company to more than 50% of total shares and causing the Company to be the Subsidiary of TFMAMA. Upon this proposal, TFMAMA performed tender offer to purchase the total shares of the Company, which completed on 6 Nov, 2018. As a result, TFMAMA held 51.99% of ordinary shares of the Company.

Investment

The Company purchased three lands in provincial areas to be new product distribution centers, replacing current rental areas, in order to expand our product distribution capability to be more rapid and timely, as well as to increase parking space for our delivery trucks. In addition, the Company invested in one more private fund to diversify investment portfolio of the Company.

Information Technology

In 2018, the Company installed new software to improve the entire production procedure up to back office operation, in order to raise production efficiency, reduce redundant operation, and ensure sufficient information for decision making. On this regards, the Company implemented the software of Manufacturing Resource Planning (MRP) for planning and control of raw material, finish goods, and production. The Company shall improve the capability to estimate the demand for raw material, purchasing point, as well as able to manage inventory in a proper manner, thus reducing over-stock and storage cost and avoiding the deterioration of raw material. The Company intended to serve high quality products to be sufficient for customer's demand, maintain operating system at the international standard as well as in a correct, rapid, and accountable manner, which supported efficient production and delivery planning for our customers.

Year 2019 Investment

The Board of Directors' meeting on September 17, 2019, resolution had approved to invest in ordinary share of Saha Capital Tower Company Limited, which engaged in property development, with 2,000,000 common stocks, par value : 100 baht, totaled 200 Million Baht, or with investment proportion of 10% of the Company's registered capital. In 2019, the Company has purchased 2 pieces of land in Bangkok and Provincial Areas, to build new distribution centers in order to replace the original rental area, to increase distribution capacity, and to prepare the

sufficient resting area for the delivery vehicle of the Company. From the purchase of land to build new distribution centers, as of the end of the year 2019, the Company has 16 distribution centers on our own land and 24 rental areas. (40 in total) Moreover, the Company has 2 additional private funds to diversify investment.

Information Technology

In the year 2019, the Company focused on improving the efficiency of administration and management within the organization as a basis for Industry 4.0. The Company has procured Software E-Document to manage the Company's document in the form of E-Document and Electronic Signature/ Digital Signature, which will enable related departments to track relevant documents needed to be approved in a timely manner in order to meet the demand of customers. There was also a software update in the management of delivery vehicles to be able to manage trucks and cars of sales division more efficiently as well as gain better control over maintenance and fuel costs.

The Company recognizes the vehicle safety on the road. Therefore, accident reduction measures are implemented. It includes installing new GPS in delivery vehicles, by signing a 400-Unit GPS contract with TRUE in the first round. The GPS is modern technology, allowing the Company to be able to track drivers' behavior at all times, control the vehicle speed's limit in compliance with the specified laws, track unusual driving situations to prevent accidents that may occur which will help the Company save the use of fuel and reduce the cost of transportation.

Year 2020

Investment

The Company's policy is to develop distribution center (DC) to have more usable space and distribute products to consumers quickly and on time. This includes having adequate parking area for vehicles used in transporting goods by gradually buying land in Bangkok and other provinces to build distribution centers. As of the end of 2020, 16 distribution centers on the Company's land were completed, 4 of which are in the process of construction and 20 are located on the leased land, totaling 40 locations. The company will gradually buy land to build distribution centers instead of leasing in line with the policy laid down.

In 2020, the company has invested 100,000 shares in ordinary shares of XET Co., Ltd., an international school under the name "King's College International School Bangkok", with a par value of 100 baht per share; amounting to 10,000,000 baht, represents 0.72% of the paid-up capital of the said company. The first semester was launched in September 2020 and has received great feedback from students, parents and social media.

Technology and information

In 2020, software and hardware were brought into use to enhance business operations, as follows:

In the aspect of sales and delivery work, customer information on location, coordinates, product sorting patterns were collected to increase efficiency. Shipping management to deliver faster and reduce shipping costs, and developed the Digital Marketing system to be in line with the New Normal lifestyle during Covid-19 situation.

In terms of production, the company has developed factory to be Smart Factory by using Industry 4.0 principles to increase the potential and efficiency in the production process. Controls and inspect reduce problems and loss from the manufacturing process.

Raw material control aspect, inspection program has been improved to be up to date. Tablet device are used to count stock of raw materials and equipment; help with speed and reduce time in managing the raw material warehouse.

Nature of Business

President Bakery PLC. is the subsidiary in food product group of Sahapatanapibool PLC. which was established by Dr.Thiam Chokwatana. Sahapat Group food product that is manufactured by Thai President Foods PLC. is highly successful and well accepted in the market. Their products include Mama instant noodles and Bissin biscuits, which both product use wheat flour as their main raw material in production. This creates the desire to expand the business into the bakery that used wheat flour as the main raw material. At that at time, most bakeries were small-sized family business. The products standard and quality were inconsistent. Moreover, they lacked of developments in many aspects such as products, distribution system, and proper management. The consumer's understanding towards quality bakery was little. Yet, the size of market as well as the bakery consumption was still unpopular.

Nevertheless, at that time the government, then, aimed to encourage the manufacturing sector to substitute import, particularly in the agricultural industry. In addition, the lifestyle of Thais has changed. People from the rural areas flocked into the city and the family size was smaller.

More women joined the workforce resulting in less time for preparing family meals. Plus, international trade began to play a major role, thus more foreigners moved into the country. These factors created an opportunity for bakery product to better serve the needs of the Thai lifestyle.

Business Operation of Each Product Line

The company mainly manufacture and distributes bread and confectionery with the following lines of business :

1. Wholesale bakery business proportion of sales was 91.46% of the total revenues.
2. Retail business proportion sales was 1.55% of the total revenues.
3. Fast Food and Catering business proportion sales was 6.17% of the total revenues.
4. Export business proportion sales was 0.24% of the total revenues.



Revenue Structure

Details of revenue structure during the year 2018 - 2020 are as follows :

Product / Services	2020		2019		2018	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
1. Wholesale Bakery Business	6,572,074.33	91.46	7,068,641.47	90.81	6,826,400.90	90.65
1.1 Sliced Bread	3,458,892.51	48.13	3,324,264.19	42.70	3,167,802.62	42.07
1.2 Burger Bun and Hot Dog Bun	59,580.40	0.83	56,855.35	0.73	55,339.29	0.73
1.3 Snack Bread	1,961,542.43	27.30	2,447,956.64	31.45	2,444,744.61	32.46
1.4 Snack Cake	862,872.47	12.01	1,033,087.56	13.27	889,492.67	11.81
1.5 Sweet Bakery and Confectionery	229,186.52	3.19	206,477.73	2.65	269,021.71	3.57
2. Retail Bakery Business	111,263.43	1.55	134,078.10	1.72	132,916.54	1.76
2.1 Deliya	19,028.64	0.26	30,445.95	0.39	32,715.32	0.43
2.2 Madame Marco	88,247.38	1.23	95,899.07	1.23	92,146.34	1.22
2.3 Good Morning Farmhouse	3,987.41	0.06	7,733.08	0.10	8,054.88	0.11
3. Fast Food & Catering	443,099.08	6.17	527,917.52	6.78	527,482.20	7.00
3.1 Fast Food & Catering	399,488.62	5.56	481,381.51	6.18	473,980.73	6.29
3.2 Fried Products	43,610.46	0.61	46,536.01	0.60	53,501.47	0.71
4. Export Business ***	17,040.24	0.24	13,335.84	0.17	8,767.08	0.12
Total Revenues from Core Business	7,143,477.08	99.41	7,743,972.93	99.48	7,495,566.72	99.53
5. Other Income	42,459.65	0.59	40,309.69	0.52	35,155.54	0.47
Total Revenues	7,185,936.73	100.00	7,784,282.62	100.00	7,530,722.26	100.00

Remark : *** The Company distributes its product through domestic agent to customer in Japan.

Business and Production Line



Nature of Products and Services

1. Wholesale

This sector involves manufacturing and wholesaling of bakery products, under the trademark "Farmhouse" to various shops and via many channels. The main customers are modern and traditional retail shops, which are:

Hypermarkets, e.g. Tesco Lotus, Big C, Makro, etc.,
Department stores, e.g. Tanghuaseng, Local Mall, etc.,
Supermarkets, e.g. The Mall, Tops, Foodland, MaxValue, etc.,

Convenience stores, e.g. 7-Eleven, Tesco Lotus Express, Central FamilyMart, Lawson 108, Mini Big C, CJ Express, etc.,

Gas Station convenient stores, e.g. Jiffy, Bangchak, PT Max Mart, Shell Select etc.,

Traditional retail shops, i.e. small retail shops in schools and factories, welfare shops in official places, etc

Wholesale Bakery Products are:

1.1 Sliced Bread

Sliced bread is the first product that is manufactured and distributed by President Bakery. From the past until now, it has generated the highest level of brand awareness for Farmhouse. This product is considered the Company's main source of revenue, due to the nature of the product which is consumable in various ways and suitable for all ages and groups. Originally, the Company offered only plain sliced bread. Later, it had developed its product and introduced variety to its line and product proportions as follows:

(1) White Bread

White bread is in the sliced bread group with the texture of white loaf bread. The product is suitable for all ages and genders. White bread can be used at all occasions and as ingredient for several kinds of food. Goods belonging to this group are 480 grams Sliced bread, 240 grams Sliced bread, 220 grams White bread, 275 grams Royal bread, and 240 grams Hokkaido Milk Flavored bread.



Sliced Bread



Hokkaido Milk Flavored Bread



White Bread

(2) Grain Bread

Sliced breads that contain varieties of grains as the ingredients to increase the nutritional value, which is in line with the lifestyle of Thai people who pay more attention to their health. Especially the selection of food products that is useful in consuming. Products in this group include 500 g. of whole wheat bread, 250 g of whole wheat bread, and 250 g. of fine wheat bread which are suitable for children and health-conscious customers; but dislike the original recipe of the whole wheat bread while this new whole wheat bread is easier to consume. This includes 285 g. soft, thick sliced whole wheat bread, 12

grains Royal, 12 grain bread 285 g. thick and soft sliced bread that is rich in variety of grain, thick, soft and flavorful, a special formula that are full of benefits. In the year 2020, new products have been launched, including Royal germinated brown rice, is germinated brown rice mix with whole grain bread with the weight of 280 grams which is also the symbolized of health options.

1.2 Burger Bun and Hot Dog Bun

The Company distributes Burger bun with sesame seed and Hotdog roll which are products that can be used in various dishes menus such as Burgers and Hotdogs with various fillings etc.



Whole Wheat Bread



Fine Whole Wheat Bread



Hot Dog Roll



Burger Bun with Sesame Seed



Royal Bread



Royal Whole Wheat



Royal 12 Grain



Royal Sprouted Grain

1.3 Snack Bread

Bakery product in ready-to-eat form, packed in one package suit with one time consumption which is suitable for the lifestyle of consumers in urban society that need to rush, want convenience, fast, portability and can be consume anywhere, anytime. Wide variety of products and variety of flavors suitable for all target groups namely, students, college students, working people and everyone. Products in this category are mini loaf raisin bread, deli sandwiches, sweet sandwich, breads filled with sweet fillings and meat filling, topping bread, flavored bread, raisin bread, sweet filled hot dog, and triangle sandwiches. In 2020, new products were launched such as Buddy Sandwich with Pork Floss, Mayonnaise and Tuna Mayonnaise, Buddy Sandwich with Crab Stick Mayonnaise and Pork Floss Mayonnaise, Mixed Berry Spread Bread and adjustment in chocolate bread recipe.

1.4 Snack Cake

The company foresees the current market gap where there is no standard ready-to-eat cake and accepted by the market. With the Company readiness and expertise in the cake production by the experts; thus, developed the snack cake product line to distribute snack cake product line that the company produces and distributes. The snack cake consists of 5 flavors: Banana Cake, 5 flavors of roll cake, namely, coffee flavored roll cake, pandan flavored roll cake orange flavored roll cake, vanilla flavored roll cake, Hokkaido Milk flavored roll cake; 5 flavors of doriyaki: dorayaki with custard cream filling, dorayaki filled with chocolate, dorayaki filled with almond cream, dorayaki filled with chocolate chip and cream, and dorayaki with Azuki red bean paste. Including, 3 flavors of sandwich cake: vanilla flavored sandwich cake, pandan flavored sandwich cake, coffee flavored and sandwich cake. The company as well offers 3 flavors of donut cake: vanilla custard filled donut cake, chocolate custard filled donut cake, pandan custard filled donut cake. In the year 2020, new products have been added: almond milk mochi cake and double chocolate mochi cake.

Snack Bread





Mini Pack Coconut Cream Pandan Flavoured Sliced Bread Mini Pack Taro Flavoured Sliced Bread Mixed Berry Flavoured Spread Bread Hokkaido Milk Flavored Cream Spread Bread Sliced Chocolate Bread Sliced Butter Bread Sliced Thai Custard Bread Taro Spread Taro Sliced Bread



Cranberry Raisin Bread Raisin Bread Buddy Sandwich Shredded-pork Mayonnaise and Tuna Mayonnaise Buddy Sandwich Crab Stick Mayonnaise and Shredded-pork Mayonnaise Tuna and Boiled Egg Whole Wheat Filled Bun Crab Stick Mayonnaise Whole Wheat Filled Bun



Shredded Chicken Shrimp Chili Paste Filled Bun Mayonnaise Shredded -Pork Filled Bun Coconut-Taro Filled Bun Coconut-Pandan Custard Filled Bun Red Bean-Lotus Seed Filled Bun Red Bean Black Sesame Filled Bun Thai Custard Filled Bun Taro Filled Bun Red Bean Filled Bun Black Bean Filled Bun Chocolate Custard Filled Bun



Thai Custard Milk Filled Bun Red Bean Filled Bun Taro Filled Bun Thai Custard Filled Bun Chocolate Custard Filled Bun Cream Custard Filled Bun Black Bean Filled Bun Mung Bean Filled Bun Milky Custard Filled Bun



Butter Coconut Bread Butter Bread Taro Bread Coconut-Pandan Flavoured Bread Cocoa Flavoured Bread Mini Loaf Chocolate Chip Raisin Bread Mini Loaf Raisin Bread



Hokkaido Milk Flavour Cream Filled Hotdog Bread Chocolate Flavoured Cream Filled Hotdog Bread Coffee Flavoured Cream Filled Hotdog Bread Pineapple Flavoured Cream Filled Hotdog Bread Strawberry Flavoured Cream Filled Hotdog Bread Hokkaido Milk Almond Flavour Cream Filled Hotdog Bread Coffee-Almond Flavour Cream Filled Hotdog Bread Strawberry-Raisin Flavour Cream Filled Hotdog Bread

Snack Cake



Donut Cake Sweet Purple Potato Taro Filled Donut Cake Chocolate Custard Filled Donut Cake Vanilla Custard Filled Donut Cake Thai Custard Filled Donut Cake Chocolate Chip Banana Cake Almond Banana Cake Banana Cake



Cake Roll Hokkaido Milk Flavoured Cake Roll Vanilla Flavoured Cake Roll Pandan Flavoured Cake Roll Coffee Flavoured Cake Roll Orange Flavoured



Sandwich Cake Vanilla Flavoured Cake Sandwich Cake Pandan Flavoured Cake Sandwich Cake Coffee Flavoured Cake Chocolate Filled Dorayaki Creamy Almond Filled Dorayaki Chocolate Chip Cream Filled Dorayaki Cream Custard Filled Dorayaki Azuki Bean Filled Dorayaki



Almond Milk Butter Mochi Cake Double Chocolate Mochi Cake

Confectionary



Butter Toast Raisin Butter Toast Mini Butter Toast Chocolate Pie Taro Pie Pineapple Pie Pineapple Fruit Pie Strawberry Fruit Pie Blueberry Fruit Pie



Butter Cookies Hokkaido Milk Butter Cookies Vanilla Butter Cookies Chocolate Butter Cookies Flavoured Mixed Fruit Cookies Flavoured Raisin Cookies Flavoured Cookies with Chocolate Chips

1.5 Other bakery

Confectionery products group consisted of mini bread crisps (Available only through small shops (traditional retailers)) butter baked biscuits, raisin biscuits with butter, 4 flavors cookies: butter cookies, mixed fruit cookies, raisin cookies and chocolate chip cookies; 3 flavors of butter cookies: vanilla butter cookies, chocolate butter cookie, Hokkaido milk butter cookies, and fruit pie with 3 flavors: pineapple filling fruit pie, strawberry filling fruit pie and blueberry filling fruit pie. Products in the pastry category include pineapple, pie taro pie and new product of 2020 is chocolate pie.

1.6 Farmhouse Vending Machine

To emphasize on providing service and facilitating consumers, the company has added new distribution channels by bringing bread vending machine in various locations such as office buildings, hospitals and factories.

1.7 Farmhouse Delivery

To increase sales channels and directly deliver goods to consumers.

2. Retail business

Selling products through the company's retail stores and direct sales to customers under the company's trademarks; which are:

2.1 Deliya by Farmhouse

From company policy with the aims to expand into bread and bakery retail business which is likely to expand further in the future; coupled with the company experience and credibility in bread and bakery business. The company opened a Deliya by Farmhouse store, which produces and distributes a wide variety of fresh homemade bread and bakery products, as well as bakery Snack Box for delivery in Bangkok and its vicinity area. At the end of 2020, there are 4 branches: RS Tower, Ratchada, The Mall 3 Ramkhamhaeng, Paradise Park and The Mall Bangkok.



Farmhouse Vending Machine



Farmhouse Delivery



Deliya

2.2 Madame Marco

Homemade soft cake, the original recipe in European style, flavored with tasty in every step. Starting from the selection of quality raw materials from both domestic and abroad through a clean production process and with the unique made to order system of Madame Marco Cake. The uniqueness and specialty, making Madame Marco Cake to be delicious and fresh for every order, along with free delivery in Bangkok and suburbs under the real European taste, thus making Madame Marco “The European Delight”.

At present, Madame Marco has now expanded the distribution channels by opening 20 shops, which located at Siam Paragon, The Mall Ngamwongwan, The Mall Bang Khae, The Mall Bangkapi, The Mall Thaphra, Mega Bangna, Paradise Park, Fashion Island, The Emporium, Crystal Ratchapruek, The EmQuartier, Future Park Rangsit, Tops Central Pinklao, Tops Central Westgate, Tops Central Bangna, Tops Central Rama 3, Terminal 21, Tops Central East Ville, Tops Central Ladprao and Siam Takashimaya.

Madame Marco's cake comes with free delivery

both in Bangkok and its vicinity, which can be inquire at

Call Center : โทร. 02-326-0200-3 และ 02-700-9210

Website : www.Madamemarco.co.th

Facebook : www.facebook.com/madamemarco.co.th

Line id : @madamemarco

Instagram : madamemarcothai

2.3 Good Morning Farmhouse

The distribution of the product to a representative who sells sandwiches under the company with the objective in creating popularity in consuming bread in a variety of forms for general consumers; and to promote people to have a career as well as extra income. Sellers will buy sandwich products from the company and make sandwiches as consumers want. The company will select a sales representative based on their location and service availability and provide sales knowledge. At the end of 2020 there are 82 Good Morning Farmhouse sandwich sales representatives.



Madame Marco



Good Morning Farmhouse

3. Fast Food & Catering

Product that is manufactured and sold according to customer orders, including fast food stores such as McDonald's, KFC, Pizza Hut, Chester's Grill, A&W, Santa Fe Steak, Texas Chicken, Steak Mos Burger (From Japan) Minor Food Group, namely, Burger King, Sizzler, Dairy Queen, The Pizza Company, and etc., as well as restaurants and coffee shops such as Chocolate Ville, The Coffee Club, S&P, which are all famous restaurants with the highest sales worldwide, including Thailand.

3.1 Fastfood & Catering

(1) Fastfood

Burger and Hotdog buns come in various sizes as well as with and without sesames. The Company uses full automatic manufacturing process to manufacture burger and hotdog buns with the capacity of 36,000 pieces/hr. including other products such as french bread, croissant, crispy toast bread and products that were developed to satisfy the customers. At present, the company is considered as the largest bread supplier in the country.

Additionally, frozen dough is another product that the company produces & distributes, which comes in different sizes based on the order placed by fast food stores. The Company has continuously researches and develops to continue expanding the market of such products.

(2) Catering

Apart from fast food, the Company also expanded the distribution channels into restaurants and coffee shop businesses that required bakery in their menus. Our distribution consists of existing products and newly developed products to serve each particular group of customers.

3.2 Fried Products

Product group that are use as ingredients in fried food dishes and are well-liked by Thai consumers such as bread crumbs, which are made from special recipe of freshly baked bread resulting in the standard size of crumbs. The creamy white flakes are not too finely ground and perfectly coated the food, making the fried dish golden and appetizing, delicious, crispier and does not absorb oil. Farmhouse bread crumbs are suitable for frying both meat and vegetable.



Fast Food & Catering



Special Formula
Bread Crumbs



Bread Crumbs

4. Export Business

The Company has developed products to be distributed to Coffee Shop Chain and Pizza Shop customers in Japan, which are well-known. The Company distributes its product through domestic agent to customer in Japan.

Marketing and Competition

Marketing

1. New Product

In 2020, the Company distributed 7 new products to provide alternatives for consumers as following,

1. Chocolate pie
2. Buddy Sandwich Shredded-pork Mayonnaise and Tuna Mayonnaise
3. Buddy Sandwich Crab Stick Mayonnaise and Shredded-pork Mayonnaise
4. Almond Milk Butter Mochi Cake
5. Double Chocolate Mochi Cake
6. Mixed Berry Flavored Spread Bread
7. Royal Sprouted Grain Bread

2. The Philosophy in Providing Quality Product

for the consumers to get the best benefits through the 4 following objectives:

1. Use the best quality raw materials.
2. Continuously develop products to meet the demands on nutritious value.
3. Continuously develop manufacturing technology and management for ongoing quality improvement.
4. Uphold safety, freshness, and hygiene as the criteria to best serve consumers.

3. The company, at present, is considered to be the top leader in bread and bakery markets

In both most advanced manufacturing technology in Southeast Asia and the highest manufacturing capacity in the country. Besides, the company still maintains the quality and standard of the product and is able to distribute the products nationwide on a daily basis.

General market conditions that affect the company can be seen that in the various stores whether it's modern retail store, traditional retail stores and general fast-food restaurant groups that are the company's distribution channels are highly competitive; in terms of price, organizing promotional programs including expanding more branches. The expansion will benefit the company's sales and competition in businesses; while this will benefit consumers to consume products with quality and standards or above the standard at a reasonable price. Making it possible to cover a wider range of sales areas and has a higher frequency of product placement across all regions of the country.

From care in every process under the operating philosophy in order to build confidence for consumers to buy bakery products that are fresh, clean, high quality and meet consistent standards; such as having good packaging labels that can keep the products to have quality and good product standards until it reach consumers. Has outstanding beauty that attract consumers with the expiration date is displayed; provide nutritional information on labels, giving consumers' knowledge on ingredients and the use of an efficient information system to manage the distribution of goods for the freshness of the goods.

The company has always realized and put great importance on food quality and safety; in line with the government policy that aims for Thailand to be the kitchen of the world and emphasizes on food safety. The company has been certified with international standards such as Good Hygiene Management of Food Industry (GMP Codex) and received Certificate of Hazard Analysis and Critical Control Points (HACCP Codex) from the OFFICE OF CERTIFICATION BODY, [OCB], Thailand Institute of Scientific and Technological Research (TISTR.). Apart from taking into account the cleanliness and safety at every step of procedure from the raw material selection process, production process, product development, quality packaging to the transport of finished products; to control the dangers of microorganisms, chemicals, allergens to provide quality and safe products to consumers. The company is also committed to develop partners that deliver raw materials and packaging with procedure to control and verify the quality of raw materials at the place of manufacture of the raw material and packaging supplier for each individual both domestically and internationally. Moreover, the company as well support in giving advice on product quality and safety systems for SME. The company has been verified production processes from customers such as fast food businesses, retail and wholesale businesses, etc.; with the standard that quote 'Food safety for consumers everywhere' in accordance with the Global Food Safety Initiative System (GFSI) such as BRC, FSSC 22000, etc. Ensuring that the product quality, both in the aspect of quality and safety for consumers in line with the standards in every process.

The company received the Marketeer No.1 Brand Thailand 2019-2020 award in the bread category, receiving the number one brand in the hearts of consumers from Marketeer magazine. The company as well conducted research with Kadence International Company (Thailand).

Product Quality Development 2020

1. International Standard ISO / IEC 17025 Certification :

In the year 2020, the Analytical Laboratory of Chemistry and Microbiology has develop and enhance the capabilities of the laboratory. In addition, the certification for testing laboratory accreditation in accordance with international standard ISO / IEC 17025: 2017 from the Department of Medical Sciences, Ministry of Public Health has been renewed. This includes the expansion of 2 items of the scope of microbiological testing methods, Staphylococcus Aureus and Salmonella spp. Where Staphylococcus Aureus was previously certified in the qualitative method and now the company has requested to expand the scope of certification to cover quantitative testing methods. While Salmonella spp expand the scope of testing techniques in line with ISO 6579 to cover the methods of analysis in accordance with the announcement of the Ministry of Public Health that has revised the new law in 2020.

2. Development of SMEs

In 2020, the company organized training course on good food production practices in accordance with the Primary GMP principle to educate 10 SMEs small business partners; such as distributors of fresh agricultural raw materials, processed agricultural products, meat products, and etc. to help develop the potential of small entrepreneurs, SMEs. In addition, to raise the products safety standards, manufacturing standards, and quality standards to be the same standard as well as being recognized sustainably.

3. Sensory Analysis

In the year 2020 Sensory Quality Analysis Department conducted the study of the competitors' product quality compare with the Company's products to find the strengths and weaknesses of each product. The study is done by the expert level testers and general group testers which can improve and develop current products more precisely. In addition, texture criterion standard has been established in sliced breads category by using the test results of expert level testers to analyze and control with the use of a texture analyzer. Moreover, the company provides training to give knowledge on sensory quality testing to the sales department to know the principles and build confidence in the product quality before it is released into the market.

4. Control and Elimination of Infectious Carrier Animals :

The company has expanded the scope of Control and elimination of infectious carrier animals to 40 distribution centers nationwide in order to control and protect the quality and safety of products in all stages throughout the food chain.

Marketing Activities

The company realizes the importance of marketing activities, apart from helping to promote higher sales, this also helps to attract new audiences which help expand consumer base more widely. In addition, help strengthen long-term consumption and more importantly, it is the key to help build the image, create brand value as well as help build consumer attitudes and loyalty towards the company's brand.

In 2020, the company has effectively allocated budget for marketing activities and communicating with consumers. Including, continuous releases of advertising films through TV and online advertisements as well as Re-edit ads.

In addition, the company continuously organized Consumer Promotion Activities and promotion of product discounts every month by circulating various types of products as follows:

1. Farmhouse Delivery

Deliver products to consumers by ordering through Line OA, starting at 150 baht, free delivery nationwide. The company has started around March 2020 and promote promotion of new products every month, as well as some products that cannot be bought in general stores such as French bread, Non-sliced loaf bread, etc.

Moreover, the company offers special sets for customers to purchase according to their needs, such as merit-making set, value sets, and etc..

2. Online Saha Group Fair During 2-5 July 2020

The company has managed to sell products online with a variety of promotions, which include free delivery nationwide when customers place orders up to 150 baht and launch a new product, two flavors of mochi cakes: butter almond milk and double chocolate.

3. ENGLISH WE LIKE Project

The company participates in supporting educational projects English Language Exam (TCAS) for high school students with the ENGLISH WE LIKE Project, during January and December 2020.

4. Fun Activities via Facebook

The company made a page "Farm House Bread" Facebook channel and create post to publicize the products continuously every month. Along with organizing activity for fanpage to have the opportunity to join in the fun and receive prizes every month; with the average of once a month to build relationships and create a sustainable understanding of the Farmhouse brand.

5. Support Stores Participating in Government Projects

By adding products to be sufficient for the demand. The company foresees the opportunity to increase sales of stores participating in various government projects in order to enable consumers to purchase products that meet the demand; as well as helps merchants in the community and other provinces to earn more.

6. In the year 2020, the company has expanded Good Morning Farmhouse business channel

From selling just in Bangkok to nationwide. In addition, the company offers free franchises and monthly membership fees to help people who are unemployed and those who are looking for extra income in the Covid-19 era, as well as enabling the expansion of provincial channels to create new entrepreneurs throughout the country.

Characteristics of Customers and Distribution Channels

Variety, reasonable price, and ease of consumption are the main concepts of the company, so its customers include people of every demographic group and every occupation. The company classifies its customers using the distribution channels as follows :

1. Wholesaling

1.1 Selling Products under The Company's Brand

This includes selling products to consumers via outlets, who will receive wholesale discount rates from the company. The outlet can be categorized into :

- **Traditional Trade or grocery stores.**

As of 31 December 2020 there were 39,123 stores. Some of products available here are specially made by the company and are different from other channels which are well correspondent to the needs and buying power of customers. These stores pay promptly to the company once the products are delivered

- **Modern Trade**

These stores use standard management and advanced technology with high investment. Some examples include 7-Eleven, convenience store in petrol station, and some discount stores such as Tesco Lotus and Big C, as well as supermarkets. There were 19,897 stores in this category as of 31 December 2020.

1.2 Selling Products by Customers' Orders

Products are manufactured according to the order from fast food restaurants and convenience stores such as McDonald, KFC, Burger King, Chesters Grill, Pizza Hut, A&W, Sizzler, MOS Burger, The Pizza Company, Dairy Queen, Santa Fe' Steak, Texas Chicken and Narai Pizzeria. By 31 December 2020 there were 2,617 branches. Most of the products sold are burger and hotdog buns.

2. Retailing

This involves selling products through the company's stores and directly to the customers, using the company's brands which include :

- Deliya by Farmhouse
- Madame Marco
- Good Morning Farmhouse

Competitions

The company's competitors can be classified into 2 categories which are :

1. Competitors who are manufacturers and have their own distribution channels.

Competitors in this group will produce and distribute their products through their own retail stores but sometimes they might sell their products in wholesaling form. Their channels are mostly modern trade stores such as supermarket, hypermarket, convenience store, petrol station store, or modern bakery shop.

2. Competitors who are manufacturers but do not have their own distribution channels.

These competitors will sell their products in the form of wholesaling to small shops and modern stores. Their production might be based in Bangkok or upcountry.

For both types of competitors, there is high rate of business entering and leaving the market. Competitors in the market tend to focus on price competition while the company emphasizes on freshness of its products and is the leader in introducing new products to the market. Therefore, it is clear that the company has some competitive advantages over both types of competitor due to investment in cutting edge production machinery, which is controlled by computer in every process. This resulted in low production cost, consistent high quality and standard products, thus causing inconsistent product quality. The company also invests in logistics and distribution technologies, which enable products to be delivered fresh and on time every day. Moreover, the company has an effective process to recall unsold products to ensure that our products are fresh and able to satisfy our consumers. This leads to a great competitive advantage in terms of product quality and service standard that cover all regions, throughout the country.

Procurement of Products or Services Production

At present, the Company owns three factories, two located in Lad Krabang Industrial Estate with the total area of 18 rai and 3 ngan and the other one located in Bang Chan Industrial Estate with the total area of 12 Rai, 2 Ngan, and 57 square wah. All the products are produced from these 3 plants, using the best technologies from countries such as Japan, USA, Germany, Italy, and Switzerland, so all the products' quality are consistent in terms of product standard and enable us to distribute them to all regions on a daily basis.

The company acknowledges importance of good product quality that consumers enjoy; therefore, the company strictly controls all the processes of production, starting from receiving raw materials to delivering of finished products. Furthermore, the company employs efficient and modern technologies, which could manufacture the best products with consistent quality, in all the 3 plants. We also focus on engineering and design of the production plants, for the highest production efficiency, easy to control, and sufficiency of light and air ventilation in the factory

With regard to the production policy, apart from burger buns sold in fast food restaurants and convenience stores and Madame Marco cakes which are produced based on customers' order, productions generally depend on sales records made by sales representatives. Each day sales representatives will evaluate product demand based on past sales records in their responsible areas and place this production order to computer systems, to determine production volume each day. Sales representatives use handheld computer to record their sales, number of unsold products, as well as to issue tax invoices, where such information will be kept as statistics used to further determine the production plan.

Risk Factors

With regard to the nature of the business of President Bakery Public Company Limited, there are the risk factors which have an effect on the business operations in the future as follows:

1. Risk of Dependence on Major Customer

Distributing products to CP All Public Company Limited owned a chain of convenience stores, the Company regards CP All Plc. as one of the Company's distribution channels. In 2020, the circulation revenue accounted for 40% of total revenues from CP All Plc. In the event of the loss of this distribution channel, sales revenue will be affected considerably.

However, due to the high-quality and the widely accepted standards of the products, the Company's products have earned the highest margins on the convenience stores in comparison with the bread and bakery products of its competitors. Consequently, both the Company and CP All Plc. shares mutual benefits.

2. Raw Material and Packages Risk

2.1 Risk From Fluctuation of Raw Material Price

The main raw materials used in bakery production are wheat flour, fat and egg, including other ingredients have the price that vary according to the season, demand and the quantity that can be supplied; along with different qualities may affect the ability to control the cost of raw materials.

In the year 2020, the affected main raw materials purchased by the company are as follows:

- **Wheat Flour**, global wheat price movements include shipping costs, the monthly selling price moved in the range of 264-313 USD / ton. The average price / highest month in 2020 was in November and the lowest average price / month was in July coupled with the fluctuation of the exchange rate that is constantly changing and the Covid-19 outbreak place the company to be at risk of purchasing wheat flour at higher-than-usual price and is quite difficult to control the price of wheat flour to have fixed price throughout the year.

Risk Management : Due to the large purchase volume of wheat flour and 6 distributors in the country, allowing the company to have power to negotiate the price with the supplier.

- **Fat Groups** such as margarine, shortening and butter have increasing usage trend. The main raw material used in the manufacturing is palm oil, which has a relatively volatile price in line with market demand and climatic conditions. Thus makes it impossible to predict the price in advance and is at risk of buying at higher prices.

Risk Management : Currently, the company has 6 distributors of margarine, shortening and butter and continues to recruit additional distributors to meet the growing demand; allowing the company with the power to negotiate the prices with suppliers.

- **Egg** tends to be used more and the price tends to continue to rise due to the weather and support of price by the government to help farmers.

Risk Management : Currently, the company buys hammered eggs from SME vendors to promote SMEs and hedge risks by ordering from large vendors who have their own chicken farms. As a result, there is sufficient quantity for use and the quality of the eggs can be controlled from the origin. Including increasing the power to negotiate with suppliers.

2.2 Risk From Limitation of Raw Material Source

The Company's operating philosophy is to use the best raw materials in order to obtain the best quality products, as a result, the source for purchasing some of the raw materials come from only one distributor. Due to the fact that the Company and the distributors have work in collaboration in developing some raw material to get specific characteristic according to the Company's requirement. With such cases, the company may be at risk from raw material shortages or lack of price negotiation power.

Risk Management : The Company has assigned recruitment and procurement unit to procure additional source of raw materials from the existing one with regard of the raw materials quality that can be substituted as the significant principle, in order to achieve flexibility in manufacturing and sharpened the ability in managing raw material cost.

The shelf life of Company's products are around 4-5 days causing the raw materials used in manufacturing to circulate rapidly and vary according to the market condition. The consumers demand adjusted up and down all the time, therefore the Company needs to have purchase management of raw material and package to be accurate, complete and timely to be used in manufacturing. This also includes managing the proportion of each manufacturer and/or supplier equally.

However, for the past 38 years, the company had never face with such problems due to good internal management as well as long good relationship with all raw material suppliers. In addition, each supplier is stable and has the reputation that are generally accepted by which the company thoroughly and clearly study the information and policies of each suppliers to prevent any problem that may occur from the uncertainty of the manufacturer and the supplier policies.

Risk Management : The Company has prepared to prevent shortages of raw materials by planning appropriate purchase of raw materials, procure several back up sources of raw materials both domestic and international along with stored up in advance the raw material volumes to be used in manufacturing. In the case of emergency such as strike or natural disaster the Company has completed preparing emergency plan to support the procurement of raw materials.

Management of Purchasing Raw Materials and Packaging During The COVID-19 Epidemic

The global Covid-19 outbreak situation since the end of 2019 resulted in business disruption, cost of production of goods increased as well as delay in delivery of products both in Thailand and abroad. Therefore, the purchase of raw materials and packaging must be managed in a more prudent and concise manner in order to control costs and delivery times to keep up with the schedule; making it possible to continuously produce products according to market demand. The company has the following guidelines:

- Assess each supplier's risk of being impacted by the Covid-19 outbreak and group the risks; in order to plan the prevention and remediation according to the priorities of risks and the impacts that the company will experience.
- Plan the orders in advance by ordering and keeping the stock at the Supplier to have raw materials-packaging ready to deliver at least 3 months to prevent lack of stock and delayed delivery.

- Purchase of raw materials-packaging from abroad experienced with the congestion problem of the port and a huge lack of shipping containers; as a result, the delivery time from overseas to Thailand takes longer than usual and the exact duration can't be set. Therefore, the company has to plan to order raw materials and packaging from abroad in advance by ordering 30-50% earlier than originally scheduled; domestic manufacturers were recruited to prevent the risk of shipping delays.

- Recruiting additional suppliers/source of production of raw materials-packaging as back up in the case of the same supplier/the original production site encounter a problem.

- The company has closely monitored the news about the spread of COVID-19, especially in the highest and strict control areas. Strict order management plan are put into practice to ensure the safety of raw materials-packaging and delivery as required. Including risk management by purchasing raw materials - packaging from back up suppliers with factory located in a safe area as a replacement.

3. Risk Concerning the Product Characteristics which Generally are the Fresh Bakery Products

The majority of the Company's bread and bakery are the fresh bakery products which should be consumed within 4-5 days from the date of manufacture. Therefore, the Company will be exposed to the risk if a large number of the fresh bakery products are returned due to the remainder. This will have an impact on the operational performance of the Company. Nevertheless, the Company focuses on the salesperson training and uses the mobile computer for accessing the sales and product distribution systems, thus its salespersons are able to summarize the

amount of sales volume and to control the delivery quantity of products to meet the demands of convenience stores and customers. All of the remainder will be returned to the Company when the new bakery products are delivered to the convenience stores. However, the Company has established the goals so that its salespersons can estimate the sales volume accurately. In addition, the Company has defined the amount of the remainder of bakery products with the rate was less than 10 percent of the delivered products and also determined the remuneration of its salespersons based on their sales volume and the amount of the remainder in order to motivate them. The Company has developed the computer systems by adopting the Presale system to anticipate customer requirements precisely, therefore the amount of the remainder decreases compared to the previous time. Additionally, this system has been efficiently improved.

4. Risk from Shareholding of Major Shareholders

Thai President Foods Plc. (TFMAMA) is major shareholder of the Company. TFMAMA held 51.99% of ordinary shares of the Company (as of Book closing date of registration (September 2, 2020) of total paid-up capital. In addition, Saha Pathana Inter-Holding Plc (SPI) has also been the indirect shareholder of the Company. The aforesaid major shareholder shall be able to lead most resolutions of shareholders' meeting, including the resolution to select the board of directors or any resolution required majority voting except the agenda required 3/4 voting of shareholders' meeting as stipulated by the law or regulation. As a result, the other shareholders shall be unable to accumulate their minority voting to be against the proposal proposed by the said major shareholder.

Shareholding Structure

List of shareholders as of September 2, 2020 (Book closing date of registration)

No.	Shareholders	No. of Shares Hold	Percentage
1	Thai President Foods Plc.	233,961,616	51.99
2	Sahapattana Inter Holding Plc.	97,960,400	21.77
3	Mr. Pipat Paniangvait	14,746,150	3.28
4	Miss Apiradee Thammanomai	9,026,940	2.01
5	Mr. Weerapat Punsak-Udomsin	7,134,770	1.59
6	Sahapattanapibul Plc.	4,650,000	1.03
7	Thanulak Plc.	3,500,000	0.78
8	Better Way (Thailand) Co., Ltd.	3,500,000	0.78
9	Mr. Apisate Thammanomai	3,344,810	0.74
10	I.C.C. International Plc.	3,150,000	0.70
	Total	380,974,686	84.67

"Investors can find the information on the updated shareholders from the company's website prior to the Annual Shareholder Meeting"

Dividend Policy

The company has a dividend policy of paying no less than 50% of net profit after deducting income tax and statutory reserve. Nonetheless, dividend payment can be changeable dependent upon the result of company's management, financial statement and investment plan

Dividend payment details for the past 5 year are as follows :

Year	2019	2018	2017	2016	2015
Earnings per share (Baht)	3.78	3.18	2.96	3.25	2.90
Dividend per share (Baht)	1.90	1.60	1.50	1.65	1.45
Rate of Dividend from Net Profit (%)	50.24	50.32	50.69	50.80	50.07

Human Resources

As of December 31, 2020 the Company's employees are divided according to their jobs as follows :

(Unit : Person)

Main Department		2020	2019
1.	Production	2,619	2,740
2.	Sales	2,128	2,190
3.	Accounting & Financial	87	88
4.	Engineering	139	149
5.	Marketing	25	25
6.	Other	78	80
Total		5,076	5,272

Remuneration

(Unit : Baht)

Remuneration	2020	2019
Total Salary	823,935,090.00	849,981,845.00
Total Bonus	145,099,320.00	148,957,760.00
Provident fund contribution	27,350,585.00	27,228,665.00
Total	996,384,995.00	1,026,168,270.00

Moreover, the Company and employees work in collaboration to establish provident fund in accordance with the Provident Fund Act B.E. 2530 on June 11, 1990, in order to encourage members to start saving as a future welfare and a guaranteed for themselves and their families in the case where they pass away or become incompetent or resign from the Company or has reach retirement period according to the Company regulations. The name of the provident fund is "President Bakery Public Company Limited Provident Fund" which has been registered and at present has net assets of 519,591,887.49 million baht. The Company selected Tisco Fund Management Company Limited to manage fund and also encourage employees to own a house by offering lower interest rate than the market to build the stability of their

lives and their families. In doing so the Company cooperates with the Government Housing Bank commencing October 15, 1990, which at present there are 507 employees that used the welfare to obtain a mortgage loan.

Human Resource Development

The company places importance on personnel development at all levels of the organization as well as continuously strive to develop personnel knowledge and operational skill. In order to be knowledgeable to the changes in technology, to keep pace with the world, to be creative, to have knowledge and ability; includes creating opportunities for career advancement. Where monitoring and evaluation of training results are done regularly with the following personnel development guidelines:

1. Annual Development and Training

The company has annually personnel training and development plan which is in accordance with the programs analyzed from the company policy, vision and mission; along with surveying and analyzing the training required of various departments in each aspect as follows:

- **The Company's Food Quality and Safety System Program** : In order for employees to learn of the standards and practice guidelines to ensure the products produced are of quality, clean and safe for consumers of all races and religions. By training from the central offices and learning from the original affiliation, in order for employees to have more knowledge and expertise in operating procedures.

- **5S Program** : a fundamental tool for organizing and improving workplace or working conditions to be convenience, tidy and clean in order to facilitate work efficiency, safety and quality of work. As well as creating

employees positive attitudes, as the basis for increasing productivity. The company has pass on knowledge on 5S to employees from the first day of working, as well as stimulate and review knowledge with training and activities.

The company has append together 5S and knowledge of TPM (Total Productive Management), the optimization maintenance that everyone participates in; by organized as the project is "5S & TPM Synergy" for senior supervisors. The objective is to enable employees to learn the basic machine maintenance procedures that one can follow to reduce machine breakdown, reduce costs and the amount of waste that can occur.

- **Supervisor Potential Development Program** : Each year, the company organizes training sessions for employees to continually promote and develop their potential. Follow-up and evaluation after the training are made to be aware of what level the trained person can put into practice the acquired knowledge to their performance, for example



Training : The Company's Food Quality and Safety System Program

- **Daily Management Program** aims to develop managerial skills or organize daily events to be effective.

- **The Lean Management Program** has the objective to reduce waste, focusing on production that aims to achieve the highest value from the cost-effective use of resources.

2. External training

The company sent personnel to train outside in the specific programs required of each department; in order for the employees to have the opportunities to increase their knowledge and operational skill; such as maintenance programs to provide participants with knowledge of engine analysis and maintenance. Including various operating systems of cars and in many other programs related to the performance of the trainees.

3. Preparation of teaching materials

Apart from training for personnel development, producing teaching materials is another channel that the company used to pass knowledge to employees; as employees can see the image and procedures correctly. Especially during the epidemic situation of COVID-19, the company has made teaching materials of procedures for employees and third parties, who come in contact with the company to follow the steps correctly.

Reduce premises entry by the speakers, who are outsider, by filming the process in using and maintaining the machines as a teaching medium; such as replacing machine parts by advice from the Japanese engineers through the VDO Conference system , etc.

All training programs, all teaching materials that the company has created aims to pass on knowledge and develop operational processes; in order for all products produced under the brand “Farmhouse” to have high quality and will be one in consumers hearts forever.



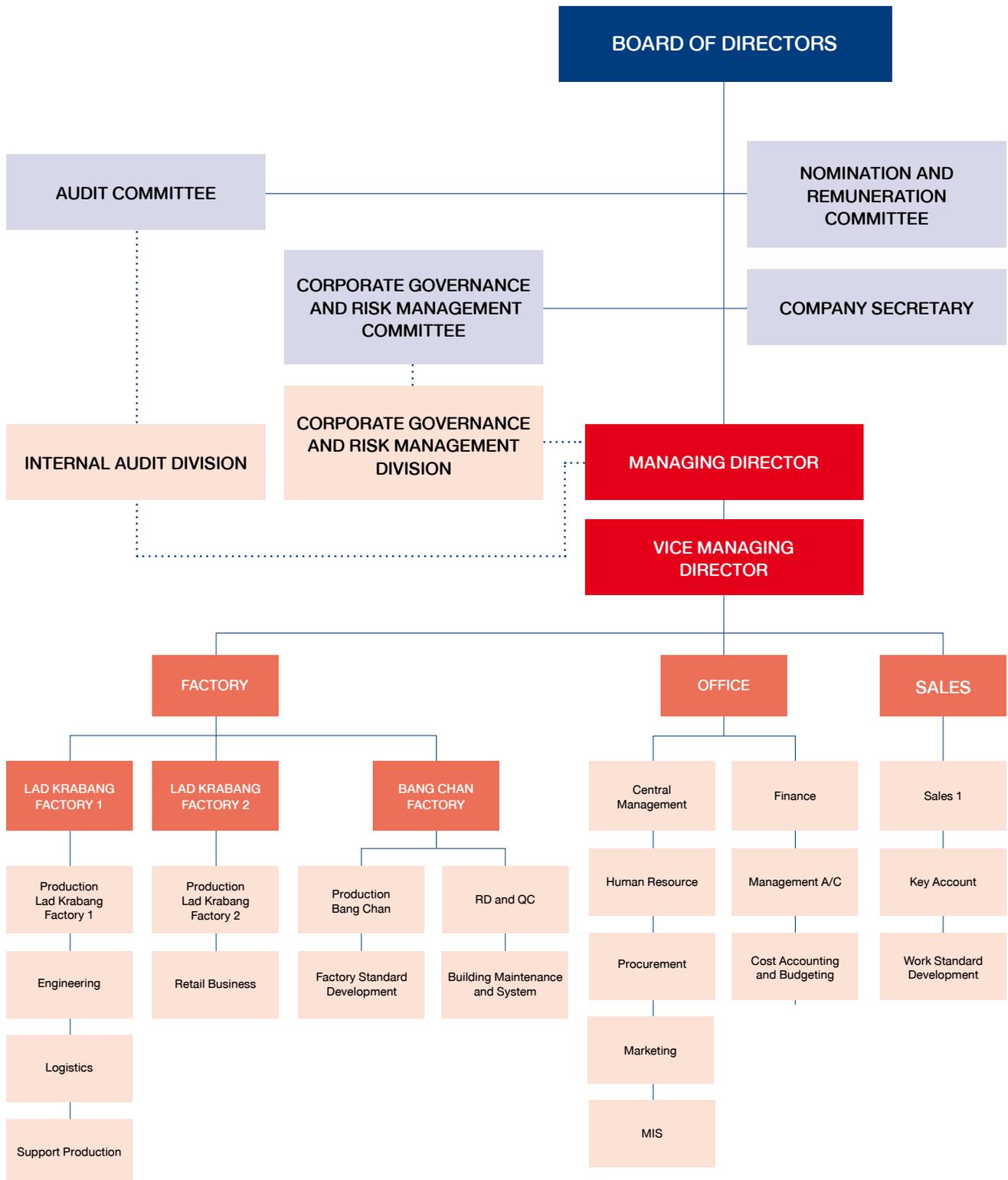
Training : 5S Program



Training : Supervisor Potential Development Program

Management Structure

Organization Chart



Board of Director

Board of Director Name List and Board of Directors Meeting for year 2020

Name	Position	Board of Directors Meeting	
		No. of Meeting	No. of Meeting Attendance
1. Mr. Pipat Paniangvait	<ul style="list-style-type: none"> Chairman of the Board Chairman of Nomination and Remuneration Committee 	13	13
2. Mr. Apichart Thammanomai	<ul style="list-style-type: none"> Vice Chairman of the Board and Managing Director Nomination and Remuneration Committee 	13	13
3. Mr. Apisate Thammanomai	<ul style="list-style-type: none"> Vice Managing Director Corporate Governance and Risk Management Committee 	13	13
4. Mr. Vichai Kulsomphob	<ul style="list-style-type: none"> Director 	13	10
5. Ms. Petcharat Anantawichai	<ul style="list-style-type: none"> Director Corporate Governance and Risk Management Committee Company Secretary 	13	13
6. Miss Panida Prayottaweekij	<ul style="list-style-type: none"> Director Corporate Governance and Risk Management Committee 	13	13
7. Dr. Pojjanee Paniangvait	<ul style="list-style-type: none"> Director Corporate Governance and Risk Management Committee 	13	13
8. Mr. Pun Paniangvait	<ul style="list-style-type: none"> Director 	13	13
9. Miss Saipin Kittipornpimol	<ul style="list-style-type: none"> Director Corporate Governance and Risk Management Committee 	7	7
10. Miss Ubolluck Luevoravinyu	<ul style="list-style-type: none"> Director Corporate Governance and Risk Management Committee 	10	10
11. Prof. Dr. Teravuti Boonyasopon	<ul style="list-style-type: none"> Chairman of Independent Director and Chairman of Audit Committee 	13	13
12. Mr. Wattanachai Chotechutrakul	<ul style="list-style-type: none"> Independent Director and Audit Committee Nomination and Remuneration Committee 	7	7
13. Prof. Piyamitr Sritara	<ul style="list-style-type: none"> Independent Director 	7	5
14. Mr. Thanapich Mulapruk	<ul style="list-style-type: none"> Independent Director and Audit Committee Chairman of the Corporate Governance and Risk Management Committee 	10	9
15. Mrs. Aim-On Pathumarak	<ul style="list-style-type: none"> Independent Director and Audit Committee Corporate Governance and Risk Management Committee 	13	13

Name	Position	Board of Directors Meeting	
		No. of Meeting	No. of Meeting Attendance
16. Prof. Dr. Visith Chavasit	<ul style="list-style-type: none"> Independent Director and Audit Committee Chairman of the Corporate Governance and Risk Management Committee 	3	3
17. Mr. Boonsak Chiemprica	<ul style="list-style-type: none"> Independent Director Nomination and Remuneration Committee 	6	2
18. Dr. Yupa Soontrapa	<ul style="list-style-type: none"> Independent Director and Audit Committee Corporate Governance and Risk Management Committee 	6	6
19. Mrs. Malee Tangjaisanong	<ul style="list-style-type: none"> Director 	6	6

Remark : Director No.10,14 sit in the Board of Director position on April 8, 2020.
 Director No.9,12,13 sit in the Board of Director position on June 16, 2020.
 Director No. 16 was resigned from the position of director on March 31, 2020.
 Director No.17,18,19 was retired by rotation on June 16, 2020.

Name	Position	Board of Directors Meeting	
		No. of Meeting	No. of Meeting Attendance
1. Mrs. Malee Tangjaisanong	<ul style="list-style-type: none"> Advisor to the Board and Assistant Managing Director 	7	6

Remark : Mrs. Malee Tangjaisanong to be Advisor to the Board and Assistant Managing Director on June 16, 2020.

Authorized Directors

Every directors have the authority to sign to bind the company. Two directors co-signed and affix the company seal except Independent director.

Significant Scope of Authorities and Duties of the Board of Director are as follows :

The board of directors have the authorities and duties to ensure that the company are in line with its objectives, regulations and shareholders' resolution unless such matters have to be approved from the shareholders' meeting before taking any actions, such as matters required by the law to be approved by the shareholders' resolution, connected

transaction are categorized under section 89/12 of Securities and Exchange ACT (No. 4) B.E. 2551 (2008) are principle approved to the company by the board of directors to allow the management team to approve such transactions. Directors, executives, and related persons, where the would not be revealed in the board of director meeting, could perform any transactions with general commercial terms as well as buying or selling any important assets in conformity with the regulations of Stock Exchange of Thailand or as required by other government sector, etc. The board of directors may assign its director or other persons to perform such acts on behalf of the board of directors. Presently, the board of directors have the authorities to consider and approve the some transactions such as

- To consider and approve different kinds of investment
- To consider and approve of loan and to open account with the financial institutes

Sub-Committees

The Board of Directors has appointed 3 sub-committees consisting of the Audit Committee, the Nomination and Remuneration Committee and the Good Governance and Risk Management Committee so as to support and promote the management of each department of the organization for effective operations in consistency with the principles of good corporate governance.

(1) Audit Committee

On June,16 2020, The Board of Directors has appointed 4 directors with the qualifications as required by the Notification of the Capital Markets Supervisory Board and having independence to be the Audit Committee. The Audit Committee shall have the service term of 1 year from the approval date of such resolution of appointment, or having the service term of remaining period of being the Board of Directors. However the retiring committee is entitled to be re-selected. The company determines the service term of Audit Committee similar to the term of the Board of Directors. The Audit Committee held 6 meetings in 2020 (1st February, 2th May, 3rd August 2 Meetings, and 4th November) and were summarized as follows:

Name	Position	No. of Attendance/Total Meeting
1. Prof. Dr. Teravuti Boonyasopon	Chairman of Audit committee	6/6
2. Mr. Wattanachai Chotechutrakul	Audit committee	4/4
3. Mr. Thanapich Mulapruk	Audit committee	5/5
4. Mrs. Aim-On Pathumarak	Audit committee	6/6
5. Prof. Dr. Visith Chavasit	Audit committee	1/1
6. Dr. Yupa Soontrapa	Audit committee	2/2

Remark : Mr. Thanapich Mulapruk to be the Audit Committee on April 8, 2020.
Mr. Wattanachai Chotechutrakul to be the Audit Committee on June 16, 2020.
Prof. Dr. Visith Chavasit has served as the Audit Committee until 31 March 2020.
Dr. Yupa Soontrapa has served as the Audit Committee until 16 June 2020.

The Audit Committee has performed their duties and responsibilities according to the Audit Committee's Charter and was approved by the Board of Directors as follows:

1. To review financial report accurately and in accordance with the generally accepted standard and disclose Information sufficiently both quarterly and yearly
2. To review the company's internal control system and internal audit system to ensure that they are suitable and effective, to consider the independent of internal audit sector, comment on internal audit plan and performance of internal audit sector along with to consider, appoint, transfer and dismissal of the chief of internal audit sector or any other sector that are in charge of an internal audit;

3. Review business operation of the company to be complied with the Securities and Exchange Act or the other laws concerning to business operation of the company;
4. To consider, select and nominate an independent persons to be the company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
5. Consider to disclose the connected transaction or the other transaction may having conflict of interest to be complied with the Securities and Exchange Act or the other laws concerning to business operation of the company in order to ensure that such transactions are performed with appropriate business reason and for maximum benefit of the company.

6. To prepare audit committee report and disclose in the company's annual report, which such report should be signed by the chairman of the audit committee and consist of at least the following information:

- (a) Opinion on the accuracy, completeness and creditability of the company's financial report;
- (b) Opinion on the adequacy of the company's internal control system;
- (c) The opinion upon business operation of the company in compliance with the Securities and Exchange Act or the other relevant laws;
- (d) Opinion on the suitability of auditor;
- (e) Opinion on the transactions that may lead to conflicts of interests;
- (f) The number of the Audit Committee's meetings and the meeting attendance of each committee member;
- (g) Opinion or overview comment the Audit Committee received by performing their duties, which is in accordance with the Audit Committee Charter
- (h) Other transactions which, according to the Audit Committee's opinion, should be inform to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the company's board of directors;

7. Support and monitor to ensure that the company has effective risk management system.

8. Perform duties in accordance with the scope of authority and duties. The Audit Committee has the authority to invite related management team, executive officers or employees to comment, participate in the meeting or send in document as deem related or necessary;

9. In performing the duty of the Audit Committee, if found any suspicious or have doubt in any transaction or any of the following action, which may impact significantly on the financial status and company's operating performance, the Audit Committee shall report to the board of director for further adjustment and revise as the audit committee deem appropriate.

- (a) Transaction that may lead to conflict of interest
- (b) Any fraud, irregularity or significant defect in internal control system
- (c) The violation to the Securities and Exchange Act or the other laws concerning to business operation of the company If the directors or executive officers did not take any action to improve or resolve within the time the Audit Committee deems appropriate, any Audit Committee member may report of such transactions or actions to the Securities and Exchange Commission.

10. To consider, review and improve the charter of Audit Committee and propose to board of directors for approval.

11. Review and sign his/her name to certify Self assessment Form concerning to anti-corruption practice as been considered and reviewed by the Internal Audit Department in order to ensure that the company has performed appropriate anti-corruption control as reported in the Self-assessment Form of Thai Institute of Directors (IOD)

12. Perform any other act in monitoring and supervising as assigned by the board of directors, with the approval of the Audit Committee. In its performance of duties under the first paragraph, the Audit Committee is directly responsible for the board of directors and the board of directors shall remain responsible to the third parties for company's operations.

The company has process for preparing financial reports in accordance to generally accepted accounting standards and no item found that may have material impact on the financial statements. Internal control system, internal audit and risk management are appropriate, sufficient and efficient. The connected transaction is a normal business transaction, reasonable and no unusual transaction was found; including strictly practices within the framework of the laws on securities and exchange, regulations and other related laws.

Definition of Independent Director

Directors who have no business or participation in management or interest in relation to the company, which may affect the independent of decision making. The independent directors must have the qualifications in compliance with the regulations of Securities and Exchange Commission and Stock Exchange of Thailand which require at least 1/3 of all directors to be independent directors but no less than 3 persons.

Qualification Of Independent Directors

Qualifications of independent directors shall be in compliance with the regulations of Capital Market Supervisory Board

(1) Shall not hold no more than 0.5% of the shares with voting right in all the company, its parent company, its subsidiaries, major shareholders or person with authority to control the company. This shall include the shares held by persons relating to that independent director as well.

(2) Shall not be or was a director who participates in administration, employees, staff, consultant with salary or a person who has authority to control the company, parent company, subsidiaries, associated company, same-level subsidiary company, major shareholders or that of those with authority to control the company, except that he/she stops holding such position for at least two years before the date of appointment to be an independent director. Such prohibitions do not include the case where the independent director was an official or a consultant of a governmental agency who is a major shareholder or has authority to control the company.

(3) Shall not have blood relation or have relation through legal registration in manners of father, mother, spouse, sibling and son or daughter as well as spouse of the son or the daughter of an executive, major shareholder, person with authority to control or person who is nominated to be an executive or person with authority to control the company or its subsidiaries.

(4) Shall not have or did not have business relation with the company, its parent company, subsidiaries, associated company or a person with authority to control the company in manners that may be an obstruction to his/

her independent discretion. He/She shall not be or was not a significant shareholder or a person with authority to control any entity which has business relation with the company, parent company, subsidiaries, associated company, major shareholder or person with authority to control the company, except that the independent director stop holding such position no less than two years before the date of appointment to be an independent director.

Business relation according to phrase 1 shall include any normal trade relation for business operation, rent or lease of real estate, transactions regarding asset or service or providing or receiving of financial aids by receiving or giving loan: creditor, guarantor, providing asset as debt guarantee or any other act with the same manners which cause company or its contract party to have debt burden that must be paid to other party from 3% of the company's net tangible asset or over 20 million Baht, depending on any amount that is lower. The calculation of such debt burden shall be in compliance with the method of calculating value of related transaction as announced by Capital Market Supervisory Board on conducting related transactions, mutatis mutandis. In considering such debt burden shall also include debt burden that occur during one-year period before the date that such person's business relation occurred.

(5) Independent director shall not be or was an auditor of the company, parent company, subsidiaries, associated company or those with authority to control the company and he/she shall not be significant shareholder, persons with authority to control or a partner of the audit firm that employs an auditor of the company, its parent company, subsidiaries, its associates, major shareholders or those with authority to control the company, except that he/she resigned from such position for at least two years prior to the appointment to be an independent director.

(6) Shall not be or was any professional service provider including a legal consultant or a financial consultant, which received service fees of over two million baht per year from the company, parent company, subsidiaries, its associates, major shareholder or those with authority to control the company and he/she shall not be a significant shareholder, a person with authority to control or a partner of such professional service provider, except that he/she

resign from such position at least two years prior to the date of appointment to be an independent director.

(7) Shall not be a director that was appointed to be a proxy for the company's director, the major shareholders or shareholder related to the major shareholders

(8) Shall not operate any business with the same manner of the company and become a significant competitor with the company and its subsidiaries and shall not have significant share in a partnership or become a director who participates in administration, an employee, staff, consultant with paid salary or holding of more than 1% of shares with right to vote of other companies whose business is in the same manner or becomes the significant competitor of the company's business or its subsidiary.

(9) Does not possess any other characteristic which obstruct him/her to give comments independently on the company's operation.

After appointed as independent director with characteristic which are in accordance to (1) to (9), the independent director may be assigned by the Board of Directors to make decision regarding the business operation of the company, its parent company, its subsidiary, associated, same-level subsidiaries, major shareholders or person with authority to control the company, by making decision through the form of collective decision.

Moreover, in the case where Capital Market Supervisory Board or Securities and Exchange Commission announced the amendment or lessen the independent director qualification rules, such amendment will be effective instead of the prior ones.

Scope of Duties and Responsibilities of Independent Director Committee

The Independent Directors Committee consisted of 5 independent directors with authorities and duties to express opinion independently in line with the assigned mission; in protecting and ensuring the interests of all shareholders are equal, as well as to prevent conflict of interest. In the past year, the independent directors committee has reviewed past performance and had commented on significant aspects of management during the COVID-19 crisis and business administration in accordance with good governance and risk management principles.

The decisions are made independently including participated in every meeting with the board of directors when considering the resolution or significant transaction. The independent directors shall examine and certify their qualification of independence at least once a year. Two meetings were held for previous independent meetings (in June and December) which can be summarized as follows:

Name	Position	No. of Attendance/Total Meeting
1. Prof. Dr. Teravuti Boonyasopon	Chairman of Independent Committee	2/2
2. Mr. Wattanachai Chotechutrakul	Independent Director	2/2
3. Prof. Piyamitr Sritara	Independent Director	1/2
4. Mr. Thanapich Mulapruk	Independent Director	2/2
5. Mrs. Aim-On Pathumarak	Independent Director	2/2

(2) Nomination and Remuneration Committee

Nomination and Remuneration Committee was appointed by the Board of Director with one-year term of office commencing from the date of appointment. In 2020, Nomination and Remuneration Committee recruit individual with suitable qualifications to sit in the director position and

had considered the regulations for remuneration payment to the Board of Director and Sub-Committee, which is appropriate with the duties and responsibilities and within the amount approved by the ordinary shareholders' meeting. Nomination and Remuneration Committee held 3 meetings in the year 2020, the details are as follows;

Name	Position	No. of Attendance/Total Meeting
1. Mr. Pipat Paniangvait	Chairman of Nomination and Remuneration Committee	3/3
2. Mr. Apichart Thammanomai	Nomination and Remuneration Committee	3/3
3. Mr. Wattanachai Chotechutrakul	Nomination and Remuneration Committee	1/1
4. Mr. Boonsak Chiempricha	Nomination and Remuneration Committee	1/1

Remark : Mr. Wattanachai Chotechutrakul to be Nomination and Remuneration Committee on June 16, 2020.
Mr. Boonsak Chiempricha has served as Nomination and Remuneration Committee until 16 June 2020.

(3) Corporate Governance and Risk Management Committee

The Board of Directors appointed the Corporate Governance and Risk Management Committee on June 16, 2020, with one year term of office from the date of appointment of the Board of Directors. In 2020, after receiving the training program on risk management for business success and the preparation of enterprise risk management system in accordance with COSO-ERM 2017 framework; the Corporate Governance and Risk Management Committee held meeting to consider approving policies,

risk management manual and risk management road map. In order to improve the company's ability to manage risks as well as readiness to deal with risks that may arise in various situations in the most efficient and sustainable manner.

The Corporate Governance and Risk Management Committee has held total of 4 meetings in 2020 (March July September and October) as been summarized as below,

Name	Position	No. of Attendance/Total Meeting
1. Mr. Thanapich Mulapruk	Chairman of the Corporate Governance and Risk Management Committee	3/3
2. Prof. Dr. Visith Chavasit	Chairman of the Corporate Governance and Risk Management Committee	1/1
3. Mr. Apisate Thammanomai	Corporate Governance and Risk Management Committee	4/4

Name	Position	No. of Attendance/Total Meeting
4. Miss Petcharat Anantawichai	Corporate Governance and Risk Management Committee	4/4
5. Miss Panida Prayottaweekij	Corporate Governance and Risk Management Committee	4/4
6. Dr. Pojjanee Paniangvait	Corporate Governance and Risk Management Committee	4/4
7. Miss Saipin Kittipornpimol	Corporate Governance and Risk Management Committee	3/3
8. Miss Ubolluck Luevoravinyu	Corporate Governance and Risk Management Committee	3/3
9. Mrs. Aim-on Pathumarak	Corporate Governance and Risk Management Committee	4/4
10. Dr. Yupa Soontrapa	Corporate Governance and Risk Management Committee	1/1

Remark : Mr. Thanapich Mulapruk to be Chairman of the Corporate Governance and Risk Management Committee until 16 June 2020.
Miss Saipin Kittipornpimol to be Corporate Governance and Risk Management Committee until 16 June 2020.
Miss Ubolluck Luevoravinyu to be Corporate Governance and Risk Management Committee until 16 June 2020.
Prof. Dr. Visith Chavasit has served as Corporate Governance and Risk Management Committee until 31 March 2020.
Dr. Yupa Soontrapa has served as Corporate Governance and Risk Management Committee until 16 June 2020.

Non-Executive Director

The company realizes the importance of good corporate governance and management, therefore, a meeting of non-executive directors was held; in order for non-executive directors to consider the work of the board and executives to help create and develop strategies. In the meantime, supervise and monitor the performance of the company's strategy to be appropriate and sufficient.

Roles and Duties of The Non-Executive Director

"Non-executive director" means a director who is not an executive of the Company. Where non-executive directors give useful opinions and consider the following criteria :

1. Strategy : helps stimulate the creation and development of strategies.
2. Performance: consider and supervise the performance of the management to meet the goals and objectives; along with ensuring that the management has regular performance report.

3. Risk : provides confidence and satisfaction that all financial information is accurate and complete, the Company's financial controls and risk management system must be concise, adequate and explainable.
4. People : involved in determining the appropriate remuneration level of the Executive Directors and play a role in the appointment and transfer of senior executives in line with the succession planning.

In the year 2020, the non-executive committees perform their duties in considering and supervising the management's operations, the result show that the performance is efficient, transparent, put in effort, and honest. In addition, when damage and problems were found, meeting would be held for discussion immediately, in order to quickly resolve the problem and stop the damage without delay. Such actions allow all employees to cooperate and active to resolve together. During this year, GPS system is brought in to reduce accidents, save fuel and can be used to negotiate for lower insurance cost.

Non-Executive Director has held total of 1 Meeting in 2020 (December). The detail as follow.

Name	Position	No. of Attendance/Total Meeting
1. Mr. Pipat Paniangvait	Chairman of the Board	1/1
2. Mr. Vichai Kulsomphob	Director	1/1
3. Dr. Pojjanee Paniangvait	Director	1/1
4. Mr. Pun Paniangvait	Director	1/1
5. Prof. Dr. Teeravuti Boonyasopon	Director	1/1
6. Mr. Wattanachai Chotechutrakul	Director	1/1
7. Mr. Thanapich Mulapruk	Director	1/1
8. Prof. Piyamitr Sritara	Director	0/1
9. Mrs. Aim-on Pathumarak	Director	1/1

Executive Officer

Executive Officer Committee

As at 31 December 2020, present there are 7 Executive Officers, at which the definition of Executive Officer is in accordance with the Securities and Exchange Commission.

Name	Position
1. Mr. Apichart Thammanomai	Vice Chairman of the Board And Managing Director
2. Mr. Apisate Thammanomai	Vice Managing Director
3. Ms. Petcharat Anantawichai	Director and Senior Management Accounting Department and Finance Department Manager
4. Miss Panida Prayottaweekij	Director and Senior Production Manager
5. Miss Saipin Kittipornpimol	Director and Assistant Managing Director
6. Miss Ubolluck Luevoravinyu	Director and Assistant Managing Director
7. Mrs. Malee Tangjaisanong	Advisor to the Board and Assistant Managing Director

Authority Differentiation Chairman of the Board of Directors, Vice Chairman of the Board and Managing Director

The Board of Directors has clearly defined the authorities, duties and responsibilities of the Chairman of the Board of Directors, the Vice Chairman and the President; to be the guideline in performing duties of the Chairman of the Board, the Vice President and the President. The details as follows:

Authorities, Duties and Responsibilities of the Chairman of the Board of Directors

1. Responsible as the leader of the Board of Directors in overseeing the performance of the Board of Directors and sub-committees.
2. Act as the chairman of the Board of Directors' meeting in the case where there's equal votes, the Chairman of the Board of Directors shall have an additional vote as a casting vote.
3. Call for the Board of Directors' Meeting or may assign someone else to perform such task.

4. To act as the chairman of the shareholders' meeting, with the duty to control the meeting to be in accordance with the company's regulations. The meeting shall be conducted in accordance with the agenda set forth in the notice calling for the meeting. Unless, the meeting resolution is to change the order of the agenda with a vote of not less than two-thirds (2/3) of the number of shareholders present at the meeting.

5. Perform any other activities as assigned by the Board of Directors.

Authorities and Duties of Managing Director

The Board of Director authorized managing director to be the Company's representative and have the authority to act on behalf of the Company to conduct business under the following conditions:

1. Has the authority to organize and manage Company's activities in accordance to the objectives, regulations, shareholders' meeting resolution and Board of Directors' meeting resolution in all aspect.

2. Has the authority to consider and approve investment such as buying-selling investment or fix assets within the amount for each project which are not over 10 million baht or equivalents.

3. Authorized to consider and approve of liabilities incurred item such as financial loan within the amount set for each item of no more than 100 million baht or equivalents.

4. Has the authority to exercise discretion for normal business transaction expense on Company's operation management.

The aforementioned representative is not authorized to exercise their authority if showed any interest or may have any conflict of interest with the Company and its subsidiaries.

Company Secretary

The Board of directors appointed Ms. Petcharat Anantawichai, director and senior management in accounting management division and finance division, which is the experts and suitable experience to sit in the position of the company's secretary with the scope of duties and responsibilities as follows:

1. To give preliminary consultation to the directors regarding company's laws, regulations and conditions. Monitor to ensure that such rules and regulations are practiced regularly and correctly. Including report the significant changes to the directors.

2. Coordinate between the Board of Directors and management sector to supervise and coordinate concerning related laws, rules and regulations, including to ensure the adherence to the board of directors' regulation.

3. Prepare shareholders' and Board of Directors' Meetings to be in compliance with the laws, regulations and practices.

4. Record the minutes of shareholder's meeting and the Board of directors' meeting, including monitored to ensure that shareholders and the Board of Directors resolutions are put into practiced

5. Supervise to ensure that disclosure of information and information reports related to rules and regulations of Securities and Exchange Commission and Stock Exchange of Thailand.

6. Prepare and store the following file

- List of the Board of Directors
- Letter of Invitation / Minutes of the Board of Directors' Meeting
- Letter of Invitation / Minutes of Shareholders' Meeting
- Shares Purchased and Sales Report of the company, Board of Directors and Executive Officers
- Annual Report
- Form 56-1

7. Store the reports on interest, which were reported by directors or Executive Officer

8. Perform any other action as required by the Capital Market Supervisory Board

Recruitment and Nomination of Director and Senior Executive Officers

Recruitment Committee is responsible for recruiting individual with qualification, which is suitable to sit in the director position and propose to the Board of Director and/ or shareholders to be considered in further steps. In recruiting new director as a replacement of director that resign due to completion of term of office, the director must be appointed by shareholders' meeting, which will based on the majority vote in accordance with the following rules and methods:

1. Every shareholder has one vote for every share held.

2. Each shareholder shall cast all his/her votes in a) to elect one or several persons as director(s) but he/she shall not allot his/her votes to one individual person.

3. The persons who receive the highest votes in their descending order shall be elected as directors in number not less than 5. In case the last person in that respective order and the person next to him have equal votes, the chairman of the meeting shall have a casting vote.

Moreover, the minority shareholders have the right to nominate candidates to be considered and nominated as director at the ordinary shareholders meeting in accordance with the rules set, which is presented on the Company website (www.farmhouse.co.th)

Recruitment of Senior Executive Officers

In recruiting individuals to sit in the position such as managing director, the Board of Director is responsible for recruiting individuals, who have complete and suitable qualification as well as has knowledge, competence, skills and experiences that will benefit the Company operation. Moreover, the appointed individuals should have good understanding of the Company's business and is capable of managing their task to achieve the objectives according to the goal that the Board of Director has set.

Holdings of the Company's shares by directors and management

The holdings of the Company's shares by directors and management of the Company, as at December 31, 2020, and 2019 were as follows:

Name of Director and Executive	Number of Share as at December 31 (Par Value 1 Baht)		
	2020	2019	Increase (Decrease) from The Previous Year
Securities Holder-Director			
1. Mr. Pipat Paniangvait	14,959,400	14,699,400	260,000
2. Mr. Apichart Thammanomai	3,319,970	3,319,970	-
3. Mr. Apisate Thammanomai	3,344,810	3,344,810	-
4. Mr. Vichai Kulsomphob	100,000	100,000	-
5. Ms. Petcharat Anantawichai	50,000	50,000	-
6. Miss Panida Prayottaweekij	25,000	25,000	-
7. Dr. Pojjanee Paniangvait	1,234,480	1,214,480	20,000
8. Mr. Pun Paniangvait	276,870	276,870	-
9. Miss Saipin Kittipornpimol	-	-	-
10. Miss Ubolluck Luevoravinyu	-	-	-
11. Prof. Dr. Teravuti Boonyasopon	-	-	-
12. Mr. Wattanachai Chotechutrakul	-	-	-
13. Prof. Piyamitr Sritara	-	-	-
14. Mr. Thanapich Mulapruk	135,000	82,000	53,000
15. Mrs. Aim-on Pathumarak	-	-	-
Securities Holder-Advisor to the Board			
1. Mrs. Malee Tangjaisanong	483,220	538,220	(55,000)
Total	23,928,750	23,650,750	278,000

Note : Including the shareholding of spouse and minor children

*** Director No.10,14 sit in the Board of Director position on April 8, 2020

Director No.9,12,13 sit in the Board of Director position on June 16, 2020

Supervising the Use of Internal Information

Policies and method in supervising Executive Officers in utilizing Company's information for personal interest are as follows:

- Provide knowledge and information to Directors and Executives Officers regarding the duty to report asset ownership of their own, their spouse and minor child and the penalties in accordance with the Securities and Exchange ACT, B.E. 2535 and the SET regulations.
- The Executives shall report the changes of securities ownership to the Securities and Exchange commission in conformity with section 59 of Securities and Exchange ACT B.E. 2535 and send in the copy of this report to the Company within the same day that the report was send to the Securities and Exchange Commission.

- Forbid the Executive Officers in using undisclosed internal information to purchase or distribute Company's securities before such informations are disclosed to the public. Forbid in disclosing significant information to other individuals, which is considered as one of the regulations related to company's operation.
- Directors, managements and employees which are in the organization that know the internal Information are prohibited from trading company's stock in the period of 1 month before the financial status is revealed to the public and after the financial statement is revealed for 24 hours.

In this regard, the Company Secretary who is responsible for sending official letters to all Directors and managements will know the period that is prohibited for trading the company stock before the disclosure of quarterly financial statement and annual financial statement through the news distribution channels of the Securities Exchange of Thailand.

Director and Executive Officer Remuneration

(1) Financial compensation for the year ended December 31, 2020

(1.1) Remuneration in the form of meeting allowance and director bonus of the Board of Director.

(Unit : Baht)

Remuneration	2020		2019	
	Number of Director	Amount	Number of Director	Amount
Director and Advisor to the Board Remuneration	19	14,478,000	16	11,470,500
Total		14,478,000		11,470,500

The 2020 remuneration in detail is as follows :

(Unit : Baht)

Name	Position	Remuneration				Total
		Director	Audit Committee	Nomination and Remuneration Committee	Good Governance and Risk Management Committee	
1. Mr. Pipat Paniangvait	<ul style="list-style-type: none"> Chairman of the Board Chairman of the Nomination and Remuneration Committee 	3,656,000		36,000		3,692,000
2. Mr. Apichart Thammanomai	<ul style="list-style-type: none"> Vice Chairman of the Board and Managing Director Director of the Nomination and Remuneration Committee 	1,230,000		30,000		1,260,000
3. Mr. Apisate Thammanomai	<ul style="list-style-type: none"> Vice Managing Director Corporate Governance and Risk Management Committee 	930,000			40,000	970,000
4. Mr. Vichai Kulsomphob	<ul style="list-style-type: none"> Director 	600,000				600,000
5. Ms. Petcharat Anantawichai	<ul style="list-style-type: none"> Director Corporate Governance and Risk Management Committee Company Secretary 	730,000			40,000	770,000
6. Miss Panida Prayottaweekij	<ul style="list-style-type: none"> Director Corporate Governance and Risk Management Committee 	730,000			40,000	770,000
7. Dr. Pojjanee Paniangvait	<ul style="list-style-type: none"> Director Corporate Governance and Risk Management Committee 	630,000			40,000	670,000
8. Mr. Pun Paniangvait	<ul style="list-style-type: none"> Director 	630,000				630,000
9. Miss Saipin Kittipornpimol	<ul style="list-style-type: none"> Director Corporate Governance and Risk Management Committee 	670,000			30,000	700,000
10. Miss Ubolluck Luevoravinyu	<ul style="list-style-type: none"> Director Corporate Governance and Risk Management Committee 	700,000			30,000	730,000
11. Prof. Dr. Teeravuti Boonyasopon	<ul style="list-style-type: none"> Chairman of Independent Director and Chairman of Audit Committee 	730,000	48,000			778,000
12. Mr. Wattanachai Chotechutrakul	<ul style="list-style-type: none"> Independent Director and Audit Committee Director of the Nomination and Remuneration Committee 	570,000	20,000	10,000		600,000

(Unit : Baht)

Name	Position	Remuneration				Total
		Director	Audit Committee	Nomination and Remuneration Committee	Good Governance and Risk Management Committee	
13. Prof. Piyamitr Sritara	<ul style="list-style-type: none"> Independent Director 	550,000				550,000
14. Mr. Thanapich Mulapruek	<ul style="list-style-type: none"> Independent Director and Audit Committee Chairman of Corporate Governance and Risk Management Committee 	690,000	30,000		36,000	756,000
15. Mrs. Aim-on Pathumarak	<ul style="list-style-type: none"> Independent Director and Audit Committee Corporate Governance and Risk Management Committee 	630,000	40,000		40,000	710,000
16. Prof. Dr. Visith Chavasit	<ul style="list-style-type: none"> Independent Director and Audit Committee Chairman of Corporate Governance and Risk Management Committee 	30,000	10,000		12,000	52,000
17. Mr. Boonsak Chiempricha	<ul style="list-style-type: none"> Independent Director Director of the Nomination and Remuneration Committee 	20,000		10,000		30,000
18. Dr. Yupa Soontrapa	<ul style="list-style-type: none"> Independent Director and Audit Committee Corporate Governance and Risk Management Committee 	60,000	20,000		10,000	90,000
19. Mrs. Malee Tangjaisanong	<ul style="list-style-type: none"> Director 	60,000				60,000
Total		13,846,000	168,000	86,000	318,000	14,418,000

Remark : Director No.10,14 sit in the Board of Director position on April 8, 2020.
 Director No.9,12,13 sit in the Board of Director position on June 16, 2020.
 Director No. 16 was resigned from the position of director on March 31, 2020.
 Director No.17,18,19 was retired by rotation on June 16, 2020.

Name	Position	Remuneration of the Board of Director Advisor
1. Mrs. Malee Tangjaisanong	Advisor to the Board and Assistant Managing Director	60,000

Remark : Mrs. Malee Tangjaisanong to be the Advisor to the Board and Assistant Managing Director on June 16, 2020

(1.2) Remuneration of executive directors and executives: The executive directors and the first four top executives after the Manager and four other executives at the same level, and Accounting and Finance Department Manager

(Unit : Baht)

Number	Remuneration	Total Remuneration	
		2020	2019
Total Salary	7	27,190,950	22,623,800
Total Bonus	7	6,231,770	6,229,280
Total		33,422,720	28,853,080

(2) Other Remuneration

Provident Fund Contribution for Member of the Executive Board.

(Unit : Baht)

Number	Remuneration	Total Remuneration	
		2020	2019
Contribution to Provident Fund	3	434,900	369,540
Total		434,900	369,540

Board of Directors Management Profile and Company Secretary

1. Mr. Pipat Paniangvait Age 81 Years Chairman of the Board

Shareholding¹

- 14,959,400 (3.32%)

Education

- Honorary Doctor of Science Degree in Food Science and Technology, Faculty of Science and Technology / Rajamangala University of Technoly Tawan-ok
- Honorary Doctor of Arts Degree in Business administration / North Chiang Mai University
- Honorary Doctor of Arts Degree in Home Economics Development, Faculty of Education / Ramkhamhaeng University
- Master's Degree in Business Administration, Thammasat University
- Bachelor Degree in Education Science Quanzhou Physical Culture institute People's Republic of China
- Stanford Executive Program at Stanford University California, USA.
- Funded to participated in seminar for Top Management Seminar on Japanese Business (TOPS-V) of The Association for Overseas Technical, Japan
- Graduated from National Defence College, class 2 National Defence College of Thailand
- Trained at Havard University USA. Director Certification Program 2004

The Past 5 Years of Work Experience

- | | | |
|------------------------|-------------------------------------------------------|----------------------------------------|
| • 2016-Present | Chairman of the Board | President Bakery Plc. |
| • 2016-Present | Chairman of the Nomination and Remuneration Committee | President Bakery Plc. |
| • October 2017-Present | Chief Executive Office / Vice Chairman of the Board | Thai President Foods Plc. (TFMAMA) |
| • 2016-October 2017 | Chief Executive Office / Vice Chairman of the Board | Thai President Foods Plc. (TF) |
| • 2016-Present | Director | Saha Pathana Inter-Holding Plc. |
| • 2016-August 2018 | Chairman | Thai O.P.P. Plc. |
| • 2016-Present | Director | Thai Myanmar Success Venture Co., Ltd. |
| • 2016-Present | Honorary Chairman | Dai-Ichi Packaging Co., Ltd. |
| • 2016-Present | Chairman | Sungo Machinery (Thailand) Co., Ltd. |
| • 2016-Present | Deputy Chairman | Northern Technology Co., Ltd. |

Director/Management Position

- | | | |
|---------------------------------|-------------------------------------------------------|---------------------------------|
| Other Listed Company | • Chief Executive Office / Vice Chairman of the Board | Thai President Foods Plc. |
| | • Director | Saha Pathana Inter-Holding Plc. |
| Other Non Listed Company | • 4 | |

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Certification Program 2004

Family Relation Ship Among Management

- As the father of director No. 7 and 8

2. Mr. Apichart Thammanomai Age 71 Years Vice Chairman of the Board and Managing Director

Shareholding¹ • 3,319,970 (0.74%)

Education

- Master's Degree in Political Science , Ramkhamhaeng University
- Mini MBA Management, Thammasat University

The Past 5 Years of Work Experience

• 2019-Present	Vice Chairman of the Board and Managing Director	President Bakery Plc.
• 2016-Present	Managing Director	President Bakery Plc.
• 2016-Present	Director of the Nomination and Remuneration Committee	President Bakery Plc.
• October 2017-Present	Director	Thai President Foods Plc. (TFMAMA)
• 2016-October 2017	Director	Thai President Foods Plc. (TF)
• June 2017-Present	Chairman	President Flour Mills Co., Ltd.
• 2016-May 2017	Director	President Flour Mills Co., Ltd.
• 2016-Present	Director	Kerry-Flour Mill Co., Ltd.

Director/Management Position

Other Listed Company	• Director	Thai President Foods Plc. (TFMAMA)
Other Non Listed Company	• 2	

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Certification Program 2005
- Director Accreditation Program 2003

**Family Relation Ship
Among Management** • As the father of director No. 3

3. Mr. Apisate Thammanomai Age 38 Years Vice Managing Director

Shareholding¹ • 3,344,810 (0.74%)

Education

- Master of Art in Business and Managerial Economics (Part time program)
Faculty of Economics, Chulalongkorn University
- Master of Science in Computer System Engineering
(Software engineering) Boston University
Thesis “Engineering a System-level Instruction-set Simulator”
- Bachelor of Engineering Program In Computer Engineering (Second Class Honors)
Faculty of Engineering, Kasetsart University Engineering Project work “Bayesian based Website Classification system”

The Past 5 Years of Work Experience

• 2017-Present	Vice Managing Director	President Bakery Plc.
• April 2018-Present	Corporate Governace and Risk Management Committee	President Bakery Plc.
• 2016-2017	Director and IT Manager	President Bakery Plc.
• March 2018-Present	Director	American Food Co., Ltd.
• 2016-Present	Director	President Green House Food Co., Ltd.

Director/Management Position

Other Listed Company • None

Other Non Listed Company • 2

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Accreditation Program 2016

**Family Relation Ship
Among Management** • As the son of director No. 2

4. Mr. Vichai Kulsomphob Age 43 Years Director

Shareholding¹

- 100,000 (0.02%)

Education

- Bachelor's Degree of Business Administration Chulalongkorn University
- Master of Advanced Business Practice University of South Australia
- Master of Marketing (English Program), Thammasat University
- Master of International Business (Exchange Program)
- Norwegian School of Economics and Business Administration, Norway
- Business and Industrial Development Program (Class 1), Institute of Business and Industrial Development
- OIC Advanced Insurance Institute (Class 1), Office of Insurance Commission
- Executive Leadership Program (Class 2) Wharton Business School, University of Pennsylvania, USA & NIDA, Thailand
- Real Estate Management Program for Executive (RE-CU26) Chulalongkorn University
- Investment Planner Certification, Chulalongkorn University
- Investment Planner Certification, Association of Investment Management Companies
- Bhumpalung Phandin for Top Executive (Class 4) Chulalongkorn University
- Strategic CFO in Capital Market Program (Class 4) Thailand Securities Institute, The Stock Exchange of Thailand

The Past 5 Years of Work Experience

- | | | |
|----------------------------|-----------------------------|---------------------------------------------------------------|
| • April 2018-Present | Director | President Bakery Plc. |
| • 2018-Present | President | Saha Pathana Inter-Holding Plc. |
| • 2016-April 2018 | Vice President | Saha Pathana Inter-Holding Plc. |
| • January 2021-Present | Chairman of Executive Board | Sahacogen (Chonburi) Plc. |
| • April 2018-December 2020 | Director | Sahacogen (Chonburi) Plc. |
| • 2016-April 2018 | Director | Singer Thailand Plc. |
| • 2016-Present | Director | Samsung Life Insurance (Thailand) Plc. |
| • December 2018-Present | Director | Saha Komehyo Co.,Ltd. |
| • March 2018-Present | Managing Director | First United Industry Co., Ltd. |
| • March 2018-Present | Managing Director | Sahapat Properties Co., Ltd. |
| • March 2018-Present | Director | American Foods Co., Ltd. |
| • April 2018-Present | Director | Sinparadon Co., Ltd. |
| • 2017-Present | Managing Director | BSC So In Co., Ltd. |
| • April 2017-Present | Managing Director | Pan Land Co., Ltd. |
| • April 2017-Present | Managing Director | Sahapat Real Estate Co., Ltd. |
| • January 2016-Present | Director | UCC Ueshima Coffee (Thailand) Co., Ltd. |
| • March 2016-Present | Director | Thai Secom Security Co., Ltd. |
| • April 2016-Present | Director | Arusu Myanmar Co., Ltd |
| • 2016-Present | Managing Director | Seino Saha Logistics Co., Ltd. |
| • 2016-Present | Director | Mobile Logistics Co., Ltd. |
| • 2016-Present | Director | Tiger MK Logistics (Myanmar) Co., Ltd |
| • 2016-Present | Director | Carbon Magic (Thailand) Co., Ltd. |
| • 2016-Present | Director | Canchana International Co., Ltd.
(The Kingdom of Cambodia) |
| • 2016-Present | Chairman | Green Life Management Co.,Ltd. |
| • 2016-Present | Director | Saha Tokyu Corporation Co.,Ltd. |
| • 2016-Present | Director | Saha Sehwa Co., Ltd. |

4. Mr. Vichai Kulsomphob Age 43 Years Director

The Past 5 Years of Work Experience

• 2016-Present	Director	Thai Samsung Electronics Co., Ltd.
• 2016-Present	Director	SSI Holding Co., Ltd.
• 2016-Present	Director	Park Capital Holding Co., Ltd.
• 2016-Present	Director	Thai Sun Foods Co., Ltd.
• 2016-Present	Director	I.D.F. Co., Ltd.
• 2016-Present	Managing Director	Boon Capital Holding Co., Ltd.
• April 2018-Present	Chairman	Pitakkij Co., Ltd.
• April 2018-Present	Deputy Chairman	Sriracha Logistics Co., Ltd.
• April 2018-Present	Chairman	Eastern Thai Consulting 1992 Co., Ltd.
• April 2018-Present	Chairman	Best Factory Outlet Co., Ltd.
• April 2018-Present	Director	Treasure Hill Co., Ltd.
• April 2018-Present	Deputy Chairman	Sriracha Aviation Co., Ltd.
• April 2018-Present	Chairman	PTK Multi Services Co.,Ltd.
• April 2018-Present	Deputy Chairman	S.T. (Thailand) Co., Ltd.
• April 2018-Present	Director	Pitakkij Security Guard Co., Ltd.
• April 2018-Present	Director	Asahi Kasei Spunbond (Thailand) Co., Ltd.
• April 2018-Present	Director	Saha Asia Pacific Co., Ltd.
• August 2018-Present	Chairman	Thai Hoover Industry Co., Ltd.
• August 2018-Present	Director	Impact Solar Co., Ltd.
• June 2019-Present	Director	Measot Sakae-lace Co., Ltd.
• April 2019-Present	Director	Inter Laboratory Co., Ltd.
• April 2019-Present	Director	Sahachol Food Supplies Co., Ltd.
• April 2018- Present	Director	Thai Takeda Lace Co., Ltd.
• March 2018-Present	Director	Kewpie (Thailand) Co., Ltd.
• August 2019-Present	Director	SLV Retail Co., Ltd.
• October 2019-Present	Managing Director	Saha Capital Tower Co., Ltd.
• November 2019-Present	Director	Brainwake Co., Ltd.
• January 2020-Present	Director	Donki Mall Thonglor Co., Ltd.
• March 2020-Present	Director	Sahagreen Forest Co., Ltd.
• December 2020-Present	Director	Thana City Venture Co., Ltd.

Director/Management Position

Other Listed Company	<ul style="list-style-type: none"> • Managing Director • Chairman of Executive Committee • Director • Director 	Saha Pathana Inter-Holding Plc. Sahacogen (Chonburi) Plc. Singer Thailand Plc. Samsung Life Insurance (Thailand) Plc.
Other Non Listed Company	<ul style="list-style-type: none"> • 49 	

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Certification Program (DCP) 61/2005
- Company Secretary Program (CSP) 18/2006

Family Relation Ship Among Management	<ul style="list-style-type: none"> • None
--------------------------------------------------	----------------------------------------------------------

5. Ms. Petcharat Anantawichai Age 52 Years Director and Senior Management Accounting Dept. and Finance Dept. Manager, Company Secretary, Chief Financial Officer

Shareholding¹ • 50,000 (0.01%)

Education • Bachelor Degree in Accounting, Thammasat University

The Past 5 Years of Work Experience

- | | | |
|----------------|------------------------------------------------------------------------------|--------------------------------------|
| • 2016-Present | Director and Senior Management Accounting Dept. and Finance Dept. Management | President Bakery Plc. |
| • 2016-Present | Corporate Governance and Risk Management Committee | President Bakery Plc. |
| • 2016-Present | Company Secretary | President Bakery Plc. |
| • 2016-Present | Director | President Green House Food Co., Ltd. |

Director/Management Position

Other Listed Company • None

Other Non Listed Company • 1

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Certification Program 2003

Continuing Profession Development (CPD)

- Course on Accounting Errors with Correct Guidelines For Financial Reporting Standards
- TAX Update in 2020

Family Relation Ship Among Management • None

6. Miss Panida Prayottaweekij Age 54 Years Director and Senior Production Manager

Shareholding¹ • 25,000 (0.01%)

Education • Master of Science in Food Processing and Technology
The Ohio State University, USA
• Bachelor of Science in Agro-Industrial Product Development Kasetsart University

The Past 5 Years of Work Experience

- | | | |
|----------------------|----------------------------------------------------|-----------------------|
| • 2016-Present | Director and Senior Production Manager | President Bakery Plc. |
| • April 2018-Present | Corporate Governance and Risk Management Committee | President Bakery Plc. |

Director/Management Position

Other Listed Company • None

Other Non Listed Company • None

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Accreditation Program 2016

Family Relation Ship Among Management • None



7. Dr. Pojjanee Paniangvait Age 57 Years Director

Shareholding¹ • 1,234,480 (0.27%)

Education

- SASIN Graduate Institute of Business Administration, Bangkok Master of Management
- University Of California, Davis Ph.D. in Agricultural and Environmental Chemistry with emphasis on Food Sciences
- University Of California, Davis Master of Sciences in Food Sciences
- Chulalongkorn University, Bangkok B.S. in Biochemistry

The Past 5 Years of Work Experience

• 2016-Present	Director	President Bakery Plc.
• June 2018-Present	Corporate Governace and Risk Management Committee	President Bakery Plc.
• Octorber 2017-Present	Vice President	Thai President Foods Plc. (TFMAMA)
• 2016-October 2017	Vice President	Thai President Foods Plc. (TF)
• 2018-Present	Director	American Food Co., Ltd.
• 2016-Present	Director	Thai Anbao Paper Products Co., Ltd.
• 2016-Present	Director	Siam Sincere Co., Ltd.
• 2016-Present	Managing Director	President Flour Mills Co., Ltd.
• 2016-Present	Director	President Inter Foods Co., Ltd.
• 2016-Present	Director	Kerry-Flour Mill Co., Ltd.

Director/Management Position

Other Listed Company	• Vice President	Thai President Foods Plc. (TFMAMA)
Other Non Listed Company	• 6	

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Accreditation Program 2008
- How to Develop a Risk Management Plan (HRP)

Family Relation Ship Among Management • As the daughter of director No. 1 and as the sister of director No. 8

8. Mr. Pun Paniangvait Age 45 Years Director

Shareholding¹ • 276,870 (0.06%)

Education • Master of Law (LL.M) in Business Law (International Program) Chulalongkorn University

The Past 5 Years of Work Experience

• 2016- Present	Director	President Bakery Plc.
• October 2017-Present	Manager of the President's Office	Thai President Foods Plc. (TFMAMA)
• 2019-Present	Director	Cheam Body Co., Ltd.
• 2018-Present	Director	President D Venture Co., Ltd.
• 2016-Present	Director	Thai Instant Products Co., Ltd
• 2016-Present	Director	Thai Anbao Paper Products Co., Ltd.
• 2016-Present	Director	Dai-Ichi Packaging Co., Ltd.
• 2017-Present	Director	Sam Chai Sunshine Co., Ltd.
• 2016-Present	Director	President Inter Foods Co., Ltd.

Director/Management Position

Other Listed Company • Manager of the President's Office Thai President Foods Plc. (TFMAMA)

Other Non Listed Company • 7

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Accreditation Program Class 110/2014

**Family Relation Ship
Among Management** • As the son of director No. 1 and as the brother of director No. 7

9. Miss Saipin Kittipornpimol Age 62 Years Director and Assistant Managing Director

Shareholding¹

- None

Education

- B.SC (Food Technology & Biochemical Tecnology) Chulalongkorn University
- MS (Computer Science) National Institute of Development Administration (NIDA)

Training

- Executive Management Certificate (INSEAD)
- Leadership Training for Executives (JICA)
- Business Process Re-engineering
- Operational Risk Management

The Past 5 Years of Work Experience

- | | | |
|---------------------|------------------------------------------------------|-------------------------------------|
| • June 2020-Present | Director and Assistant Managing Director | President Bakery Plc. |
| • June 2020-Present | Corporate Governace and
Risk Management Committee | President Bakery Plc. |
| • 2017-June 2020 | Assistant Managing Director | President Bakery Plc. |
| • 2020-Present | Director | President Green House Food Co.,Ltd. |
| • 2016 | Executive Vice President Information Technology | TMB Bank Plc. |

Director/Management Position

Other Listed Company

- None

Other Non Listed Company

- 1

Training of Roles and Responsibilities of the Director

- Tranined at Thai Institute of Directors (IOD)
- Director Certification Program (DCP)

Family Relation Ship Among Management

- None

10. Miss Ubolluck Luevoravinyu Age 61 Years Director and Assistant Managing Director

Shareholding¹

- None

Education

- B.SC (Chemical Engineering) Chulalongkorn University
- MS (Computer Science) National Institute of Development Administration (NIDA)

Training

- Financial Executive Development Program (FINEX)
- Information Technology Strategic & Planning
- Business Process Re-engineering
- Enterprise Architecture Management
- Operational Risk Management
- Project Management
- Leadership Development Program

The Past 5 Years of Work Experience

- | | | |
|---------------------|-------------------------------------------------------------------|-----------------------|
| • June 2020-Present | Director and Assistant Managing Director | President Bakery Plc. |
| • June 2020-Present | Corporate Governace and
Risk Management Committee | President Bakery Plc. |
| • 2017-April 2020 | Assistant Managing Director | President Bakery Plc. |
| • 2012-2016 | Executive Vice President
Enterprise Architecture & IT Strategy | TMB Bank Plc. |

Director/Management Position

Other Listed Company

- None

Other Non Listed Company

- None

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Accreditation Program 2020

Family Relation Ship Among Management

- None

11. Prof. Dr. Teravuti Boonyasopon Age 71 Years Chairman of Independent Director and Chairman of Audit Committee

Shareholding¹

None

Education

- Ed.D Human Resource Development, Oklahoma state University, Stillwater, Oklahoma, U.S.A.
- M.Ed. Management of Vocational and Technical Education, Southwest Texas State University, San Marcos, Texas, U.S.A.
- B.S. in Technology
Major : Air Conditioning & Refrigeration Technology
Minor : Industrial Management
American Technological University, Killeen, Texas, U.S.A.
- Advanced Certificate, Political, Social, Economic, Science and Technology National Defense College Bangkok, Thailand

The Past 5 Years of Work Experience

- | | | |
|-----------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| • April 2018-Present | Chairman of Independent Director and
Chairman of Audit Committee | President Bakery Plc. |
| • 2017-April 2018 | Independent Director and Audit committee | President Bakery Plc. |
| • 2017-Present | President of the University Council | King Mongkut's University of Technology
North Bangkok |
| • 2016-2018 | Advisor Distinguished Member of the
Executive Committee | Office for National Education Standards
and Quality Assessment |
| • 2016-Present | Distinguished Member of University Council | Rajamangala University of Technology
Thanyaburi |
| • 2016 | Distinguished Member of the
Executive Committee | Office for National Education Standards
and Quality Assessment |
| • 2016 | Chairman of Committee for
Development Assessment | Systems for Vocational Education
Office for National Education Standards
and Quality Assessment |
| • 2016 | President (Agenda 4) | King Mongkut's University of Technology
North Bangkok |
| • 2016-2017 | Advisor of University Council | King Mongkut's University of Technology
North Bangkok |
| • August 2018-Present | Arbitrator | Office of the Judiciary Ministry of Justice |

Director/Management Position

Other Listed Company

- None

Other Non Listed Company

- None

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- "The Role of Chairman (RCP)" 2009

Family Relation Ship Among Management

- None

12. Mr. Wattanachai Chotechutrakul Age 71 Years Independent Director and Audit Committee

Shareholding¹

- None

Education

- Bachelor Degree or Equivalent Bachelor of Laws Chulalongkorn University
- Bachelor Degree of Equivalent Thai Barrister Institute of Legal Education Thai Bar Association
- Certificate in National Defence Training National Defence College of Thailand

The Past 5 Years of Work Experience

• June 2020-Present	Independent Director and Audit Committee	President Bakery Plc.
• June 2020-Present	Director of the Nomination and Remuneration Committee	President Bakery Plc.
• Present	Advisor	Bara Windsor Co., Ltd.
• 2013	Senior Justice of The Court of Appeal, Region 1	The Court of Appeal, Region 1
• 2007-2009	Senior Justice of The Supreme Court	The Supreme Court
• 2003-2007	Vice-President of The Supreme Court	The Supreme Court
• 1999-2003	Presiding Justice of The Supreme Court	The Supreme Court
• 1996-1999	Justice The Supreme Court	The Supreme Court
• 1993-1996	Director-General, Legal Execution Department	Legal Execution Department
• 1993	Secretary of The Supreme Court	The Supreme Court
• 1992	Chief Judge Of Appeal Court	Appeal Court
• 1990-1992	Chief Judge of Criminal Court	Criminal Court
• 1988-1989	Chief Judge of Ministry Court (Assisting the Supreme Court)	The Supreme Court
• 1987	Chief Judge of Saraburi Provincial Court	Provincial Court
• 1986	Chief Judge of Prachuapkhirikhan Provincial Court	Provincial Court
• 1985	Chief Judge of Phang Nga Provincial Court	Provincial Court
• 1978-1984	Ministry Judge / Chief Judge of Ministry Court	Ministry Court
• 1976-1977	Judge of the Khon Kaen Kwaeng Court / Judge of the Khon Kaen Provincial Court	Provincial Court
• 1974-1975	Judge Trainee / Ministry Judge	Ministry Court

Director/Management Position

Other Listed Company • None

Other Non Listed Company • 1

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Accreditation Program 2020

Family Relation Ship Among Management

- None

13. Prof. Piyamirt Sritara Age 62 Years Independent Director

Shareholding¹

- None

Education

- B.Sc. (Medical Science), Mahidol University
- M.D., Faculty of Medicine, Ramathibodi Hospital Mahidol University
- Thai Board of Internal Medicine, FRCP (Thailand)
- Diploma in Cardiology, Royal Postgraduate Medical School, Hammersmith Hospital, University of London
- Certificate and Diploma in Interactive Video & Computer Technology, Birkbeck College, University of London
- Thai Board of Cardiovascular Medicine, FRCP (Thailand)
- The Programme for Senior Executive on Justice Administration No.12
- Fellow of American College of Physician
- Fellow of Royal College of Physician (LONDON)
- The Programme Rule of Law for Democracy No. 6, College of the Constitution Court

The Past 5 Years of Work Experience

- | | | |
|---------------------|--------------------------------------------------------|----------------------------------------------------------------------------------|
| • June 2020-Present | Independent Director | President Bakery Plc. |
| • 2016-Present | Independent Director | Pruksa Holding Plc. |
| • 2018-Present | Independent Director and
Charman of Audit Committee | Inter Pharma Plc. |
| • Present | Dean | Faculty of Medicine, Ramathibodi Hospital,
Mahidol University |
| • 1999-Present | Director of The Exam Senior Research Scholar | Thai Board of Cardiology, Medical Council
Mahidol University |
| • 2011-2017 | Chairman Cardiovascular Research Cluster | The Royal College of Physicians of Thailand
(RCPT) |
| • 2012-2017 | Chairman, Scientific Committee | Thailand Centre of Excellence for
Life Sciences (Public Organisation) (TCELS) |
| • 2019-Present | Chairman of the Board | |

Director/Management Position

Other Listed Company

- Independent Director Pruksa Holding Plc.
- Independent Director and
Chairman of Audit Committee Inter Pharma Plc.

Other Non Listed Company

- None

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Directors Certification Program DCP 244/2017
- IT Governance-Cyber Resilience (ITG 2020)

Family Relation Ship Among Management

- None

14. Mr. Thanapich Mulapruk Age 71 Years Independent Director and Audit Committee

Shareholding¹ 135,000 (0.03%)

Education

- Bachelor of Laws, Thammasat University
- Thai Barrister, Institute of Legal Education Thai Bar Association
- Master Of Laws, Chulalongkorn University
- National Defence College of Thailand (#41)
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives (#11)
- Capital Market Academy (CMA.), Thailand (#7)

The Past 5 Years of Work Experience

• April 2018-Present	Independent Director and Audit Committee	President Bakery Plc.
• June 2018-Present	Chairman of the Corporate Governance and Risk Management Committee	President Bakery Plc.
• 2005-Present	Expert Committee	King Prajadhipok's Institute
• Present	Expert Committee	Nakhon Pathom Rajabhat University
• 2013-Present	Director	Pol. Gen. phow Sarasin foundation
• 2020-Present	Honorary Director	Thailand Federation of Accounting Professions

Director/Management Position

Other Listed Company • None

Other Non Listed Company • None

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Certification Program
- Audit Committee and Continuing Development Program
- Monitoring Fraud Risk Management
- Monitoring the System of Internal Control and Risk Management
- Monitoring the Quality of Financial Reporting
- Monitoring the Internal Audit Function
- IT Governance for Directors

**Family Relation Ship
Among Management** • None

15. Mrs. Aim-On Pathumarak Age 71 Years Independent Director and Audit Committee

Shareholding^{/1}

- None

Education

- Master of Arts in Public Administration, Thammasat University
- Bachelor of Business Administration, Thammasat University

The Past 5 Years of Work Experience

- | | | |
|----------------------|----------------------------------------------------|-----------------------|
| • April 2018-Present | Independent Director and Audit Committee | President Bakery Plc. |
| • 2016-April 2018 | Independent Director | President Bakery Plc. |
| • 2016-Present | Corporate Governance and Risk Management Committee | President Bakery Plc. |

Director/Management Position

- | | |
|---------------------------------|--------|
| Other Listed Company | • None |
| Other Non Listed Company | • None |

Training of Roles and Responsibilities of the Director

- Trained at Thai Institute of Directors (IOD)
- Director Accreditation Program 2016

Family Relation Ship Among Management

- None

Remark : All Directors have authorizing power, Two directors need to sign and affix the company's seal to authorize, except independent Director
^{/1} Included spouse and children

General Information

General Information	
Name	: President Bakery Public Company Limited
Nature of Business	: Manufacturer and distributor of bread and bakery Product
Registration No.	: BorMorJor 0107545000144
All Shares Issued & Subscribed	: 450,000,000 common stocks, par value : 1 baht
Headquarter	: 121/84-85, 29 th floor, RS TOWER, Ratchadapisek Rd., Dindaeng, Bangkok 10400 Tel : 0-2209-3000 Fax : 0-2209-3091
Home Page	: http://www.farmhouse.co.th

Companies In Which President Bakery Holds More Than 10%	
President Green House Foods Co., Ltd.	: The Company Holds 39%
Nature of Business	: To Operate a Restaurant Business Namely "Shinjuku Tonkatsu Saboten"
Registration No.	: 0105551034347
All Shares Issued	: 1,500,000 Common Stocks, Par Value : 10 Baht
Headquarter	: 121/84, 29 th Floor, RS Tower, Ratchadapisek Rd., Dindaeng, Bangkok, 10400 Tel : 0-2209-3000 Fax : 0-2209-3091
President Flour Mills Co., Ltd.	: The Company Holds 10%
Nature of Business	: Production and Distribution of Flour Group
Registration No.	: 0215554002321
All Shares Issued	: 6,000,000 Common Stocks, Par Value : 100 Baht
Headquarter	: 43/244, Moo 4, Huayprab-Pluakdaeng Mabyangporn, Pluakdaeng, Rayong 21140
Saha Capital Tower Co., Ltd.	: The Company Holds 10%
Nature of Business	: Other real estate activities on a fee or contract basis
Registration No.	: 0105562170158
All Shares Issued	: 20,000,000 Common Stocks, Par Value : 100 Baht
Headquarter	: 530 Soi Sathupradit 58, Bangpongpan, Yannawa Bangkok 10120

Other References

Registrar

: Thailand Securities Depository Co., Ltd.
93 Ratchadapisek Rd., Dindaeng, Bangkok 10400
Tel : 0-2009-9000
Fax : 0-2009-9991

Auditor

: EY Office Limited
193/136-137, 33rd floor, Lake Rajada Office Complex,
Rajadapisek Rd., Klongtoey, Bangkok 10110
Tel : 0-2264-0777, 0-2661-9190
Fax : 0-2264-0789-90, 0-2661-9192

Legal Consultant

: F.N. Infinity Co., Ltd.
611/40 Soi Wat Chan Nai, Charoen Krung Rd.,
Bang khlo, Bang Kho Laem, Bangkok 10120
Tel : 0-2689-8946, 0-2291-0414
Fax : 0-2291-1127

Corporate Governance Policies

The Board of Directors is confident that a proper, transparent and accountable governance system is in place along with checks and balances and an internal control system that is sufficient and appropriate. Alongside these mechanisms are due respect for the rights and equality of shareholders and accountability to all stakeholders. These key factors contribute to the enhancement of the organization's immunity and promotion of a balanced and sustainable growth in the long term.

In pursuance thereof, the Board of Directors thereby prescribed the following corporate governance policies as a practice guideline for the Company directors, Executives and all employees.

1. Company Directors, Executives and all employees are fully committed to the application of corporate governance principles, business ethics and Codes of Conduct for Company Directors, Executives and employees to Company operations.

2. Company Directors, Executives and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles and Notifications.

3. Actions shall be taken to ensure that the company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committees and Executives.

4. An internal control system shall be installed and risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.

5. Information shall be disclosed in a sufficient, reliable and timely matter to the extent that the legitimate interests of the Company are not prejudiced.

6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.

7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment.

8. There shall be a determination to strive towards business excellence with commitment to the creation of customer satisfaction by receiving comments and self-assessments in order to enhance management capabilities and continually promote productive creativity.

9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of personnel.

10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.

11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the company's interests.

The Board has updated "Good Corporate Governance 2nd Revision" in 2019 to be complied with Corporate Governance Code for Listed Companies 2017 which established guidelines for the Board of Directors, as the leader and as the person who hold the highest responsibility of the organization. The guidelines are consisted of 8 major principles, as follow :

Principle 1

To recognize the roles and responsibilities of the Board of Directors as a leader of an organization who creates sustainable value for the business. The Board of Directors has set the Company vision and mission for the directors, executives, and employees to carry on the task in the same direction by reviewing plans as appropriate.

Principle 2

To define and supervise the objectives and the goals of the business to support sustainable organization. The objectives and the goals must be in line with the sustainable value of the Company, customers, stakeholders, and society as a whole.

Principle 3

To establish an effective Board of Directors by being responsible for defining and reviewing a structure of the Board of Directors, which consisted of size, composition, and the appropriate proportion of Independent Directors which is necessary to bring the organization to its objectives and goals.

Principle 4

To support the recruitment and development of senior executives and personnel management to have knowledge, skills, experience, and characteristics relevant to drive the organization towards its goals.

Principle 5

To support innovation and responsible business practices that create business value while simultaneously provides benefits for customers or related parties as well as being responsible to the society and environment.

Principle 6

To ensure an appropriate and effective risk management and internal control in compliance with relevant laws and standards.

Principle 7

To maintain financial reliability and information disclosure while emphasizes on good corporate governance system, disclosure of significant information that may effects the changes in company's securities price or investment decision making or shareholders' benefit and rights for shareholders and individuals who are interested in investing to receive significant news quickly, equally and with n the same quality.

Principle 8

To support participation and communication with shareholders and ensure that ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably. Shareholders' basic rights are purchasing or transferring of shares, sharing profit and receiving adequate corporate news and information.

The Company has disclosed policies on corporate governance, business ethics and code of conduct for the Board of Directors, Executives and employees in order for the employees, shareholders and general public to acknowledge through the Company's website, under the topic "Investment Information : About Us (Good Corporate Governance)"

Practice in Accordance with the Good Corporate Governance Principle

The Board of Directors has placed much emphasis on continuously implementing the good corporate governance principles, classified into 5 sections as follows:

1. Shareholders' Rights

The company recognized and respect in the ownership of shareholders, therefore the company encourage shareholders to exercise their rights and has treated every shareholder equally. Shareholders' basic rights are purchasing or transferring of shares, sharing profit and receiving adequate corporate news and information.

1.1 Shareholders' Meeting The company has set shareholders' general meeting to be held once a year, within 4 month commencing from the end of accounting period. On June 16, 2020, at 9.30 A.M., General Shareholders' Meeting no. 41 was held at the conference room, 6th floor, Bang Chan Plant in Bang Chan Industrial Estate. The meeting location is convenience as the plant is closed to the main road and the announcement of meeting invitation was made through Thai daily newspaper for at least 3 consecutive days before the meeting date. The company announced the meeting during 3-5 June 2020 and gives shareholders opportunities to send in their questions prior to the meeting date. Such information was publicized on [www.farmhouse.co.th/investment information](http://www.farmhouse.co.th/investment-information).

1.2 Letter of Invitation Agendas of shareholders' meeting On significant issues are clearly stated and has been considered by the Board of Directors' meeting, to be proposed for approval. Therefore, fact statements, reasons and comment of director will be presented in the meeting material that will be sent to shareholders along with the letter of invitation. Shareholders should have sufficient information to make voting decision

in various agendas. Moreover, in the letter of invitation the company has clearly states about the documents or evidence showing the identity of the shareholders or the proxy that have the rights to attend the meeting. The company has significant agenda to be considered and approve every year, which are as follows:

- Appointment of director, the company gives shareholders opportunities to vote individual director by providing details such as name, last name, age, education background, work experience, number of company holding the director position which are separated into listed company and general company, rules and recruitment method, type of director proposed, meeting attendance information and number of year holding the term of office, in the case where the same director is nominated. Such nomination has been considered and screen by the recruitment committee.
- Director remunerations : The company has provide details on the format and amount of remuneration as well as policies and rules in considering remuneration for director that has been considered and screen by the remuneration committee.
- Appointment of auditors : The company provide details about the auditors, audit firm, experience and competence of auditor, independent, remuneration, amount of years serving the company (in the case where the same auditor was appointed), method in considering the appropriateness of audit fees, which has been considered and screen by the Audit Committee.
- Allocation of profit and dividend payment: The company provide details on the allocation of profit and dividend fund, amount of dividend along with reasons and information which is in accordance to the dividend payment policy and the record date to stipulate the rights in receiving dividend.

1.3 Shareholders' Meeting Day The company secretary will explain the rights and responsibility in casting a vote, which is in accordance to the company's regulation. Specified that 1 share have the rights to cast 1 vote. Should vote overtly. The company uses barcode system and ballot in registering and counting the vote for each agenda. Vote results are displayed on the projection screen for all shareholders to see. In the General Shareholder's meeting for the year 2020, 12 directors attend

the meeting, which includes the Chairman of the Board of Directors. Moreover, Managing Director, Chief Executive of Accounting and Finance Officer, Executive committee and the company's auditors have attended the meeting in order for the shareholders to make inquiries on the related topics. The company has also provided to have inspector to be the witness in counting vote for each agenda, by inviting the company's auditors, which are EY Office Co., Ltd. as well as the representative of legal consultant company so that the meeting will be transparent, accurate and in accordance with the company's laws and regulations. The company disclosed the shareholders' meeting resolution along with the voting results for each agenda and notified to the Stock Exchange of Thailand on June 16, 2020.

1.4 After Shareholders Meeting Day

Publicized on the company's website the next day. Minute of meeting was recorded correctly and completely by recording the name and position of directors, executive committee and executive officers that attend the meeting and significant questions, comments, explanations, resolution of the meeting and vote results were clearly recorded in the minutes of the meeting for shareholders to examine both in Thai and English .The minutes of meeting will be publicized on the website at www.farmhouse.co.th/ investment, 14 days after the date of the meeting.

2. Equally Treating Shareholders

The company recognizes the rights and equality of shareholders by treating all shareholders equally. Every shareholder has equal rights as follows:

2.1 Shareholders' Meeting Letter of invitation and meeting documents will be send to shareholders in advance of not less than 10 days prior to the meeting date. Letter of invitations are available both in Thai and English version, which shareholders can look for the English version at www.farmhouse.co.th. Moreover, if there is any necessity to propose a special agenda in terms of emergency, which effects or related to the shareholders' interest or related to the conditions or government rules and regulations that must be propose for approval from shareholders, the company will hold Extraordinary general shareholders' meeting case by case and will give the opportunity to shareholders to propose any issues to set as agenda and/or propose name of candidate to be nominate

as director one month in advance for the year 2020, commencing from December 1st to December 30th 2020.

Shareholders have the opportunities to authorize other individuals or independent director to be the proxy in attending the meeting and cast a vote. Proxy authorization form B and meeting documents required are attached to the letter of invitation and can also be download from www.farmhouse.co.th which is in accordance with the 3 forms stipulated by the Ministry of Commerce.

The shareholders are free to choose any form in order to specify the direction of their votes. In the shareholders' meeting, the company shall explain the voting process including the rights to vote which deems that one share is equal to one vote along with meeting regulations and the use of ballot in every agendas. The vote shall be counted and the result shall be disclosed for each agenda at the shareholders' meeting. The result is specified with the number of approval, disapproval and abstention Director appointment agenda gives the opportunities for shareholders to exercise their rights in appointing director individually and no uniform agenda were added to the meeting.

2.2 Conflict of Interest : In order to manage efficiently and to prevent conflict of interest, the Board of Director has stipulates measurement for related transaction with persons who may have conflict of interest as follows:

1. In the case of normal transactions that are performed continually throughout the future, management team can carry out such transactions by being able to explain that the purchased and sales price is fair, the product and services quality is acceptable as well as other necessary conditions that will be use to determine the mentioned transactions. The management has considered and sees that such transactions will create the highest benefit to the company. All documents and evidence must be kept and used as part of the explanation to the audit committee.

2. If the company has any irregular but significant transactions with persons who may have conflict of interest in the future, the audit committee will be responsible for providing opinions whether or not the transactions are skills in considering the related transaction

that occurred, the audit committee should request the company to provide individuals with knowledge and expertise on such matters such as auditor, asset assessor or law firm that is independent from the company and persons who may have conflict of interest in giving comment on such related transactions.

2.3 Supervising the use of Internal Information

The company has prevention against the use of internal information in an unrightful way that may create unfairness to shareholders. The company has stipulated "policy, order and method in supervising directors and executives in using company's internal information for personal interest" (The policy was recorded in the written form and presented in the Board of Directors meeting no. 7/2002 report). For the past year, the Board of Director, executive officers and employees have strictly practiced in accordance with the mentioned policy and have put in the agenda on holding of securities of director and executive officer for every Board of Directors' meeting and disclosed such information in the Annual Report.

3. Considering the Role of Stakeholders

The company emphasizes on the rights of all group of stakeholders by practicing in accordance to the laws and regulations of the Stock Exchange of Thailand and Securities and Exchange Commission, including other related laws for the rights of these stakeholders to be well supervised by specifying the responsibility to stakeholders as detailed in "Business Ethics" and "Board of Directors, Executives Officer and Employees Code of Conduct"

Shareholders

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

1. The ownership rights of shareholders are equitably and fairly respected.

2. Operations are undertaken in accordance with the principles of good corporate governance, which will foster the trust and confidence of shareholders and eventually lead to sustainable growth.

3. The company's businesses are continually advanced to ensure proper returns to shareholders.

4. Significant information which affects or potentially affects Shareholders's interests shall be disclosed, whether reports made pursuant to the accounting period or situation reports, pursuant to the relevant laws and notifications. However, no action shall be taken to restrict Shareholders's access to company information.

5. A report of the Board of Directors's responsibility for the financial statements in the Annual Report shall be prepared.

6. Minority shareholders shall be given an opportunity to propose matter for inclusion in the meeting agenda and/or to nominate persons for election as Company Directors in the Annual General Meeting of Shareholders

7. Shareholders are given an opportunity to submit questions relevant to the meeting prior to the shareholders/ meeting.

8. Shareholders/ meeting notices in both Thai and English are published on the Company website at least 30 days prior to the shareholders/ meeting day as information for shareholders and to enable the study of information prior to meetings.

9. Shareholders/ meeting shall be facilitated. The date, time, venue and procedure must not pose an obstacle to the shareholders/ attendance of the meeting. Shareholders who are not able to attend in person must have the opportunity to grant a proxy to other persons to attend the meeting and vote on their behalves.

10. Conflicts of interests must be dealt with prudently, rationally and information must be fully disclosed.

11. The company/s interests and assets shall be safeguarded as a reasonable person would safeguard his/ her property. Wrongful interests, whether obtained by direct or indirect means, shall be eliminated.

The company will treat all shareholders equally by stipulating certain dividend payment policy that is the policy to pay dividend of no less than 50% of net profit after income tax deduction and statutory reserve. The dividend may vary depending on operating performance, financial status and Company's investment plan. The company has made dividend payment resulting from the operating performance as follows :

Dividend In 2019	Baht Per Share	Date of Payment
Paid from Net profit and Retained earnings for the six-month period ended 30 June 2019	0.81	19 September 2019
Paid from Net profit and Retained earnings for the year 2019	1.09	7 May 2020
Total	1.90	

Dividend In 2020	Baht Per Share	Date of Payment
Paid from Net profit and Retained earnings for the six-month period ended 30 June 2020	0.96	16 September 2020
Paid from Retained earnings	Wait for approval	Wait for approval

Customers

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

1. The company operates the businesses of manufacturing, product distribution and services which are safe for consumers and environmentally friendly.

2. Businesses are operated with commitment to develop goods and services, introduce new innovations and add value to goods and services in order to continually meet the demands of customers along with the disclosure of necessary information for decision-making without concealment or distortion of facts.

3. Businesses are operated in earnest, honest and fair values and no action is taken that would violate the rights of customers. The confidentiality of customer trade secrets are maintained and not exploited for wrongful personal gains or for the gains of others.

4. The company does not demand, receive or consent to the direct or indirect receipt of properties or other dishonest benefits from customers

5. The company adheres to trade agreements. In the case where adherence is not possible, the customer would be notified in advance in order to jointly find a remedy and prevent loss.

6. The company provides communication channels to enable customers to file complaints to the company. Complaints are processed with care and dealt with fairly.

The company set up a customer relationship unit for receiving complaints, recommendations and advices from customers. The telephone number is 02-209-3090 and the fax number is 02-209-3091 and www.farmhouse.co.th or Facebook www.facebook.com/FarmhouseThai. Our staffs are ready provided services and to proceed to the utmost in order to quickly respond and give feedback to all enquiries to build trust for the customers and consumers.

Trading Partners

The Board of Directors treats trading partners equitably and takes into account mutual interests by prescribing the following policies and guidelines.

1. The company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards, and friendliness to the environment. Trading partners are treated on the basis of fair competition, equality and mutual respect.

2. The confidentiality of secrets or communications of trading partners are maintained and not exploited for wrongful gains of oneself or of others.

3. Relationships and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and services are jointly undertaken to promote mutual growth.

4. The company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the Company will expeditiously engage in early negotiations with trading partners in order to reach a mutual remedy and loss prevention solution.

5. The company does not demand, receive or consent to the receipt of properties or any other benefits outside trade agreements.

Competitors

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

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

2. The company will not damage the reputation of its trade competitors. In the past years, the company has not had any trade disputes with competitors

Creditors

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

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

2. Contracts and terms will be strictly adhered to.

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

4. Financial standings shall be accurately and timely disclosed

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

In 2020, the company made payment to the account payable in accordance with the payment agreement that was made in advance. The company does not have any default payment and without any loan payable.

Employees

The Board of Directors regards employees as valuable resources and a key factor to the company/s success. The following policies and guidelines have been prescribed in this regard.

1. Human dignity and fundamental rights of employees are respected at work. Employee data or confidential information is not disclosed or transmitted to third parties or unrelated persons.

2. Employees are treated in accordance with the provisions of law, regulations and articles governing the company/s operations.

3. Employment equality is promoted. There is no discrimination on the grounds of gender, skin color, race, religion, age, disability or other status that is not directly related to the works.

4. Training and knowledge exchange are sponsored and promoted to encourage learning and skill development throughout, strengthen career security and offer opportunities for advancements pursuant to each person/s potential.

5. Employee participation in the determination of the company/s direction and development are promoted.

6. Fair compensation is given as suitable for the knowledge, skill, duties, responsibilities and performance.

7. Appropriate welfare and benefits are given to employees, e.g. medical expenses, the annual health check, insurance to employees, and provident fund.

8. Channels are provided for employees to communicate suggestions and complaints pertaining to work. These suggestions are considered and remedies will be determined in the interest of all parties and in view of the creation of good working relations.

9. Facilities necessary for work operations are provided and working conditions are maintained with due regard to safety and occupational hygiene as a means of promoting and raising the quality of lives of employees.

10. Employees of all levels are encouraged to participate in social responsibility activities. The company realizes that the employees are the most valuable resource and are the center of organization mobilization.

The company realizes the importance of employees as the most valuable resources and is the key in driving the organization to its success. The company treats the employees with respect to human dignity and basic human rights

The company promoted training and knowledge development to increase the employees' competence thoroughly, along with providing opportunities for career advancement according to individual potential. At the same time, the company promoted the creation of a good atmosphere and work environment as well as take into account the safety of employees' life, health and property. Moreover, the company has established Occupational Safety committee departments to supervise this particular area; and strengthening and enhancing the quality of life through various forms of welfare for employees for better living.

- Hygiene and safety, such as the company's infirmary, dining room, workmen's compensation fund, Medical expenses other than the specified law, accident insurance with 24 hours coverage for all employees , annual health check, flu vaccine, and etc.

- Assisted living expenses such as employees' shuttle buses, uniforms, childbirth allowance, scholarships for children, buy product at special price, Group accident insurance, housing interest benefit and etc.

- Morale support, such as internal and external training seminars to develop skills and knowledge, employee award for 10 years of employment, recreational activities, financial assistance in the case of of an employees' or family members' death and etc.

- Future savings such as provident funds, retirement gratuity and etc.

The company encourages all employees to take part in caring for the environment by establishing "Safety, Occupational Health and Working Environment Committee in the workplace" to carry out work on safety and good health. Regular inspection of the safety of the workplace, provide 24-hour security guard, install alarm system within the building, fire protection and suppression systems; along with preparing tools, appliances and various safety equipment for employees. Ensuring that employees strictly use the tools correctly to prevent accidents, including prepared protection system and the readiness of safety equipment that are always available to be used; such as alarm, fire extinguisher, emergency light, breathing apparatus, and etc. Fire evacuation drills and fire prevention are practice annually both in theory and practice. Moreover, CCTV systems are also installed to monitor the assets of employees and the company; as well as provide supervision and inspection to ensure the readiness of equipment for use at all times.

The company supported the organization of the 5S activities and the development of the establishment activities to campaign and promote employees to have good physical and mental health. Improve the workplace environment to be pleasant. With campaign activities and training for employees to reduce, avoid and quit smoking, drinking, travelling accidents and all kinds of drugs

The company established employee welfare promotion committee to provide opportunities for employees to participate in welfare management; and to act as a medium in providing comprehensive assistance in welfare issues for employees; as well as providing opportunities for employees to have communication channels. In addition, the company encourages all executives and employees to participate in religious activities on corporate merit-making day and social activities; with management philosophy in various areas to be applied into family life and work, which enhances the quality of life to be better.

Community and Society

The Board of Directors operates business with responsibility towards the nation, community and society by placing importance on practicing appropriately and correctly in accordance with various standards that are

related to safety, stability and sanitation as well as places importance on local traditions to preserve good public and society. The company as well seeks for opportunities to support social contribution activities and to continuously and earnestly cultivates consciousness of responsibilities towards the society, and to ensure that this will form in all levels of employees. The formulated policies and guidelines are as follow:

1. Shall not operate business that could lead to a deterioration of society and shall not violate the rights of others in the community and society

2. Continuously and earnestly cultivate consciousness of responsibilities towards the community and society as a whole and ensure that this will form in the company and to all levels of employees.

3. Considered as the responsibility and primary policy in placing importance with the community and society activities by emphasizing on the sustainable development of the society, community and environment as well as support the youth education and public benefit activities to the community around the factory.

4. Provide accurate information, create understanding, listen to the problems and effects that may occur around the community in order to solve the problem in a timely manner. This will be the foundation of coexistence between the factory and the community without any conflict and can be mutually supportive.

5. Formulate measures for the prevention and remedy of impact on the community and society as a consequence of the Company's operations.

6. Conduct survey and listen to the community's opinion and demand, in order to efficiently response and develop Good Corporate Governance guidelines.

7. Support public benefit activities especially local activities that the company groups operate business with by taking into account the appropriateness and sustainable benefits that the community and society should receive.

8. Promote the preservation of local culture and traditions.

9. Cooperate with various agencies in developing the community

10. Generate income and support community economy through employing community members and support community products.

11. Build good relationship between the Company and the Society on the basis of propriety, transparency and fairness.

Moreover, the company is well aware of important of sustainable development of the business. With the belief that sustained success does not only depend on the company's economic performance but also depend on contribution in developing communities and societies to grow together. Along with helping social enterprises in the community, sports sponsorship, donating money and items for charitable organizations nationwide. (For more details, see Sustainability Report)

Environment

The Board of Directors operates businesses with regard of responsibilities toward the environment and natural resources by promoting the efficient and economical use of energy; along with the awareness of the community and society quality of life, both around the factory and national level.

The company has taken into consideration in operating business with due regard for the impact on the environment; by starting from the procedure of constructing the factory, selecting technologies used in the manufacturing process and waste treatment method which include research and development innovation that will support the efficient use of energy. Formulated policies and guidelines are as follows :

1. Operate business to be in comply with the laws, regulations and policies on the environment with due regard for the impact on natural resources and the environment; including regular revisions and assessments of operating performance.

2. Create organizational culture and build awareness to all level of employees in order to encourage cooperation and responsibility for efficient and sustainable management of the environment and utilization of resources.

3. Promote knowledge and training on environment to Executives and employees at all level.

4. Promote environmental management system,

from the economical use of resources to the sustainable treatment and rehabilitation, replacement, monitoring and prevention of impact on natural resources.

5. A system for selection of trade partners in the value chain who operate businesses in an environmental friendly manner.

6. Developed and published environmental friendly technology.

7. Taking into account the alternatives in utilizing from natural resources without causing impact or damage or caused minimal damages to the environment and people's quality of life.

8. Become the leader in promoting the use and preserve of energy efficiently for sustainable benefit of the society and public.

Government Sector

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

1. Knowledge and understanding of the laws governing operations are acquired and no activities are undertaken which would be inconsistent with the law.

2. Proper action shall be taken when conducting transactions with an official or agency of the State.

3. Good relations are fostered between the Company and the State sector within suitable bounds.

4. Relevant laws and business traditions are observed in each country or locality.

The company operates business honestly and faithfully as well as has always cooperate to support the government sectors. The company has paid tax accurately and completely within the period specified by the laws for corporate income tax, value added tax, specific business tax, withholding tax, signboard tax, property tax, customs duty, revenue stamp and various government sector fees that are related to all of the company's business operations.

Non-Infringement of Intellectual Property

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

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

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

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

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

Last year, we did not have any incident concerning intellectual property infringement.

Non-Violation of Human Rights

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

1. There shall be no activities or support of activities that violate human rights.

2. Employees are provided with knowledge and understanding of human rights which are applied to work operations.

3. There are no limitations to independence or differences in ideology, gender, race, religion, politics or other matters. The expression of opinions that could cause conflicts or divisions should be avoided.

4. Channels shall be provided for employees or persons who believe that their personal rights have been violated or that they have been treated unfairly to file a complaint with the company. Such complaints shall be given attention and processed fairly.

Anti-Corruption

The Company is the leading manufacturer and distribute bakery that creates the highest popularity and satisfaction to consumers. In order to build confidence of all groups of stakeholders the company has developed management system to be transparent, efficient and in

accordance with good corporate governance principles. The Company will not accept any form of corruption, directly or indirectly, and has signed a declaration of intention to join the “Collective Action Coalition of the Thai Private Sector against Corruption” project on April 22, 2016. The second renewal was on November 4, 2019 which will end on November 4, 2022. The Company will continue to operate in accordance with the anti-corruption policy. The company realizes that corruption will be major obstacles to the development of the organization and the country.

The company has provide Anti-Corruption Policy as a clear guideline and regulation for the Board of Directors, Executive and all employees to practice in accordance with the policy as well as to develop into a sustainable organization.

The policy and guideline are as follow :

1. The Board of Directors, Executives and employees in all levels are required to comply with the company’s anticorruption policy and code of conduct, and not to get involved in corruption issues either directly or indirectly; as well as to perform in accordance with the specified “Good Corporate Governance Policy” including the related regulations and the company’s performance manual along with other guidelines that the company may formulate in the future.

2. The company is committed to raise awareness, value, attitude and maintain organizational culture and adheres to the believe that corruption is unacceptable, which applies to both transaction with the Government and the private sector.

3. The Board of Directors, Executives and employees in all level shall not neglect or ignore when witnessing any corrupted behaviors relating to the company, and are required to inform their supervisor or person in charge, and provide cooperation for examination of facts. This includes providing channels to receive complains from outsider, in accordance with the company’s specified regulations.

4. The company will fairly treat and protect the employees who rejected the act of corruption or report any corrupted behaviors relating to the Company. The employees who rejected the act of corruption will not be demoted, punish or faced with negative result even though

such action may cause the company to lose business opportunities.

5. Person engaging in corruption is violating the company's code of conduct, and shall be subjected to disciplinary action as specified by the company's regulations, and may be subjected to legal penalties if such conduct also violates the laws.

6. The company determines to publicize the Anti Corruption Policy through internal and external media such as the company's Intranet Website and annual report. By which the aforementioned policy is the practice under the Anti Corruption law of Thailand.

As being the member of Private Sector Collective Action Coalition against Corruption Committee in 2020, the company has performed anti-corruption policy continuously, and the level of sustainable development on anti-corruption of the company was accredited as Level 4: Certified (representing pragmatic implementation, adequate and suitable procedures as verified by Audit Committee, being certified member of Private Sector Collective Action Coalition against Corruption Committee or being audited by independent external party with regard to performing anticorruption policy.

The company has published anti-corruption policies in the form of written document for employees, trading partners and all stakeholders as well as disclose information on the company website. In order for all to acknowledge that the company will not accept any form of corruption whether it is the giver or the receiver, where risk related to corruption are evaluated. The company has formulated a clear guideline which is in conform with the aforementioned risk, in order to perform in accordance with the policies regularly. Moreover, the company supports activities that promote employees to have understanding about anti-corruption such as Message from the Managing Director declaring the intention of anticorruption, seminar of "Anti-Corruption" program for employees, new employee orientation training on "Anti-Corruption Policy", organize activities that measures the level of knowledge on Anti-Corruption, knowledge and understanding assessment for the Executives and all level of employees annually.

4. Information Disclosure and Transparency

The Board of Directors emphasizes on good corporate governance system, disclosure of significant information that may effects the changes in company's securities price or investment decision making or shareholders' benefit and rights for shareholders and individuals who are interested in investing to receive significant news quickly, equally and with in the same quality. By separated into :

1. Information that is reported according to the accounting period such as financial statement, annual registration statement (form 56-1) and annual report;
2. Information that reports according to the events such as acquisition/ disposition of assets, connected transaction, joint venture, dividend payment/no dividend payment, financial aid and etc.

The company sends the mentioned information online via the electronic system and send information to the Stock Exchange of Thailand in the form of printed document with in the specified time for further publication as well as publicize on company's website www.farmhouse.co.th both in Thai and English language. For the past year, the company has never bee prosecuted by the SEC and SET in relation to violation of requirement on information disclosure.

Disclosure of Information on company's website consisted of

- Company Vision and Mission
- Nature of Business
- Good Corporate Governance Policy
- Charter of Audit Committee and Risk Management Committee
- Charter of Internal Audit and Internal Auditor Code of Conduct
- Major Shareholders' Name List
- Quarterly and Annual Financial Statement Available Both Present Issue and Previous Issue
- Annual Report and Form 56-1
- Meeting with Analysts and Investor on the Opportunity Day
- Rules for Shareholders to Propose Meeting Agenda

- Shareholders letter of Invitation and General Shareholders' Meeting Report
- Marketing News and Company's Social Activities

The Board of Directors is well aware that the company's information related to both financial and nonfinancial have influenced on investors and stakeholders decision making process, therefore has reiterate the administrative section to disclose information completely, accurately, credibility, continuously, and timely. The company has also annually compiled report on the responsibility towards financial report and in 2020, compiled management explanation and analysis to support the disclosure of financial statement, which the administrative section has place importance and adhere to always. For investor relations, the company has assigned the director and senior manager of the accounting management and finance division, Ms. Petcharat Anantawichai, to be responsible for contacting and communicating with the investors from every institute, shareholders and analysts. Investor can request for company information at 02-209-3000 ext. 3444 or at website www.farmhouse.co.th or at e-mail address: petcharat.ana@pbplc.co.th.

5. Board of Director Responsibilities

5.1 Board of Director Structure

The Board of Directors consisted of 15 persons as follows :

- Chairman of the Board of Directors (Non-executive director) 1 person
- Executive directors 6 persons
- Non-executive directors 3 persons
- Independent directors 5 persons (1 Chairman of Audit Committee, 1 Chairman of Corporate Governance Committee / Audit Committee Member, 1 Nomination and Remuneration Committee Member / Audit Committee Member, 1 Governance and Risk Management Committee Member / Audit Committee Member and 1 independent Director)

The Board of Directors is responsible for performing their duties in accordance with the company's laws, objectives and regulations as well as the resolutions

of the shareholder meeting with honesty and cautious to protect company's interests. The Board of Directors has definite term of office. According to the company's regulations, at each annual general shareholders' meeting, one-third of the directors must resign from the position. Directors who have been in term of office the longest shall resign first. Resigned director can be re-elected. However, even if the amount of directors exceeded the guideline of good practices, which is in accordance to good corporate governance principle for listed company in the year 2017, but the Board of Directors comprised with personnel who have knowledge, competence, varieties of experience, have specialize skill that are benefit to the company, understand their roles of duties, responsible, have leadership status, give suggestion in every aspect and always share their valuable point of view with the company.

The Board of Directors clearly stipulate company's vision, are independent in giving opinion and making decision, monitored and observed company's business to be in line with the objectives and goals that was set for the highest benefit of the company and shareholders.

The Number of Companies Served by Each Director

The company disclosed the information regarding the holding of directorship by each company director in other companies in the heading "Personal information of company directors and management members". At present, there is no director in The Board of Directors holding directorship positions in more than 5 listed companies.

5.2 Sub-Committee

The Board of Directors appointed 3 sub-committees to help study the details and screen the work, to enhance the efficiency of the Board of Directors performance. The composition and duties were clearly specified by divided into audit committee, risk management committee and nomination and remuneration committee, which details are presented on page 42, 46, 47 respectively.

5.3 Roles of Duties and Responsibilities of The Board of Directors

Leadership and Vision

The Board of Directors participated in the approval of company's vision and mission and to practice in

accordance with the vision and mission that was set, the management section has appointed strategic planning working group to stipulate company's whole strategic plan and prepare each work unit's strategy. To be set as operation guideline. Including provide tracking system, adjustment and operating performance evaluation to compare with the set plan and budget, in order to maximize the values of the company.

The Securities and Exchange Commission has updated the principle of Good Corporate Governance for Listed company in 2017 to emphasize sustainability, thus the company reviewed the Vision and Mission on February 20, 2018 as following,

Vision

Being the leader of bakery manufacturer and distributor to serve clean, fresh, safe, nutritional products at international quality standard together with the responsibility to the consumers, society, and environment.

Mission

1. Research and develop innovation of healthy products, focusing on using natural, high-quality, delicious, clean, fresh, safe, and useful raw material.
2. Develop modern, clean, safe production process with smart technology, and good, effective controlling system to support competitiveness.
3. Develop selling and delivery management with analytic and managerial information technology to provide goods and services for the consumers with timely, efficient, clean, and safety manner
4. Encourage and develop potential of employees to have knowledge of changing technology, creativity, and capability to accomplish growing career path
5. Establish love, unity, and fairness in compliance with good corporate governance principle to support strengthening and sustainable organization

Role of duties and responsibilities of the board of directors and the executive officers are clearly separated and specified, both structure and performing duties; level of authority in conducting any activities on each aspect are clearly specified and the role of duties and responsibilities are regularly report to related person, especially, signing to

bind the company. It was specified in written form that two director shall co-signed and affix the company seal. The Board may specify names of director who have the authority to sign to bind the company and affix the company seal in accordance with the company's regulations.

Business Ethics

The Board of directors adhere to do the right things, therefore issued a procedure concerning business ethics and employee integrity as a guideline in business operation. The Directors, Executive Officer and employees are to collaborate in performing their task with honesty under the scope of laws and their duties, which also includes using their discretion to avoid any action that may cause damages to the company and the public.

Internal Control and Internal Audit

The company realizes the importance of internal control both in the executive level and the operational level under the concept that internal control system is not just one particular system or a separate system from the organization's routine operational system, but internal control are considered as the same operational system implemented by the executives. In order to have effective internal control and in line with good internal control principle, adjustment were made to the regulations related to authority to authorize and perform, which were compile into written form. By decentralizing in management and authority in all level be able to manage the work in response to the expansion and growth of the company. Moreover, the Board of Directors foresee the importance in having good internal control system and appropriate risk management, therefore, assigned internal audit that serve directly to the audit committee to be responsible in auditing and evaluating internal control of each sector in accordance to the plan set yearly. Internal audit is also responsible in regularly reporting the audit results to the Board of Directors and Audit Committee. In the case where the internal auditor found any deficiency, risk, negligence along with fraud, misbehave, unethical or immoral, the internal auditor shall report to the audit committee and propose to the Managing Director to directive to audit such system and always report to the Audit Committee.

5.4 Board of Director Meeting

The company regularly holds the Board of Directors' meeting at least once a month and there will be an extraordinary meeting, if is necessary. Agendas should be clearly set, in order to revise and consider the turnover and performance of the company along with the monthly financial statement. Stipulate significant and necessary management policies and have the company's secretary informs the agendas to the Board of Directors by sending in advance of no less than 7 days, the letter of invitation with meeting documents attached. In 2020, the Board of Directors held 13 meetings as a normal agenda according to the detailed on page 40-41. Company Secretary is responsible for preparing the minutes of meetings accurately and completely, detailing a list of Director present / absent, clearly summarize the significant issues and resolution of the Board of Directors and file all the minutes that were approved by the Board of Directors, where each director should receive the minutes not less than 7 days prior to the approval date.

5.5 The Board of Director and Sub-Committee

Each Direction shall evaluate performance of the Board as a whole in a scrutinizing and independent manner by filling out the assessment form as issued by the Stock Exchange of Thailand. Such assessment is aimed at,

1. Reviewing performance results and analyzing the problems and difficulty in the past year
2. Encouraging effective operation due to explicit acknowledgement of responsibility

3. Improving relationship between the Board of Directors and Managements.

Process and Criteria for Assessment

- The Nomination and Remuneration Committee arranges a review of the performance evaluation form of the Board of Directors every year for consistency and appropriateness, being updated.
- The performance evaluation form of the Company includes a total of 4 copies, namely 1 copy of the performance evaluation form for the Board of Directors and 3 copies for 3 sub-committees (Audit Committee, Nomination and Remuneration Committee and Risk Management Committee).
- The timetable is scheduled for the end of the annual operations. The secretary of each group is responsible for submitting the performance evaluation form to all directors. After the directors have completed the evaluation form, it must be returned to the secretary to collect the scores.
- Report the average score in each subject of evaluation with a summary of the overall average score. The secretary of each group reports to the meeting of each committee for acknowledgement and records information in the minutes of the meeting.
- Performance evaluation criteria with the rules for calculating and measuring the scores of the performance evaluation form as follows

1. Scoring criteria in the performance evaluation form of each group

Level of Opinion	Score
• Agree in the highest level	Getting 5 points
• Agree in high level	Getting 4 points
• Agree in average level level	Getting 3 points
• Agree in low level	Getting 2 points
• Agree in the lowest level	Getting 1 points

2. Evaluation criteria summarizing the overall average scores of the performance assessment

Criteria	Average Score (Percent)
• Excellent	More than 90 percent up
• Good	More than 70 percent up
• Fair	More than 50 percent up
• Improvement recommended	Equal to or less than 50 percent

5.5.1 The Self-Assessment Result of The Board of Directors

In the Board's Meeting No. 1/2020 on January 19, 2020, the Directors has performed self-assessment in 3 areas as following,

1. Role, Duty, and Responsibility of the Board
2. Independence of the Director
3. Relationship with Management Team and Stakeholders

5.5.2 The Individual Self-Assessment Result

In the Board's Meeting No. 1/2020 on January 19, 2020, each director has done the work performance assessment for individual member of the Board of Director. The assessment is divided into 3 aspects as follows:

1. Roles, obligations and responsibility of the directors
2. Duty of the directors
3. Self-development of the directors

5.5.3 The Self-Assessment Result of The Sub-Committee

The Company has conducted self-assessment of the Sub-Committee in annual basis. In 2020, each Member performed self-assessment in 3 areas as following,

1. Role, Duty, and Responsibility of the Board
2. Performance of the Director
3. Self-development of the Director

The assessment result of the Board of Directors, the individual member of the Board of Directors and Sub-Committee are in good to very good level.

5.6 Director and Executive Officer

Remuneration Director remuneration: The company has clearly and transparently set director remuneration and has proposed for approval from the shareholders meeting to paid as meeting allowance, bonus and other expenses to the board, where the board is responsible for allocating those remuneration. The Audit Committees' remuneration will increase in accordance with the increases in the amount of work. Executive Officer Remuneration : the company specifies the compensation for the executives in accordance with the company policy that links with the company's performance of each year each executive's performance is measured with Key Performance Indicators (KPIs) In 2020, the company paid compensations to the board of directors and the executives. Details are shown in compensation for directors and executives on page 52-53.

5.7 Development of Director and Executive Officers

Directors and executives have continuously given great importance to attending training programs or participating in seminars that enhance knowledge in performance. In addition, the said knowledge has been applied to the performance of their duties. In 2020, two new directors attended the Director Accreditation Program (DAP), organized by Thai Institute of Directors Association; where directors and executives participated in training programs related to work on important topics such as penetrating errors in accounting process, along with guidelines for accurate financial reporting standards, update tax year 2020 and etc.

5.8 Succession Plan

The company has prepared succession plan to always be ready for the continuity of company operation the case where the executive officer is unable to perform their tasks and to enhance the efficiency of operation. The company has set a policy on succession for all positions and prepares personnel with knowledge and competence to replace and continue to perform the duties in case if there is any changes due to promotion, resignation or retirement.

The details are as follows:

1. To give opportunity to lower-level executives to closely work with senior executives both in the same line level or across functional;
2. To prepare personnel with specific expertise to have skills in all kinds of management for their future higher level position;
3. To prepare high-level executives to be ready for the task from other line in case of necessity;
4. To specify lower-level executives with potential for succession and set appropriate positions;
5. To systematically set up committees for development of works and potential of each framework;
6. To provide training courses for high-level and midlevel executives to have consciousness on their responsibility and loyalty to the organizations and to view the organization as a whole;
7. To set up training courses for lower-level executives from each department to increase their potential concerning advance work planning and promote systematic thinking;

8. Develop lower-level executive to set framework and present systematically.

9. To develop mental health quality of executives at all levels to adhere to Dhamma and reduce conflict in order to treat each other and live happily together in the society.

Compliance With CG Code

The Board of Directors realizes the roles and duties as the leader of the organization, thus studied and received lectures on the principles of good corporate governance for listed companies for the year 2017 (CG Code); until fully understand the benefits and practices in applying to create sustainable value for the business. In the year 2020, the company continues to adhere and follow "Principles of Good Corporate Governance, Second Edition" in line with the Corporate Governance Code for listed companies 2017; in order for all company's board of directors, executives and employees to acknowledge and adhere to as operational guidelines.

The Board of Directors has evaluated their performance in compliance with CG Code to ascertain the procedures and development plans to be suitable with business nature, and encouraging sustainable value to the Company as been generally expected by the business sector, investors, capital market, and the entire society

Internal Control and Risk Management

The Board of Directors places importance on internal control system thus has established internal control system that covers financial aspects, management, and operation to be efficient and effective in compliance with related laws and regulations. Including, risk management that is effective enough to manage risks to be at the acceptable level, suitable for the work environment or activities of such departments; as well as established internal audit unit to regular audits and monitors internal control results. Along with improving and ensure the existing internal control system to be suitable for the changing situation and risk, as well as focus on continuous development; for the company to be able to achieve the determined goals and strategies and build confidence among shareholders and stakeholders.

The Board of Directors has assigned the Audit Committee, who is an independent director, to review the sufficiency and appropriateness of the Company's internal control system; in accordance with the Sufficiency Evaluation Form of the Internal Control System of the Office of the Securities and Exchange Commission annually. By which in the Board of Directors' Meeting No. 2/2021 on February 15, 2021, the Board of Directors had unanimous resolution that the company had appropriate, adequate and efficient internal control system; in accordance with the principles of good corporate governance. In addition, the company has sufficient internal control system regarding transactions with major shareholders, directors, executives or those related to the aforementioned persons; including sufficient internal control systems in other aspects. The auditing of the company's financial statements for the year 2020 done by EY Office Company Limited, who is the auditor of the quarterly and annual financial statements for 2020, reported that the review of financial statements show financial position, performance, and cash flows are essentially accurate as it should be in the normal essence of financial reporting standard.

The company assessed internal control system based on international standards of COSO Internal Control-Integrated 2013 Framework and Appendices: COSO 2013. Which the assessment topic covers and relates to a business operations and management processes in accordance with the Company's internal control components in various aspects as follows

1. Control Environment

The Company has good and appropriate control environment in abstract form, ie. executives have working philosophy and style such as having good attitude, promotion and support for the corporate culture; that focus on honesty and ethics, tone at the top and support duties related to accounting, information management, Human resources, monitor and evaluate, risk management, internal and external audit inspection. Such is the important part of supporting the organization performance to achieve the internal control objectives with limited resources and creating sustainability; thus, fostering good consciousness (Soft Control) in controlling personnel for activities in working with knowledge and capability as well as honesty and ethics. The control environment covers key guidelines and policies, including protocols (hard control) in operating business and operations; having organizational structure as well as clear and appropriate chain of command. By providing employees at all levels in the organization to acknowledge their roles, duties and responsibilities along with being aware of their duties and responsibilities. The Company gives great importance to clearly practice in accordance with Corporate Governance Code for Listed Companies 2017. If any directors, executives and employees violated or acted in violation of the Company's business ethics will be considered and take appropriate action. In the event where such actions are against the rules and regulations of the work, the company will consider punishing according to nature of the offense as appropriate for the case.

2. Risk Assessment

The Company has specified objectives and targets in managing and controlling risks, strategies, operation, financial, law, compliance and reputation to be in line with the situation and risk factors that change regularly.

In 2020, COSO-ERM 2017 has been improved as a framework for risk management for the risk management to be inconsistent with the vision, mission and achieve the specified objectives.

3. Control Activities

The company has launched policies and regulations in written form to direct all employees to carry on the task in the same direction. The company has to develop appropriate information system in the significant process such as in accounting and finance, procurement, product distribution, manufacturing, delivery, information technology, personnel development, and monitoring the use of company resources to most benefits. Furthermore, the company had divided the responsibilities of the operator, assessment supervisors and approver in order to create the appropriate check and balance, along with clearly determine the limit clearance in each level. The operational plans had been designed in accordance with the organization policies and objectives under appropriate time frame as well as provide budgeting system through analyzing and controlling the expenses to maximize the most benefits.

The company policies and regulations have been reviewed by the high level executive constantly, who control its operations toward the defined guidelines, perform efficiently referring to its rules and regulations, and control moderately. As a result, Key Performance Indicators (KPIs) were adopted as an instrument in planning and monitoring the operations at all levels in order to enable the organization to accomplish its objectives and goals effectively.

Additionally, the company's personnel were assigned to take their responsibilities for the internal control system of each operation and separate their duties distinctly.

4. Information and Communication

The company had emphasized the information and communication system by developing the system continuously in order to offer good information and communication processes and effective enough for making decision in both the agencies and organizational level to ensure that the communication is precise, proper, advantageous, and reliable. Moreover, to maintain operations and the communication control from both internal and external sources in regard to the finance and operations in which these data were recorded and delivered to the executives and employees that required these data in their operations. Particularly, warning information that would help executives resolved the issue instantly and achieved the agency's objectives annually. The managing director communicates through the voice line for employees to acknowledge the Company's performance for previous year including to acknowledge the additional or changes of policies.

The company had compiled the meeting documents, which contained necessary and sufficient data for decision making and delivered to the Board of Directors within the time limit prescribed by law. In addition, the company as well conduct the assessment of the efficiency of the Board of Directors' regular meeting and also provide the details of the minutes of meeting to its shareholders in order to verify the appropriateness of the Board's operations. The accounting records were filed by category and abided by law. The company disclosed the information, in both Thai and English, with the accuracy, complete, transparency, reliability, and promptness for financial statements and general information, along with the important information

that affect the consideration process in the decision-making of shareholders, investors, board, management, and stakeholders by defining in the notice calling for the meeting and the meeting documentations at least 7-14 days prior to the meeting date. Besides, the annual report in the form of annual disclosure (Form 56-1) would be publicized to the company's website and other channels and media of the Stock Exchange of Thailand so that its shareholders could inspect the proper operations of the Board and management. In addition, the company focused on controlling the information system to facilitate its operations and management in the area of access control according to the scope of work and arranged an inspection to ensure that the received information was accurate, effective, and timely according to with the relevant rules and regulations, as well as advantage for the management and effective decision making.

The company also provided the data backup, security system, and information security contingency plan moderately for managing the information system more completely to appropriately support the business expansion

5. Monitoring and Evaluation

The Board of Directors' meeting had been frequently arranged in order to consider and monitor the performance of executives division to meet its goals. If the performance is different from its goals, the company will pass the resolution to its management operating and reporting progress to the Board of Directors. Additionally, the executive meeting was held monthly in order to compare the performance to its goals and plans prescribed by all agencies and report to the Board of Directors. The Board of Directors determined the assessment of all subcommittee.

Furthermore, the internal audit division was specified to independently audit and evaluate. By which the annual audit plan of the internal audit unit specified to have a working system that closely keeps tracks of the results of audited system and directly reported to the audit committee and the board of directors in order to improve as suggested and ensure effective operation.

Internal Audit

The company has internal audit section, which is independent reporting directly to the audit committee whose principal task is to assess the adequacy and effectiveness. This includes following up the result of internal control and risk management of working systems including various activities from the annual audit, which is considered from risk factors approved by the audit committee. Then give suggestion or advice to encourage the company to have internal audit, risk management, and monitoring business with adequacy, appropriateness and effectiveness asset in the objectives includes promoting the operation of the Audit Committee to achieve the objectives and the targets assigned from the Board of Directors to create reliability and transparency in operating the company business for the members, shareholders partners, committee, executives, employers including official government sector and every group of stakeholders.

The operations are as follows:

- While auditing the effectiveness of internal control system, the committee have checked the result of the operation in each step to ensure that the company can effectively and efficiently achieve the targets by following the rules and regulations earnestly with precise and reliable financial report.
- The assessment of effective risk management system of internal audit has been revised on the risk management guideline for the practitioners to ensure that the risk is precisely and suitably identified and assessed as well as maintain systematical risk management that can be managed to be at an acceptable level; along with a complete report including regularly and continually following up the risk.

- In the assessment of effectiveness concerning monitoring business system, the internal audit section has revised business monitoring following the principle of good monitoring of the Stock Exchange of Thailand as a criteria to ensure that the company has the structure and is supported by the essential processes bringing about success from good and transparent governance with equal fairness. In addition, the resources have effectively and efficiently been used according to the objectives so as to be the most beneficial for all stakeholders.

Internal audit act as another channel for whistleblowing and complaints on corruption of employees within the Company and outsiders to be in accordance with the anti-corruption measures.

The Audit Committee monitored internal audit section to perform independently, fairly, and with good code of conduct. The Charter of the Audit Committee clearly formulated the tasks, scope of practices, authorities and responsibilities along with operational guidelines and audit procedures. Any appointment, demotion, or transferring of internal audit manager must be approved by the audit committee.

In addition, the Audit Committee has regularly considered the results obtained from internal audit and follow up to solve the existing problem. If there are any suggestions or suspicions, which may seriously affect or damage the company, it will directly be reported to the administrative director to immediately solve the problem so as to ensure that the company has appropriate internal control, which has been in action within the organization.

The internal audit section will directly report the results of the operation to the Audit Committee regularly as well as making a report concerning the regulations of the Office of Stock Exchange Committee to present to the Board of Directors of the company so that they will consider the effectiveness of the internal control process, risk management, and business monitoring following the code of ethics and professional standard of internal audit to maintain independence and quality of internal audit tasks. Then, it will be reported to the Audit Committee once in a quarter and also to the board of directors regularly according to the continual report from the audit committee every quarter including presenting all the reports at the end of the year such as the report required by the Stock Exchange Committee, the report about the result of the audit committee's performance and so on.

As for the operation in the past year, the internal audit division could fulfill the tasks with the good cooperation of the administrators as well as the persons audited to enhance the efficiency and effectiveness in performing task and to support sustainable organization.

Related Transactions

In 2020, the company has made transactions with the parties whose conflicts may arise as per Clause 11 of Attachment to Financial Statement for the Fiscal Year (ended on December 31st, 2020) and the auditor stated that the transactions by the normal business practice. The details are as follows:-

Person with Possible Conflict of Interest	Relationship	Transaction Details	Transaction Value (Million Baht)			Policy and Necessity of the Transactions
			As of 31 December 2020	As of 31 December 2019	As of 31 December 2018	
1. Thai President Foods Plc. ("TFMAMA")	<ul style="list-style-type: none"> TFMAMA holds 51.99 of the company shares Has shared directors, namely Mr. Pipat Paniangvait Mr. Apichart Thammanomai 	<ul style="list-style-type: none"> Dividend Payment Purchased Raw Material 	479.62 0.004	388.37 0.05	325.04 0.02	At the declared rate Normal business operation with normal conditions
2. Saha Pathana Inter-Holding PLC. ("SPI")	<ul style="list-style-type: none"> SPI holds 21.69 of the company shares Has shared directors, namely Mr. Pipat Paniangvait, Mr. Vichai Kulsomphob 	<ul style="list-style-type: none"> Dividend Payment 	200.75	161.81	149.58	At the declared rate
3. Kerry Flour Mills Co., Ltd. ("KPM")	<ul style="list-style-type: none"> Company and KPM shared the major shareholder, i.e. TFMAMA which owns 39% of KPM share Shared directors, namely Mr. Apichart Thammanomai and Dr. Pojjanee Paniangvait 	The Company purchased Flour as its raw materials in manufacturing bread and bakery.	469.36	453.32	491.63	The agreed price which approximates the market price by reference to purchase volume
4. Dai-Ichi-Packaging Co., Ltd. ("Dai-Ichi")	<ul style="list-style-type: none"> Shared the same major shareholder which is TFMAMA, Holding 50.10% of Dai-Ichi's share Has shared directors, namely, Mr. Pipat Paniangvait and Mr. Pun Paniangvait 	The Company purchased products Packaging such as film for Fruit Pie, Daily Sandwich and Hotdog Bread	2.55	11.48	3.95	The agreed price which approximates the market price by reference to purchase volume

Person with Possible Conflict of Interest	Relationship	Transaction Details	Transaction Value (Million Baht)			Policy and Necessity of the Transactions
			As of 31 December 2020	As of 31 December 2019	As of 31 December 2018	
5. Saha Pathanapibul Public Co., Ltd. ("SPC")	Related Directors	• The Company purchased sugar as raw material	5.83	11.48	10.26	The agreed price which approximates the market price by reference to purchase volume
		• Dividend Payment	9.53	7.72	8.70	At the declared rate
6. American Food Co., Ltd. ("AFC")	<ul style="list-style-type: none"> • The company holds 9% shares in AFC • Has shared directors, namely, Mr. Apisate Thammanomai, Mr. Vichai Kulsomphob and Dr. Pojjanee Paniangvait 	The Company purchased ice-cream products	0.02	0.03	0.06	The agreed price which approximates the market price by reference to purchase volume
7. President Green House Foods Co., Ltd. "PGH"	<ul style="list-style-type: none"> • The company holds 39% shares in PGH • With shared directors, namely Mr. Apisate Thammanomai, Miss Petcharat Anantawichai and Miss Saipin Kittipornpimol 	• The Company Sold bread crumbs to PGH	2.47	3.16	2.86	The agreed price which approximates the market price
		• Provide other services	3.29	3.27	2.64	The agreed price which approximates the market price
		• Dividend Income	2.05	5.21	4.68	At the declared rate
8. Director		• Deposit from the board of directors	-	-	71.39	The Company announced the cancellation of the staff deposits, effective from January 1, 2020, onwards.

The Necessity and Rationality of the Transactions

The auditor has examined the related transactions and gave the opinion that the related transactions as aforementioned were mainly about the trading of products which was conducted under the terms and conditions upon the joint agreement of the two parties and was the normal business activities. Moreover, such transactions were reported to the Audit Committee regularly on a quarterly basis.

The Board of Directors resolved to give approval in principle according to the Securities and Stock Exchange Act (No. 4) 2008 (B.E. 2551), Section 89/12 (1), enabling the management department to approve such transactions if those transactions include trade agreements in the same a manner that an ordinary person should do with a general contract party in the same situation by the trade bargaining power without the influence of status as a director, executive or related party.

In 2020, the Audit Committee reported business transactions with related parties that occurred during the period to the Board of Directors for acknowledgment, together with the quarterly financial statements as well as the annual financial statements.

Guideline or Tendency in Conducting Related Transaction

The Board of Directors has considered the Company's related transactions to ensure that the transactions were in accordance with the laws and regulations of The Stock Exchange of Thailand and The Securities and Exchange Commission. The Company established guidelines in conducting a related transaction with a potential conflict of interest individual, which may arise in the future; by stipulating conditions to be in accordance with the nature of normal business and stipulated measures for approval of conducting normal business-related transactions. The administrative committee, persons with conflict of interest or stakeholders are not entitled to vote on such matter.

Conducting Related Transaction in the Future

Related transactions are still ongoing, where the amount of transactions are based on economic conditions and manufacturing capacity; because of those people who may have a conflict of interest are the Company's SUPPLY CHAIN; therefore, the flexibility and liquidity of being the SUPPLY CHAIN provide benefit to the competitiveness of the business and at last to the stakeholders. In conducting the related transactions with every individual are normal business operation without transferring benefits to the related company or related persons and adhere to the practice under the regulations of The Stock Exchange of Thailand and the Securities and Exchange Commission; as well as to consider the reasonability and appropriateness of the conditions and prices for all shareholders and stakeholders to receive fair and equal benefits care.

Management Discussion and Analysis: MD&A

1. Overall Operating Performance

Performance Of The Company

(Unit : Million Baht)

	2020		2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Sales	7,143.48	99.41	7,743.97	99.48	(600.49)	(7.75)
Total Revenues	7,185.94	100	7,784.28	100	(598.34)	(7.69)
Cost of Sales	3,742.85	52.40	4,143.42	53.51	(400.57)	(9.67)
Gross Profit	3,400.63	47.60	3,600.55	46.49	(199.92)	(5.55)
Selling and Administrative expenses	1,609.09	22.39	1,794.41	23.05	(185.32)	(10.33)
Profit for the year	1,678.67	23.36	1,700.74	21.85	(22.07)	(1.30)
Basic earnings per share (Baht)	3.73		3.78		(0.05)	(1.32)

Remark : Percentage in Statement of comprehensive income derived from total revenues, while percentage of cost sales and gross profit from sales

The operating performance of the Company in 2020 declined from 2019. The Company gained the total income of 7,185.94 million Baht, decreasing by 598.34 million Baht or by 7.69%, and recorded the net profit of 1,678.67 million Baht, decreasing by 1.30% from 2019, because the Covid-19 Outbreak has weakened overall consumption and consumers' expenditure. However, the Company has improved to have lower product-return rate, as well as performed effective cost control at all departments. As a result, the Company was able to maintain Net Profit to Revenue ratio at 23.36% in 2020, increasing from the rate of 21.85% in the previous year.

2. Operating Result and Profitability

Sales Revenue

The Company recorded total sales revenue of 7,143.48 million Baht and 7,743.97 million Baht in 2020 and 2019 respectively, decreasing by 7.75%. When classified by distribution channel in 2020 compared with the year 2019, the sales revenue from Wholesale Business decreased by 7.02%, because the sales revenue from bread and cake products fell by 19.9% and 16.5% respectively, due to decreasing consumers' expenditure as a result of New Normal lifestyle of Work from Home and Online Learning in Covid-19 situation. Meanwhile, the sales revenue from Retail Business declined by 17.02%, and the sales revenue from Fast food and Restaurant business dropped by 16.10%.

Sales revenue can be categorized by distribution channel, as follow:

(Unit : Million Baht)

Distribution Channel	2020		2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Wholesale Bakery Business	6,572.07	92.00	7,068.64	91.28	(496.57)	(7.02)
Retail Bakery Business	111.26	1.56	134.08	1.73	(22.82)	(17.02)
Fast Food & Restaurant	443.10	6.20	527.92	6.82	(84.82)	(16.07)
Export Business	17.04	0.24	13.33	0.17	3.71	27.83
Total	7,143.48	100.00	7,743.97	100.00	(600.50)	(7.75)

Other Income

The Company earned the other income of 42.46 million Baht and 40.31 million Baht in 2020 and 2019 respectively, or increasing by 5.33%.

Cost of Sales

The cost of sales of the Company in 2020 stood at 3,742.85 million Baht, or decreasing by 9.67% from the previous year, due to decreasing raw material cost and effective control of the other production cost. In addition, the Company already recognized all remaining depreciation cost of machinery and equipment since the end of 2019, thus also lowering overall production cost. As a result, the cost of sales to total sales ratio of the Company stood at 52.40% in 2020, lower than 53.51% in 2019. The Company still maintained the gross profit margin at 47.60%, higher than 46.49% in a year earlier.

Selling and Administrative Expenses

The selling and administrative expenses in 2020 amounted to 1,609.09 million Baht, accounting for 22.39% of total income and decreasing by 10.33% from the previous year, mainly due to decreasing fuel cost for transportation and also decreasing advertising and sales promotion expenses.

Share of Profit from investment in Joint Venture

Share of profit from investment in joint venture in 2020 was at 3.44 million Baht.

Finance Income

The Company earned the return from finance income in 2020 by 60.41 million Baht, decreasing by 6.11% from 2019 mainly due to falling deposit rate.

Finance Cost

The Company recorded the finance cost in 2020 at 0.81 million Baht, decreasing by 77.69% from the previous year, because the interest expense from the leasing contract of transportation vehicles was decreasing after the outstanding contract was due and no more contract renewal. On this regard, the remaining interest was accounted with Thai Financial Reporting Standards (TFRS16: Leases)

Net Profit

The Company gained the net profit of 1,678.67 million Baht, decreasing by 1.30% from the previous year. Meanwhile, the Company maintained the net profit ratio at 23.36% of total income. In addition, the earning per share of the Company stood at 3.73 and 3.78 Baht per share in 2020 and 2019 respectively.

3. Assets Management

Financial Position of The Company

(Unit : Million Baht)

	31 December 2020		31 December 2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Total Assets	10,298.89	100	9,480.09	100	818.80	8.64
Total Liabilities	1,049.02	10.19	1,110.72	11.72	(61.70)	(5.55)
Shareholder's Equity	9,249.87	89.81	8,369.37	88.28	880.50	10.52
Total Liabilities and Shareholder's Equity	10,298.89	100	9,480.09	100	818.80	8.64

The total assets of the Company as of December 31, 2020 amounted to 10,298.89 million Baht, increasing by 818.80 million Baht from December 31, 2019. The asset of the Company composed of following, The current asset of 5,123.68 million Baht, accounting for 49.75% of total asset. Key changing in the current asset was attributed as below,

- Cash and Cash Equivalent item increased by 1.73 million Baht
- Short-term Investment was decreasing after Thai Financial Reporting Standards (TFRS9) was applied. As a result, such investment was re-classified to be Other Current Financial Asset, which was required to be accounted with fair value.
- Trade Account Receivable and Other Account Receivable decreased by 197.64 million Baht, as a result worsened debt collection efficiency, and declining sales revenue
- Other Current Financial Asset increased by 3,826.17 million Baht, after the Company applied Thai Financial Reporting Standards (TFRS9). As a result, abovementioned short-term investment was re-classified to be Other Current Financial Asset, which was required to be accounted with fair value. In addition, the other investment of the Company also increased.
- Inventory decreased by 5.94 million Baht, due to falling raw material price and decreasing finished goods because the Company reduced overall production to be suitable with lower sales volume. Additionally, the Company managed daily turnover between new production and new selling.

The non-current asset of 5,175.21 million Baht, accounting for 50.25% of the total assets. Key changing in the non-current asset was attributed as below,

- Long-term Investment and Other Long-term Investment was decreasing after the Company applied Thai Financial Reporting Standards (TFRS9). As a result, such two investment were re-classified to be Other Non-current Financial Asset, which was required to be accounted with fair value.
- Other Non-current Financial Asset was increasing after the Company applied Thai Financial Reporting Standards (TFRS9). As a result, abovementioned Long-term Investment and Other Long-term Investment were re-classified to be Other Non-current Financial Asset, which was required to be accounted with fair value. In addition, the Company has purchased the shares of Saha Capital Tower Co., Ltd, amounting to 60 million Baht equivalent to 30% of total investment. Moreover, the Company also purchased the shares of XET Company Limited by 10 million Baht.
- Property, Plant, and Equipment decreased by 374.09 million Baht, as a result of amortizing depreciation.
- Investment in the shares of Saha Capital Tower Co., Ltd, totaled to 10% of total registered capital of 2,000 million Baht. The Company has already paid for 25% of such investment, amounting to 50 million Baht in September, 2019.

Total Liabilities

The liability of the Company as of December 31, 2020 totaled to 1,049.02 million Baht, accounting for 10.19% of the total of Liability and Shareholders' Equity, decreasing by 5.55% from December 31, 2019, partly due to decreasing Trade Account Payable and Other Account Payable. Meanwhile, after Thai Financial Reporting Standards (TFRS16) was applied, Financial Lease Liabilities and Deferred Tax Liability were increasing.

Shareholders' Equity

The shareholders' equity of the Company as of December 31, 2020 stood at 9,249.87 million Baht, accounting for 89.81% of the total of Liability and Shareholders' Equity. The shareholders' equity rose by 880.50 million Baht from December 31, 2019 due to the net profit in 2020 amounting to 1,678.67 million Baht. In addition, the other component of shareholders' equity also rose by 129.50 million Baht, after the Company applied Thai Financial Reporting Standards (TFRS9). As a result, the book value of the Company rose to 20.56 Baht per share, increasing from 18.60 Baht per share in 2019.

4. Liquidity and Suitability of Capital Structure

For the year ended on December 31, 2020, the Company recorded net cash from operating activities at 2,189.59 million Baht, increasing by 31.09 million Baht or by 1.44% from the previous year.

The net cash used in investing activities totaled to 1,242.81 million Baht, increasing by 201.04 million Baht from a year earlier, mainly due to increasing investment in financial asset from 2019.

Additionally, the net cash used in financing activities was at 945.05 million Baht, increasing by 41.74 million Baht or by 4.62% from the previous year. Major financing activity was attributed to dividend payment of 922.50 million Baht.

As a result, the Company recorded Cash and Cash Equivalents of 368.35 million Baht as of December 31, 2020, increasing by 1.73 million Baht from the previous year. The Company, as of December 31, 2020, maintained the current ratio at 5.57 times, and performed the average day sales at 1 day. In addition, the average days of debt collection stood at 43 days, and the average days of debt repayment was at 70 days. The cash cycle of the Company was at 26 days.

Suitability of Capital Structure

Debt to Equity ratio of the Company stood at 0.11 time, decreasing the ratio as of December 31, 2019 at 0.13 time, which was deemed as consistently low level. The Company performed Interest Coverage ratio at 644.58 times, and Debt Service Coverage ratio at 2.20 times, thus representing stability of capital structure as well as debt repayment capability of the Company.

5. Factors Affecting Operating Results and Future Financial Position

The situation of Covid-19 situation, since early 2020 and seemed to be continued throughout the year of 2021, will weaken global and Thai economy, also affecting tourism, restaurant, hotel, department store, and the other businesses in the chain of business operation. In addition, such situation will cause changing life style, such as Work from Home, Online Learning, and so on. Aforementioned changing consumers' behavior would considerably worsen sales revenue of the Company.

6. Auditor Remuneration

Audit Fee

The Company paid audit fees to

- Company's auditor at the amount of 1,140,000 baht for the year 2020.
- Specific audit objectives-audit in accordance with the conditions of promotion certificate stipulated by the Board of investment of Two Certificated, which amounted to 185,000 baht.

To Shareholders of President Bakery Public Company Limited.

The Board of Directors passed a resolution to appoint new audit committee, on 16 June 2020; as a replacement of the previous Audit Committee, whose term of office has expired. In this regards, the appointed committees consisted of 4 Independent Directors who are experts with knowledge, expertise and experience in human resource management, food science, medical science, accounting, and taxation. The Audit Committees are as follow:

1. Prof. Dr. Teravuti Boonyasopon
Chairman of the Audit Committee
(Individual with knowledge, expertise and experience in Human Resource Management)
2. Mr. Wattanachai Chotechutrakul
Audit Committee
(Individual with knowledge, expertise and experience in Taxation)
3. Mr. Thanapich Mulapruk
Audit Committee
(Individual with knowledge, expertise and experience in Taxation)
4. Mrs. Aim-on Pathumarak
Audit Committee
(Individual with knowledge, expertise and experience in Accounting and Taxation)

All of members in the audit committee directors are fully qualified individuals in compliance with the audit committee charter and fully perform their duties in accordance with the scope of duties and responsibilities assigned by the Board of Directors, which is in line with the regulations of Stock Exchange of Thailand. With the policy to exercise in accordance with the principle of good corporate governance and hold internal audit system to ensure that the Company practices continuously, effectively, efficiently, transparently and is accountability, for the highest benefit to shareholders, investors, stakeholders, employees and all related parties. Which are as follows:

- Review reliability of the company financial statements. The financial reports are accurate and disclosed to ensure that the financial reports are accurate, reasonable, and in the best interest of shareholders and general investors of the company.

- Emphasized preventive audit to operate systemically and to prevent risk from corruption that may occur

- Primarily emphasized operational risk management by stipulating to specific risk factors that cover each working system when auditing.

- Places importance on the executives and employees performance to be in accordance with the related laws, rules and any related regulations which are in compliance with the Company's policies.

The Audit Committee shall hold term of office for one year or retained his/her term of office for the remaining time as the Board of Directors. Directors who retired upon the expiration of the office term may be re-elected. The Audit Committee term of office should end at the same time as that of the board of directors

In the year 2020, the Audit Committee held 6 meetings in which the directors attended the meeting to perform the duties as specified in the Audit Committee Charter. Moreover, meeting agenda with the certified auditor from EY Office Limited was held, to consider Company's financial reports of internal control system and financial report from the certified auditor. In addition, the Audit Committee has held meetings with the Internal Audit Department. Which reported audit results and annual audit plan. also the Audit Committee has provided useful suggestions. Which are as follows:

1. Consider and endorse the quarterly, annual financial statements, and reported audit results as well as disclose sufficient and in time information, compliance with the generally accepted accounting principles and accounting standards including the Company's significant changes in accounting policies. The Audit Committee works in collaboration with the auditors before submitted to the Board of Directors, in which the Audit Committee has clearly and

sufficiently questioned and listened to the executive officers and auditors' explanation on the related matters. The Audit Committee and certified Audit Committee Report For The Year 2020 Annual Report 2020 President Bakery Public Company Limited 100 public accountant is in the opinion that, the company's financial statement is accurate as it should be in the significant matters and in accordance with the generally accepted accounting standard.

2. Review significant internal control system which was founded that the Company's internal control systems are appropriate, adequate, transparent, efficient and effective, able to achieve operating objectives and goals. In addition, the systems are accurate, complete and reliable information disclosure for the internal control system to have adequate efficiency with the acceptable risk level and appropriate with the changes in business environment.

3. Review internal audit through the revision of audit report and monitored internal audit works which covered Company's significant business systems; as well as give advice to internal auditor to enhance the efficiency and effectiveness in performing tasks. The Audit Committee had considered and approved of audit plan as well as promote the knowledge development of audit personnel unit in order for internal audit performance to be in accordance with the international standard and to enhance internal audit to be more effective. To potential to compete in business by company policy

4. Acknowledge the reports from the Governance and Risk Management Committee regarding risk management. Moreover, the Audit Committee has suggested for the internal audit unit to apply risk evaluation results in to the Company's annual internal audit plan; along with determined to have audit plan review regularly when there are changes in risk as a guideline for the Company's audit to be more effective.

5. Audit and provide opinions on the connected transactions or transactions that may have conflict of interest, as well as disclosed such information in accordance with the requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission. The transactions are normal business operations of President Bakery Public Company Limited with reasonable prices and the information have been accurately, completely and sufficiently disclosed.

6. Review to ensure compliance with the Securities and Exchange laws, the regulations of the Stock Exchange of Thailand, as well as any other laws related to the business operations to ensure the accuracy and transparency for shareholders and all related parties.

7. Present Audit Committee's activities report to the Board of Directors in every Audit Committee's Meeting to be in line with good audit committee guidelines

8. Consider, select, appoint and propose the right auditor's remuneration to the Board of Directors for approval from shareholders' meeting.

9. The Audit Committee attended the shareholder's meeting no. 41 on Tue Jun 16th, 2020 to assist in answering shareholder's inquiries and for transparency in the Company's business management.

The Audit Committee has perform its duties fairly, independently and has no limitation in receiving information at which the executive and related employees were fully cooperate. Through contemplation of the aforementioned reports, the Audit Committee has concluded that financial report compilation procedure of President Bakery Public Company Limited is in accordance with the generally accepted accounting standard and has not found any transaction that may significantly affect financial statement. also has appropriate, adequate and effective internal control, internal audit and risk management. Connected transactions are of normal business operations, which were appropriate and no unusual transaction was found. The Company complied and operated within the framework of the law of Securities and Exchange, regulations and other laws related to the Company's business.

(Prof. Dr. Teravuti Boonyasopon)

Chairman of the Audit Committee



Report of The Board of Directors' Responsibilities for Preparation of Financial Statement for The Year 2020

The financial statement of President Bakery Public Company Limited has been compiled under the Company's Board of Directors policies, which specified to practice in accordance with the generally accepted accounting standard, to use appropriate accounting policies, and to consistently practice. The compilation of financial statements are done with a reasonable estimate and careful discretions as well as disclosed sufficient information in the notes to the financial statements. The purpose is to reflect true Company's performance and analysis as well as for the shareholders and general investors benefit from using financial statement. The Company's Board of Director and Management Committee, they are responsible for financial data and financial information presented in the annual report.

During the year 2020, the Company has complied with financial reporting and Thai Financial Reporting Standard (revised 2019) and other standards, which are effective for the fiscal year starting on or after January 1, 2020. Those financial reporting revisions have caused significant change on financials statement of the Company. Since the adjustment to the international financial reporting standard revisions that mostly add a clear explanation to better accounting practices and guidelines to the standard users, the implementation of such financial reporting standards has no significant impact on the Company Statement of Financial Position.

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

The Company is financial statement has been audited and provided an unqualified opinion by the authorized independent auditor where the financial statement accurately and truly reflects the past year financial status and operating performance for the benefit of shareholders and general investors in using financial statements.

The Board of Directors appointed the Audit Committee, which consisted of independent directors and experts, to review and ensure that the Company has accurately report financial information and performance, maintain efficient and sufficient internal control system and internal audit in order to appropriately and effectively manage risks to be at an acceptable level. Furthermore, The Audit Committee monitored to ensure that the Company conduct its business in accordance with the laws on Securities and Exchange regulations of the Stock Exchange or laws related to the Company's business and other obligations. In addition, to accurately and completely disclose and conduct related transactions or transactions involving a potential conflict of interest as well as perform the duties transparently, reliably, and in line with good corporate governance system. The opinion of the Audit Committee on the matters has appeared in the report of the Audit Committee in this annual report.

The Board of Directors is of the opinion that internal controls system provides reasonable assurance for financial statement of President Bakery Public Company Limited, as at December 31, 2020.



(Mr. Pipat Paniangvait)

Chairman of the Board



(Mr. Apichart Thammanomai)

Vice Chairman of the Board and Managing Director

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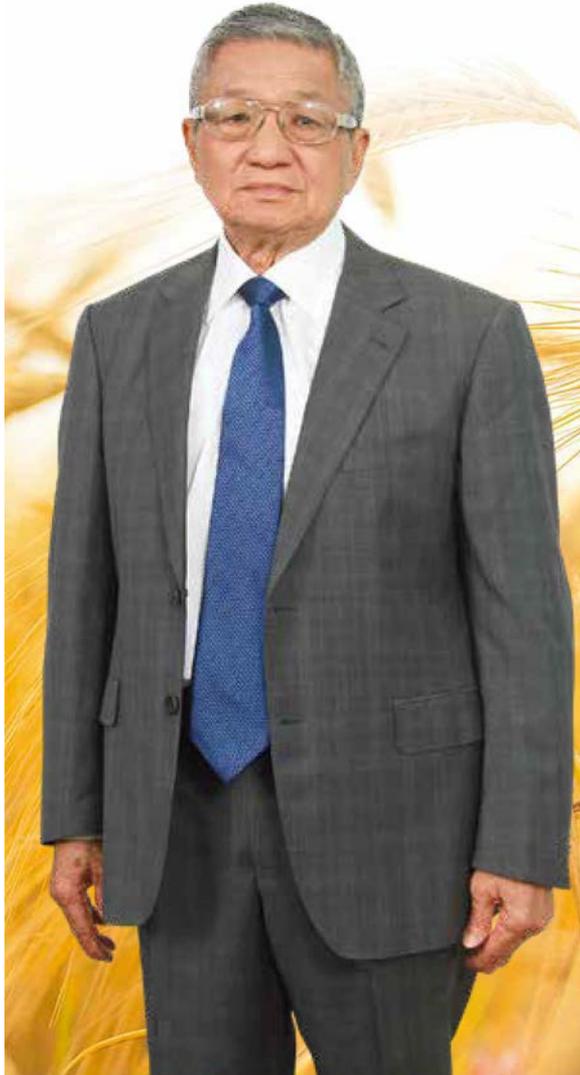
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Report

Sustainable Development
for the year 2020



Message from Chairman of The Board and Vice-Chairman of the Board and Managing Director



Mr. Pipat Paniangvait

Chairman of the Board

Objectives

President Bakery Public Co., Ltd. operates with transparency, complying with relevant laws, rules, and regulations as well as Good Corporate Governance. The Company has all stakeholders' best interests at heart. The Company does not operate its business for profit only, but providing quality products for the consumers to get the best benefits are The Company philosophy.

Vision

Being the leader of bakery manufacturer and distributor to serve clean, fresh, safe, nutritional products at international quality standard together with the responsibility to the consumers, society, and environment.

Mission

1. Research and develop innovation of healthy products, focusing on using natural, high-quality, delicious, clean, fresh, safe, and useful raw material.
2. The product development process by the impact of modern, clean, and safe with smart technology, and a good effective controlling system to support competitiveness.
3. Develop selling and delivery management with analytic and managerial information technology to provide goods and services for the consumers with timely, efficient, clean, and safety manner.
4. Encourage and develop potentials of employees to have knowledge of changing technology, creativity, and capability to accomplish career growth.
5. Establish love, unity, and fairness in compliance with good corporate governance principle to support strengthening and sustainable organization.

President Bakery Public Company Limited has been the leader of bakery manufacturer and distributor in Thailand in the past 38 years. The Company selects good raw materials to provide products of quality standard and satisfy the needs of the consumers for nutrition value. The Company has also developed modern productions process with technology in compliance with domestic Good Manufacturing Practice (GMP) and with international standard of GMP CODEX and the standard of Hazard Analysis Critical Control

Point (HACCP). The Company has developed selling and delivery management to provide goods and services for the consumers with timely

The Company still committed to Good Corporate Governance Principle, no matter in economic, social, or environmental aspects to encourage sustainable growth. In 2020, the Company received “Thailand Corporate Excellence Awards 2020” from Thailand Management Association (TMA) in cooperation with Sasin Graduate Institute of Business Administration. The Company was also selected in “ESG100” (Environmental Social and Governance) by Thaipat Institute, based on the overall evaluation of environmental, social, good governance performance of Listed Companies.

The Company has also realized the importance of social development. The Company donated to Ramathibodi Foundation to acquire the ambulances with hydraulic equipment, and also provided bakery products for the project of “Sharing Happiness, Giving Care” to support several organization to handle activity to relieve social impact from Covid-19 situation.

Lastly, the Board of Directors would like to take this opportunity to appreciate the shareholders, trading partners, customers, and all stakeholders for continuous trust and support. The Company will manage an effective organization and earnestly cultivate consciousness of responsibilities towards the society and environment in a sustainable manner.



Mr. Apichart Thammanomai
Vice-Chairman of the Board and Managing Director

About This Report

1. Preparation Principle :

The company has prepared the sustainability report for the year 2019 in compliance with the guideline of Corporate Social Responsibility Report for listed companies in the year 2017.

2. Content In The Report :

The information of the content in this report has been gathered during January 1st-December 31st, 2019.

3. For Additional Information

Please contact : President Bakery Public Co., Ltd.

121/84-85 RS Tower Building, 29th Floor, Ratchadapisek Road, Dindaeng, Bangkok 10400

Tel : 0-2209-3000 Fax : 0-2209-3091-2

About Farmhouse

บริษัท เพอร์ซิเดนท์ เบเกอรี่ จำกัด (มหาชน)
PRESIDENT BAKERY PUBLIC COMPANY LIMITED

Head Office :

121/84-85 RS Tower Building, 29th Floor, Ratchadapisek Road, Dindaeng, Bangkok 10400

Registered as Company Limited :

October 29, 1980

Incorporated as Public Company Limited :

On July 19, 2002, with registered capital 300 million baht and had increased capital to 450 million baht in 2006

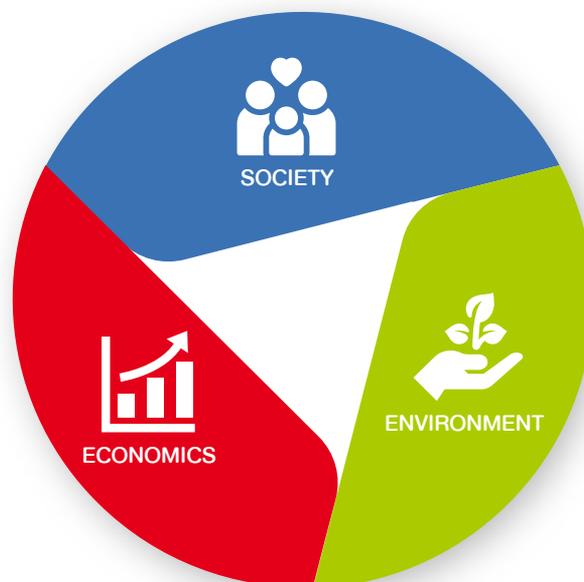


Sustainable Business Operation

The Company always recognizes that sustainable growth of the organization shall be composed of effective business operation together with business ethic, Good Corporate Governance, and responsibility for stakeholders which are shareholders, customers, trading partners, competitors, employees, community and society, governmental and related sectors, as well as the environment.

The Board of Director, as a leader who held a position of the highest responsibility the organization, shall perform in accordance with the principle of good corporate governance to ensure the Company's long-term performance and encouraging sustainable value to the Company as been generally expected by the business sector, investors, capital market, and the entire society.

Framework for Sustainable Development



The Company has stipulated operational framework for sustainable development in compliance with accepted international guidelines, focusing on 3 aspects related to economics, society and adopted under the environment within the organization in a suitable manner. The operational frameworks for sustainable development are as follows:

Operational Framework for Development towards Sustainability

1. Quality Ingredients

The Company sources and selects top quality ingredients with a high nutritional value from natural sources to ensure that our customers receive the best product.

2. High Potential Employees

The Company promotes the employee development via equipping them with knowledge and skills up to date for better work in digital transformation.

3. Cutting-Edge Technologies

The Company leverages cutting-edge technologies and effective control system to enhance efficiency and competitiveness.

4. Advanced Manufacturing System

The Company continually develops manufacturing system with every step traceability to make sure our products are clean and safe.

5. High-Quality Products

The Company conducts researches, develops, and innovates new solutions to ensure that Farmhouse products are of high quality, cleanliness, freshness, safety, and high nutrition with world-class quality standards. Every of our products under “Farmhouse” trademark are without trans fatty acids normally used in the process of partially hydrogenated oils.

6. Innovative Sales and Logistics Management Systems

The Company innovates sales and logistics management systems using high technologies to analyze and manage data, as well as develop the online ordering and delivery system to distribute Farmhouse products to customers in a fast, clean, safe, and efficient manner.

7. Corporate Governance

The Company adopts the Corporate Governance Code 2017 in business operations and people management.

Corporate Governance

The Board of Directors recognizes the importance of good corporate governance principles which is an important foundation for sustainable development and organization. Apart from fostering the confidence of shareholders and eventually lead to competitive business with good performance, the Company must take into consideration of long-term effects, business ethics, respect for shareholders and all stakeholders. This will be beneficial

to society and develop or reduce negative impacts on the environment and be able to adapt under changing factors.

Therefore, the Board has updated “Good Corporate Governance 2nd revision” in 2019 to be complied with Corporate Governance Code for listed companies 2017 to be the operational guideline for the directors, executives, and all staff.



More Information on Good Corporate Governance can be seen at

<http://www.farmhouse.co.th/investor> >> Good Corporate Governance >> Corporate Governance

Receiving Thailand Corporate Excellence Awards 2020

In 2020, the Company received the royal award of “Thailand Corporate Excellence Awards 2020” in recognition of distinguished performance in the category of Corporate Management Excellence (for the companies with revenue less than 10,000 million THB/year). This Awards ceremony was hosted by Thailand Management Association (TMA) and Sasin Graduate Institute of Business Administration of Chulalongkorn University.



Environmental, Social, and Governance Selection for ESG 100

The Company was selected to ESG 100 for the year 2020 by Thaiapat Institute and Thailand Institute of Rural Reconstruction under the Royal Patronage of Majesty the King. The selection was based on the public data of the Company regarding environmental, social, and governmental value and based on annual registration statement (form 56-1), the annual report, the sustainability report and other related information concerning the Company’s sustainable development.



Marketeer No.1 Brand Thailand 2019-2020 Awards

From the market survey conducted by Video Research International (Thailand) Co., Ltd., whose headquarter is located in Japan, and Marketeers Research Co., our “Farmhouse” bakery products are ranked as the first bakery brand in Thailand for the third consecutive year.



Internal Control

The company has internal audit section that responsible for auditing all sectors in the Company to ensure efficient operations by adhering to International Standards for the Professional Practice of Internal Auditing. The Board of Directors appointed the Audit Committee which there must be at least three members and all the members are Independent Directors and specified the duties of Audit Committee in written form to support the Company's operation to be in line with Good Corporate Governance Principle and with the Securities and Exchange ACT. Auditing and tracking the Company's operation are the way to ensure the efficient and effective operation to be in line with the Company's standards, with efficient internal control which could help prevent and reduce corruption that may occur in the company.

Risk Management

The company has risk management system and internal control to achieve the objectives effectively in accordance with the laws and related standards. The company arranges systematic risk assessment and analysis by determining appropriate criteria continuously to prevent risk which may affect or damage the company. The company emphasizes on risk assessment that cover each working system as well as other business operation assigned by the Company's Board of Directors to ensure the Company's effective operation and encourage sustainable value to the Company.

Fair Business Operation

The Company has operated in compliance with good corporate governance principles in all operational aspects in compliance with the relevant laws, rules, and regulations as prescribed by the Regulatory Units. The Company encourages the employees at all levels to perform their duties and responsibilities with fairness, covering fair treatment to the colleagues, customers, consumers, competitors, trading partners, community, and society as per following details.



Promote Free Trade Competition

- ▶ Sale system procedures are available through various channels that are standard.
- ▶ Recruit and Procure procedure in a format, transparent, provide all partners have equivalent opportunities.
- ▶ Verify systematically by adhering to the operating regulations of recruit and purchase unit which was specified under the good corporate governance framework.



Against Supporting Actions That Infringe Intellectual Properties or Copyright

- ▶ Has policies that are unrelated to violation of intellectual property; does not copy or use other intellectual property without permission.
- ▶ Emphasize on creating new innovation and applied into practice such as product control system, design products to be quality goods and satisfy consumers demand.

Anti-Corruption

The Company has performed anti-corruption policy continuously. The Company's Directors, the Executives, and Employees oppose any form of corruption either directly or indirectly, no matter being the giver, the receiver or the briber. The Company regularly reviews Anti-Corruption Policies as well as the guidelines and regulations in accordance with the changes of business, requirements, any related rules and regulations, and the related laws. On this regard, any person who is associated with violation of any Anti-Corruption Policies such as support, assistance, or cooperation with Corruption activities shall be punished in accordance with the Company regulations.

The Company reviews anti-corruption policy every year and appoints Anti-Corruption Sub-Committee to specify Anti-Corruption Policies, encourage controlled communication system to ensure that the employees and related sections perform their duties on the compliance with the Anti-Corruption Policies.



More Information on Anti-Corruption Policy can be seen at

<http://www.farmhouse.co.th/investor> >>>> GOOD CORPORATE GOVERNANCE >>
ANTI-CORRUPTIONANTI-CORRUPTION

The Company has notified the Anti-Corruption Policy in a written document to the employees, business partners conducting business together, and all stakeholders, as well as disclosed the information on the Company's website to represent that the Company opposes any form of corruption no matter being the giver or the receiver. The Company shall evaluate the risk of corruption, and formulate the clear guideline to handle such potential risk to be performed on regular basis. Furthermore, the Company supports the activities to encourage the employees to have understanding of anti-corruption, such as Notification from the Managing

Director declaring the intention of Anti-Corruption, Seminar of "Anti-Corruption" for employees, Orientation for new employee on "Anti-Corruption Policy", Activities measuring the knowledge of Anti-Corruption, Annual Assessment of knowledge and understanding for the Executives and employees at all levels. The Company was certified as a member of Private Sector Collective Action Coalition against Corruption Committee on April 22, 2016 and the certification has been renewed until November 4, 2022.

Receiving Complaints and Remedies

The Company provides the communication channel to receive the complaint and protects a person who exposes any kind of unethical activity within the Company. The Whistleblower shall be protected from harm, danger, or any kind of unfairness under the cooperation of Anti-Corruption activities.

The Company has appointed the Investigation Committee to internally investigate when a complaint is filed. The Company conducts any complaints and whistleblowing thoroughly and impartially and maintains justice to all parties involved. If the whistleblower or who declines any corruption possible to feel insecurity or any unwanted effect. They have the right to request suitable security provided by the Investigation Committee. Further, the Investigation Committee will gather evidence for examination of facts with transparency and fairness as well as give suggestions in the related complaints.

In addition, the Company has recognized to listen to customers suggestions, and established the Customer Relation Unit as the center in listening to opinions and giving advice related to product and service, as well as receiving the complaints and suggestions via telephone 02-209-3090, the website: www.farmhouse.co.th, and social media such as www.facebook.com/FarmhouseThai, and www.instagram.com/FarmhouseThai.

The Company also provided the staffs to be ready to proceed aforementioned complaints and suggestions, thus representing our rapid response and establishing confidence to customers and consumers.



Treatment to the Stakeholders

The Board of Directors treat all stakeholders, shareholders, consumers, trading partners, competitors, employees, community, society, and environment in compliance with good corporate governance principle in order to meet sustainable growth as follows.

Shareholders

Communication to the Stakeholders	Need/Expectation	Operation
<p>Reports : Annual Report, Sustainability Report</p> <p>Meetings : General Shareholders' Meeting</p> <p>Communication Channel : Website, Facebook, Instagram</p>	<ul style="list-style-type: none"> • Solid financial position • Return on Investment • Management with corporate governance, transparency and accountability • Continuous business growth 	<ul style="list-style-type: none"> • Dividend • Capital Gain on the stock' price • Operation with Good Corporate Governance • Information Disclosure • Equitable treatment to the shareholders

Customers/Consumers

Communication to the Stakeholders	Need/Expectation	Operation
<p>Communication Channel : Website, Facebook, Instagram Information on the label and Other Advertisement Media</p> <p>Communication Channel : Sales Representative Head of PC Department and Sales & Marketing Officers</p>	<ul style="list-style-type: none"> • High quality, fresh, and safe products • Convenient Goods Access • Disclosure of correct and adequate information as needed by the Customers/Consumers 	<ul style="list-style-type: none"> • Continuous product development • Clear information on the Label • Develop accurate and precise procedure • Distribute Goods to the Consumers thoroughly • Delivery incomplete, accurate, and timely basis • Evaluate satisfaction of the shopping stores

Business Partner

Communication to the Stakeholders	Need/Expectation	Operation
<p>Communication Channel : Notification, Purchasing Officers, Invitation Letter of Bidding, Survey, E-mail, Website, Facebook</p>	<ul style="list-style-type: none"> • Fair and transparent purchasing/ hiring procedure • Clear and equitable information of correct and competitive price • Payment on schedule as committed on the agreement • Operation as committed on the agreement • Checking goods when receiving 	<ul style="list-style-type: none"> • Review bidding procedure, and define scope of duties related to fair and transparent purchasing/ hiring procedure • Organize continuous trading partners' development • Onsite visit to determine collaborative problem solving • Inspect distributors/suppliers to ensure acceptable standard

Competitors

Communication to the Stakeholders	Need/Expectation	Operation
<p>Communication Channel : Website, Facebook</p>	<ul style="list-style-type: none"> • Free competition and conduct fair marketing activities 	<ul style="list-style-type: none"> • Transparent operation under fair competition

Employees

Communication to the Stakeholders	Need/Expectation	Operation
<p>Activities : Orientation for new staffs</p> <p>Communication Channel : Annual evaluation survey of employees' satisfaction, Intranet, Zimbra, E-letter, Website, Facebook</p>	<ul style="list-style-type: none"> • Develop potential and achievement in career path so that the employees will have better understanding regarding technology changing • Proper welfare as deemed suitable with economic situation 	<ul style="list-style-type: none"> • Career Path • Training • Review employees' welfare • Annual evaluation to employees' satisfaction for improvement

Community and Society

Communication to the Stakeholders	Need/Expectation	Operation
Communication Channel : Direct contact with Customer Relation Officer, Public Relation Officer, Website, Facebook	<ul style="list-style-type: none"> Join social activities with the community 	<ul style="list-style-type: none"> Open for community to participate in social activities Support social activities in cooperation with governmental unit, e.g. Thai Red Cross Society

Governmental Unit and Related Organization

Communication to the Stakeholders	Need/Expectation	Operation
Reports : Annual Report, Sustainability Report Activities : Factory visit Rules and regulations as required by the relevant laws, corporate governance and factory inspection Communication Channel : Disclose information to the Governmental Units correctly, Website Facebook Instagram	<ul style="list-style-type: none"> Compliance with the laws Cooperate to disclose information 	<ul style="list-style-type: none"> Operate in compliance with the laws and other regulations Coordinate and provide complete, accurate information as required by the Governmental Units Participate in the activity organized by the Governmental Units

Mass Media

Communication to the Stakeholders	Need/Expectation	Operation
Communication Channel : Press Conference, Magazines, advertising, Website, Facebook, Instagram	<ul style="list-style-type: none"> Effective, correct, and timely communication 	<ul style="list-style-type: none"> Coordinate and provide accurately information to the media

Environment

Communication to the Stakeholders	Need/Expectation	Operation
Reports : Annual report, Website	<ul style="list-style-type: none"> Good environmental management 	<ul style="list-style-type: none"> Comply with the relevant laws, rules, and regulations of related agencies

Revenue

The company gained total income of Baht 7,848.62 million in 2019 consisting of revenue from wholesale bakery business of Baht 7,068.64 million, revenue from retail bakery business of Baht 134.08 million, revenue from fast food & restaurant of Baht 527.92 million, revenue from exporting of Baht 13.33 million and the other income of Baht 104.65 million.

Procurement

Farmers and SMEs Supports

- Raw Materials Procurement from SMEs Entrepreneurs

The company has procured several raw materials such as pineapple paste, Shredded-Pork, and eggs from SMEs entrepreneurs.

- Raw Materials Procurement from Farmers

The company has procured several raw materials such as taro, pandan, banana, and papaya from Farmers.

Products

The company is determined to perform the development of manufacturing bakery products, having quality and safety standards as well as high nutrition value. Therefore, the Company uses modern and efficient technology to establish confidence, popularity, and best satisfaction for the consumers.

The company is the leader of bakery manufacturer and distributor to serve clean, fresh, safe, nutritional products at international quality standard using modern manufacturing technology, being certified with domestic Good Manufacturing Practice (GMP) and with international standard of GMP CODEX and the standard of Hazard Analysis Critical Control Point (HACCP) by Thailand Institute of Scientific and Technological Research (TISTR).

The company has strictly monitored every manufacturing process, starting from the inspection when receiving raw materials to the shipment of finished products from the factory. The laboratory of the Company was granted the Gold Award for excellent public health and medical laboratory quality under ISO/IEC17025 and certified by ISO/IEC17025: 2005 laboratory standard of the Bureau of Laboratory Quality Standards, Ministry of Public Health.

The company has developed several procedures to establish confidence in the quality and safety of products for the consumers as following,

1. Research and develop innovation of healthy products, focusing on using natural, high-quality, delicious, clean, fresh, safe and useful raw material.

2. Specify, on the label, the manufacturing date/ expiry date, best consumed before date and the instruction on how to store and consume the products to ensure that products are of good quality and safe.

3. Improve product packages to be modern while emphasizing safety and hygiene by using plastic sealing innovation for sliced bread products to prevent contaminants getting into the package and to prevent the change in products flavor before reaching the consumers. The company also provides Clip Locks for signifying each manufacture day from the related color.

4. Have a systematic recall procedure, in case of deficient products or unsold products.

The Company uses 100% non-cholesterol unbleached flour, which is a rich source of iron, niacin, vitamin B1, vitamin B2, and folate, in "Farmhouse's Whole Wheat Bread." This is Thailand's first bread that received the nutrition mark of "Healthier Choice." The Company continually develops healthier products resulting in high GABA, dietary fiber, and vitamin B1 "Royal Sprouted Grain Bread."

The company has been certified by the Office of Islamic Affairs Committee of Bangkok Metropolis, and was permitted by the Central Islamic Council of Thailand to display Halal Symbol on packaging of the products as being produced in the certified production line and to be promoted on public media in order to establish confidence in the products for Muslim consumers.



คลิปหลากหลายขนมปังฟาร์มเฮ้าส์
FARMHOUSE BREAD CLIPS
ช่วยคุณบริหารความสดใหม่ได้ด้วยตนเอง

BAG SEALING INNOVATION FOR SLICED BREAD



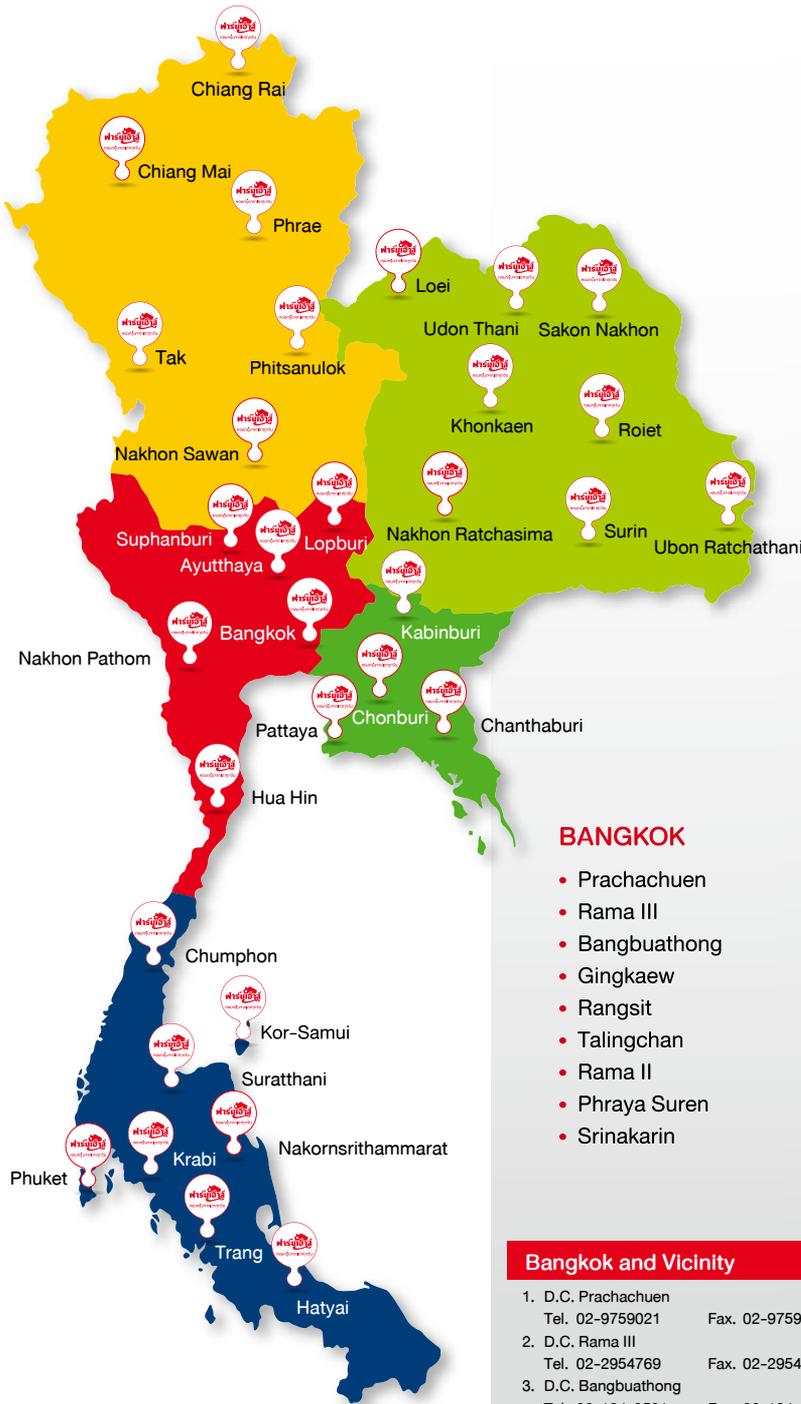
Selling and Delivery Management

The company has developed selling and delivery management with analytic and managerial information technology to provide goods and services for the consumers with timely, efficient, clean, and safe manner

currently has 40 distribution centers nationwide, each of which contains clean and safe shipping area under good and sufficient working environment, in order to serve satisfaction to the customer in all area of Thailand by distributing via over 55,000 stores of traditional trade and modern trade nationwide.

Moreover, the company shall be able to distribute products to expand distribution channel into Bangkok, Suburb and Provincial Area continuously. The company

Distribution Centers By Region



BANGKOK

- Prachachuen
- Rama III
- Bangbuathong
- Gingkaew
- Rangsit
- Talingchan
- Rama II
- Phraya Suren
- Srinakarin

Bangkok and Vicinity

1. D.C. Prachachuen	Tel. 02-9759021	Fax. 02-9759091
2. D.C. Rama III	Tel. 02-2954769	Fax. 02-2954785
3. D.C. Bangbuathong	Tel. 02-194-3581	Fax. 02-194-3582
4. D.C. Gingkaew	Tel. 02-1751557	Fax. 02-1751558
5. D.C. Rangsit	Tel. 02-5331630	Fax. 02-9960404
6. D.C. Talingchan	Tel. 02-8656524	Fax. 02-8656525
7. D.C. Rama II	Tel. 02-8954875	Fax. 02-8957449
8. D.C. Phraya Suren	Tel. 02-5171045	Fax. 02-5171046
9. D.C. Srinakarin	Tel. 02-0637646	Fax. 02-0637647



Distribute to 55,000 outlets
in Thailand within 12 hours

North

1. D.C. Chiang Mai	Tel. 053-386018	Fax. 053-386019
2. D.C. Chiang Rai	Tel. 053-727300	Fax. 053-727301
3. D.C. Phitsanulok	Tel. 055-906172	Fax. 055-906173
4. D.C. Nakhon Sawan	Tel. 056-200444	Fax. 056-200447
5. D.C. Phrae	Tel. 054-533906	Fax. 054-626254
6. D.C. Tak	Tel. 055-893136	Fax. 055-540519

North East

1. D.C. Ubon Ratchathani	Tel. 045-424276	Fax. 045-424277
2. D.C. Khonkaen	Tel. 043-467241	Fax. 043-467231
3. D.C. Nakhon Ratchasima	Tel. 044-929158	Fax. 044-929159
4. D.C. Udon Thani	Tel. 065-9562073	Fax. 042-920075
5. D.C. Sakon Nakhon	Tel. 042-736017	Fax. 042-736018
6. D.C. Roiet	Tel. 043-516696	Fax. 043-516698
7. D.C. Surin	Tel. 083-5405903	Fax. 044-060185
8. D.C. Loei	Tel. 042-841244	Fax. 042-841252

Central

1. D.C. Ayutthaya	Tel. 065-9562075	Fax. 035-881269
2. D.C. Nakhon Pathom	Tel. 034-983077	Fax. 034-983078
3. D.C. Lopburi	Tel. 036-799453	Fax. 036-799454
4. D.C. Suphanburi	Tel. 035-960430	Fax. 035-960430

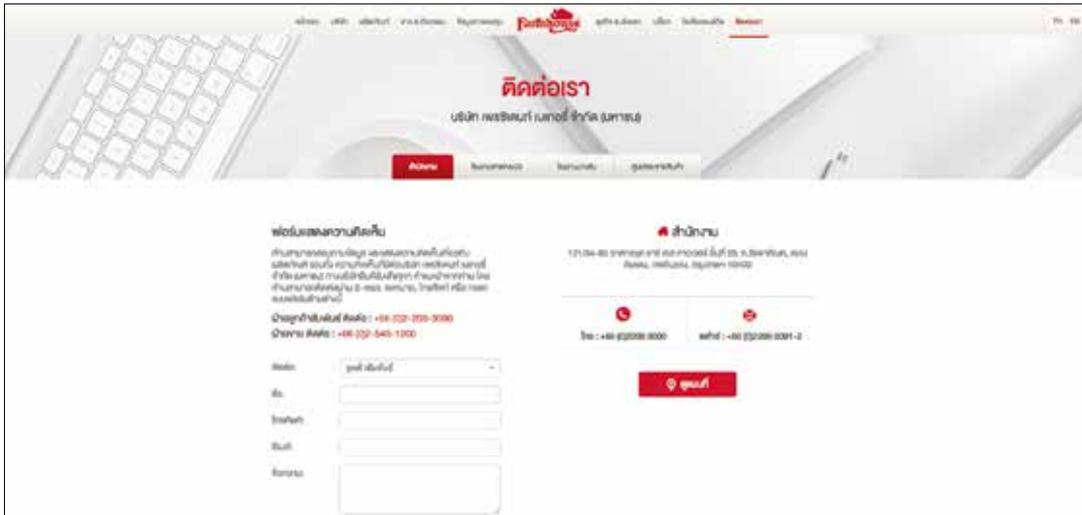
East

1. D.C. Pattaya	Tel. 038-059497	Fax. 038-059498
2. D.C. Chonburi	Tel. 033-047120	Fax. 033-047121
3. D.C. Chanthaburi	Tel. 039-311601	Fax. 039-332441
4. D.C. Kabinburi	Tel. 037-625419	Fax. 037-625420

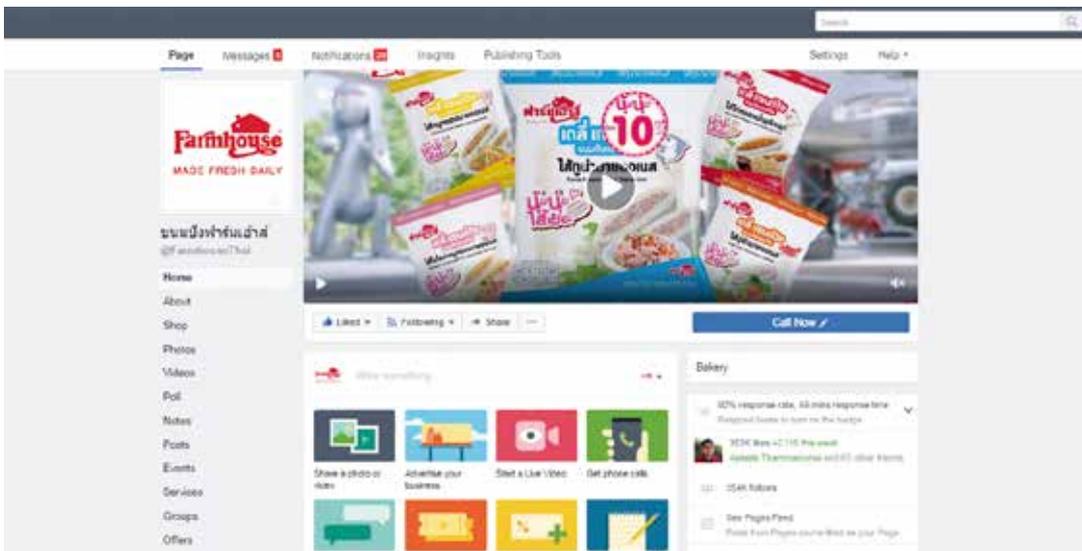
South

1. D.C. Suratthani	Tel. 077-310507	Fax. 077-310508
2. D.C. Hatyai	Tel. 074-582494	Fax. 074-582493
3. D.C. Phuket	Tel. 076-321435	Fax. 076-321436
4. D.C. Chumphon	Tel. 077-630830	Fax. 077-630954
5. D.C. Krabi	Tel. 075-613172	Fax. 075-613168
6. D.C. Kor-Samui	Tel. 077-417095	Fax. 077-420354
7. D.C. Nakornsrihammarat	Tel. 075-357868	Fax. 075-357867
8. D.C. Hua Hin	Tel. 032-510502	Fax. 032-510757
9. D.C. Trang	Tel. 075-582005	Fax. 075-582004

Website : www.farmhouse.co.th



Social Media : www.facebook.com/FarmhouseThai



Human Resources

The Company treats all employees equally and fairly without discrimination, promoting employment equality and has set regulations for human resource management in accordance with Thailand's Labor law such as prohibition of child labor, forced labor, double-standard treatment, obstruction against the labor aggregation for negotiation. The regulations have been distributed to all employees and posted at working premises. Such compliances are as follow :

1. Respect for Human Right

The company has explicit regulations to respect all human rights as follows :

- Emphasize equitable treatment without gender discrimination
- Open job positions to people with disabilities
- Organize operating system, implementing workplace hygiene and safety by quality and safety control system

- Support training and human resource development to encourage the employees to have proper understanding of safety and hygiene in workplaces.
- Prohibits youth under the age of 18 from being Employed

2. Sustainable Employee Practices

The Company stresses the importance of employee management, wellbeing, and happiness. The Company believes that employees are of the utmost important foundation of sustainable business and provides welfares and facilities to the employees e.g. personal protection gears, uniforms, transportation services, factory canteen with quality and affordable foods, healthcare, annual health assessment, and first aid room with permanent doctors.

3. Remuneration and Benefits of the Employees

The Company has established Welfare Committee in Business Establishment, which consisted of 6 members of employees, holding term of office for one year. The Welfare Committee's duties are as follow :

- 1) Discuss with the employers regarding welfare of the employees.
- 2) Provide advice and suggestions for the employers regarding welfare of the employees.
- 3) Inspect and supervise welfare of the employees which is provided by the employers.
- 4) Offer ideas and guidelines for the welfare which will benefit the employees to Welfare Committee.

The company annually evaluates the fairness of employees' remunerations and benefits by performing the survey of remunerations and welfares to be paid by the other companies in the same business in order to compare and determine remuneration of the company. The company considers the benefits to be provided for full-time employees as following,

- Welfare for financial assistance to get special Lending rate for property loan
- Various motivating allowances and awards
- Annual bonus
- Contribution to provident funds
- Contribution to social security fund and compensation funds
- Medical welfare for employees
- Working uniforms
- Group accident insurances
- Long service award
- Protective devices and equipment for safety in workplaces
- Posthumous aid for employees and their families
- Relaxation area
- Maternity allowances
- Scholarship for children
- Deposit with special interest for employees

In this regard, the company shall pay the remuneration for the employees based on their duties, responsibilities, experience, and qualifications, without gender discrimination.

4. Employees' Training

The company has encouraged and developed potential of employees, to have knowledge of changing technology, creativity, and capability to accomplish growing career path. The company also supports the development of knowledge and expertise in working for the employees since the beginning of working period with the company. The company has organized training program for new employees, such as orientation program, 5S, GMP&HACCP for new staff, etc., in order to provide knowledge and understanding about the company, Organization's Culture, and basic information in working, and to prepare new staff to be familiar with new environment. Moreover, the company has developed human resource continuously by providing appropriate training to the employees in each level in order to encourage their own professional achievement in career path.

5. Occupational Health and Safety of the Employees

Safety is one significant issue and is the responsibilities of every individual to collaborate. The company has emphasized having effective management system and the development of quality, safety, occupational health, and environment system as a significant foundation of business operation. The company has established “the Committee of Occupational Health and Safety Environment in the Workplace” whose duties are as follow :

1) Consider policies and workplace safety plan, including safety outside work to prevent and reduce accidents, danger, sickness, or nuisance accidents due to work or unsafe working conditions and propose to the employer.

2) Report and suggest workplace safety standards to the employer for the safety of employees, contractors, and outsiders who come to work, or come to the business establishment for the service.

3) Support Safety in the Workplace Activity of the establishment.

4) Consider the regulations and Workplace Safety Manual No. 3, section 1, General Provisions including workplace safety standards of the establishment and propose to the employer.

5) Explore the workplace safety operations in the establishment and review the statistics of hazards occurring in the workplace at least once a month.

6) Consider the project or training plan regarding workplace safety, roles, and responsibilities in respect of safety of employees, supervisors, executives, and all level of employers and propose relevant opinions to the employers.

7) Set up a system for reporting unsafe working conditions for every employee of all levels to practice.

8) Follow up on the progress of the issues proposed to the employer.

9) Report annual performance, including identify problems, obstacles, and recommendations for the Board of Directors' operations after completing his/her duties for one year and propose to the employer.

10) Evaluate the safety operation in the workplace.

11) Perform other safety-related tasks as assigned by the employer.

In addition, the company has provided sufficient protective devices and equipment for safety in the workplaces to the employees, and established the brush-up program for the knowledge of safety from time to time, such as “Basic First Aid, and Life Saving”, “Basic and Advanced Fire Fighting Program”, “Use of Fire Protection Equipment”, and “Safety Week Activity”. The company realizes that to provide the knowledge and practice for the employees to be familiar with the safety procedure step by step is to help reduce the risk of accidents and increase safety in workplace for the employees.

Treatment to Stakeholders

The Community and Society

The company has recognized the importance of sustainable development of business, believing that sustainable success does not solely depend on the company's economic performance but also include the participation in the development of community and society altogether.

As the leading manufacturer and distributor of all kind of bakery products, the company anticipated to be the center to provide proper nutrition knowledge and to encourage people to eat selective quality food.

Community

Mr.Pipat Paniangvait, the CEO of President Bakery Public Company Limited, donated 2,500,000 THB to Ramathibodi Foundation on behalf of the Company to fund the hydraulic ambulance stretcher procurement at

Ramathibodi Hospital. This financial contribution was received by Prof.Piyamitr Sritara (MD), dean of the Faculty of Medicine Ramathibodi Hospital, Mahidol University.

COVID-19 Supports for Medical and Healthcare Personnel

Coronavirus Disease 2019 Pandemic (COVID-19) has inflicted many people around the world and Thailand. Medical and healthcare personnel have been working hard to deal with the issues and taking care of the patients. So, Farmhouse contributed 200 of Farmhouse products everyday to each hospital including Bamrasnaradura Infectious Diseases Institute, Faculty of Medicine Ramathibodi Hospital, King Chulalongkorn Memorial Hospital - Thai Red Cross Society, and Faculty of Medicine Vajira Hospital. This results in the total of 16,000 pieces of Farmhouse products allocating to these hardworking medical and healthcare personnel.



Activity Photos : Mr.Pipat Paniangvait, the CEO of President Bakery Public Company Limited, donated to Ramathibodi Foundation to acquire the ambulances with hydraulic equipment



Activity Photos : COVID-19 Supports for Medical and Healthcare Personnel

Supports to the Communities in Bangkok Affected from COVID-19

The Company also distributed 3,800 pieces of Farmhouse products to the communities affected by COVID-19 between April 9-21, 2020. Mr. Apichart Thammanomai, President Bakery Public Company Limited's director on behalf of President Bakery Public Company Limited offered this support to Mr. Chatchart Sittipan, the former Minister for Transport, at Matichon Academy.

National Children's Day 2020

On the National Children's Day 2020, the Company allocated 37,980 pieces of Farmhouse products to 158 organizations i.e. schools, government offices, museums, child development centers, youth centers, libraries, and communities.

#TeamKorat Event

The Company distributed Farmhouse dorayaki of 2,000 pieces to participants who came to support and encourage Korat people in the event of "#TeamKorat" at the activity space in front of Terminal 21 Korat. This event was hosted by the Department of Mental Health.



Activity Photos : Supports to the Communities in Bangkok Affected from COVID-19



Activity Photos : Farmhouse products allocation on the National Children's Day 2020



Activity Photos : #TeamKorat

TO BE NUMBER ONE

The Company provided the support of 2,000 Farmhouse Dorayakis to 4,500 people who participated in “TO BE NUMBER ONE” project at Assumption College Samutprakarn. This campaign aimed to promote drug-free school.

ONE FOR ALL, Together We Fight COVID-19

The Company provided the support of 1,000 Farmhouse banana cakes to people participating in the training session on how to prevent COVID-19 and workshop of DIY face mask. In the same event, Central World Shopping Center and Department of Health also donated sanitary face masks to vulnerable hospitals.

All for Heroes, This Meal for Medical and Healthcare Personnel

The Company offered Farmhouse assorted butter cookie of 1,000 pieces in “All For Heroes” event, which is organized to provide support to medical and healthcare personnel working is Siriraj Hospital, Phramongkutklao Hospital, Ramathibodi Hospital, Chulalongkorn Memorial Hospital, and Police General Hospital.



Activity Photos : TO BE NUMBER ONE



Activity Photos : ONE FOR ALL, Together We Fight COVID-19



Activity Photos : All for Heroes, This Meal for Medical and Healthcare Personnel

Madam's Kitchen

The Company provided the support of 1,000 Farmhouse vanilla butter cookies to Madam's Kitchen project "Raum Song Tor Nam Jai Su Kon Thai" at Klong Toey and Bang Khun Thian communities affected by COVID-19 crisis.

Survival Package Allocation to Tambon Chaimongkol Community

The Company offered 1,000 Farmhouse fresh bakery to people affected by COVID-19 crisis at Chaimongkol Subdistrict Administrative Organization, Samut Sakhon (area 3 Ban Phaeo district).

Sports

The Heart Runners #8

The Company supported Farmhouse daily sandwich and banana cake to the participants in BITEC Half Marathon 2020 THE HEART RUNNERS #8.



Activity Photos : Madam's Kitchen



Activity Photos : Survival Package Allocation to Tambon Chaimongkol Community



Activity Photos : The Heart Runners #8

The 47th University Games of Thailand

The Company offered Farmhouse daily sandwiches to all participants during the 5-day of the 47th University Games of Thailand hosted by Rangsit University. This event is organized in various locations in Bangkok and its vicinity area.

BTS SkyTrain Rally 2020

The Company supported Farmhouse Dorayakis to BTS SkyTrain Rally 2020 participants at BTS Mo Chit station. The participant who spent least time in the rally would be a winner.

Hua Hin Night Run Super Fun on the Beach

The Company allocated Farmhouse bread of 4,000 pieces to over 3,000 runners participating in the event of 10K run “Hua Hin Night Run Super Fun on the Beach” between Rajabhakti Park and Suan Son Pradipat Beach. This event aimed to fundraise to establish a fund for volunteering training, organizing tourist police events, and serving public interest of Hau Hin community.



Activity Photos : The 47th University Games of Thailand



Activity Photos : BTS SkyTrain Rally 2020



Activity Photos : Hua Hin Night Run Super Fun on the Beach

A Charity Walk/Run “TNI Raum Jai Tan Pai Hnao Khao Nee Puea Nong”

The Company distributed Farmhouse bread of 800 pieces to 800 runners participating in 4K run event “Charity Walk/Run - TNI Raum Jai Tan Pai Hnao Khao Nee Puea Nong.” This event objective is to fundraise donation to procure blankets for children living in Northern Thailand.

Education

Academic Memorandum of Understanding (MoU) with King Mongkut’s University of Technology North Bangkok (KMUTNB)

The Company signed Academic Memorandum of Understanding (MoU) with King Mongkut’s University of Technology North Bangkok (KMUTNB) at Ratchapruerk Hall,

Nawamin Rachinee Building (KMUTNB). Farmhouse stressed the importance of the shifting to industrial technology 4.0 and collaborated with KMUTNB to conduct research and develop innovations, as well as foster employee development i.e. the development of automated coin machine using IoT, the use of simulation software to design and analyze basket durability, and the design of advanced coated product blueprint. The Company also assessed the industry 4.0 readiness to identify technology gap using assessment developed by KMUTNB, Siam Cement Group (SCG), and Fraunhofer Institute (Germany).



Activity Photos : A Charity Walk/Run “TNI Raum Jai Tan Pai Hnao Khao Nee Puea Nong”



Activity Photos : Academic Memorandum of Understanding (MoU) with King Mongkut’s University of Technology North Bangkok (KMUTNB)

Srinakharinwirot University Prasarnmit Demonstration School Secondary's Academic Competition 2019

The Company allocated 300 Farmhouse 3-flavour banana cakes and 300 Farmhouse cotton bags to the students participating in Srinakharinwirot University Prasarnmit Demonstration School Secondary's Academic Competition 2019.

Energy and Environment Conservation

The company has realized and taken into account the quality of the environment. Therefore, the Company monitored and established effective environmental management system in Lad Krabang Factory 1, Lad Krabang Factory 2, and Bang Chan Factory. The Company also continuously encourages energy and environment conservation activities. The Company has established an effective environmental policy since 2016 up to present. The details can be summarized as following:

1. To comply with the relevant laws, regulations, and environmental policy together with regular review and assessment.
2. To allocate resources, budget, and employees to handle management and operating procedure to be favorable to the environment and to lessen environmentally impact to the community, society, and the quality of the environment.
3. To improve and increase the procedure to diminish environmental impact related to water pollution, air pollution, industrial waste.
4. To cooperate with suppliers to perform purchasing/hiring procedure to be favorable to the environment.

5. To encourage environmental management system, environmental rehabilitation, and monitoring system to prevent impact to the natural resources and environment.

6. To establish culture and recognition among all employees to collaborate and take responsibility to the environment and use the resource in an efficient and sustainable manner.

Energy Efficiency Project 2020

1. The boiler surface cleansing will better the heat transfer resulting in more efficient energy utilization.

2. The air-fuel mixture adjustment will improve boiler's combustion efficiency resulting incomplete combustion, reduction of carbon dioxide to the atmosphere, and reduction of fuel by combustion process

3. The preventive check-up of air compressor system and pneumatic devices used in manufacturing processes will prevent the leakage and reduce air compression activities resulting in more efficient operation, less energy utilization, and prolonged lifespan of the devices.

4. The installation of IoT (internet of things) in chiller system i.e. temperature, electrical, and liquid ventilation measuring devices in chiller pipeline will supply the users with sufficient data to better analyze and make more efficient decision in using the devices resulting in more efficient electricity usage.

5. The chiller insulation improvement will augment the transfer of cooling output in evaporators resulting in more efficient chiller system operation and electricity usage.



Activity Photos : Srinakharinwirot University Prasarnmit Demonstration School Secondary's Academic Competition 2019

Product Delivery System in a Favourable Manner to The Environment

The company has conducted business in a favorable manner to the environment, thus using NGV natural gas, which is clean and safe fuel with lower environmental impact and air pollution. At present, there are delivery vehicle using NGV natural gas which accounting for 2.78% of total delivery vehicle.

In addition, the company has promoted to use the energy resources at best benefit by establishing the efficient delivery management system such as.

- Develop auditing and tracking vehicle system by using a GPS system to help control the driving of the staff to be in the speed limit under 80 kilometers/hour in compliance with the specified laws, thus ensuring safety on the road as well as to reduce unnecessary fuel consumption
- Prohibit the employees to leave a vehicle engine running while loading/unloading the products in order to save the use of fuel.
- Train the staff in “Efficiency in driving economically and safety” course to build the awareness and develop the experience in quality driving.

Waste Water Management in a Favourable Manner to The Environment

With the recognition that water is a valuable resource, the company has committed to manage water for best benefit with standard water treatment system in order to reduce the amount of wastewater from the manufacturing process in an effective manner. Such water management system will send the water from the manufacturing process into the treatment process before keeping in the collecting tank. The water in the collecting tank will be reused for cleaning vehicles, watering trees and cleaning the road around the factory. Moreover, the remaining of treated water shall be drained into the drainage of the Industrial Estate and then released into the public water source without affecting the environment.

The management of waste and wastewater of Lad Krabang Factory 1, Lad Krabang Factory 2, and Bang Chan Factory, totaling three factories, is specifically designed to be suitable with the factories' wastewater treatment. Wastewater treatment of the company complies with the standard as required by the Industrial Estate Authority of Thailand or Department of Industrial Work to primarily use Biological Treatment, namely UASB (Upflow Anaerobic Sludge Blanket), EGSB (Expanded Granular Sludge Bed), and AS (Activated Sludge) which consume low energy and expenses as per following details,

Lad Krabang Factory 1 (Capacity 450 m3/d)

- UASB (Upflow Anaerobic Sludge Blanket)

Lad Krabang Factory 2 (Capacity 384 m3/d)

- EGSB (Expanded Granular Sludge Bed)

Bang Chan Factory (Capacity 400 m3/d)

- EGSB (Expanded Granular Sludge Bed) and AS (Activated Sludge)

Investor may additionally obtain the information of the issuing company from its annual filing (Form 56-1) showing in www.set.or.th, www.sec.or.th or in the website of President Bakery Public Company Limited www.farmhouse.co.th

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