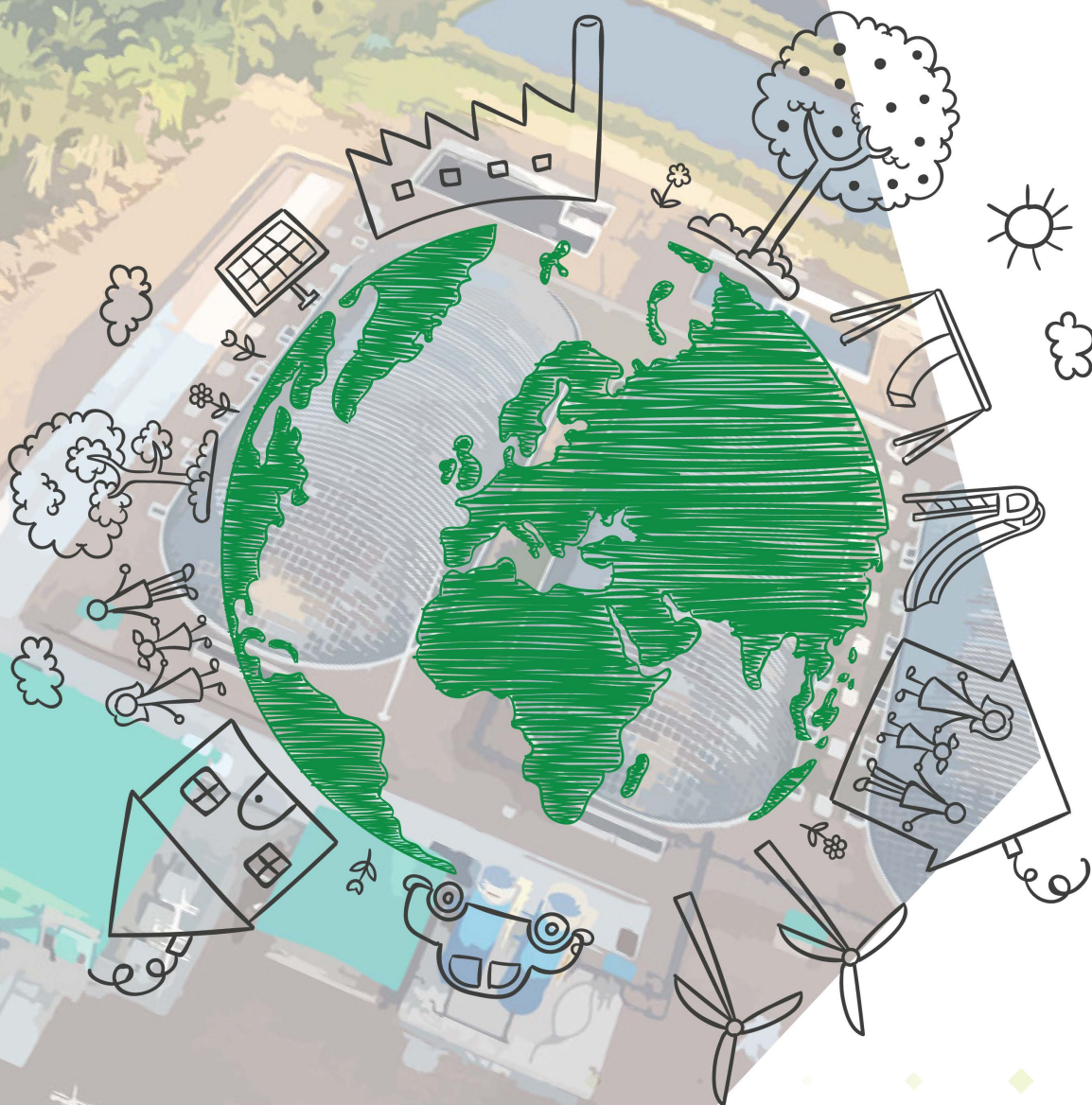


# ONE REPORT 2020

รายงานประจำปี



**7UP**

บริษัท เซเว่น ยูทิลิตี้ส์ แอนด์ พาวเวอร์ จำกัด (มหาชน)  
SEVEN UTILITIES AND POWER PUBLIC COMPANY LIMITED



*Light up your life*

“จุดความมันส์ให้ชีวิตคุณ”

# Vision



BE A RENEWABLE ENERGY AND PUBLIC UTILITY COMPANY THAT IS COMMITTED TO PRODUCE AND DEVELOP WITH MODERN INNOVATION BY GIVING IMPORTANCE TO THE STAKEHOLDERS FOR SUSTAINABLE BUSINESS OPERATIONS.



# Mission

- ✓ MANAGE THE ORGANIZATION WITH GOOD GOVERNANCE
- ✓ ESTABLISH STANDARDS FOR SYSTEMATIC AND TRANSPARENT OPERATIONS
- ✓ SERVICE TO PARTNERS AND SOCIETY WITH CARE
- ✓ SUPERVISING PERSONNEL DEVELOPMENT
- ✓ CREATE FAIR OPERATING RESULTS FOR SHAREHOLDERS

CORE VALUE

Successful

DRIVEN TO ACHIEVE THE GOALS OF THE ORGANIZATION

Ethics

CONDUCT BUSINESS WITH TRANSPARENCY IN ACCORDANCE WITH GOOD GOVERNANCE AND ANTI-CORRUPTION PRACTICES

Value

MANAGE WORKS WISELY TO CREATE VALUE

Energy

PRODUCING AND USING ENERGY EFFICIENTLY AND MAXIMIZING BENEFITS

Natural

CREATE INNOVATION WITH ENVIRONMENTAL FRIENDLY

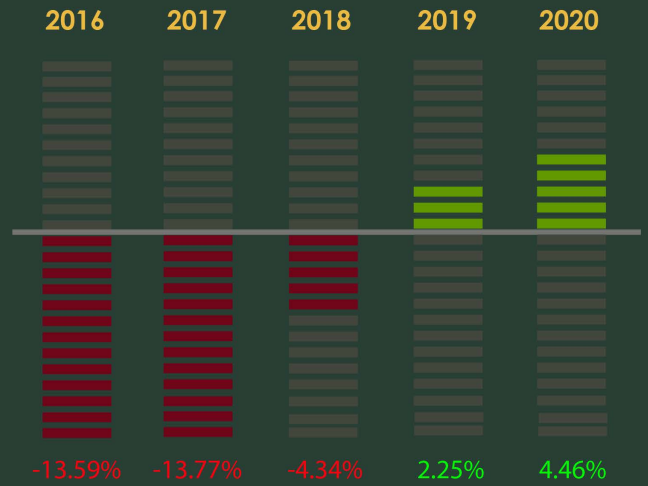


# Financial Highlight

## TOTAL ASSETS (MB)



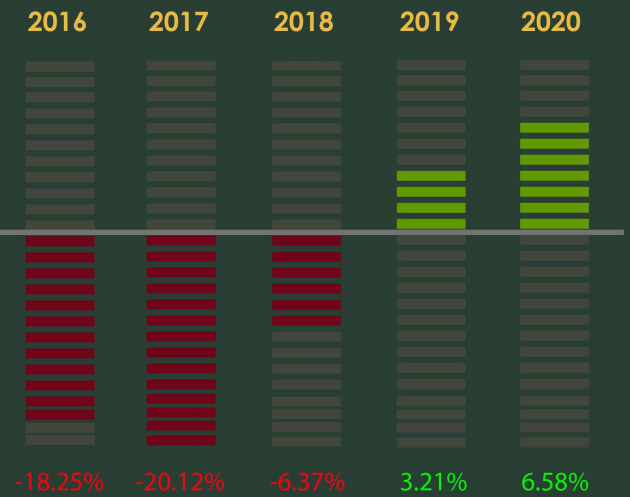
## RETURN ON ASSETS



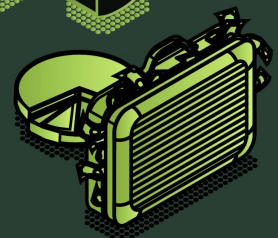
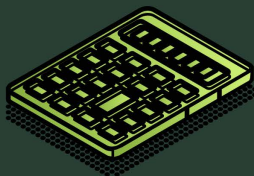
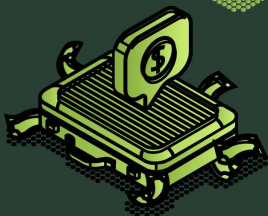
## TOTAL SHAREHOLDERS' EQUITY (MB)



## RETURN ON EQUITY

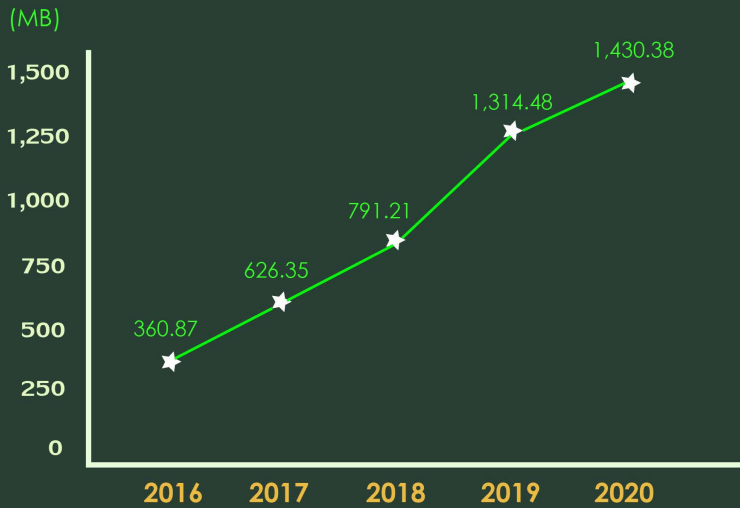


FINANCES

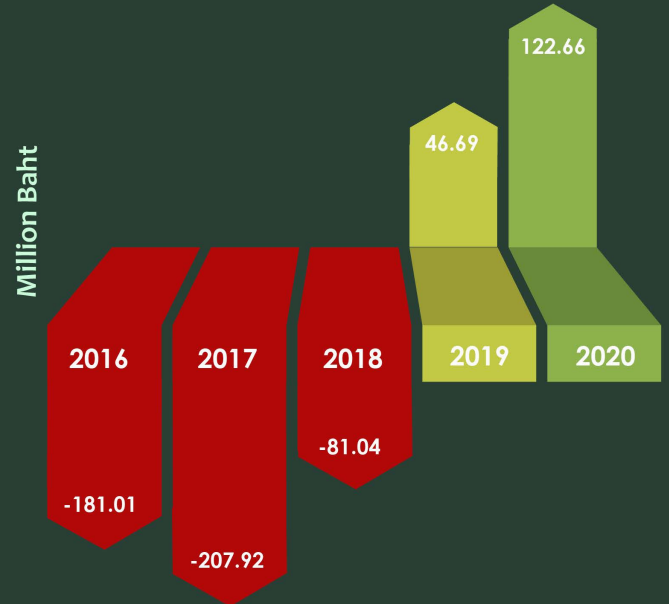


# Financial Highlight

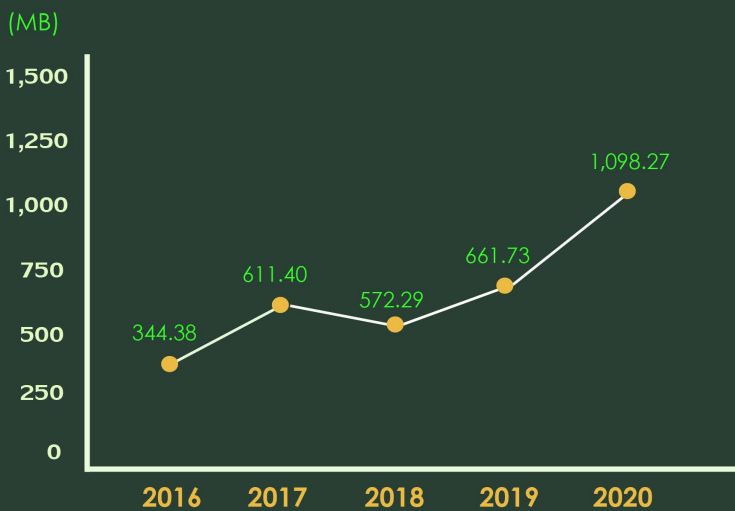
## TOTAL REVENUE (MB)



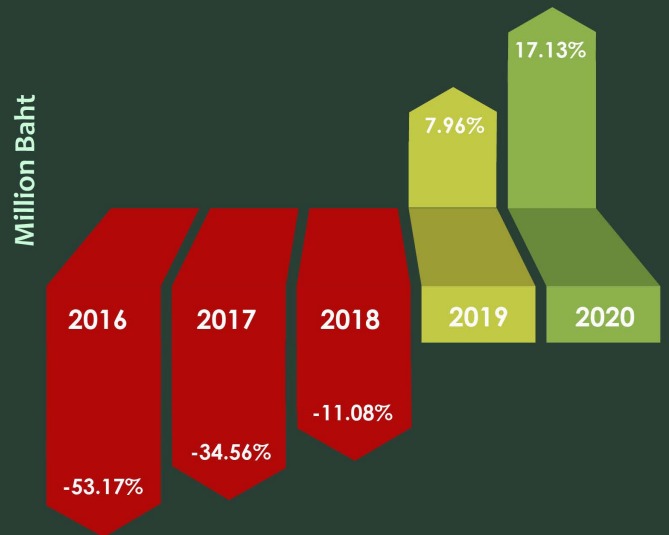
## NET PROFIT (LOSS)



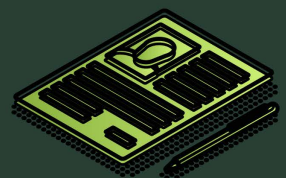
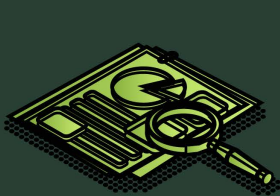
## TOTAL LIABILITIES (MB)



## OPERATING PROFIT (LOSS) RATIO



FINANCE



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# MESSAGE FROM THE CHAIRMAN



In 2020, the economy has severely affected from the spread of Coronavirus (COVID-19) crisis. Seven Utilities and Power Public Company Limited has adjusted and prepared, in order to handle changes throughout these periods of time. We stand firmly by focusing on the cost reduction measures. At the same time, we always look for more sustainable investment which aims to generate income and new business opportunities during the time of crisis.

In the year 2020, the company has assessed the investment possibilities in each project. We kept monitoring all circumstances that might help generate high return on investment (ROI). We highly focused on business planning, working process development and continuously improving ourselves. Moreover, financial liquidity was the main priority in order to cope with an ever-changing economic world. We insisted to conduct our business under sustainable manners, code of ethics along with effective corporate governance.

On behalf of the Board of Directors of Seven Utilities and Power Public Company Limited, we would like to thank the shareholders and stakeholders who have provided great support to our organization all along. The Board of Directors, executives and all employees insist to put all effort and devotion and operate business under code of ethics to maximize the benefits to our shareholders and stakeholders to drive company towards success and always uplift company's growth constantly and sustainably.

**(SQN.LDR. SITA DIVARI)**  
**CHAIRMAN OF THE BOARD OF DIRECTORS**



# Board of Directors



1. MR. MONTHEP MAPIAM
2. MR. MANA KITIRAT
3. MR. EKATIP TIPPAVANG

DIRECTOR  
DIRECTOR  
INDEPENDENT DIRECTOR

4. SQN.LDR. SITA DIVARI
5. POL.CAPT. RATCHATA POOMPANMOUNG
6. MR. TORPHONG CHAIYASAN
7. MR. PATHRLAP DAVIVONGSA

CHAIRMAN / INDEPENDENT DIRECTOR  
DIRECTOR  
INDEPENDENT DIRECTOR  
DIRECTOR

# Part I

## Business and Performance

- COMPANY STRUCTURE AND BUSINESS OVERVIEW
- RISK MANAGEMENT
- BUSINESS MOBILIZATION FOR SUSTAINABILITY
- MANAGEMENT DISCUSSION AND ANALYSIS
- GENERAL INFORMATION AND OTHER IMPORTANT INFORMATION



# STRUCTURE AND BUSINESS OPERATIONS OF 7UP

## 1. POLICY AND BUSINESS OVERVIEW

Seven Utilities and Power Public Company Limited, formerly Ferrum Public Company Limited (The company changed name on April 27, 2018), was registered as a juristic person as a limited company with the Ministry of Commerce on September 18, 1995 with the registered capital of 30 million Baht. Later, it became a public limited company on February 11, 2002 and had been listed in the Stock Exchange of Thailand on April 3, 2002. The company has increase capital to support business growth and competitiveness. Currently, the total registered capital is 2,922,758,861 Baht and issued and fully paid-up of Baht 2,470,909,875.50. The company aims to recognize income and operating results by investing in various businesses through shareholding to other companies under 5 main business groups consisting of

- 1) Gas and petrol service stations business
- 2) Telecommunications and Internet of Things (IoT) business
- 3) Renewable energy business
- 4) Utilities business
- 5) Industrial waste disposal business

The company has been looking for opportunities to continuously expand the business. In the year 2020, the company has made additional investments in the following businesses.

**RENEWABLE ENERGY BUSINESS** Seven Utilities and Power Public Company Limited (“7UP”) has invested in PPL Power Company Limited (“PPL”) and BIO Energy Satun Company Limited (“BES”). The said transaction is an investment of Energy For Society Company Limited (“EFS”) shall invest for this acquisition which EFS is a subsidiary of 7UP which holds EFS by 99.99 percent. For the acquisition, EFS purchased PPL’s ordinary shares in a proportion of 80.00 percent of registered capital or 120,000 shares worth of 13.2 million Baht in order to build a power plant with a capacity of 3 Megawatts worth 176.60 million Baht and BES’ s ordinary shares in a proportion of 80.00 percent of registered capital or 208,000 shares worth 16.8 million Baht in order to build a power plant with a capacity of 2 Megawatts worth 159.91 million Baht in the total investment value of 366.51 million Baht. There is change of authorized directors of PPL and BES after the purchase transactions, this results in PPL and BES are the subsidiaries of EFS. There is an expectation that this investment will help generate income and profit in a long term which will be good performance for the company. According to this, work scope of the renewable energy

business will expand in order to diversify business risks followed the company's business expansion plans.

**UTILITIES BUSINESS** Seven Utilities and Power Public Company Limited has invested in ordinary shares of Gold Shores Company Limited (“GS”) which is a local water supply concession company in Mai Khao and Sakhu sub-districts, Phuket province. 7UP planned to invest total of 81.00 percent after the transaction. 7UP has continually looked for potential investment opportunities by selecting the projects that can generate continuous income and returns to shareholders in the long term. Therefore, the company saw a business opportunity for tap water production in the area of Mai Khao and Sakhu sub-districts, Phuket province which the study from the demand of water supply in the area shown that Phuket was lacking tap water because of the expansion of household sector and growth of the tourism sector. Along with the study on the feasibility of investing in the water supply concession business of GS, it found that it is a good opportunity to invest in the business to generate sustainable income for the company in the future.

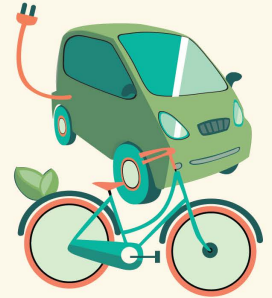


# Key milestones for the past 3 years



## Year 2020

- On February 14, 2020, the Company changed the subsidiary company's name from Beyond Healthcare Co., Ltd. to Energy For Society Co., Ltd. ("EFS").
- The Executive Committee's Meeting No. 4/2020 of Seven Utilities and Power Plc. held on March 23, 2020 resolved that Star Gas Co., Ltd. disposed of an investment in ordinary shares of R.A. Logistic Co., Ltd. ("RAL") at 99.98 percent of registered capital or 9,998 shares worth 14 million Baht to A A A Solution Co., Ltd. ("AAA"), resulting in RAL terminated from a subsidiary company.  
On April 3, 2020, the Company cancelled the investment in Seahorse Ferry Co., Ltd. due to the current situation of the outbreak of the COVID-19 continues to spread and to post an increasing in many areas so investing in a business dealing with foreign country is highly risky.
- The 2020 Annual General Meeting of Shareholders held on May 26, 2020 resolved the significant agenda as follows:
  - 1) Approved the issuance and offering of convertible debenture as such a period of time for the amount of not exceeding 2,000 million Baht.
  - 2) Approve the issuance and offering of convertible debenture by the way of private placement to non-related person in the amount not exceeding 650 million Baht within 3 years.
  - 3) Approved the increase of the Company's registered capital to reserve the exercise of conversion rights of convertible debentures at 650 million Baht.
- The Board of Director's Meeting No.8/2020 of 7UP held on May 28, 2020 resolved that Energy For Society Co., Ltd. ("EFS"), a subsidiary company invest in PPL Power Co., Ltd. ("PPL") and Bio Energy Satun Co., Ltd. ("BES") by purchase PPL's and BES's ordinary share at 80.00 percent of registered capital or 120,000 shares worth 13.2 million Baht and 208,000 shares worth 16.8 million Baht which is to build a power plant with a capacity of 3 and 2 Megawatts respectively.
- The Extraordinary Shareholder's Meeting No.1/2020 held on July 15, 2020 approved the reduction of the Company's registered capital from the original registered capital at 4,285,517,722.00 Baht to a new registered capital of 2,142,758,861 Baht and decrease the Company's paid-up capital from the original paid-up capital at 3,029,598,102 Baht to a new paid-up capital at 1,514,799,051.00 Baht by reducing the Par Value from 1.00 Baht to 0.50 Baht per share.
  - The Board of Director's Meeting No.11/2020 of 7UP held on July 23, 2020 approved the investment in the tap water production project in Phuket. In this regard, the transaction is an investment in Gold Shores Company Limited ("GS") by purchasing shares from World Honor Trading Company Limited ("the Seller") in the total of 2,296,779 shares at the total investment value of 550 million Baht with a share price approximately to 239.47 Baht per share equivalent to 36.00 percent of the
- The Extraordinary General Meeting of Shareholders No.2/2020 held on October 27, 2020 resolved the significant agenda as follows:
  - 1) Approved an additional investment in Gold Shores Co., Ltd. in the amount of 550 million Baht.
  - 2) Approved the increase of the Company's registered capital to reserve the exercise of conversion rights of convertible debentures at 425 million Baht.
- The Board of Director's Meeting No.17/2020 of Seven Utilities and Power Public Company Limited held on November 12, 2020 resolved that Ferrum Energy Co., Ltd. disposed of assets in ordinary shares of Eco Energy Group Corporation Co., Ltd. ("ECO") accounted for 99.87 percent of the registered capital or 52,375,434 shares worth 132 million Baht to TPC Power Holding Public Company Limited ("TPCH"), resulting in ECO terminated from the Company's subsidiary.
- On March 4, 2019, the C sign posted on 7UP's securities cause the shareholders' equity is less than 50.00 percent of paid-up capital for the yearly financial statements ending December 31, 2018. However, the C sign lifted on 7UP's securities on August 19, 2019 because the shareholders' equity is equal to 50.00 percent or more of paid-up capital for the financial statements quarter 2 ending June 30, 2019.



# Key milestones for the past 3 years



## Year 2019

- On April 9, 2019, a subsidiary company invested in ordinary shares of Universal Waste Management Co., Ltd. (“UWM”) at 30.00 percent of paid-up capital by operating in the business of



non-hazardous industrial waste treatment and disposal in landfills and dispose of hazardous waste through high temperature. The Extraordinary General Meeting of Shareholders No.1/2019 held on May 31, 2019 resolved the significant agenda as follows:

1) Approved the reduction of the Company’s registered capital at 243,296,181 shares from the existing registered capital of 3,272,894,283 Baht to 3,029,598,102 Baht by cancelling the unissued shares which were not allocated to accommodate the exercise of the Warrants to purchase the Company’s ordinary shares No.1, No.2 and No.3 totaling 243,296,181 shares.

2) Approved the issuance of the Warrants to purchase the Company’s ordinary shares No. 4 (7UP-W4) of up to 605,919,620 units.



3) Approved the increase of the Company’s registered capital of 605,919,620 Baht from the existing registered capital of 3,029,598,102 Baht to 3,635,517,722 Baht by issuing 605,919,620 newly issued

- On September 19, 2019, the Company approved to the disposition of assets in M Link Shop Co., Ltd. (“M-LINK”), a subsidiary company of 7UP at 60.00 percent of registered capital. After the disposition 7UP will hold ordinary shares of M-LINK at 35.00 percent, resulting in M-LINK will be terminated from a subsidiary company but still be the associated company of 7UP.

- On September 26, 2019, a subsidiary company invested in Energy Revolution Co., Ltd. (“ERV”) by purchase of 25,000 new ordinary shares of ERV which is accounted for 50.00 percent of the registered capital. After that on December 11, 2019, ERV increased the registered capital to 100 million Baht by reducing the shareholding proportion to 30.00 percent of the registered capital.

- On June 20, 2019, SET reclassified 7UP’s securities to its more appropriate industry group and sector from the industry group “Technology” and sector “Information & Communication Technology” to the industry group “Resources” and sector “Energy & Utilities”.

- On June 26, 2019, a subsidiary company invested in 2 Pracharat Biomass Power Plant for 3 Southern Provinces by purchasing ordinary share of Eco Energy Group Corporation Co., Ltd. (“ECO”) which is accounted for 76.92 percent of paid-up capital.



## Year 2018

- The Company has the paid-up capital of 3,029,598,102 Baht on February 28, 2018 as a result of the subscription of new ordinary shares of the exercise of Warrant No.3 (Last exercise).

- The Company changed its name on April 24, 2018 to Seven Utilities and Power Public Company Limited formerly Ferrum Public Company Limited and changed the symbol from “FER” to “7UP”

- In July 2018, the Company invested in the purchase of ordinary shares of Sam Water Supply Co., Ltd. (“SAM”) which is accounted for 80.00 percent of the registered and paid-up capital which operates the business in water treatment solutions by using Ultrafiltration and Ozone system for shrimp farming.

- On November 9, 2018, Star Gas Co., Ltd. established Star Petroleum Plus Co., Ltd. in order to support the expansion of oil and non oil businesses with the registered and paid-up capital of 20 million Baht and Star Gas Co., Ltd. holds 99.99 percent of shares.

- The Board of Director’s Meeting No.13/2018 of Seven Utilities and Power Public Company Limited held on December 7, 2018 resolved that Ferrum Energy Co., Ltd. disposed the ordinary shares of Mitprasong Greenpower Co., Ltd. (“MPG”) which is accounted for 62.63 percent of the registered capital to Smothong Group Co., Ltd. so this result in MPG terminated from the Company’s subsidiary.



- On December 11, 2018, M-Solution Co., Ltd. acquired shares of Informatix Plus Co., Ltd. which is accounted for 99.99 percent of the registered and paid-up capital. Informatix Plus Co., Ltd. operates as a distributor of ICT products and services including consultation, analysis, design, implementation of network communications systems and information security systems of all types.



## 2. NATURE OF BUSINESS

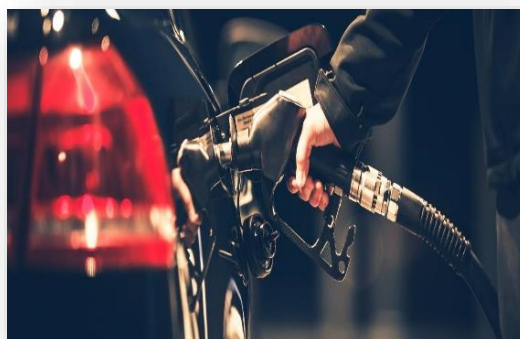
### 2.1 REVENUE STRUCTURE

Type of Business	2020		2019		2018	
	(THB million)	%	(THB million)	%	(THB million)	%
Gas and petrol service station	691.97	48.38	828.95	63.06	524.13	66.25
Telecommunications and Internet of Things (IoT)	358.45	25.06	134.87	10.26	84.03	10.62
Renewable energy	24.34	1.70	33.51	2.55	75.11	9.49
Utilities	44.42	3.10	28.38	2.16	0.00	0.00
Other income	311.19	21.76	288.77	21.97	107.93	13.64
<b>Total revenues</b>	<b>1,430.37</b>	<b>100.00</b>	<b>1,314.48</b>	<b>100.00</b>	<b>791.20</b>	<b>100.00</b>

### 2.2 NATURE OF PRODUCTS AND SERVICES

#### 2.2.1 GAS AND PETROL SERVICE STATIONS BUSINESS

The Company has invested and operated as a broker of LPG, NGV, petrol distribution business and invested in Non-oil business within the petrol service station area, the businesses generate revenue and profit through Star Gas Company Limited group which can be classified in the following categories



#### LPG SERVICE STATION BUSINESS

Star Gas Company Limited (“STG”) operates a retail business providing LPG to automobile in its own LPG service station or “COCO” (Company Own - Company Operate). Currently, there are a total of 23 service stations in Ayutthaya, Bangkok Metropolis and Vicinity located on the main highway road with an average of 10-15 years of right to rent the land which can operate the business with stability and continuously by providing LPG consumption consistently to consumers. There are two main customer groups which are residents in the servicing area and taxi drivers. STG focuses on building brand recognition by providing good quality gas and customer service in an affordable and competitive price, marketing and promotion that make customers more attractive such as drinking water campaign and co-promotion with premium products etc.

Moreover, STG another focal point is rental area within the gas stations by cooperated with shops such as car wash, coffee shop and convenience store together with the consideration of stations' security and cleanliness of the restrooms in order to meet customers' satisfaction.



## LIST OF 23 LPG SERVICE STATIONS IN THE 5 SERVICE AREAS

Service area	Name of LPG service station	Location
Phra Nakhon Si	1 Sunshine	28/3 Moo. 8 Chiang Rak Noi, Bang Pa-In
Ayutthaya	2 Mungkorn Siam	65/1 Moo. 4 LumSai, Wang Noi
	3 Lim Bang Ban	41/2 Moo. 3 PhraKhao, Bang Ban
	4 Lim Bang Pa Han	75 Moo. 4 Han Sang, Bang Pahan
	5 Lim Ma Mai	37 Moo. 3 Baan Koh Rd, Baan Koh
	6 Lim Wang Noi	18 Moo. 2 Chamab, Wang Noi
	7 Lim Sena	43 Moo. 3 PhraKhao, Bang Ban
	8 Lim Ayothaya	45 Moo. 3 Ta Nim, Bang Pahan
	9 Lim Asia	74 Moo. 5 Han Sang, Bang Pahan
	10 Siam Sap Rung Rueng	69/1 Moo. 3 Khayay, Bang Pahan
	11 Siam Asia	170/2 Moo. 2 Bo Phong, Nakhon Luang
Bangkok	12 Thupatemi	315/3 Moo. 6 Phaholyothin Rd., Sai Mai, Sai Mai
Metropolis	13 J.R. Gas Corporation Co., Ltd.	691/5 Luang Phang Rd., Thap Yao, Lat Krabang
	14 Na Siammedee Co., Ltd.	101 Seri Thai Rd., Khan Na Yao, Khan Na Yao
	15 Rung Rueng Rum Ruay Rung Roj Co., Ltd.	56/4 Moo. 6 Lam Phak Chi, Nong Chok
	16 Lim Suwinthawong Co., Ltd.	340 Suwinthawong Rd., Saen Saep, Min Buri
	17 Siam Sirivanich Co., Ltd.	123/1 Ramkhamhaeng Rd., Min Buri, Min Buri
Pathum Thani	18 Klong Luang	18/9 Moo. 6 Klong Si, Klong Luang
	19 Nam Pa Ruay Co., Ltd.	88/88 Moo. 5 Baan Klang, Muang Pathum Thani
	20 Lim 347	59/5 Moo. 4 Chiang Rak Noi, Samkok
Nonthaburi	21 Pibulsongkram Pa Ruay Co., Ltd.	9/9 Moo. 8 Pibulsongkram Rd., Suanyai, Muang
	22 Lim Phraram 5	8/1 Moo. 1 Bang Pai, Muang Nonthaburi
Samut Sakhon	23 Siam Big Gas	39/8 Moo. 2 Setthakit Rd., Na Dee, Muang



## MARKETING AND COMPETITION FOR THE LPG SERVICE STATION INDUSTRY

Due to the demand of LPG customers' consumption for petrol station service has continued to decline in the past five years together with the impact of the Coronavirus pandemic 2019 (COVID-19). As a result, consumers have reduced the use of vehicles which will affect the income of LPG service stations.

Moreover, there is a rather high competition so

the Company distributes LPG at a reasonable price to customers and create an impression including organizing promotional activities to motivate the Company's customers relying on the service of the Company as the first priority in order to maintain profitability for the Company.



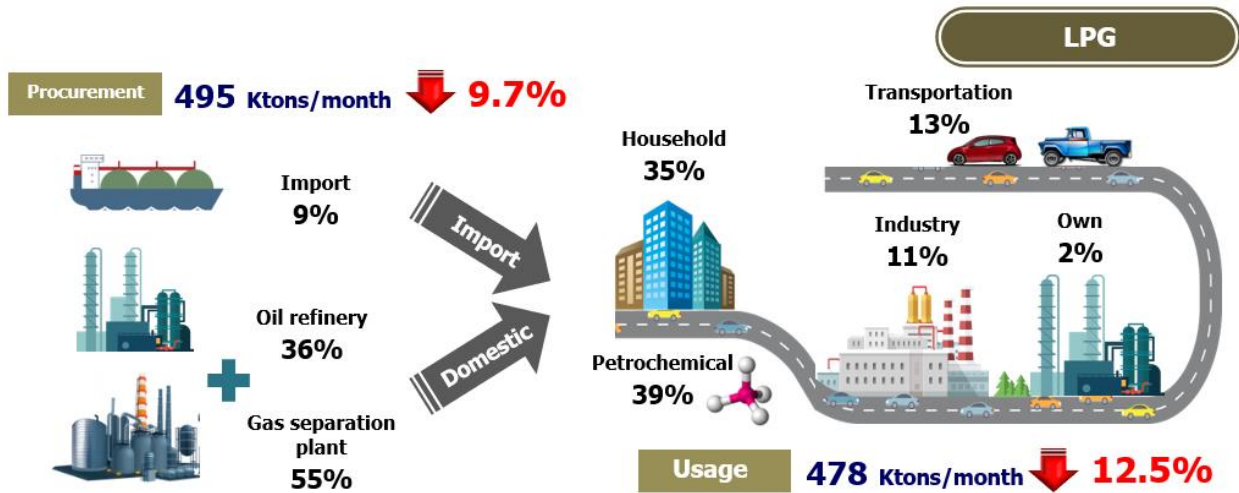
According to the global economic slowdown during the past year, LPG usage accounted for 4.00 percent of the fuel used in the land transportation sector. The usage decreased continuously by 26.70 percent. Though, at the end of November 2020, there are approximately 760,000 registered LPG installed vehicles, most of 97.00 percent are vehicles that use LPG with gasoline and in the

first 11 months of 2020, the average of new registered LPG vehicles is 251 vehicles per month, while the average retail LPG gas price is 19.59 Baht per kg or 10.58 Baht per liter.

However, the current price of crude oil recovering and increasing which will benefit the usage of LPG in transportation sector that is still cheaper than fuel consumption with the attractive saving gap, if the oil price is on the rise so the saving gap will increase consequently.



**LPG DEMAND OF VARIOUS INDUSTRIES IN THE COUNTRY** According to the Energy Policy and Planning Office, the Ministry of Energy illustrated that in the year 2020, Thailand produced and imported about 5.8 million tons per year of LPG which is down 12.50 percent from the year 2020 because LPG will be used as raw materials for various economic sectors such as petrochemicals, transportation, industrial and household sectors are divided into the following proportion:



Source: Energy Policy and Planning office (EPPO), the Ministry of Energy, data year ended 2020

The price structure of LPG consists of two parts which are wholesale price from refinery and retail price.

- The wholesale price of the refinery consists of the price at the refinery or the price at the gas separation plant, import price, excise tax, municipal max, oil fund and value added tax.
- The retail price consists of the wholesale price at the refinery, marketing fee and value added tax.

Due to the Coronavirus pandemic in the past year, the Company's sales dropped which makes the LPG consumption has been reduced. In the first quarter of 2020, LPG consumption dropped to 0.901 million tons or about 6.40 percent reduction from 0.962 million tons in the same period last year.

The Company believes that the Liquefied Petroleum Gas (LPG) business will continue to be competitive especially in transportation sector. Over the years, the LPG demand have constantly decreased which is the consequence of the world oil price dropped to an average of 55-65 US Dollars per Barrel, previously higher than 100 US Dollars per Barrel. As a result, some consumers turn to use more fuel. However, the spread of the Coronavirus affects in global economic activity caused by

a sudden shorten and result in the global economy into recession as well. The sales volume of LPG service stations in the year 2020 was down slightly from the year 2019 to 3.32 million kg. per day.

However, in the year 2021, Dubai crude oil price is predicting to rise up approximately at 55-60 US Dollars per Barrel compared to the year 2020 and the Singapore Gross Refinery Margin is average at 1.5-2.5 US Dollars per Barrel which was fluctuated due to the good sign of vaccine development against COVID-19, International economic stimulus measures and trends in the use of renewable energy so the oil price will increase in early 2020. If the world oil price is rising continuously so this will cause the demand for LPG to be persistent.

The LPG gas station industry is fragmented with most entrepreneur operates as distributors through Dealer Own Dealer Operate (DODO) such as PTT, Siamgas and Petrochemicals, Worldgas which usually choose the main road location because of the high number of users will compete on the same road location or in the same community area which most consumers tend to choose to refill the existing service stations that are frequently refilled.

If comparing the entire country, STG has a relatively small market share. However, the scope of competition in the provinces where the service stations of STG are located, the market share will be ranked first, STG is well-known and be the number one of market share in Ayutthaya while the competition in the Bangkok Metropolis area is quite limited since the business operation license has not yet been added to new entrepreneur and operates as owner of service station or Company Own Company Operate (COCO), enabling STG to gain Economies of Scale compared to other competitors. Besides, there are also various marketing strategies to get new customers and maintain existing customers such as lottery campaign, drinking water, clean restrooms and a variety of stores to serve such as coffee shops, minimart, tire repair shop, etc.

### **NGV SERVICE STATION BUSINESS**

Tawatpinyo Company Limited (“TWP”) operates NGV business under the type 3 management agreement with PTT Public Company Limited (“PTT”), in which PTT will be an investor in the station and responsible for all product costs. In respect of TWP, will receive revenue from PTT in the form of station management fee and use of land. Currently, there are two stations namely Rama 2 inbound and Rama 2 outbound.



### MARKETING AND COMPETITION FOR THE NGV SERVICE STATION INDUSTRY

The usage of NGV in the domestic transportation sector is still less popular than LPG because the cost of installing vehicle is quite expensive and it takes more times to fill up at the service stations. The installed vehicle cost of NGV is around 32,000-60,000 Baht/car compared to installed vehicle cost of LPG is 22,000-40,000 Baht, while the average NGV filling time is around 10-15 minutes compared to LPG for only 5-7 minutes. As a result, there are relatively small number of 487 service stations, most of them located in Bangkok Metropolis. Causing NGV equipped cars with NGV to encounter difficulty in find service stations. In addition, the Ministry of Energy's regulation prohibits NGV service stations near communities and requires a lot of space for the construction of compressor buildings and allowing NGV vehicles to enter and exit so this causes the station construction costs of NGV higher than LPG 1-2 times.

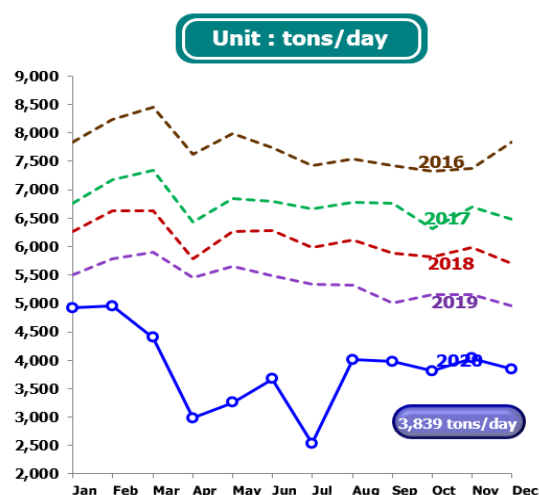
### MARKETING FOR THE NGV SERVICE STATION INDUSTRY

In the year 2020, the sales volume of NGV decreased 21.60 percent and the proportion of NGV gas is 5.00 percent of the fuel consumption in the land transport sector. In consequence of the usages decreased 28.10 percent, the travel was reduced which consist of the consumers turn back to use fuel due to the lower oil price and the service stations are more thorough than NGV. So, as the end of November 2020, there is an average of 3.5 hundred thousand registered NGV vehicles and most of the 83.00 percent are vehicles that use NGV with gasoline. During the first 11 months of 2020, there are an average of 648 newly registered NGV vehicles per month and the average retail price of NGV is 14.79 Baht per kg.

However, TWP, a subsidiary Company, have maintained their income levels and Company performance. Also, the construction investment has no risks because the Company has made the type 3 management agreement with PTT by receiving management and rental fees without the investment of the construction.

### AVERAGE SALES VOLUME OF NGV IN 2020

Year	Average sales volume of NGV (tons/day)
2014	8,806.95
2015	8,452.26
2016	7,734.61
2017	6,752.84
2018	6,137.45
2019	5,146.00
2020	3,839.00



Source: Energy Policy and Planning office (EPPO), the Ministry of Energy



### **PETROL SERVICE STATION BUSINESS**

Star Petroleum Plus Company Limited, a subsidiary Company of STG has acquired the leasehold rights of land and buildings for the six initial petrol service stations, helping to strengthen the business base from the current LPG / NGV service station business to petrol service station with good marketing value for the business



including enter to non-oil business that offers an attractive return on investment, generate stable income in the long term. There are currently 6 operating service stations as follow:

1. Chao Pluk Station, Amphoe Maha Rat, Nakhon Si Ayutthaya
2. khao jeen lae Station, Phra Phutthabat, Saraburi
3. Khanu Station, Saen To, Khanu Worakabsaburi, Kamphaengphet
4. Tak Airport Station, Nam Rim, Muang Tak, Tak
5. Tak-Lampang Station, Mai Ngam, Muang Tak, Tak
6. Klong klung station, Tha Phutsa, klong klung, Kamphaengphet

### **FUEL CONSUMPTION IN THE DOMESTIC LAND TRANSPORT SECTOR**

The fuel consumption in land transport sector is 22,891 thousand tons equivalent to crude oil equivalent dropped 5.30 percent from the same period last year. The usage of fuel in the land transport sector decreased in overall fuel markets. By the end of November 2020, there was a total of 41.4 million registered vehicles in Thailand and the cumulative new registered vehicles during the first 11 months of 2020 was approximately 2.5 million vehicles or an average of 2.2 hundred thousand vehicles per month.



For diesel fuel consumption, the highest percentage of usage is 57.00 percent of the fuel consumed in the land transport sector, reduced by 3.00 percent. By the end of November 2020, there was a total of 11.6 million registered diesel vehicles and most of them were private trucks (6.5 million vehicles). In the first 11 months of 2020, there was approximately 5.4 hundred thousand new registered diesel vehicles or an average of 4.9 ten thousand vehicles per month which slow down compared to the same period last year.

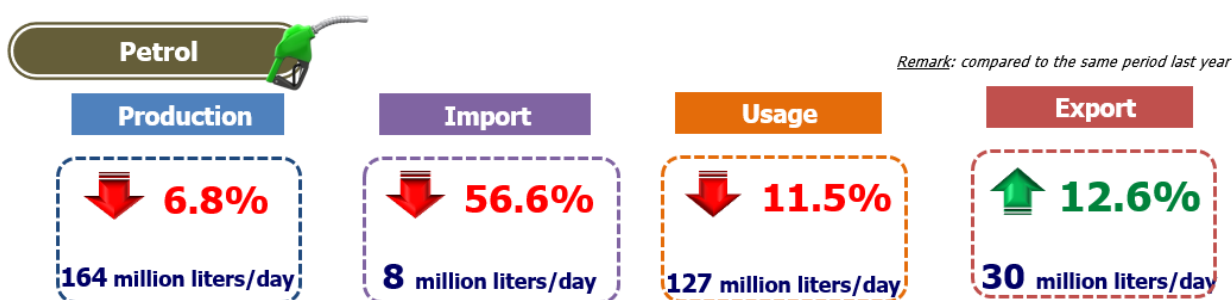
For the usage of gasoline accounted for 34.00 percent in the land transport sector with a 1.50 percent dropped from the same period last year while the amount of usage in May 2020 increased steadily. After lift the lockdown of Covid-19 affect to the department stores, restaurants, and hotels began to open and people started to travel during long holidays. By the end of November 2020, there was a total of 28.4 million registered gasoline vehicles, most of them were motorcycles (21.4 million) and seven passenger vehicles (6.4 million vehicles). In the first 11 months of 2020, there was approximately 1.7 hundred thousand new registered gasoline vehicles which slow down compared to the same period last year as same as the diesel sector.

### MARKETING AND COMPETITION FOR THE PETROL SERVICE STATION INDUSTRY

According to IHS report on January 2020, the global petrol demand in 2021 expects to increase by 5.9 million barrels per day to 96.9 million Barrels per day. Due to Covid-19 global economic recovery, the oil price in 2021 is gradually increase in global demand as well as OPEC+ capacity control measures. Member countries reached an agreement to downsize outputs at 7.2, 7.125 and 7.050 million barrels per day for January, February and March, respectively. In addition, Saudi Arabia announced to reduce production capacity from February to March by 1 million barrels per day. Meanwhile, the price pressure is still persisting from OPEC+ outsource that may resume if oil price rises.

The Company estimated that if Thai citizens are vaccinated against the Covid-19 by 2021. The oil demand, operating results and profits are significant increase because oil considered the essential fuel for industries and people's livelihoods nowadays.

### OVERVIEW OF PETROL PRODUCTION AND USE IN THAILAND IN 2020



Source: Energy Policy and Planning office (EPPO), the Ministry of Energy

## NON-OIL RETAIL BUSINES

Tawatpinyo Company Limited (“TWP”) operates the non-oil retail business including (1) Food and beverage business consists of Café Amazon and (2) other businesses under non-oil retail business are convenience store businesses and facility management business.



The Company operated coffee shop and convenience store business by selling through store network located in the service station and through standalone located outside the service station. The Company sell coffee, other beverages, bakery, and snacks under the brand "Café Amazon"



which is the Company owned franchise. The Company planned to expand three more branches by 2021 and operate facility for rent in the Company's network of service stations and other areas under the management of the Company such as rest area for third parties' businesses and brands as well.



## MARKETING AND COMPETITION FOR THE NON-OIL RETAIL BUSINESS INDUSTRY

Nowadays, the coffee market especially freshly brewed coffee tends to grow continuously. The main factor is the low consumption rate of freshly brewed coffee compared to many countries, Thai's average consumption rate is about 1.2 kilograms per person per year which is lower than European where consumption records are around 4-5 kilograms per person per year. Whereas Japanese people consumed about 3 kilograms of coffee per person per year, this figure reflects that the freshly brewed coffee market is still a great opportunity to grow to 10.00 percent per year. While the competition is still aggressive steadily as well because there are many competitors



Source: Publication department, THE STANDARD and Annual Report of PTT Public Company Limited

In 2020, Thais' average coffee consumption was 300 cups per person per year less than the average number in developed country like Japan, consumed about 400 cups per person per year or the European consumed about 600 cups per person per year. Thus, the opportunity of the Thai coffee industry has potential growth constantly. Moreover, the government and private sectors are significantly collaborated to develop the Thai coffee industry both quality and quantity from upstream to downstream and drive it to a new economic crop after the growth of the Thai coffee market reached 30,000 million Baht.

However, the Company has run gas and petrol service stations at the beginning, the coffee shop is another business to fulfill the service to satisfy customers. Also, this helps to expand the opportunity to increase income for the Company from other business units while gas service has been declined in service adoption over the past several years.

Moreover, the Company is looking for locations to operate a coffee shop under the Café Amazon brand outside gas and petrol stations as an opportunity to increase income and profits for the Company under other business groups which are still able to grow as well.



## ACQUISITION OF PRODUCTS

**LPG** - Star Gas Company Limited procures LPG from the oil merchant section 7 such as WP Energy Public Company Limited and Orchid Gas (Thailand) Company Limited by R.A. Logistics Company Limited to carry out transportation which will transport directly from the oil merchant section 7 to the LPG service station of the Company group, other service stations and factories by working together with modern inventory management systems, route planning for punctual transportation and effective cost management. There is also a hall effect system for checking and reading gas level, track the number and status of tanks that are in the system for delivery planning and order quantity in accordance with customer requirements. Moreover, there will be a notification by email on time required at the minimum stock level to order gas from the oil merchant section 7 efficiency.

**NGV** - Tawatpinyo Company Limited is a partner in procurement of NGV with PTT Public Company Limited, a leading national energy Company by conducting a full range of natural gas and petroleum business. However, the Company signed with PTT in procuring NGV natural gas for 30 years so the Company has no concerns about the procurement of resources.

**PETROL** - The Company has entered into a petrol station franchise business agreement with PTG Energy Public Company Limited, a national energy business leader by agreed to supply petrol resources to the service stations operated by Star Petroleum Plus Company Limited for 30 years. In addition, PTG has a guarantee of profits that the Company will maintain received during the global oil price crisis as well.



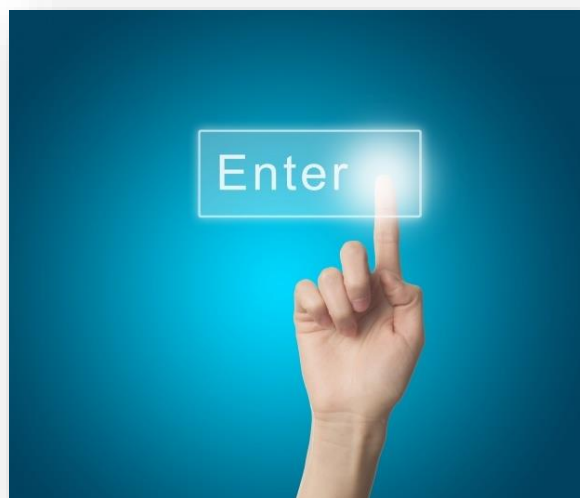
**Café Amazon business** - The Company runs business as a franchise with PTT Oil and Retail Public Company Limited which are raw material supplier and the main sources of food and beverage products for the Company. The coffee bean supplies are from the local in Thailand, the Royal Project Foundation, Sarn Palung Social Enterprise Company Limited, community enterprises and co-operatives for supporting the communities and farmers for coffee planting including other coffee bean suppliers. There are inspectors from the process selection and purchase of raw coffee beans that meet the quality standards set by the Café Amazon coffee roaster such as selecting raw coffee beans to the coffee roasting process, checking the quality to meet the standards before packing and distribution to customers. Currently, there is a collaboration with the Royal Project Foundation in conducting research and development projects for planting and producing coffee under the natural resource conservation system for sustainable development. Furthermore, the Company ran a project co-operating with Sarn Palung Social Enterprise Company Limited to promote the hill tribe farmers in Thailand to develop higher quality and standard coffee planting under the natural resource conservation. Then, the Company will purchase products from the farmers to increase their ability to produce coffee in line with business growth.



For other raw materials related to Café Amazon such as sweetened condensed milk and evaporated milk, mixing powder for drinks, glasses and straws. The Company procures them all from potential domestic manufacturers who are well-known in the industry. The manufacturer has collaborated to develop unique product quality according to the Company's consultants and requirements. Normally, Café Amazon does not sign long term contract with particular suppliers because the Company believes that there are alternative sources for most products sold by the Company.

## 2.2.2 TELECOMMUNICATIONS AND INTERNET OF THINGS (IOT) BUSINESS

Company and subsidiaries have been doing business in the telecommunications group for a long time which are specialized radio communication systems which provide communication services for specific groups. To be able to communicate with one another in the same frequency band the company has been trusted to use and install from government agencies and private business groups nationwide. In the past, many brands have used technology that is considered the world market leader, so they can build trust among users which can be divided products into 2 major telecommunication groups which are



**Wireless Communication** such as Mission–Critical Communication Networks/Device, Two Way Radio, Secured Communication, System Design, System Integration & MA, Antenna, Tester & Measurement Equipment, Dispatch Console for Two Way Radio System and UC (Unified Communication).

**Monitoring & Navigation System** such as VOR/DVOR (Doppler VHF Omni-directional Range), DME (Distance Measuring Equipment), DF (Direction Finder) and ILS (Instrument Landing System).

The Company has also expanded the sales of Internet of Things (IoT) products and services, which are devices that play an important role in consumers' daily lives today. The Company has various IoT strategies that can connect everything and allow users to control the use of various devices via internet network. The Company focuses on equipment that are more efficient compared to general IoT strategies. Details of the IoT product lines are as follows;

1. **Surveillance and Security System** such as Infrared Surveillance System, Analytic Software & CCTV system, Panorama CCTV System and Security Scanners.
2. **Security Solution** such as Drone & Anti-Drone, FOD & Sweeper, CFME & Water Blaster and GPS Tracking.

In the past, the Company has focused on selecting quality products. For the goal of becoming a business partner with many leading products such as MOTOROLA, Rohde&Schwarz, Zetron, Vertex Standard, Huawei, etc., to cover the needs of the same target industry including new industry groups such as logistics, transportation, aviation. The product strategy has expanded in the line of radio communications, signal measuring device, existing telecommunications equipment including the addition of product lines for IOT equipment, software applications and maintenance services.

In addition, M-Solution Company Limited has also received a license to import industrial products that have a royal decree to meet Thai Industrial Standards Institute (TISI) for distribution in the Kingdom. The Company is able to import various types of secondary battery products for distribution which is considered to expand opportunities and channels to distribute battery products to customers quite high. This is because the battery is one of the primary parts customers buy repeatedly. In comparison with competitors, only a handful of companies are able to obtain a license to bring such products to sell in Thailand so it is considered a competitive advantage that the Company has a license to import to sell mentioned products.

#### Business Partners



Regarding the affiliated companies, Informatix Plus Company Limited has similar business operations to M-Solution Company Limited by engaging in information technology, information and communication technology services. Beginning as a consultant, analysis, design, installation of all types of communication, network communications and information security systems. Also, there will be a system integrator for certain types of work which can adjust following to customer needs and suitability for usage. Especially, the corporate customers who have considered various

factors such as data security control and inspection including be the owner of the Mobile Technology product. There are 4 positions regarding product operation which are

- **Patent owner** Ownership of copyrighted products
- **Distributor** Being a primary distributor of products
- **System Integrator (SI)** Being a product sourcing collector from a business partner
- **Research and development (R&D)** Product development from research studies

Moreover, the Company also provides security installation services, installing CCTV and receiving pole installation fiber optic cable for government and private sectors. The service scope has also been expanded both in Thailand and overseas in the ASEAN region as well.

### **MARKETING AND COMPETITION IN TELECOMMUNICATIONS INTERNET OF THINGS (IOT) BUSINESS**

In 2020, data from Office of The National Broadcasting and Telecommunications Commission (NBTC) revealed that the survey of communication and internet markets totaled 605,108 million Baht dropped 2.30 percent compared to 2019 at a value of 619,143 million Baht which can be divided into 2 parts:



1. Communication equipment market consists of a phone, main network equipment, wired communication equipment and wireless communication equipment worth a total of 250,021 million Baht decreased 4.80 percent from the year 2019 at a value of 262,705 million Baht.

2. Communication service market consists of fixed phone service, mobile phone service, fixed internet service, international phone service and data communication services worth 355,087 million Baht decreased 0.40 percent from the year 2019 at a value of 356,438 million Baht.

Communication Market is essential to our country either in economic or society because communication is necessary for all sectors or even in everyday life. As the advances in communication technology has significantly changed the forms of the

current and the future communication so the market value has high tendency to grow tremendously.

There are factors driving the market in this year such as the government policy that promote equality to access digital communication that Thai people are able to leap into the digital age. In addition, consumer behaviors have changed to use more online media both in business operations and daily life. Moreover, the use of mobile phone instead of fixed phone has been increased including more online transactions.

However, the investment in communication equipment market is constantly growing. Private sectors have invested to support and increase efficiency for internet usage as well as for information communication service such as data center and cloud service which are expected to be in high demand especially in the business sector. Moreover, consumers are in the habit of using mobile phones switching from feature phones to smartphones instead.

### **ACQUISITION OF PRODUCTS**

The Company is committed to provide quality products and services, modern at a fair price to meet the needs of customers in both government agency and private sector. The products of the Company are manufactured from certified factories in accordance with international standards. The Company is both a direct importer and distributor of world's leading brand such as Motorola, which has been appointed as a distributor and service center from Motorola Inc. for Trunk Radio products since 2003 and appointed as a distributor for leading brands such as Intellivision, ZETRON, HUAWEI, VERTEX STANDARD, TELTONIKA, LINYANG, J-SOLAR.

In addition, the Company also focuses on enhancing the skills and expertise of engineers to meet international standards with internal training for employees to transfer knowledge and new information technology including the continual expansion of knowledge from studying new technologies in foreign countries in order to enhance the knowledge and expertise of the Company's personnel which will lead to added value and to build the confidence of the Company's customers in the long run.



### 2.2.3 RENEWABLE ENERGY BUSINESS

The Company established a subsidiary company to operate renewable energy business which is a business that can generate sustainable income for the Company in the long run both from the generation and distribution of electricity to the government and energy-saving equipment business with details and project progress as follows

#### 1) Biogas Power Plant

In 2016, a subsidiary company namely Ferrum Energy Company Limited invested in the 2 Megawatts biogas power plant business by purchasing ordinary shares of Phrasaeng Green Power Company Limited representing 60.00 percent of issued and paid-up shares.

Phrasaeng Green Power Company Limited is located at Sin Pun sub-district, Phrasaeng district, Surat Thani province operates the electricity generation and distribution by using wastewater from a palm factory as raw materials. The Provincial Electricity Authority is the buyer under the Power Purchase Agreement (PPA) with the purchase capacity not exceeding 2 Megawatts. The said power plant has been completed and began selling commercial electricity at Commercial Operation Date (COD) April 2016 and received adder for Very Small Power Producer (VSPP) at the rate of 0.30 Baht per kilowatt-hour which support 7 years period from the date of Commercial Electricity Distribution (COD).

Moreover, it has been promoted by the Board of Investment (BOI) with important benefits: An exemption of corporate income tax for a period of 8 years and thereafter that will receive an additional 5 years juristic person income tax deduction.



*Biogas pond, Phrasaeng Power Plant, Surat Thani Province*

**ACQUISITION OF PRODUCTS**

Phrasaeng Green Power Company Limited procures raw materials for biogas power plant by using wastewater and palm oil sludge from the crude palm oil production to produce biogas for electricity generation. The subsidiary company entered into a wastewater supply contract with a crude palm oil producer located near the power plant with the duration of the supply contract wastewater throughout the life of the power purchase agreement in order to manage transportation costs to the lowest. In addition, the subsidiary company is aware of increasing generation efficiency and using raw materials to maximize benefits by designing various parts of the power plant in accordance with and suitable for various generation processes of the power plant.



*BIO GAS from palm oil*

Moreover, the power plant business under the management of Eco Energy Group Corporation Company Limited procures raw materials to biomass gas power plant by using wood waste or slab, rubber left over from sawmill and left in forest plantations for electricity generation. The subsidiary company entered into a raw material procurement contract with a sawmill located near the power plant with the duration of the contract for the supply of wood chips or rubber wood slabs throughout the life of the power purchase agreement in order to manage transportation costs as low as possible. Furthermore, the subsidiary company is aware of increasing production efficiency and using raw materials to maximize benefits. There is a plan to measure the fuel consumption during the



electricity generation of the two biomass power plants and the design of various parts of the power plant in accordance with suitable for the generation process of the power plant.



## 2) Biogas Community Power Plant Project in Southern region

Seven Utilities and Power Public Company Limited (“7UP”) has invested in ordinary shares of P P L Power Company Limited (“PPL”) and BIO Energy Satun Company Limited. (“BES”). There is entered into the transaction is an investment of Energy For Society Company Limited (“EFS”) which EFS is a subsidiary of 7UP, 7UP holds 99.99 percent of the shares in EFS. The acquisition of the transaction is purchased by ordinary shares of PPL in the proportion of the registered capital 80.00 percent or 120,000 shares in the value of 13.2 million Baht. There is a project power plant construction with a capacity of 3 Megawatts, the project value of approximately 176.60 million Baht and acquired 80.00 percent of BES's registered capital or 208,000 shares at a value of 16.8 million Baht.

BIO Satun Biogas Community Power Plant Company Limited, an affiliated company of BIO Energy Satun Company Limited and partners with palm oil mill of Satun Industries Company Limited, Satun province has installed capacity of 30 tons FFB per day. There is a lot of palm wastewater (POME) and wasteful agricultural materials such as decanter cake and empty fruit bunch (EFB) in each day. The Company has considered to bring wastewater or pome or empty fruit bunch to be fermented together with energy crops like Napier grass which will be the main raw material that the Company will purchase from community enterprises around this area. According to the process, all wastes will become fuel for biogas generators to generate electricity and distribute to the Provincial Electricity Authority (PEA) with a total production capacity of 2.2 Megawatts and sold to PEA 2.0 Megawatts.



*Location of the BIO Satun Biogas Community Power Plant Project*

*No. 58 Moo.10, La-ngu Sub-district, La-ngu District, Satun province, the power plant area is approximately 8 rai.*

P P L Khlong Thom Biogas Community Power Plant Company Limited is a subsidiary company of P P L Power Company Limited has installed capacity of 60 tons FFB per day. There is a lot of palm wastewater (POME) and wasteful agricultural materials such as decanter cake and empty fruit bunch (EFB) in each day. The Company has considered to bring wastewater or pome or empty fruit bunch to be fermented together with energy crops like Napier grass which will be the main raw material that the Company will purchase from community enterprises around this area. According to the process, all wastes will become fuel for biogas generators to generate electricity and distribute to the Provincial Electricity Authority (PEA) with a total production capacity of 3.5 Megawatts and sold to PEA 3.0 Megawatts.



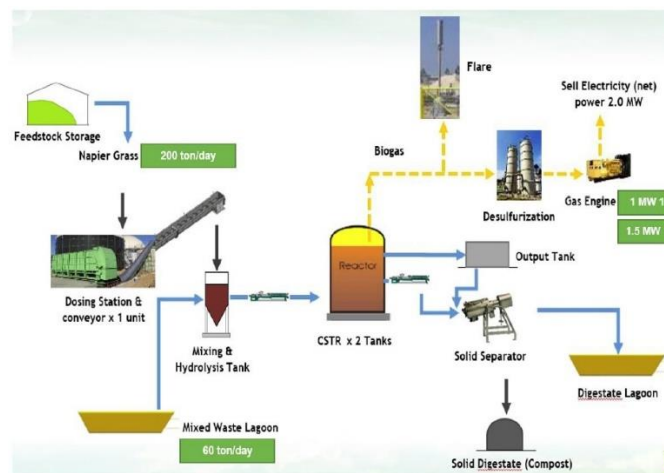
*Location of the P P L Khlong Thom Biogas Community Power Plant Project, Khlong Thom.*

*No.99/9 Moo. 2, Phe La Sub-district, Khlong Thom District, Krabi province 81120,*

*the power plant area is approximately 8 rai*

**ACQUISITION OF PRODUCTS** This project can provide the raw materials like Napier grass and waste materials from farmers and the palm oil mill around that area. Therefore, the Company has expected that people and farmers who will benefit from this project will be at least 500 households each year.

Moreover, BIO Energy Satun Company Limited has aimed to develop sustainability for the community and reduce the environmental impact by producing biogas from the crude palm oil extraction process. The wastewater treatment system has been designed to use free anaerobic process in the treatment of upstream wastewater with 9,000 cubic meters for 1 biogas pond and another one of 6,000 cubic meters working in parallel, it can support the wastewater produced from the production process of 300 cubic meters per day. The COD value of this treatment pond is about 65,000-75,000 mg per liter, effectively reducing the COD value at 85 - 90 percent. According to this process, the biogas was stored in PVC plastic which can keep the biogas all day to be used for reforming renewable energy in the future. The wastewater that was released from the system still contains high organic concentration value so the treatment was continued with two open aerobic ponds which is facultative pond and reservoir pond. After the treatment, there will be no wastewater released into natural water sources. The factory will pump water for the palm plantations around the factory instead of using fertilizers in various plants.



*Details of the plant power generation system of the project*



*The feedstock for electricity generation is Napier grass and decanter cake*

The Company has expected this investment will contribute to generate income and profits for the Company in long term which has benefited on the company's performance. Furthermore, it is also a work scope expansion in the renewable energy business to diversify the business risks and in accordance with the Company's business expansion plans which is currently in the process of submitting a Power Purchase Agreement (PPA) with the Provincial Electricity Authority.

### 3) Energy-saving equipment business

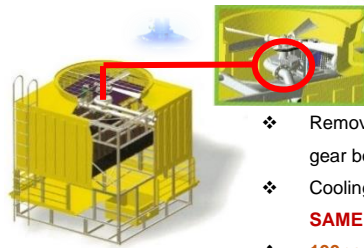
The Company invested in energy-saving equipment business, Hydro Turbine in Energy Revolution Company Limited ("ERV") through the acquisition of ERV shares currently holding 385,000 shares representing 38.50 percent of ERV's registered capital and ERV plans to invest in the cooling tower installation project in the industrial sector, office buildings, hotels and shopping malls.

ERV is a leader in energy saving innovation for cooling tower systems in the industrial sector that has been granted a petty patent from the Department of Intellectual Property with experience in mechanical work in both engineering and construction. Some of the Company's business experiences are the design and construction of hydro turbines and the installation of pipelines in factories.

The general operating system of the cooling tower is responsible for cooling the circulating cooling water distribution system continuously for the main condenser or heat generating systems to reduce system such as turbine systems and auxiliary systems (turbine bypass systems), various cooling systems in this process, the coolant will heat up and then this heat energy will be released into the atmosphere through the cooling tower by using electric motors.

ERV has invented the energy saving innovation of the cooling tower by using the form of water power to help called the Hydro Turbine cooling tower. The difference between a general cooling tower is that a general type cooling tower uses a motor to spin the fan while this type of cooling tower uses the energy of the remaining water in the system to drive the impeller of the cooling tower through the hydro turbine, this innovation cooling tower has the following advantages:

- Energy savings due to the lack of a motor for propellers by saving 100.00 percent of electricity.
- Reduce maintenance and repair costs for a wide variety of motors and transmission equipment including saving labor for maintenance and reduce maintenance time.
- Reduce vibration / lower noise without power unit and motor sets.



- ❖ Remove motor, driving shaft and gear box
- ❖ Cooling performance is **THE SAME**
- ❖ **100percent energy-saving**

**Existing Cooling**

The industrial business in Thailand such as power plant, general factory, industrial estates and buildings have the cooling tower system that still uses general motors which will have the cost of electricity and maintenance fees to a hundred thousand Baht value up to a million Baht per year depends on the size of the cooling tower in each industry, ERV's Hydro Turbine Cooling Tower as resulting in energy saving problems that can save motor electricity costs by up to 100.00 percent and reduce the maintenance cost of the cooling tower system. In addition, the renovation of the existing cooling tower system using a motor to Hydro turbine system, ERV also plans to produce and install a cooling tower system that works with the innovative Hydro Turbine for the markets, factories and office buildings that is about to build a new one which aside from saving energy and also helps to reduce the cost of electrical equipment and the installation cost of the project.

**HYDRO TURBINE SITE REFERENCE**  
 1) Thai Synthetic Rubber : 1 Cell (90 KW → Save 2.7 MB/Year)

Parameter	Existing Fan speed (Motor)	Hydro Fan @ Operating speed
Fan speed	168 RPM	168 RPM
Flow rate (Ultra clamp)	3700 m3/h	3550 m3/h
Head at discharge pump	2.7 kg/cm2	2.94 kg/cm2
Ampere cooling pump	22 A	21.5 A
Temp. water Supply / Return	29 / 35	29 / 35

**HYDRO TURBINE SITE REFERENCE**  
 2) UBE Chemicals Asia : 3 Cells (310 KW → Save 9.4 MB/Year)

3) Phoenix SCG : 1 Cell (90 KW → Save 2.7 MB/Year)

4) Small CT @ PANTIP Plaza (7.5 KW → Save 0.2 MB/Year)

*An example of the installation of an innovative Hydro Turbine cooling tower of ERV's customers*

*Business Partners*



*Current ERV's customers*

The Company predicts that the energy saving technology of the innovative cooling tower Hydro Turbine has attracted the attention of both the public and private sectors especially in the industrial sector which is considered an important variable in cost management. All parties have given importance and realized the benefits and continuously invented innovations in energy saving including energy-saving technology related to cooling systems. Cooling tower is another interesting thing to invest, ERV has expertise in this area and the innovative Hydro Turbine cooling tower has been granted a petty patent from the Department of Intellectual Property of Thailand. Therefore, the Company realizes the benefits of expanding and developing the energy business both domestic and abroad including petty patent registration in foreign countries such as ASEAN and countries that give confidence in energy-saving devices for the long-term benefits to joint venture in this business.



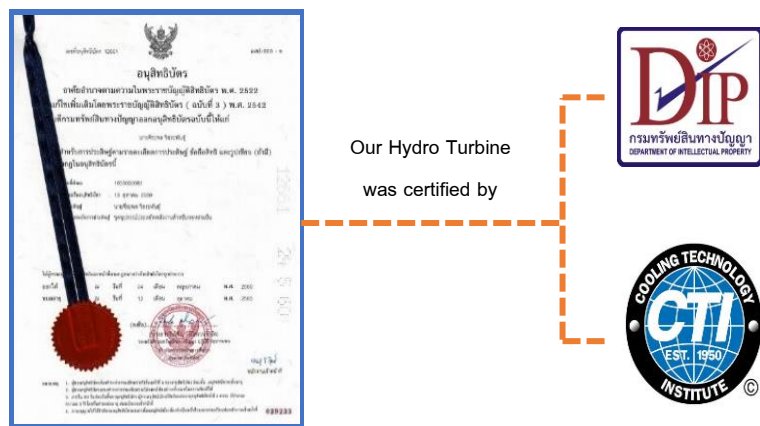
*Target countries for expanding the market in energy-saving equipment*

**MARKETING AND COMPETITION**

The electricity generation and distribution business from renewable energy is a business that does not compete with other businesses. Since all electricity produced by the power plant will be distributed to the target customers namely Metropolitan Electricity Authority, Provincial Electricity Authority and the Electricity Generating Authority of Thailand. For Phrasaeng Green Power Company Limited, a subsidiary company operates biogas power plant with a capacity of 2 Megawatts and target customers is Provincial Electricity Authority (PEA) along with the Power Purchase Agreement (PPA) jointly the Company focuses on 3 competitive strategies which are to create stability in the raw materials, improve the efficiency of the production process and controlling the cost of production appropriately combined with the demand for electrical energy of every industry that has increased continuously in the last 5 years.

For renewable energy projects that the government plans to open in the future such as the purchase of electricity from renewable energy in the form of FIT Bidding in the form of biofuels from waste water/waste, biomass and bio-energy crops. In addition, the preparation in various fields to comply with the government purchase regulations. The applicant must compete on the project's price proposal by the business that is ready in all aspects according to the purchase regulations and offering the lowest price to the government will be considered and entered into the power purchase agreement with the government.

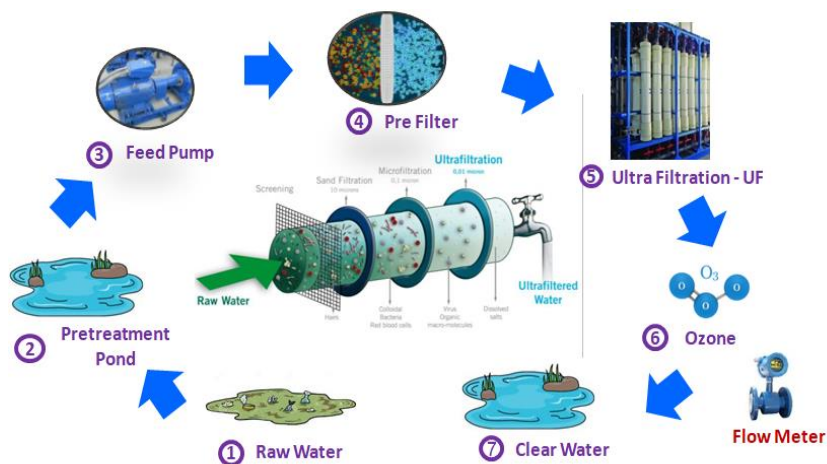
In addition, for the energy-saving equipment project in the cooling tower in Thailand, the Company has no competitors because the Company has been granted a petty patent from the Department of Intellectual Property and plans to expand the registration rights to neighboring countries such as ASEAN and countries that focus on the creation of new innovations in order to further extension and expand the energy equipment market to international levels sustainably.



## 2.2.4 UTILITIES BUSINESS

The Company invested in Sam Water Supply Company Limited ("SAM") in July 2018 at 80.00 percent and joint venture from Hong Kong Contract Fund named Resonance Industrial Water Infrastructure Asia Limited in the end of 2020, the Company currently holds 51.00 percent of SAM shares which is operate design, construction, installation and management of water resources and environmental engineering business. Currently, SAM has a contract to sell water that has been treated with ultrafiltration and sterilized by the Ozone generator in the shrimp farm that can receive water in the amount of 64,000 cubic meters per day by delivering water to the Charoen Pokphand Foods Group Public Company Limited ("CPF"). Currently, there are 7 shrimp farms that receive water from the Company under the contract to CPF as follows:

1. Roiphet is located at 76, 76/2-6 Moo.6, Pranit, Khao Saming, Trat.
2. Maeklong 1 is located at 32/6 Moo.6, Bangaew, Muang, Samut Songkhram.
3. Bangsakao is located at 16/2 Moo.5, Khlongnamkhem, Laemsing, Chanthaburi.
4. RY 3 is located at 18/1 Moo.5, Phangrat, Klaeng, Rayong.
5. RY 4 is located at 93/1 Moo.3, Kongdin, Klaeng, Rayong.
6. Lucky 1 is located at 99/2 Moo.4, Paknamkrasae, Klaeng, Rayong.
7. Phetchburi 5 is located at 164 Moo.4, Bangkaew, Baanlam, Phetchburi.



*Water treatment process with ultrafiltration system and sterilization with ozone system*



In 2020, the Company has signed an agreement to expand shrimp farming water treatment areas for Charoen Pokphand Foods Public Company Limited (“CPF”) by undertaking the construction of new projects, the total overall production volume of 3 farms are 60,000 cubic meters per day as follows:

- 1) Roipheth is located at 76, 76/2-6 Moo.6, Pranit, Khao Saming, Trat.
- 2) Bangsakao is located at 16/2 Moo.5, Khlongnamkhem, Laemsing, Chanthaburi.
- 3) Bothong is located at 13/2, 13/4 Moo.5, Bo, Khlung, Chanthaburi.

The new project was expected to recognize revenue by mid-year 2021, resulting in the volume of 124,000 cubic meter per day being delivered to the CPF according to the contract. Moreover, the Company is preparing to develop new projects in the future which are expected that the water production for domestic and abroad aquaculture areas will increase by at least 200,000 cubic meters per day by 2022. Moreover, the Company aims to maximize water production of 1,000,000 cubic meters per day by 2032.



**MARKETING AND COMPETITION** The shrimp industry is the second largest gross domestic product of the economy in the southern region and the fourth largest economic gross domestic product of Thailand, resulting in a supply chain with many related parties such as industrial farmers and wholesalers. The main markets for Thai shrimp exports are the United States and Japan. The products are divided into 3 main categories which are 1. Frozen shrimp with 54.00 percent of export, 2. Processed Shrimp with 41.00 percent of export and 3. Chilled shrimp with 5.00 percent of export.

Mr. Somsak Paneetayasai, President of Thai Shrimp Association has revealed that Thailand's shrimp situation in 2020 with 400,000 rai of farming area gained the total yield of 2.7 hundred thousand tons, decreased by 7.00 percent compared to the previous year which was the result of epidemics such as urgent death or EMS, white stool disease, yellow head viral disease, white spot syndrome viral disease along with uncertainty about the COVID-19 situation. COVID-19 affected on the global shrimp market; the shrimp farm production decreased globally about 3.3 million tons with 3.00 percent down. As the main shrimp producing countries were reduced their productivity, it was found that China's production is 5.5 hundred thousand tons with 12.00 percent downed,

Vietnam's production is 4.1 hundred thousand tons, decreased by 6.00 percent, India's production is 5.5 hundred thousand tons, dropped 5.00 percent, except for Ecuador's production is 1 million tons, increased by 6.00 percent.

For 2021, if the COVID-19 situation was improved, the farmers would become more confident and ready to adjust the farming system from wider to smaller ponds and select healthy baby Shrimp following the Department of Fisheries' recommendations. As the COVID-19 situation is expected to get better and predicted that the shrimp yield in 2021 will increase to 310,000 tons or 15.00 percent and the exports will rise up by 15.00 percent in both quantity and value. Moreover, the global has adapted to use online trading that delivers directly to household and the consumption begins to be normal.



The epidemic incidence in 2020 continues affect to humans and animals and the new wave of COVID-19 comes quickly, spreads rapidly, mutate easily, but seems to be endless. This has impacts on people's dietary confidence and the consumption behaviors. Everyone has changed to eat healthy, select food from sources and manufacturing companies that have been certified to international standards.

CPF, one of the best Thai food manufacturers both in the production process and the quality realizes about the corporate social responsibility and sustainable development. There are manufacturing processes that complies with international standards from upstream to downstream and can be traced throughout the entire chain of terrestrial animal and aquaculture businesses. In the area of aquaculture business focuses on the cleanliness of species, pond and water to prevent diseases. Also, the ultrafiltration technology has been applied to filter the treated water with the purpose of recycling water more than 90.00 percent along with the principles of animal welfare and biosecurity in the farm.

**CLOSED-DOOR SHRIMP FARMING TECHNOLOGY** CPF did the research and development of shrimp farming to uplifted the farming system. There is the use of closed-door to control the environment that is suitable for shrimp growth, prevent epidemics and animal carriers from outside effectively. This has increased the potential production per area, resulting in hygiene shrimp product that is healthy





and disease-free throughout the year. The Company has adopted ultrafiltration technology which can filter the small germs and make the water clean without any harm to aquatic animals before entering into the culture system. Furthermore, biotechnology principles to the treatment is used and recirculated water has been applied to replace the water transfer from outside the rearing area, reduce chances of contamination that makes shrimp farming more sustainable and environmental friendly.



The Company has foreseen that the operating of wastewater treatment business in shrimp farms must emphasis on planning and applying technologies to get the highest quality and reducing the incidence diseases of shrimp, followed by the guidelines of the Thai Shrimp Association. All of above, the Company was considered that the use of water treatment with ultrafiltration system and eliminating the infection with the ozone system can solve both the problem of reducing epidemics and also help to increase the area for shrimp farming by reducing the area in the pond and then using that area to shrimp's rearing area instead. Moreover, it is able to extend the development of the wastewater treatment business to a circulating water treatment system that is beneficial to our business partners' shrimp farming and help support international market expansion as well.

**TECHNOLOGY SYSTEM** The Company has studied the wastewater treatment process in shrimp farm using ultrafiltration system and ozone sterilization designed the system installation to present to shrimp farms and signed the contract with a reliable equipment manufacturer to use in the system. For example, for Ultrafiltration systems, the Company has made a contract with Toray Industries, Inc. Japan who is a distributor of ultrafiltration membrane (UF). This uses for the wastewater treatment in aquaculture business to ensure the quality of the filtered water is free from organisms larger than 0.01 micron, causing shrimp survival rate to increase. In terms of ozone sterilization, after considering a lot of potential manufacturers, the Company has selected Xylem Water Solutions Singapore Pte. Ltd., Germany to produce ozone products used in the CPF shrimp farms. The use of ozone has the quality

ozone has the quality to sterilize the process after passing UF membrane filtration and can ensure that the water coming out of the treatment system is free of germs which is beneficial for the customers' shrimp farming.

Applications	Ultrapure Water, Seawater Desalination, Advanced Water Treatment	Softening, Removal of Toxic substance	Municipal Drinking Water, Industrial Process Water, Wastewater treatment (AFTER biological treatment), Pretreatment for RO Process	Sewage & Industrial Wastewater Treatment WITH biological treatment
Size	0.001µm	0.01µm	0.1µm	1µm 10µm
Separation materials	<p>Ion, Low molecule weight substances ← High molecular weight substances → Colloid → Clay</p> <p>Humic Substances</p> <p>Monovalent ions, Multivalent ions, Polysaccharides, Viruses, Algae</p> <p>Trihalo methanes, Agrichemicals, Organic Substances, Proteins, Bacteria, Coliforms, Cryptosporidium, Protozoa</p>			
Types	Reverse Osmosis (RO)/ Nanofiltration (NF)		Ultrafiltration (UF)	Microfiltration (MF)
Membrane products				
	RO membrane	NF membrane	UF membrane (PVDF Hollow Fiber)	MF Immersed membrane for MBR (PVDF Flat Sheet)

Properties of membranes used for water treatment of Toray Asia Pte. Ltd.

## 2.2.5 INDUSTRIAL WASTE DISPOSAL BUSINESS

Universal Waste Management Company Limited ("UWM") is a full-service industrial waste management service provider and related businesses covering industrial waste management. The Company has licensed to operate legally, expertise in industrial waste treatment of hazardous and non-hazardous waste including disposal (landfill) and incineration.

There are two subsidiary investments under UWM. The details of subsidiary's business operations are as follows:

1. Asia Recycle Technology Company Limited is responsible for contacting customers and publicizing in order to dispose of industrial waste at the Company's industrial waste treatment center in Chachoengsao province.
2. Asia Waste Management Company Limited is responsible for contacting customers and publicizing in order to dispose of industrial waste at the Company's industrial waste treatment center in Chonburi province.

**THE FACTORY LICENSES** with details as follows:

**A factory license type 101:** An incinerator of dangerous and non-hazardous waste.

**A factory license type 105:** Provide sorting and landfill services for non-hazardous waste and landfill caused by the production process or the factory operations, stone scraps, sand, natural rubber scraps, plastic scraps or synthetic rubber scraps, metal and alloy, plant scraps, fabric or thread scraps, wood fragments, paper scraps, animal fat scraps, broken glass, mirror, glazed tiles or ceramic and wastes or unused materials resulting from production processes or from factory operations in the following categories, types, ingredients or composition of sewage or unused materials as follows: sulfur dioxide sludge, dust from cement stoves, used abrasive sand, used sand from sockets, mud, slag, ash, tailings and sludge dewatering.

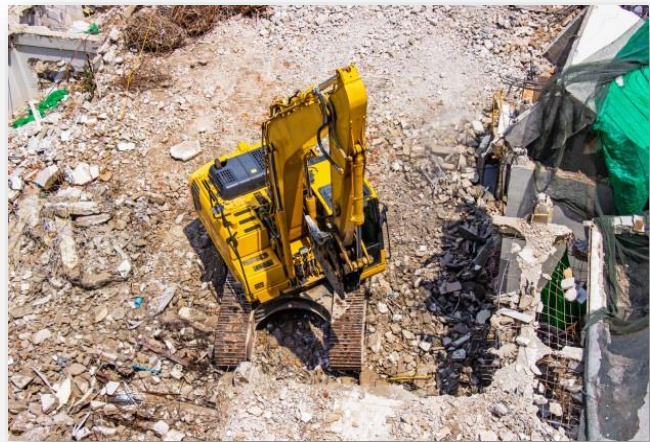
**A factory license type 106:** Production of mixed and renewable fuels by recycling used oil through industrial processes for reuse and making renewable fuels, adjusting the quality of unused materials as alternative fuels, substitute raw materials and producing mixed fuels.

**A factory license type 106:** Production of soil stabilizers from sewage or waste material that is not a hazardous waste (biological sludge, sludge from wastewater treatment system, ash biomass, organic matter, gypsum, calcium hydroxide, lime).

**A factory license type 106:** Production of interlocking bricks by mixing sewage or waste materials with other raw materials to produce interlocking bricks, paving bricks, block bricks and septic tanks.

**A factory license type 106:** Gathering batteries and used bulbs to recycling process.

**A factory license type 88:** Generating electrical energy to use in the factory and distribute to the Provincial Electricity Authority with COD scheduled around May 2022.



**INDUSTRIAL WASTE TREATMENT AND DISPOSAL MANAGEMENT** UWM operates services for the treatment and disposal of sewage or unused materials and hazardous and non-hazardous industrial waste. There will be stored industrial waste from customers' factories or other sources of waste then transported for treatment and disposal at the industrial waste treatment center in Chonburi and Chachoengsao province.

Industrial Waste Treatment Center in Chonburi has a total arear of 112 rai for sanitary landfill and secure landfill. The spaces can support the services for 35 years since established in 2004. Industrial Waste Treatment Center in Chachoengsao has a total area of 102 rai for sanitary landfill and secure landfill which can support the services approximately for 35 years from 2008. Also, the Company has purchased additional 215 rai around the existing land to support future landfill and buffer zone for preventing the community from expanding near the project area.

UWM also runs a business to get rid of harmful industrial waste by high temperature incineration and produce and distribute electricity with 9.5-megawatt capacity. This is another business apart from waste treatment and industrial waste disposal activities with total area of 40 Rai. The service lasts about 20 years and the operation is in process with the various systems as follows:

**SANITARY LANDFILL SYSTEM** is used for supporting non-hazardous waste by designing the paving structure with special compacted clay and laying with 4 different types of waterproofing materials before placing non-hazardous waste into landfill.

**3R SYSTEM** is the waste recycling system through the proper process for each industrial waste type. By doing this, alternative fuels and substitute raw materials have been produced without causing any impact on the environment and resulting in maximum benefits.

**TRANSPORTATION** The Company has prepared the transportation vehicles that are specifically designed by the Company. There is the standard in order to store industrial waste from customers which is a truck mounted with hydraulic systems in order to receive industrial waste. The Company has emphasized safety during transportation is the most important. Therefore, there is continuously provided the training on procedures and the safety operations for drivers, also they must have gained a Transport Personnel License Class IV for the transportation of industrial waste and chemicals.



Sewage or garbage from various industrial plants are many types, both hazardous and non-hazardous waste, solid and liquid may be sewage that can be reused or processed for renewable energy. For managing this sewage, the Company should pay attention to the consistency and the convenience of customers as much as possible. The service must cover the management according to the law on waste disposal or unused materials B.E. 2005 which

applies to industrial facilities across the country including sorting, storage, reuse, recycle, recovery, treatment, disposal or other disposal methods which is self-disposal within the Industrial Waste Management Center with landfill method managed and operated by a subsidiary company, Asia Recycle Technology Company Limited located at Chachoengsao province and Asia Waste Management Company Limited located at Chonburi province or disposal to the Industrial Waste Management Center (Industrial waste incinerator) located at Chonburi province.

## MARKETING AND COMPETITION

### Defining competitive strategies as follows

- Focus on providing services that are in line with the needs of the industrial sector. There is provided complete industrial waste management services both treatment and disposal services also industrial waste processing for the benefit of renewable energy and incinerator to generate electricity etc.
- Focus on safety and fast transportation services, in which the Company has a special industrial waste transportation service that is compliant with the Hazardous Material Transport Act, such as Transport Personnel License Class IV, permission to move and transport hazardous objects (Wor. 8) from the Department of Industrial Works etc.
- Create customer satisfaction from the service to meets international standards and focus on building good relationships with customers with fast and real-time services such as giving advices to customers in various fields such as advice on industrial waste management in factories and organizing safety activities within the factory as well as promoting conservation and increasing green areas within the factory etc. which help the Company maintain good relationship with customers in long term and create word of mouth about our services among other new customers. As a result, this referral will help drive new customers to consider using the Company's services in the future as well.
- Proactive marketing is done by setting goals for marketing officers to meet both existing customers and various industrial factories. The marketing team are well trained, strong service knowledge to provide various advices for industrial plant. In addition, the Company has close coordination with various government agencies such as the Department of Industrial Works, Industrial Estate Authority of Thailand, Pollution Control Department, Provincial Administrative Organization, Office of Natural Resources and Environmental Policy and Planning etc. As a result, the government partners have always helped publicize the Company's services, news and information also information on the operations of the Company with the government agencies have been informed so that all stakeholders receive accurate and consistent data in accordance with the actual situation.
- The locations of Industrial Waste Management Center located in Chachoengsao and Chonburi are considered appropriately. In the area, customers can save the cost of long-distance transportation of sewage from industrial plant to get rid of especially large industrial factories in Bangkok and vicinity and the eastern region which has the increasing amount of both hazardous and non-hazardous sewage. In accordance with the 20-year national strategy stipulates that the Eastern Economic Corridor (EEC) project has covered three provinces in the eastern region namely Rayong, Chonburi and Chachoengsao are the center of the country's major economic to lead Thailand from



the middle-income country towards the status of a high-income or developed country, the development of infrastructures, technologies and the upgrading of businesses and 12 key industries has to be done to motivate those foreign investors who will stimulate the economy of Thailand in the long term.

Even though in 2020, the EEC project has faced major obstacles from COVID-19 outbreak, Eastern Economic Corridor Office has continued to drive this project. In the past three years, there was an investment for the project more than 6.5 billion Baht to plan for year 2021 and pushing 3 key industries which will be significant new step for Thai economy. Those industries consist of 3 business segments; 1. Healthcare & Wellness, 2.

Digital and 5G technology, and 3. Smart Logistics. Moreover, the government has insisted on promoting Thailand as center of e-commerce. In addition to supporting and developing 5G technology until today, Thailand is the readiest country in ASEAN. Further, the overall transportation system has been focused to develop the infrastructure and move the industry forward. The latest progress of investing logistics infrastructure in the EEC area, there



are 3 private sectors have invested including 1. High-speed rail project connecting three airports (Don Mueang, Suvarnabhumi, U-Tapao), 2. Development Project of U-Tapao Airport and Eastern Aviation City, and 3. Maptaphut Industrial Port Development Project in Phase 3. In the past three years, Eastern Economic Corridor Office has collaborated with other relevant agencies and drove large-scale investment projects resulted in tangible number of 6.5 hundred billion Baht. The key drive force is to motivate the private sectors to invest in the public sector by using the form of PPP. The challenge in 2021 is to accelerate the deployment of 5G networks to support high-tech investment such as robot industry, modern medical genomics, or smart city development plan. As a result, the industry of the EEC economy will continue to grow and expand in the future.

- To participate in society and community by promoting public relations to help the public understand the working process and the environmental protection measures. Providing accessible knowledge about our works to the general public, students as well as employees from various industrial plant at Industrial Waste Management Center in Chachoengsao and Chonburi which is considered as the actual locations for industrial waste disposal.



This will help the general public to understand the work process and build a strong relationship with the public in the long run.

**TARGET GROUP** The main target customers are customers in the central and eastern regions. The following are Northern and other regions. Customer groups are divided into 2 types as follows:

**1. Groups located in industrial estates:** This group of customers will be medium to large factories with various types of industrial waste, with a systematic industrial waste management such as strong work team, document system and a permit to take industrial waste out of the factory with procedures, control, ensure legal and environmental concerns. The customers in this group include

- Industrial factories operating in the production of rubber, synthetic resins, and plastics
- Industrial factories operating in the business of chemicals product, chemicals substance or chemical materials.
- Industrial factories operating in food and beverage
- Industrial factories conducting business related to petroleum products
- Industrial factories operating in the business of color, lacquer oil, shellac, lacquer
- Petroleum Refining Industry
- Dyeing industry
- Glass and mirror industry
- Industrial factories operating in automobiles
- Waste from agricultural sector

**2. Groups located outside the industrial estate:** This group of customers are small, medium and large factories with a variety of industrial waste located in the Bangkok and vicinity which are convenient for transportation. These factories are under the supervision of the Department of Industrial Works. In addition, there are customers who are government agencies and state enterprises, including laboratories of government agencies, universities and the Electricity Generating Authority of Thailand.

**PRICE POLICY** has a policy to set service rates by considering the operating costs plus margins, the service fee must be able to compare and compete with other operators. In the past, the service fee would include transportation costs and the service fee may be increased annually. However, due to the impact of oil prices, the Company considered and revised the pricing policy for new customers by separating sewage disposal service fees and shipping costs apart which will be able to adjust the rates of each type to suit the actual costs.

**DISTRIBUTION CHANNELS** Direct marketing is our distribution channel. It is done through the Company's sales representatives with a salesperson from each team to be responsible in different areas. Salespeople will be trained to gain knowledge to understand the nature and process of the service until they can provide proper advices to customers. From our work performance and good relationship with various government sectors such as Department of Industrial Works, Provincial Industry, Industrial Estate Authority of Thailand, the Company's reputation is well accepted and contributes public relations and support various industrial plant to trust the Company's services with full confidence.

**THE POTENTIAL FOR HAZARDOUS WASTE MANAGEMENT TREND IN 2020** Currently, the number of hazardous wastes produced in Thailand is increasing every year. Due to the lack of proper disposal process, there is an increase in the accumulated waste volume. In the past, major hazardous wastes in Thailand must be disposed urgently were industrial hazardous waste accounted for up to 3 million tons per year, hospital waste at 6 thousand tons per year and the electronic waste is growing extremely dangerous if not properly disposed. There are two types of problems with electronic waste in Thailand. Type 1, electronic waste is generated from households which is about 400,000 tons per year. Part of them was separated from the community and the other was disposed by the private sectors through a recycling process causing pollutants of residual waste from the separation. There is the impact on the sorting operation and the government has been solving this problem but it has not been properly collected and disposed. Type 2, this has been a problem since 2016 - 2019, the main part was the import electronic wastes both legally and illegally accounted for approximately 100,000 tons and

300,000 tons per year, respectively. Therefore, the number of hazardous wastes in Thailand will be up to approximately 3.86 million tons per year, especially electronic waste is predicted to reach 800,000 tons per year.

From that reason, the amount of industrial waste has a tendency to increase every year. In the long term, the industrial waste management must be managed properly and legally which will correspond with the policy to support industrial waste management of the Department of Industrial Works and to promote the draft law that determines measures and drive industrial waste into the system more efficiently. Universal Waste Management Company Limited is a company that has a process of industrial waste disposal and treatment by incineration with a system for treating pollutants from the incineration process in accordance with the international standards of EHIA of Thailand. Moreover, the Company taken responsibility for society to help reduce the environmental impact arising from hazardous wastes in the future.

Therefore, the business of industrial waste disposal also has received support from the government about Waste to Energy topic or using the industrial waste as fuel for electricity generation which will benefit the management more efficiently and create energy security for the country as well.

**ACQUISITION OF PRODUCTS OR SERVICES** Universal Waste Management Company Limited evaluates serviceability according to the filling weight of landfills by calculating from the standard working time which is 8 hours per day. Working hours may be increased due to the rising demand of the customers in certain times so the actual service capacity is greater than the estimated service capacity. Although the actual service volume of sewage is higher than the estimated service capability, there is no impact on the structure of landfills or the environment. This is because of the additional operations to provide more customer services. It may only affect the service duration of landfill service which makes the landfill areas full faster than previous time estimated which is 35 years from the date of operations.

For the transportation of waste or unused materials, Asia Recycle Technology Company Limited ("ART") and Asia Waste Management Company Limited ("AWM"), the subsidiaries company will carry out transportation management and planning by using the Company's transportation vehicles which can classify the types of transportation vehicles as follows:

1. Roll-off truck is used for the transportation of general sewage with a capability around 10 tons of weight.

2. Tanker Truck is used for the transportation of sewage or unused materials in a semi-solid form with a capacity of 12 - 15 cubic meters.

3. Trailer Tank is used for the transportation of sewage or solid unused materials with a capability around 31 tons of weight.

4. Ten-wheeled truck with crane is used for the transportation of solid waste and unused materials and packed in containers for easy transportation with a capability around 31 tons of weight.



For sewage containers or unused materials are available in various sizes consist of 1-ton steel drum, 2-ton steel drum, 10–12-ton steel drum and 1 ton bulk bags which are suitable for different sizes of sewage or unused material in different sizes and fit for the different customer demands.

## 2.3 BUSINESS ASSETS

### 2.3.1 FIXED ASSETS USED IN BUSINESS OPERATIONS

As of December 31, 2020, the transactions and net book values of fixed assets used in business operations of the Company and subsidiaries which presented in consolidated financial statement in the amount of 748.09 million Baht were summarized as follows:

Detail of assets	Net book values (THB million)	Proprietary	Obligations
1. Land and land improvements	147.17	Collateral	(1)
2. Buildings and building improvements	175.43	Collateral	(1)
3. Office equipment	4.6		
4. Tools and equipment to repair mobile phone	3.67		
5. Furniture and fixtures	2.97		
6. Motor Vehicles	0.8		
7. Machinery and equipment	216.52	Collateral	(1)
8. Biogas electricity generating system	85.65	Collateral	(1)
9. Construction in progress	111.28		
<b>Total</b>	<b>748.09</b>		

#### Remarks

- 1) The Company and subsidiaries have mortgaged their property, plant and equipment which total net book value amounting to approximately 314 million Baht to secure guarantee loan from financial institutions.

### 2.3.2 RIGHT-OF-USE ASSETS

As of December 31, 2020, the transactions and net book values of right-of-use-assets used in business operations of the Company and subsidiaries which presented in consolidated financial statement in the amount of 217.88 million Baht were summarized as follows:

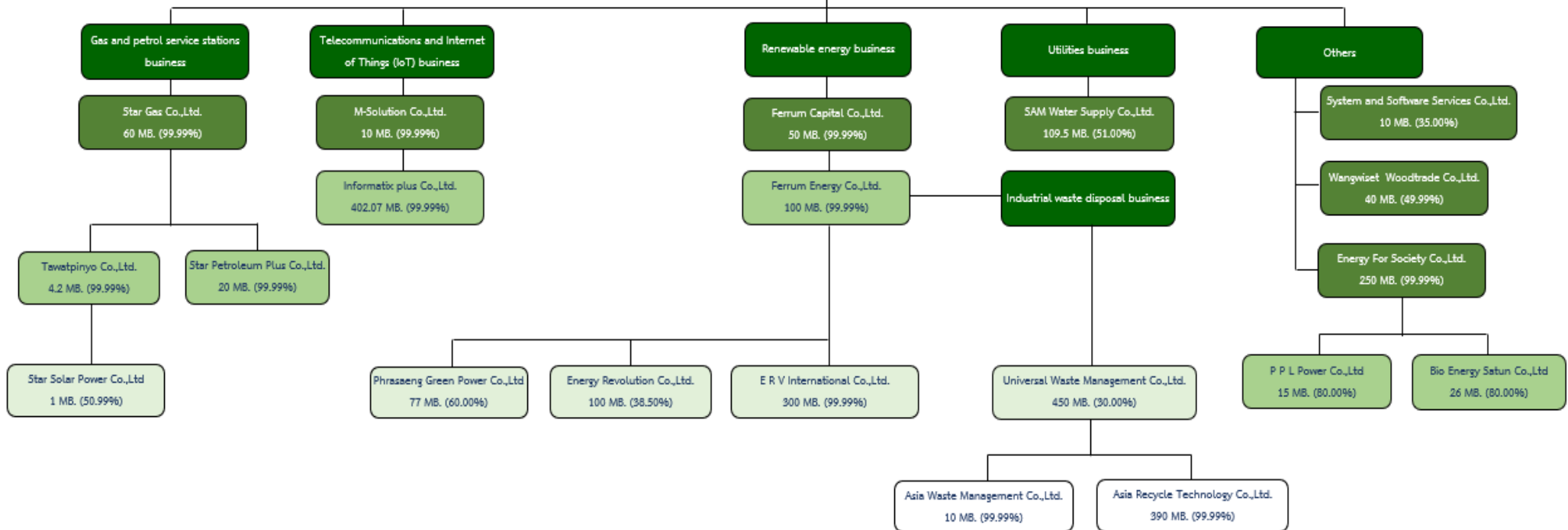
Detail of assets	Net book values (THB million)	Proprietary	Obligations
1. Land and land improvements	202.27	Right-of-use assets	-
2. Buildings and building improvements	8.18	are asset under	-
3. Machinery and equipment	1.85	lease agreement	-
4. Motor Vehicles	5.58	according to Thai Financial Reporting Standard (TFRS) No.16	-
<b>Total</b>	<b>217.88</b>		

### 2.3.3 INTANGIBLE ASSETS

As of December 31, 2020, the Company and subsidiaries have net intangible assets which presented in consolidated financial statement in the amount of 275.89 million Baht were summarized as follows:

Detail of assets	Net book values (THB million)	Proprietary	Obligations
1. Leasehold rights	68.30	Owner	-
2. Petty Patent	0.09	Owner	-
3. Computer software and application software	3.49	Owner	-
4. Rights under Power Purchase Agreement	71.85	Owner	-
5. Rights under Land Lease Agreement	30.91	Owner	-
6. Rights under Gas Station Service Agreement	68.36	Owner	-
7. Customer contracts	32.89	Owner	-
<b>Total</b>	<b>275.89</b>		

### 3. SHAREHOLDER STRUCTURE



AS OF DECEMBER 31, 2020



## 3.1 SHAREHOLDING STRUCTURE

DATA AS OF DECEMBER 31, 2020

Company Name	Type of Business	% of Share Possession	Registered Capital (THB million)
<b>Gas and petrol service station</b>			
1. Star Gas Co., Ltd.	LPG service station	99.99	60
2. Tawatpinyo Co., Ltd.	NGV service station	99.99	4.2
3. Star Petroleum Plus Co., Ltd.	Petrol service station	99.99	20
4. Star Solar Power Co., Ltd. <sup>1</sup>	Solar Energy	50.99	1
<b>Telecommunications and Internet of Things (IoT)</b>			
5. M-Solution Co., Ltd.	Trunk Radio and IoT	99.99	10
6. Informatix Plus Co., Ltd.	Distribute integrated ICT products and services	99.99	402
<b>Renewable energy</b>			
7. Ferrum Capital Co., Ltd.	Shareholding in energy subsidiaries company	99.99	50
8. Ferrum Energy Co., Ltd.	Invest and develop in renewable energy projects including the construction of power plant for production and distribution	99.99	100
9. Phrasaeng Green Power Co., Ltd.	Invest and develop in renewable energy from bio gas energy including the construction of power plant for production and distribution	60.00	77
10. Energy Revolution Co., Ltd.	Distribution and installation Hydro Turbine	38.50	100
11. E R V International Co., Ltd. <sup>2</sup>	Distribution and installation Hydro Turbine with overseas partners	99.99	300
12. BIO Energy Satun Co., Ltd. <sup>3</sup>	Invest and develop in renewable energy from bio gas energy including the construction of power plant for production and distribution	80.00	26
13. P P L Power Co., Ltd. <sup>4</sup>	Invest and develop in renewable energy from bio gas energy including the construction of power plant for production and distribution	80.00	15

Utilities			
14. SAM Water Supply Co., Ltd. <sup>5</sup>	Operate the business in water treatment ultrafiltration system	51.00	109.5
Industrial waste disposal			
15. Universal Waste Management Co., Ltd.	Shareholding in industrial waste disposal subsidiaries company	30.00	450
16. Asia Recycle Technology Co., Ltd. <sup>6</sup>	Operate the business in sorting and disposing of industrial waste	99.99	390
17. Asia Waste Management Co., Ltd.	Operate the business in sorting and disposing of industrial waste	99.99	10
Others			
18. System and Software Services Co., Ltd.	Shareholding in application software subsidiaries company	35.00	10
19. Energy For Society Co., Ltd. <sup>7</sup>	Shareholding in dietary supplements subsidiaries company	99.99	250
20. Wangwiset Woodtrade Co., Ltd. <sup>8</sup>	Reforestation, Forest plantation	49.99	40

#### Remarks :

1. Tawatpinyo Company Limited (a subsidiary company) established Star Solar Power Company Limited on November 13, 2020 with the registered capital and paid 1 million Baht, which is Tawatpinyo Company Limited holds 50.99 percent of share possession.

2. Ferrum Energy Company Limited (a subsidiary company) invested in 99.99 percent of increase registered capital of E R V International Company Limited and paid on November 21, 2020.

3. Energy For Society Company Limited (a subsidiary company) purchased BIO Energy Satun Company Limited's ordinary shares in the proportion of 80.00 percent of the registered capital and paid on June 30, 2020.

4. Energy For Society Company Limited purchased PPL Power Company Limited's ordinary shares in the proportion of 80.00 percent of the registered capital and paid on June 30, 2020.

5. Seven Utilities and Power Pubic Company Limited sold some shares to Resonance Industrial Water Infrastructure Asia Company Limited and the remaining percentage of share possession is 51.00.

6. Asia Recycle Technology Company Limited increased the registered capital of the Company on May 20, 2020 by Universal Waste Management Company Limited (a subsidiary company) as an investor to purchase ordinary shares in the proportion of 99.99 percent

7. Beyond Healthcare Company Limited (a subsidiary company) changed name to Energy For Society Company Limited on February 14, 2020 to operate in power plant production and distribution of biogas.

8. Seven Utilities and Power Pubic Company Limited purchased ordinary shares and established Wangwiset Woodtrade Company Limited in the proportion of 49.99 percent of the registered capital and paid on October 20, 2020 to invest in reforestation, forest plantation.

## SHAREHOLDER'S AGREEMENT IN SUBSIDIARIES AND AFFILIATES COMPANY MANAGEMENT

There is no shareholder's agreement on the company operations that significantly affect the management, domination or distribution of returns to the normal return on the percentage of share possession.

## 3.2 SHAREHOLDERS

### THE COMPANY'S TOP 10 SHAREHOLDERS AS OF THE CLOSING DATE ON FEBRUARY 25, 2021

No.	Shareholders	No. of shares	% of Share Possession
1.	Phahana Investor Company Limited	713,261,966	14.433
2.	ADVANCE CAPITAL PARTNERS PTE.LTD.	386,499,696	7.821
3.	Mr. Ratchata Poompanmoung	243,000,000	4.917
4.	Pol.Maj.Gen. Somyot Poompanmoung	222,786,132	4.508
5.	Mr. Wirot Nookamdee	210,209,400	4.254
6.	Mr. Suvicha Panichpol	138,436,800	2.801
7.	Mr. Chaowarat Wespinyo	126,180,000	2.553
8.	Mr. Tharatip Tarathamrat	103,333,333	2.091
9.	Ms. Napatsanan Wongthaninya	100,033,333	2.024
10.	Mr. Tirapol Noparumpa	100,000,000	2.024
	<b>Total</b>	<b>2,343,740,660</b>	<b>47.427</b>

## 4. REGISTERED AND PAID-UP CAPITAL

### 4.1 ORDINARY SHARES

As of February 16, 2021, Company has registered capital of 2,922,758,861 Baht and paid-up capital of 2,470,909,875.50 Baht, divided into 4,941,819,751 ordinary shares with a par value of 0.50 Baht per share.

### 4.2 OTHER SHARES WITH DIFFERENT TERMS OR RIGHTS ORDINARY SHARES

-None-

### 4.3 NVDR

As of February 25, 2021, Thai NVDR Company Limited held 43,403,574 ordinary shares or equivalent to 0.88 percent of the total issued and paid-up shares of the Company. By investing in NVDRs, investors receive the same financial benefits such as dividends, right issues or warrants to purchase ordinary shares, as those who investing in NVDR have no right to vote at the shareholders' meeting, the Thai NVDR Company Limited will not exercise the right to vote in the shareholders' meeting.



## 5. ISSUANCE OF OTHER SECURITIES

### 5.1 WARRANTS (7UP-W4)

According to the Extraordinary General Meeting of Shareholders No. 1/2019 held on May 31, 2019. The shareholder meeting resolved to issue not exceeding 605,919,620 units of warrants to purchase the Company's ordinary shares No.4 (7UP-W4) to allocate to existing shareholders follows the proportion of rights offering by 5 existing ordinary shares per 1 warrant in amount of 0.05 Baht per unit. The warrants have a life of 3 years from the issuance date of the warrants on August 9, 2019, the exercise price of warrant is 1 unit per ordinary share. The first exercise price is 0.50 Baht, the second exercise price is 1.25 Baht and the last exercise price is 2.25 Baht.

In the warrants to purchase the Company's ordinary shares No.4 (7UP-W4) on July 18-24, 2019, there were 605,919,620 units of full subscription and as of December 31, 2019 and the remaining warrants to purchase the Company's ordinary shares No. 4 (7UP-W4) 605,919,620 units.

The first exercise date is on June 30, 2020 at the exercise price of 0.50 Baht per ordinary share, which has no warrant holders exercise, resulting in on December 31, 2020 there is remaining warrant to purchase the Company's ordinary shares No.4 (7UP-W4) at 605,919,620 units.

**PROGRESS AND USE OF FUNDS REPORT** According to the Company received money from the sale of warrants to purchase ordinary shares of Seven Utilities and Power Public Company Limited No.4 (7UP-W4) in July 2019 in the amount of 605,919,620 units at the exercise price of 0.05 Baht per unit worth 30,295,981.00 Baht. Therefore, the Company would like to report the use of funds from the sale of warrants as of December 31, 2019.

(Unit : million Baht)

Objectives	Financial plan	Amount of money used during the period	Amount of remaining unused
Investing in trunk radio system project - AOT (MSO)	20.65	20.65	0
ETL Pole and Tower - ETL Lao People's Democratic Republic (IFP)	9.65	9.65	0
<b>Total</b>	<b>30.30</b>	<b>30.30</b>	<b>0</b>

## 5.2 CONVERTIBLE DEBENTURES

The resolution of the 2020 Annual General Meeting of Shareholders of Seven Utilities and Power Public Company Limited held on May 26, 2020. The meeting resolved to approve the issuance and offering of the newly issued convertible debentures of the Company by way of private placement and increase the Company's registered capital in order to reserve the exercise of conversion rights of the convertible debentures at the amount of 650,000 units at the total value of 650,000,000 Baht to a specific investor namely Advance Opportunities Fund (“Convertible debenture holder”)

The resolution of the Extraordinary General Meeting of Shareholders of Seven Utilities and Power Public Company Limited No. 1/2020 held on July 15, 2020. The meeting resolved to approve the reduction of the Company's registered capital by reducing the par value from 1.00 Baht per share to 0.50 Baht per share. As a result, the registered capital and paid-up capital of the Company have been reduced in half and the amount of shares remains the same.

The resolution of the Extraordinary General Meeting of Shareholders of Seven Utilities and Power Public Company Limited No. 2/2020 held on October 27, 2020. The meeting resolved to approve the increase of the Company's registered capital at the amount of 425,000,000 Baht or equivalent to 850,000,000 ordinary shares in order to reserve the exercise of conversion rights of the convertible debentures and approved the allocation of the newly issued ordinary shares of the Company for the conversion of Convertible Debenture at the amount of 850,000,000 shares worth 425,000,000 Baht to convertible debenture holder.

The resolution of the Extraordinary General Meeting of Shareholders of Seven Utilities and Power Public Company Limited No. 1/2021 held on February 3, 2021. The meeting resolved to approve the increase of the Company's registered capital of THB 355,000,000 or equivalent to 710,000,000 ordinary shares in order to reserve the exercise of conversion rights of the convertible debentures and approved the allocation of the newly issued ordinary shares of the Company for the conversion of Convertible Debenture at the amount of 710,000,000 shares worth 355,000,000 Baht to convertible debenture holder.

The Company issued and offered of convertible debentures 19 times in the amount of 650,000,000 Baht on December 8, 2020, and the convertible debenture holder exercised of conversion rights of 650,000,000 Baht on February 9, 2021 which the total shares was allocated at 1,912,221,649 shares at a convertible average ratio of 0.34 Baht per share.

**PROGRESS AND USE OF FUNDS REPORT** According to Seven Utilities and Power Public Company Limited (“Company”) has completely issued and offered of convertible debentures to investors totaling 650,000,000 Baht. Therefore, the Company would like to report the use of the capital increase as of December 31, 2020.

(Unit : million Baht)

Objectives	Financial plan	Amount of money used during the period	Balance amount as of December 31, 2020
Invest in a utilities business	550	490	60
Working capital for Company and subsidiaries	100	100	0
<b>Total</b>	<b>650</b>	<b>590</b>	<b>60</b>

## 6. DIVIDEND PAYMENT POLICY

### 6.1 COMPANY'S DIVIDEND PAYMENT POLICY

Company has a dividend payment policy that aims to provide shareholders with a payout no less than 50.00 percent of its net profit after deducting all provisional reserves required by 7UP. However, dividend payment is subject to future investment plans, necessities on working capital and suitability. The resolution of the Board of Directors has decided on dividend



payment, it must seek approval from the shareholders' meeting. An exception is for interim dividend payment which the Board of Directors can approve and report to the next shareholders' meeting.

#### **DIVIDEND PAYMENT HISTORY SHOWN AS FOLLOWS**

Dividend Information	2020	2019	2018
		(Restated)	(Restated)
1. Net Profit (Loss)	122.66 THB million	46.68 THB million	(81.03) THB million
2. deficit	206.85 THB million	1,316.21 THB million	1,361.55 THB million
3. Dividend payment	Omit Dividend	Omit Dividend	Omit Dividend

### 6.2 DIVIDEND PAYMENT POLICY OF ITS SUBSIDIARIES

The dividend payment of the subsidiaries depends on the operating results of the subsidiaries and must comply with the regulations and law. However, the dividend payment is subject to future investment plans, necessities on working capital and suitability.



# RISK MANAGEMENT

The Company recognizes the importance of risk management that affecting the achievement of the Company's objectives by reducing the chance of risk occurring or impact in order to acquire opportunities and business practices that will lead to added value to the Company. The Company's business risk management is managed by executives at all levels.

## 1. RISK MANAGEMENT POLICY AND PLANS

The Board of Directors has prepared related risks to ensure clarity on the risk management so defining a risk management policy framework, methods and plans for risk management to enable the Company continuously operates in accordance with the risk management framework including plan, monitor and improve risk in order to control the risk at an acceptable level and including the executives and employees to participate in the study, analysis and assessment of the opportunity and severity of the impact and risk within the Company that may affect the business as well as reviewing important risks and risk mitigation measures on a quarterly basis, the Company's risk management policy and plans are as following objectives.

1. To manage the risk that have an impact on objectives and strategies including believe the image and voice of the Company.
2. To manage the risk management located in the level can accept. All employees to participate in the process of risk management.
3. To encourage employees across the entire organization to recognize and prevent the risk of all.
4. To prepare a plan to control, audit, monitor and assess the risks that may occur both internal and outside the Company.

### 1.1 ROLE OF THE ASSOCIATED WITH THE RISK MANAGEMENT

According to the risk management of the Company, all employees at every level are participated by defining roles and responsibilities as follows:

- |                                    |   |
|------------------------------------|---|
| <b>Board of Directors</b> performs | Develop a policy and supervise risk management.                                     |
| <b>Audit Committee</b> performs    | Review the risk management and follow up the performance to comply with the policy. |

<b>Executive Committee</b>	performs	Determine the risk level and risk factors that may occurs including to manage risks and performance continuously.
<b>Head of Department</b>	performs	Determine the risk to an acceptable level in order to achieve the department’s objectives to comply with the Company and implement an appropriate risk mitigation plan.
<b>Internal Auditor</b>	performs	Audit and follow up on risk standards to ensure that the Company has appropriate risk management including review the internal control system activities of the department.
<b>Employees</b>	performs	Action of the internal control system and manage the risk in accordance with the guidelines set to protect against the risks.

## **1.2 THE COMPONENTS OF THE RISK MANAGEMENT**

The Company has divided risk management into two parts which are risk management at department level and risk management at Company level.

### **1.2.1 MANAGING THE RISK LEVEL OF THE DEPARTMENT**

To manage the risk that may be caused by the performance of each department by the risk can be managed by the authority of the head of department or the risk that there is no impact on objectives and strategies in the performance or can be controlled by the internal control process.

### **1.2.2 MANAGING THE RISK LEVEL OF THE COMPANY**

To manage the risk that have an impact on the performance objectives or strategies and a good internal control system to prevent and manage risks or damages that may occur to the Company and stakeholders. Therefore, it is important for the Company to ensure that the Company has an appropriate and sufficient internal control system in accordance with objectives, laws, relevant requirements effectively and to prevent assets from corruption including the preparation of accurate and reliable financial reports.

## **2. RISK FACTORS FACING 7UP'S BUSINESSES**

Risk factors that may significantly affect the business operations of the Company and subsidiaries can be classified as follows:

### **2.1 RISKS FACING BUSINESSES OF 7UP OR 7UP GROUP**

#### **2.1.1 RISK FROM OIL AND NATURAL GAS PRICES FLUCTUATION**

The price of oil and natural gas fluctuates depending on the world market which could be affect to the operations and return on investment. The Company has established a policy to manage the risk of raw material prices both purchasing and selling prices with busines partners by setting the target for reasonable price, quantity and timing as well as warehouse management efficiency in order to mitigate the risks that may arise from changes in world market prices. The Company has negotiated with business partners to ensure the Company's profit in the event of an increase in global oil prices.

#### **2.1.2 RISK FROM LPG PROCUREMENT**

To procure LPG for distribution in service stations from the oil merchant section 7 only. The Company sets a target for allocating the risk of LPG procurement from many the oil merchant section 7 who are partners of the Company. Moreover, the price, quality and transportation distances are compared for efficient management and the right amount of gas to be purchased covering the target companies' stations and target customers. Currently, the Company has good oil merchant section 7 ensuring that LPG can be procured on time when needed. In the past, the Company never encountered any difficulties in sourcing LPG due to the rejection of major merchant.

#### **2.1.3 RISK FROM THE LAND LEASE AGREEMENT FOR BUSINESS OPERATIONS**

Star Gas Company Limited entered into a long-term land lease agreement to operate LPG service station business with an average lease period of 10-15 years with a business or third party. If the landlord does not renew the land lease agreement, the Company will be affected business operations. However, the executives have a good relationship with the landlord and the rent is paid on time regularly. In addition, most of the lease agreements are long-term that are allow the Company has time to find a suitable new location.

#### **2.1.4 RISK OF ACCIDENT IN TRANSPORTATION OF LPG SERVICE STATION**

The Company has a subsidiary Company that operates LPG transportation business, there are vehicles that specifically used for LPG transportation which causing accident and damage. The vehicles are inspected regularly by the Department of Land Transport and equipped with GPS to be able to track the location of the vehicles. In addition, drivers are trained and licensed strictly in accordance with government regulations as well as having the insurance is fully covered by assets risk and third party liability to reduce the impact that may occurs. Currently, all vehicles are insured and employees are trained to inspect the safety of the service stations every day and promote a project to increase understanding of duties appropriately.

#### **2.1.5 RISK ON CHANGES IN TELECOMMUNICATIONS TECHNOLOGY CHANGES**

The rapid change in telecommunications technology has a significant impact on products and the Company has a policy to provide quality products and services, modern at a fair price to meet the needs of customers in both government agency and private sector. The products of the Company are manufactured from certified factories in accordance with international standards. The Company is both a direct importer and distributor of world's leading brand such as Motorola, which has been appointed as a distributor and service center from Motorola Inc. for Trunk Radio products since 2003 and appointed as a distributor for leading brands such as Intellivision, ZETRON, HUAWEI, VERTEX STANDARD, TELTONIKA, LINYANG, J-SOLAR.

In addition, the Company also focuses on enhancing the skills and expertise of engineers to meet international standards with internal training for employees to transfer knowledge and new information technology including the continual expansion of knowledge from studying new technologies in foreign countries in order to enhance the knowledge and expertise of the Company's personnel which will lead to added value and to build the confidence of the Company's customers in the long run.

#### **2.1.6 RISK ON RAW MATERIALS AND MACHINERY IN THE BIOGAS POWER PLANT**

Biogas power plant used wastewater and sludge from palm mills as the feedstock, the quantity received will vary depending on the season of palm production as well as the quality of the wastewater and sludge that unable to be used to generate electricity efficiently. However, the Company plans to generate electricity at full capacity during peak palm oil production to compensate for low production periods and looking for additional sources of new raw materials all the time and improve the efficiency of the electricity generation system in order to maximize the use of raw materials.

The machinery in the biogas power plant imported from abroad has an approximate maintenance period of 30 days per year, resulting in loss of revenue during that period. Therefore, the damage of parts take time to order spare parts. The Company manages the maintenance period by rotating the maintenance cycle of each machine to allow other machines to run more in order to compensate for the lost revenue from the machines being maintained. As for spare parts, the Company has purchased parts that are wear away to reserve in order to shorten the replacement or repair time of such parts.

In addition, the biomass power plant in the southern region. Although the southern region has agricultural areas where rubber trees are planted, which are the main raw materials for power plant generation. However, in the vicinity of the Company's power plant area in the southern region quite a lot of biomass power plants have been operated. Therefore, it may be affected by the problem of insufficient raw materials. The Company has entered into a fuel supply agreement with a nearby sawmill operator to cover such risk.

### **2.1.7 RISK ON WATER QUALITY AND QUANTITY AFTER TREATMENT**

The Company has entered into a contract that guarantees the quality of the water through the treatment process as well as the quantity of the water obtained to be as specified. If the quality of the water does not meet the contract and the quantity is not as agreed. The customer has the right to refuse water intake or cancel the contract. In this regard, the Company collects water samples to measure quality according to the standards on a regular basis among managing the risk transfer to the equipment manufacturers imported by the Company to use in the treatment process by entering into a water quality certification contract that uses manufacturer's technology. Moreover, the Company agreed conditions to receive the minimum water intake with the customer in order to guarantee the Company's revenue.

### **2.1.8 RISK FROM OPERATIONS IN THE INDUSTRIAL WASTE TREATMENT AND DISPOSAL BUSINESS**

Garbage remains a national issue that must be dealt with properly. Even though the correct technical waste management will continue to increase but it is still not enough for the current situation. In particular, the problem of plastic and marine litter has attracted attention and all sectors recognize the importance of accelerating the solution. Therefore, the policy and measures are pushed for the waste management such as 3R awareness campaign and the reduction of plastic waste are promoted under the project "Do good with heart to reduce environmental hazards", say no to plastic bags in department stores, supermarket and convenience stores from January 1, 2020. Moreover, to build a network of government agency and private sectors both domestic and abroad in the management of plastic and marine litter in Thailand and Southeast Asia.

For hazardous waste from the community and other hazardous wastes such as batteries, chemical containers, aerosol cans must have a waste management system. The provincial administrative organization and related agencies have a collection center in the community and at the provincial level so that hazardous waste can be properly managed. The main reason is that the hazardous waste from the community has not been separated from the general waste. People still lack awareness so the solid waste and hazardous waste management in the community in the future are to be controlled. Therefore, the sewerage from solid waste disposal sites and technical criteria for waste management, follow up and inspect the problematic waste disposal sites and give advice to provincial administrative organization to improve the system to be efficient, drive the plastic waste management roadmap (2018-2030) and the action plan for plastic waste management 2018-2030, establish guidelines for the electrical waste and electronic products management. Moreover, the proposal for the electrical waste and electronic products management pushed forward as the first step towards reducing environmental impact.

Industrial waste disposal business is a business that has a high barrier to entry into the market because of the knowledge and understanding of systems is required such as transportation, sorting and processing, treatment and etc. as well as the relatively high costs and investment in the provision of infrastructure, utilities for treatment plant, treatment systems and industrial waste transportation systems to the treatment plant especially hazardous waste that must be transported concisely as required by law. Moreover, the prevention of environmental and health impact to communities, people and stakeholders around the area. The government has established policy to drive investment by allowing entrepreneurs to generate electricity from waste. The factory has additional processing and recycling can be tax exempted both imports of machinery, research and develop raw materials for export and 8-year income tax exemption while waste sorting plant can be waived for 5 years. The government's policy is expected to reduce costs and relatively high investment value in businesses and can stimulate investment to deal with the environmental problems in the country with sustainability.

Waste is a major problem for the country and global which caused by human activities in daily life both the manufacturing and service sectors. The most important solution for all is explore ourselves what common waste and unnecessary plastic waste do we create? by jointly setting objectives, reduce consumption according to the principle of 3 R (Reduce, Reuse, Recycle) so everyone should participate together to have a sustainable effect on the environment in the future.

### **2.1.9 RISK OF ACCIDENT IN TRANSPORTATION OF INDUSTRIAL WASTE**

The industrial waste disposal service, the service provider will be responsible for the damage starting from the received industrial waste process from the customer's factory to the industrial waste treatment center in Chachoengsao province and Chonburi province. The Company realizes that transportation is important to the service, if there is an accident in the transportation and the chemical is dispersed so this will cause the Company's operations to disrupt. Therefore, the insurance is fully covered by life, body, health and assets to third party. Moreover, the protection and recovery of damage to natural resources similar to the original with the total coverage value not exceeding 3.0 million Baht per time. The assessment of coverage value can adequately and appropriately cover the losses that will be incurred. In addition, the Company has installed a travel recorder in a GPS transportation vehicle to be used to track and monitor the routes, speed, and length of the transportation at any time and increase safety along the transportation routes. The Company's industrial waste drivers are required to obtain a Transport Personnel License Class IV for the transport of hazardous materials. Furthermore, the Company has provided training to educate the drivers with an emergency response plan due to the process of moving and transporting industrial waste should be aware.

### **2.1.10 RISK ON SAFETY, OCCUPATIONAL HEALTH, ENVIRONMENT AND COMMUNITY**

The industrial waste disposal service must be approved in the report of Environmental Impact Assessment (EIA) from The Office of Natural Resources and Environmental Policy and Planning, Ministry of Natural Resources and Environment. If the service does not meet the standards set by the government which will be affect to health, environment and community. The Company will be complained by those who have been damaged. The worst case scenario is that the license has been withdrew until the problem has been resolved and this will affect the Company's revenue. Therefore, the Company has measurement to aware of risks in order to reduce the risk by giving importance to every operations step which starting from the transportation process, treatment and disposal of industrial waste to meet the standards including control and surveillance to the environmental impact assessment by preparing reports on the implementation of environmental impact prevention and reduction and environmental quality monitoring measures as required by law. Moreover, all employees at all levels trained on knowledge and understanding of safety and environment including preparation of emergencies such as firefighting and evacuation fire drill, an emergency team to assist in chemical dispersed accidents. The Company has publicized by providing knowledge and understanding to the people about the Company's industrial waste treatment processes including

providing support, assistance and participation in activities of the nearby communities and collaborating with government agencies as the Company's policy conducts activities continuously.

#### **2.1.11 RISK OF HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT**

In today's economic, there may be a lack of personnel who are critical to operations. Therefore, the Company pays attention to factors and improved the recruitment process and human resource development to be efficient including review the organizational structure and analyze the manpower demand plan and the human resource development training plan in accordance with the business growth along with a strategic plan to support future business expansion. Moreover, the Company has allocated a budget for training and development of human capabilities by focusing on the training that is appropriate and responding to the various needs of the business expansion of the Company.

#### **2.1.12 CORRUPTION RISK**

Corruption is a serious problem and obstacle of the Company's sustainability which affect loss. Corruption can happen at any time because the Company operates in many ways that need to be contacted by government agency. Therefore, the Company has established Anti-Corruption Policy both directly and indirectly as a guideline in writing and creating awareness to all related person and all levels in order to reject and not meddle in corruption. The Company has joined Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) with a declaration of intent and commitment to applying for certification from the said project so that all related person can be assured that the Company will operate in a transparent, fair and not meddle in corruption of all forms.

#### **2.1.13 RISK FROM FINANCIAL FUND**

The Company is continually investing in its business which requires a large amount of capital or sometimes it may be necessary to strengthen the liquidity of the business. Therefore, the Company has financial planning and financial tools such as loan from financial institutions, warrants to purchase ordinary shares of the Company, issuance and offering of convertible debentures in order to provide fund sufficiently and on time.

#### **2.1.14 FINANCIAL SUPPORT TO AFFILIATED COMPANY**

The Company has affiliated Company that need to invest in the business which still have insufficient financial status. Therefore, the Company is required to provide financial support to enhance liquidity in operations for its affiliates in order for the affiliated Company follow the plan. The Company closely monitor operations and reimbursement period of affiliated Company in order to maintain financial discipline and to build strengthen the Company's financial sustainability.



### **2.1.15 RISK FROM INTEREST RATES**

Fluctuations in interest rates naturally impact Company's cash flows. However, the Company closely monitors interest rate changes. It therefore predicts that it will not be impacted by rate fluctuations.

### **2.1.16 ECONOMIC CONDITION RISK**

The Company is inevitably affected by the global economy and could face a serious driven by several events such as US-China trade war, European economic volatility facing Brexit issues, tension in Middle East causing oil price fluctuation. Therefore, the Company continually monitors and analyzes events that may affect the Company and the Company should take proper action under this kind of volatile situation before making a decision.

### **2.1.17 RISK ARISING FROM CORONAVIRUS (COVID-19)**

The Company has yet to see an end of the outbreak of the Coronavirus (COVID-19) and effects on the Company's operation cannot be predicted. Therefore, the Company has defined a policy and practice guidance to comply with the guideline of the Ministry of Public Health by passing information about disease prevention and hygiene care to the employees. Moreover, the Company also monitors the situation and news closely.

### **2.1.18 COMPLIANCE WITH APPLICABLE POLICIES, LAWS, AND REGULATIONS**

The Company operates many businesses in which each business has various laws, rules and regulations. The Company attributes great importance and adheres to compliance strictly. Any failure to comply with any one or more of such laws, rules and related will directly affect business operations and the Company has followed up on changes in laws, rules and regulations so that the operator can work properly.

### **2.1.19 INFORMATION TECHNOLOGY RISK**

Due to rapid and continuous progresses in information technology, there are risks associated to technological threats that could occur either as a result of human errors, system faults and cyber threat. If the information system encounters any circumstances that cause data loss, it would be serious impact to the Company such as operations, reliability and reputation. Therefore, the Company has established information technology policy in order to build awareness of employees to information technology security issues.

## **2.2 INVESTMENT RISKS FOR SHAREHOLDERS**

### **2.2.1 RISK OF RETURN ON INVESTMENT**

The Company has invested in business expansion continually including searching new business investment to create value where investment risks may cause the return missed the target or delayed or used higher investment than the budget. The investment policy is a practice guideline for the Board of Directors, Executive Committee, executives and employees who manage the Company's investments. The Company adheres to the carefulness in generating appropriate returns on investment and in accordance with the strategy, policy and plan of the Company by defined the investment criteria and assign the Executive Committee to monitor the performance of the investment regularly and changes in various factors that may cause the return on investment missed the target in order to resolve the problems that may arise rapidly and efficiently.

### **2.2.2 RISK ON DIVIDEND PAYMENT**

Company is a holding Company in nature without its own revenue generating operation. Therefore, its operational results and dividend payment depend on operation and dividend stream of subsidiaries. Currently, Company holds stakes in subsidiaries and associated Company.

Due to the incapability to pay dividends to shareholders with limitations such as limitations on loan agreements, the need to reserve funds for business expansion including significant changes in law. Therefore, it may result in the Company's revenue decreasing and affect the Company's operating results and financial position.

## **2.3 FOREIGN INVESTMENT RISK SECURITIES**

-None-

# BUSINESS MOBILIZATION FOR SUSTAINABILITY

## 1. POLICY AND GOALS FOR SUSTAINABLE MANAGEMENT

Board of Directors placed an important to make a decision for the most benefit for the company and all stakeholders by determining policy and goal in operation process for sustainability development as well as defining company vision, missions, and operational framework. Furthermore, Chief Executive Officer and the management team are the main key to motivate the organization personnel focusing on business operation under sustainability point of view. Besides, employees' awareness will affect the positive way for the operations on the economy, society and environment.

Regarding the vision of the company that aims to **“BE A RENEWABLE ENERGY AND PUBLIC UTILITY COMPANY. THAT IS COMMITTED TO PRODUCTION AND DEVELOPMENT WITH MODERN INNOVATION BY GIVING IMPORTANCE TO THE STAKEHOLDERS FOR SUSTAINABLE BUSINESS OPERATIONS.”** It has been reflected in the company's commitment to sustainable business operations under 5 main missions.

- **MANAGE THE ORGANIZATION WITH GOOD GOVERNANCE**
- **ESTABLISH STANDARDS FOR SYSTEMATIC AND TRANSPARENT OPERATIONS**
- **SERVICE TO PARTNERS AND SOCIETY WITH CARE**
- **SUPERVISING PERSONNEL DEVELOPMENT**
- **CREATE FAIR OPERATING RESULTS FOR SHAREHOLDERS**

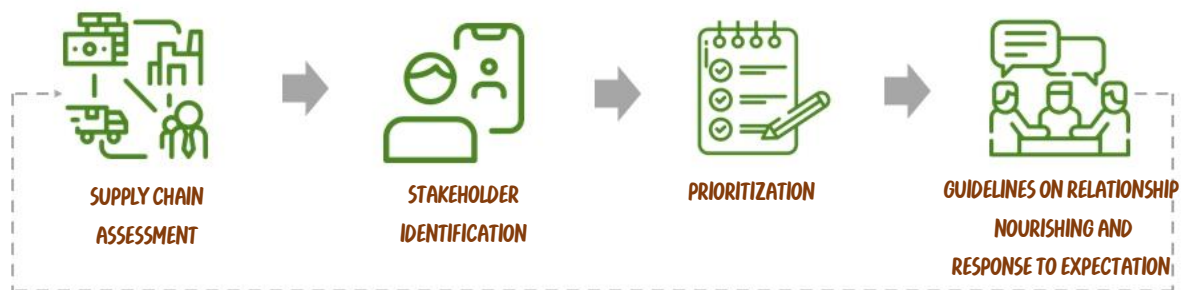
The company hold to the 17 goals which stipulated by the United Nations for sustainable development in economic, society and the environment dimensions. In order to integrate and define a business operation framework for the corporate sustainability 5-year plan of the company (2020-2024). In consequence, the company settle 9 goals which are the main company objective as follows:



## 2. AFFECTATION MANAGEMENT FOR STAKEHOLDER IN VALUE CHAIN

### 2.1 IDENTIFICATION OF STAKEHOLDERS IN VALUE CHAIN

7UP considers it vital to nourish the relationship with stakeholders throughout the value chain, to ensure business achievements. The Company emphasizes building and nourishing long-term relationships and seeks continuous cooperation from stakeholders in the supply chain, from upstream to downstream. 7UP has stepped up its engagement and consultation with stakeholders, to understand, engage and appropriately respond to their expectations in economic, social and environmental aspects.



#### IDENTIFICATION OF STAKEHOLDERS IN VALUE CHAIN

Stakeholders affected by 7UP's operations	Economic aspect		Social aspect		Environmental aspect		Stakeholders significant to 7UP's operations
1) Shareholders/ investors	✓	✓	✓	✓	✓	✓	1) Shareholders/ investors
2) Creditors/ financial institutions	✓	✓	✓	✓			2) Creditors/ financial institutions
3) Business partners	✓	✓	✓	✓		✓	3) Business partners
4) Regulators		✓	✓	✓	✓	✓	4) Regulators
5) Competitors		✓					5) Competitors
6) Suppliers	✓	✓	✓	✓	✓	✓	6) Suppliers
7) Customers	✓	✓	✓	✓	✓		7) Customers
8) Employees	✓	✓	✓	✓	✓	✓	8) Employees
9) Community/ society	✓	✓	✓	✓	✓	✓	9) Community/ society
10) Private organizations		✓		✓		✓	10) Private organizations
11) Media / Press		✓		✓		✓	11) Media / Press

## 2.2 STAKEHOLDERS PRIORITIZATION

The stakeholder prioritization takes into account the following issues and impact levels:

- 1) Economic, social and environmental issues relating to 7UP's actions and their impacts on stakeholders.
- 2) Level of stakeholder-induced impacts on 7UP in legal, regulatory, financial and operational terms as well as corporate image.

7UP consciousness an importance of all stakeholders that might be direct and indirect impacts for the Company's operations. Besides, the Company give an opportunity for stakeholders to offer opinions and acknowledge all concerns and expectations. The Company also identified all stakeholders in value chain by considering from level of effects and stakeholder impact to company operations as well as effects from operations directly. Moreover, based on the assessment of issues relating to the Company's operations and level of their impact on stakeholders as well as stakeholders' impacts on the Company, identified and 7 groups are considered significant to the Company's operations. Consequently, the Company devises the approaches to nurture the relationship with the 7 groups and respond to their expectations as follows:

### GUIDELINE ON STAKEHOLDER RELATIONSHIP NURTURING AND RESPONSE TO EXPECTATIONS

Stakeholders	Expectations	Approach	Engagement channels
1) Employees	<ul style="list-style-type: none"> <li>• Appropriate income and welfare</li> <li>• Healthy and safe work environment management</li> <li>• Continual capacity building</li> <li>• Proper career advancement</li> <li>• Provide adequate news and information to employees thoroughly</li> </ul>	<ul style="list-style-type: none"> <li>• Settlement employees' salary in appropriate rate</li> <li>• Review remuneration and welfare against peer companies' every year</li> <li>• Provide safety standard, enjoyable and creative environment</li> <li>• Prepare level-based group and individual training</li> </ul>	<ul style="list-style-type: none"> <li>• Annual operation assessment</li> <li>• Enhanced potential training for company personnel in both level of executives and employees</li> <li>• Arrangement safety and healthy activities for employees</li> <li>• Suggestion box</li> <li>• Whistle blowing channel</li> </ul>

Stakeholders	Expectations	Approach	Engagement channels
1) Employees	<ul style="list-style-type: none"> <li>• Supportive work process in light of emerging disease outbreak</li> </ul>	<ul style="list-style-type: none"> <li>• Develop IT system to support new normal way of working</li> <li>• Welcome employees' opinions and suggestions</li> </ul>	<ul style="list-style-type: none"> <li>• Various all-time communication channels i.e. e-mail, Line, intranet, etc.</li> <li>• Annual employee satisfaction and engagement survey</li> </ul>
2) Shareholders	<ul style="list-style-type: none"> <li>• Good wages</li> <li>• Good governance over activities</li> <li>• Business transparency</li> <li>• Ability to management and deliver good returns</li> <li>• Correct, complete, up to-date and transparent Company information</li> <li>• Stable business and continuous growth</li> <li>• Adaptation of enterprise and business to technological change and emerging risks</li> </ul>	<ul style="list-style-type: none"> <li>• Review and setting of strategies with clear goals as well as good corporate governance</li> <li>• Diversification to other businesses for strengthening revenues and dispersing risks in monopolize investment</li> <li>• Establishing of business partnership to strengthen competitiveness</li> <li>• Attending membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)</li> </ul>	<ul style="list-style-type: none"> <li>• Annual General Meeting</li> <li>• Quarterly performance announcements Annual Report</li> <li>• Interview of executive management team's opinions</li> <li>• Site Visit</li> <li>• Whistle blowing channel</li> <li>• Various all time communication channels i.e. telephone, e-mail, website,</li> </ul>
3) Customers	<ul style="list-style-type: none"> <li>• Give and advise and complete the customer requirements usually</li> <li>• Deliver products or progress of construction on due</li> <li>• Professional operation</li> <li>• Assurance of instrument and safety in project construction</li> </ul>	<ul style="list-style-type: none"> <li>• Ethics in maintaining customer confidentiality</li> <li>• CRM system</li> <li>• Arrangement of certain working plan including follow-system and budget control system</li> </ul>	<ul style="list-style-type: none"> <li>• Mutual meeting for summarize result and solution</li> <li>• Mutual attending activities with customers</li> <li>• Opinion-exchange seminars</li> <li>• Customer satisfaction survey</li> <li>• Good service mind and assistance</li> </ul>

Stakeholders	Expectations	Approach	Engagement channels
3) Customers	<ul style="list-style-type: none"> <li>• Safety environment for operation</li> <li>• Product quality and after service</li> <li>• Business transparency</li> </ul>	<ul style="list-style-type: none"> <li>• Contract management and mutual negotiation for finding the conclusion</li> </ul>	
4) Business Partner / Supplier	<ul style="list-style-type: none"> <li>• Trustworthiness, corporate image and governance</li> <li>• Business transparency</li> <li>• Financial stability</li> <li>• Fair compliance to agreements and payment terms</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare standardized and transparent procurement process, to rid conflict of interest</li> <li>• Assess suppliers' qualifications</li> <li>• Discuss with suppliers for mutual agreements on operational procedure</li> <li>• Strengthen anti - corruption practices through CAC's attended membership</li> </ul>	<ul style="list-style-type: none"> <li>• Mutual meeting for summarize result and solution</li> <li>• Site visit, assessment of supplier's operations and feedback</li> <li>• Supplier evaluations</li> <li>• Site visit</li> </ul>
5) Creditors and Financial institution	<ul style="list-style-type: none"> <li>• High credit ratings</li> <li>• Efficiency and capability in generating revenue and profit</li> <li>• Ability to debt repayment</li> <li>• Investment and financing plans</li> <li>• Ability to follow terms and conditions in agreements</li> </ul>	<ul style="list-style-type: none"> <li>• Strictly abide by repayment schedules</li> <li>• Conduct revenue analysis and forecast and manage financial risks</li> <li>• Seek low-cost funding sources suitable for investment projects and abide by loan conditions</li> <li>• Strictly comply with corporate financial and tax policy</li> </ul>	<ul style="list-style-type: none"> <li>• Executive meeting with creditors and financial institution</li> <li>• Quarterly performance Announcements</li> <li>• Site visits to monitor progress</li> <li>• Agreements on issues including how to keep confidential information secure</li> </ul>
6) Government Agency	<ul style="list-style-type: none"> <li>• Ability to comply with related laws</li> <li>• No social and environmental effects</li> </ul>	<ul style="list-style-type: none"> <li>• Comply with rules and regulations prescribed by the law in every area</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings and explanations of government agencies</li> <li>• Site visit</li> </ul>

Stakeholders	Expectations	Approach	Engagement channels
6) Government Agency	<ul style="list-style-type: none"> <li>• Development of the organization's ability to participate in modifying environmentally-friendly production processes to reduce impacts</li> <li>• Cooperate with the government sector to provide information for use in development</li> <li>• Support government sector projects with benefit for the greater good</li> </ul>	<ul style="list-style-type: none"> <li>• Complete and punctual tax payments of every type</li> <li>• Report information according to legal specifications</li> <li>• Effective Government agency engagement</li> <li>• Ensure good corporate governance and implementation of business code of conduct</li> </ul>	<ul style="list-style-type: none"> <li>• Partnership and supports of Government's projects</li> <li>• Public information on 7UP's website</li> <li>• Responding to disclosure requests</li> </ul>
7) Community / Society	<ul style="list-style-type: none"> <li>• Operations with responsibility for society/ community</li> <li>• Assurance of instruments and manufacturing process in project area</li> <li>• Support for community activities</li> <li>• Transparent and timely information disclosure</li> <li>• Engagement in inspection of work process</li> <li>• Engagement in sustainable development of community quality of life and society</li> <li>• Recognition of their views and prompt problem solving</li> </ul>	<ul style="list-style-type: none"> <li>• Support public activities.</li> <li>• Create volunteer employees to participate in public activities</li> <li>• Anti-corruption policies and support for practices</li> <li>• Ensure environmental and safety management in compliance with laws and relevant regulations and continually prevent possible risks to community</li> <li>• Communicate with community thoroughly and through various two-way channels</li> </ul>	<ul style="list-style-type: none"> <li>• Community visits to build relationship</li> <li>• Activities to improve quality of life</li> <li>• Site visit of community to observe the operations and/ or other projects</li> <li>• Complaint channel and process to fix and prevent problems</li> <li>• Emergency drill</li> <li>• Community opinion survey</li> <li>• Information publication on 7UP's website</li> </ul>



Stakeholders	Expectations	Approach	Engagement channels
		<ul style="list-style-type: none"> <li>• Prepare development plans to improve quality of life in terms of vocation, education, health and others upon community's requirements</li> <li>• Jointly prepare and exercise emergency response plan with community</li> </ul>	

### 3. SUSTAINABILITY MANAGEMENT IN AN ECONOMIC DIMENSION

The company has realized the importance of sustainability in the economic dimension. The company focuses on new and practical innovations in business operations including valuable employment to provide personnel stability lasting.

#### RUNNING A BUSINESS WITH INNOVATION



 <p><b>5-YEAR LONG-TERM GOALS</b></p> <p>Develop innovation to meet customer needs for achieving continuous usage and services, and result in 100% income.</p>	 <p><b>2020 GOALS</b></p> <p>Develop innovation to meet customer needs for achieving continuous usage and services, and result in 10% income.</p>	 <p><b>PERFORMANCE FOR THE YEAR 2020</b></p> <p>Develop innovation to meet customer needs for achieving continuous usage and services, and result in 8.82% income.</p>
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**TELECOMMUNICATIONS** M Solution Co., Ltd. is a leader of communication radio system business that provides communication services for specific groups to enable communication within the identical radio frequency. The company is given high trustworthiness from governmental agencies and private business sector in Thailand thoroughly. In addition, the company has expanded all product sale lines and provided Internet of Things (IoT) devices which play an important role in the daily life of all consumer segments. The company also focuses on high-performance and innovative devices that respond to the usage at present.



**RENEWABLE ENERGY GROUP INNOVATION**

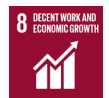
Energy Revolution Co., Ltd. (ERV) is a leader in energy-saving innovation for cooling tower systems in the industrial sector that has been patented by the Department of Intellectual Property. ERV has invented the energy saving innovation of the cooling tower by using the form of water power called the “Hydro Turbine” in a conventional cooling tower. In contrast, this innovation was invented by using the energy of the remaining water in the system to drive the impeller of the cooling tower through the turbine "Hydro Turbine". Also, this innovation cooling tower has many advantages as followed;



- Energy savings due to the lack of a motor for propellers by saving 100% of electricity
- Reducing the maintenance and repair costs for motors and power transmission equipment as well as saving labor in maintenance and reduce maintenance time
- Reducing vibration / low noise because there is no power unit and motor sets in the system

### **WATER RETREATMENT GROUP INNOVATION**

Sam Water Supply Company Limited has engaged in water treatment business emphasizing on shrimp farming. The company has considered that the wastewater treatment business in shrimp farm should focus on shrimp farming planning and the technology used. To ensure the highest quality of produce from shrimp farms and reduce the incidence of shrimp disease, in line with the guidelines of the Thai Shrimp Association that focus on sustainable shrimp farming methods and pay more attention to the quality of shrimp. The company considers that the use of water treatment processes with ultrafiltration systems and disinfecting with ozone can answer both the problem of the epidemic and help increase the area for shrimp farming globally by developing the wastewater treatment business to treat the water in the circulating system that is beneficial to shrimp farming of business partners, that is to say, CPF to support international market expansion as well. This technology still supports an ecosystem in order to operate shrimp farming sustainability.



### **VALUABLE EMPLOYMENT**

 <p><b>5-YEAR LONG-TERM GOALS</b></p> <p>Employee turnover rate less than 5%</p>	 <p><b>2020 GOALS</b></p> <p>Employee turnover rate less than 20%</p>	 <p><b>PERFORMANCE FOR THE YEAR 2020</b></p> <p>Employee turnover rate less than 18.59 %</p>
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Valuable employment in accordance with an administration guideline has focused on recruitment, enhancement employees' quality. The company believed that employees can develop their potential to bring highest benefits for organization.

**RECRUITMENT** Employees recruitment both of inside and outside the company with proceeded by transparency and without discrimination. Moreover, employee recruitment will be considered by the qualifications, knowledge, abilities, potential, experiences and attitudes according to their duties and responsibilities in that position.

**HUMAN RESOURCE DEVELOPMENT** Encourage and support employees to develop their knowledge, skills, experience and competencies. The organization focuses on employee's mindset and the way of working to be able to cope with the uncertainty environment in order to perform their duties to their best ability.




**PERSONNEL RETENTION** The company has appropriate evaluated the compensation and benefits by considering different obligation, responsibilities and competencies within the same industry group. All employees have been fair evaluated due to their abilities. Also, position transferring and promoting have been taken into right department by allowing employees to show their potential to the organization. Furthermore, the company provides appropriate welfare followed by labor regulation guidelines as well as arranges various activities such as New Year's activities, charity, volunteering, and other activities to make an engagement for employees.

## 4. SUSTAINABILITY MANAGEMENT IN THE SOCIAL DIMENSION

The company has realized the importance of social responsibility in all aspects to society. 7UP also support and promote activities that can help our society on a regular basis. Besides, the company has been allocated budget properly for society, environment and local especially in the areas where the company has located the business.



### CONDUCTING BUSINESS UNDER ETHICAL PRINCIPLES AND GOOD CORPORATE GOVERNANCE

 <b>5-YEAR LONG-TERM GOALS</b>	 <b>2020 GOALS</b>	 <b>PERFORMANCE FOR THE YEAR 2020</b>
<p>Operate activities followed by the company's policy that maintain fairness to all stakeholders without dispute or complaint.</p>	<p>Prepare and review the charter of the board of director and executive committee and business ethics. Moreover, publication of company information and adjustment of the organizational structure in accordance with business operations.</p>	<p>Prepare and review the charter of the board of director and executive committee and business ethics. Moreover, publication of company information and adjustment of the organizational structure in accordance with business operations.</p>

## ANTI-CORRUPTION AND BRIBERY



 <b>5-YEAR LONG-TERM GOALS</b>	 <b>2020 GOALS</b>	 <b>PERFORMANCE FOR THE YEAR 2020</b>
<p>Certified by CAC by operating in accordance with company policies and guidelines.</p>	<p>Establish an anti-corruption policy, Training course for employees and provide a channel for receiving clues.</p>	<p>Establish an anti-corruption policy, Training course for employees and provide a channel for receiving clues.</p>

Seven Utilities and Power Public Company Limited has established an anti-corruption policy which was approved by the resolution of the Board of Directors' Meeting No.3 / 2020 held on March 9, 2020.

**“ THE COMPANY HAS FORBIDDEN POLICY FOR DIRECTORS, EXECUTIVES AND EMPLOYEES AT ALL LEVELS TO CONDUCT OR ACCEPT ANY FORM OF CORRUPTION EITHER DIRECTLY OR INDIRECTLY. THE PROHIBITION COVERS GOVERNMENT AGENCIES, PRIVATE AGENCY AND RELATED PERSONS WHOM THE COMPANY HAS UNDERTAKEN MISSIONS OR CONTACTED BOTH IN THE COUNTRY AND ABROAD. WE ARE STRICTLY FOLLOWING THE ANTI-CORRUPTION POLICY AND REGULARLY REVIEW THE IMPLEMENTATION OF THE ANTI-CORRUPTION POLICY. ALONG WITH REVIEWING THE PRACTICE GUIDELINES AND OPERATIONAL REQUIREMENTS TO COMPLY WITH BUSINESS CHANGED, REGULATIONS AND APPLICABLE LAWS.”**

The company has provided training course to educate employees by following the policies and practices to encourage them to understand and apply practically. Also, there is risk evaluation for each business group which all employees have participated together on October 16, 2020.



The company has provided channel for complaint-making or whistle-blowing about illegal acts Business ethics, fraud, or conduct that may imply corruption through many channels that are,

- Via the Audit Committee’s email: [audit.committee@sevenup.co.th](mailto:audit.committee@sevenup.co.th)
- Directly call to compliance department, Tel. 02-741-4896

- Mail to Chairman of the Audit Committee or the compliance department  
Seven Utilities and Power Public Company Limited  
73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Road, Phrakhanong Tai,  
Phrakhanong, Bangkok 10260.

## ORGANIZING SOCIAL PROJECT ACTIVITIES



 <p><b>5-YEAR LONG-TERM GOALS</b></p> <p>Organization social activities every year, at least 3 projects plan per year.</p>	 <p><b>2020 GOALS</b></p> <p>Organization at least 3 social activities projects</p>	 <p><b>PERFORMANCE FOR THE YEAR 2020</b></p> <p>Organization at least 3 social activities projects</p>
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## PROJECT “JAK MUE PHEE SU TAR NONG” (FROM OUR HANDS TO THEIR EYES)

Company and affiliates have joined the project “Jak Mue Pee Su Tar Nong” (From our hands to their eyes) by donating used calendars to the Foundation for the Blind in Thailand Which has been in operation for three consecutive year. This event was started by inviting employees to be a part of delivery used calendars from their acquaintances and families to the Foundation for the Blind in Thailand in order to bring out the most value.





### PROJECT "SHARE BLOOD FOR LIFE AND HAPPINESS"

The company and affiliates have joined the project "Pun Lohit Tor Cheevit Tor Kwamsuk" (Share Blood for Life and Happiness) by inviting employees to donate their blood to the Thai Red Cross Society on a quarterly basis. To motivate them to be a giver Besides, the company continue proceed this event over three year ago.

### PROJECT TO SUPPORT UNUSED PALLETS FOR THE DISABLED PERSONS CLUB, BO THONG DISTRICT

Asia Waste Management Co., Ltd., company subsidiaries, has provided unused pallets to the Club of Disabled Persons in Bo Thong District, Chonburi. These woods are used in professional training organization and furniture making that can continue to improve the quality of their lives in society.



### DEVELOPING AND QUALITY OF LIFE OF EMPLOYEES



#### 5-YEAR LONG-TERM GOALS

Employees receive at least 20 hours of training per person per year including activities which are answered their requirement.



#### 2020 GOALS

All Employees are trained in related courses and safety course at least 12 courses as well as average training hours at least 10 hours per person per year.



#### PERFORMANCE FOR THE YEAR 2020

All Employees are trained in related courses and safety course at least 23 courses as well as average training hours at least 11.13 hours per person per year.

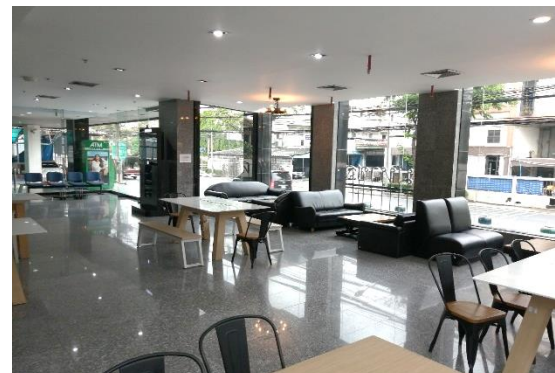


**EMPLOYEE'S QUALITY LIFE** The company renovated the headquarters at Mahachol Building and the overall environment both of interior and exterior landscape to be more beautiful. This result in working inspiration which conducive employees' performances. For the interior of the building, working areas and various useful areas are arranged for executive team and employees to enhance good vibes for quality life at work. Moreover, this reason will lead to new idea in their works that is valuable to the organization.




**COMPANY ANNUAL MERIT AND NEW YEAR ACTIVITIES ARE PROVIDED FOR STRENGTHEN THE UNITY BETWEEN THE GROUP OF COMPANIES.**



**ARRANGEMENT A WORKPLACE AND CREATE ATMOSPHERE TO FACILITATE THE WORK**



## OCCUPATION HEALTH AND SAFETY MANAGEMENT SYSTEM

 <b>5-YEAR LONG-TERM GOALS</b>	 <b>2020 GOALS</b>	 <b>PERFORMANCE FOR THE YEAR 2020</b>
<p>Employee absenteeism rate due to illness is less than 1%</p> <p>Due to occupational accident rate is 0%.</p>	<p>Employee absenteeism rate due to illness is less than 5%</p> <p>Due to occupational accident rate is less than 0.5%.</p>	<p>Employee absenteeism rate due to illness is 0.98%</p> <p>Due to occupational accident rate is 0.41%</p>

### THE COMPANY HAS PROVIDED LIFE AND HEALTH INSURANCE FOR EMPLOYEES INCLUDING THE ANNUAL HEALTH CHECK.



### FLU VACCINATION WAS SERVICED TO EMPLOYEES.



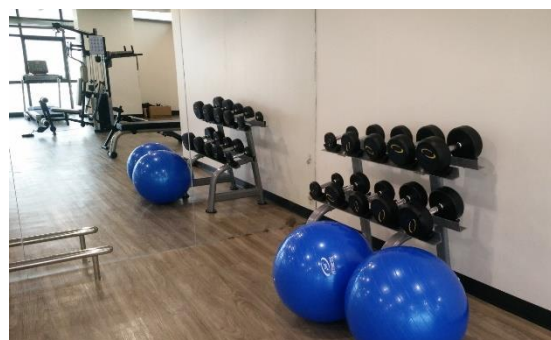
**ANNUAL FIREFIGHTING AND FIRE DRILL TRAINING**



**THE COMPANY PROVIDED A HOSPITAL ROOM, MEDICINE CABINET AND FACE MASKS WERE DISTRIBUTED TO EMPLOYEES DURING THE COVID-19 EPIDEMIC**



**THE COMPANY PROVIDED A FITNESS ROOM TO RELAX AND EXERCISE AFTER WORKING HOURS**



## 5. SUSTAINABILITY MANAGEMENT IN ENVIRONMENTAL DIMENSIONS

The company has realized the importance of environment. Therefore, we have focused on doing business that is eco-friendly both energy and utilities to continue building sustainability.

### BUSINESS OPERATIONS WITHIN ENVIRONMENTAL MANAGEMENT



 <b>5-YEAR LONG-TERM GOALS</b>	 <b>2020 GOALS</b>	 <b>PERFORMANCE FOR THE YEAR 2020</b>
<p>To operate an energy and utilities business that is eco-friendly without environmental complaints or impact in the community.</p>	<p>To operate an energy and utilities business that is eco-friendly without environmental complaints or impact in the community.</p>	<p>To operate an energy and utilities business that is eco-friendly without environmental complaints or impact in the community.</p>




**BIO-GAS POWER PLANT BUSINESS PROJECT** The company has established its subsidiary to operate the renewable energy business. This business can generate sustainable income for the company in the long run from both the production and the distribution of electricity to the governmental sector. The operation belongs to the Phrasaeng power plant, biogas power plant, with a capacity of 2 MW that uses the wastewater and palm oil sludge obtained from the crude palm oil production process and turn into power generation.

**WATER TREATMENT FOR SHRIMP FARM BUSINESS PROJECT** Sam Water Supply Company Limited has contracts to distribute water through the Ultrafiltration system and disinfect with the Ozone generator in shrimp farms for CPF. These farms can deliver 124,000 cubic meters of water per day to 10 farms in different area. Furthermore, the company is a main water distributor for shrimp farming of Charoen Pokphand Foods Public Company Limited.

**INDUSTRIAL WASTE DISPOSAL PLANT PROJECT** Universal West Management Company Limited has provided services for the treatment and disposal of non-hazardous waste or waste materials from industries sectors. This project will collect industrial waste from customer's factories or other sources and transfer it for treatment and disposal at the industrial waste treatment center in Chonburi and Chachoengsao.

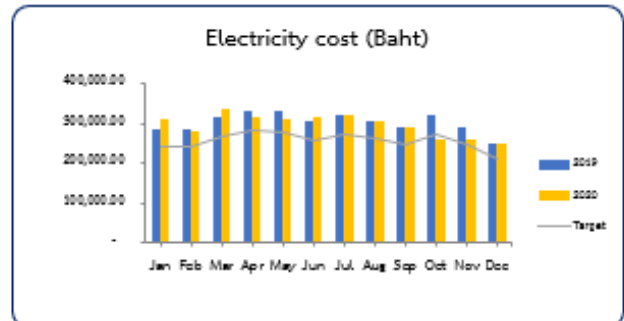
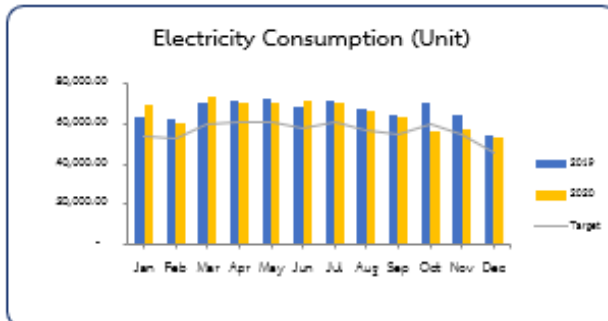


**APPRECIATE THE VALUE OF RESOURCES**

 <b>5-YEAR LONG-TERM GOALS</b>	 <b>2020 GOALS</b>	 <b>PERFORMANCE FOR THE YEAR 2020</b>
<p>Implementing a policy to use company resources with knowledge of value by setting a goal to reduce expenses of electricity, water supply and accumulated paper consumption 5 years 5 hundred thousand baht.</p>	<p>Reducing electricity consumption by 20,000 units or approximately 2.5%</p> <p>Reducing paper usage by 50 reams per year or approximately 2.5%.</p>	<p>Reducing electricity consumption by 18,000 units or approximately 2.26%</p> <p>Reducing paper usage by 41 reams per year or approximately 2.16%.</p>

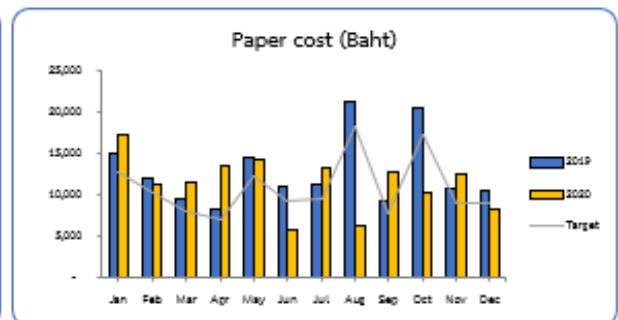
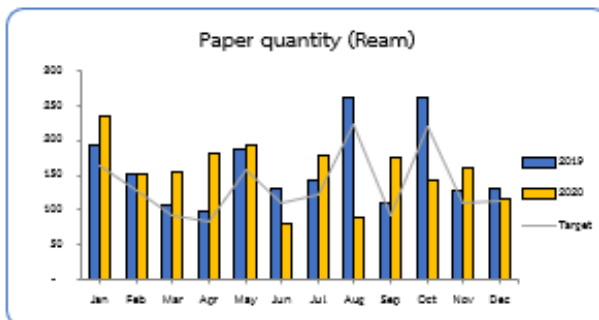
At Seven Utilities and Power Public Company Limited, we intend to operate business with sustainability and also give an importance to energy saving and support the usage of resources. Therefore, the company establish an operational policy for the executives and all employees both in the company and its affiliates.

## Electricity consumption and electricity cost in 2019 vs 2020



	2019	2020	Diff	%Diff
Electricity consumption (Unit)	796,000.00	778,000.00	-18,000.00	-2.26%
Electricity cost (Baht)	3,633,944.64	3,557,563.07	-76,381.57	-2.10%

## Paper quantity and cost in 2019 vs 2020



	2019	2020	Diff	%Diff
Paper quantity (Ream)	1,900.00	1,859.00	-41.00	-2.16%
Paper cost (Baht)	154,684.00	137,459.00	-17,225.00	-11.14%

# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. ANALYSIS OF FINANCIAL POSITION AND PERFORMANCE

### STATEMENT OF PROFIT OR LOSS

Statement of comprehensive income	Consolidated financial statements (Thousand Bath)					
	31 Dec 20	%	31 Dec 19	%	YOY	%YOY
Sales	993,145	76.31%	885,900	78.98%	107,245	12.11%
Service income	126,044	9.69%	139,812	12.47%	(13,768)	9.85%
Other income	182,243	14.00%	95,928	8.55%	86,315	89.98%
<b>Total revenues</b>	<b>1,301,432</b>	<b>100.00%</b>	<b>1,121,640</b>	<b>100.00%</b>	<b>179,792</b>	<b>16.03%</b>
Cost of sales	(822,568)	63.20%	(748,650)	66.75%	(73,918)	9.87%
Cost of services	(148,130)	11.38%	(94,115)	8.39%	(54,015)	57.39%
Selling expenses	(33,494)	2.57%	(32,336)	2.88%	(1,158)	3.58%
Administrative expenses	(260,947)	20.05%	(372,224)	33.19%	111,277	29.90%
Bargain purchase of investment in subsidiary	10,092	0.78%	2,342	0.21%	7,750	330.91%
Gain on sale of investment in subsidiary	-	0.00%	137,396	12.25%	(137,396)	100.00%
Gain on sale of investment in associate	-	0.00%	3,100	0.28%	(3,100)	100.00%
Gain on sale of other long-term investments	84,146	6.47%	-	0.00%	84,146	100.00%
Loss on disposal of a subsidiary	(18,794)	1.44%	-	0.00%	(18,794)	100.00%
Finance cost	(33,661)	2.59%	(15,208)	1.36%	(18,453)	121.34%
Reversal of allowance for loans and interest	53,500	4.11%	-	0.00%	53,500	100.00%
Reversal of allowance for diminution in value	-	0.00%	50,000	4.46%	(50,000)	100.00%
Share of profit from investment in associates	4,860	0.37%	3,333	0.30%	1,526	45.78%
<b>Profit before income tax expenses</b>	<b>136,436</b>	<b>10.48%</b>	<b>55,278</b>	<b>4.93%</b>	<b>81,159</b>	<b>146.82%</b>
Income tax expenses	(13,774)	1.06%	(8,592)	0.77%	(5,182)	60.32%
<b>Profit for the year</b>	<b>122,662</b>	<b>9.43%</b>	<b>46,686</b>	<b>4.16%</b>	<b>75,977</b>	<b>162.74%</b>

Remark: Financial ratio is based on common-size analysis to total revenue

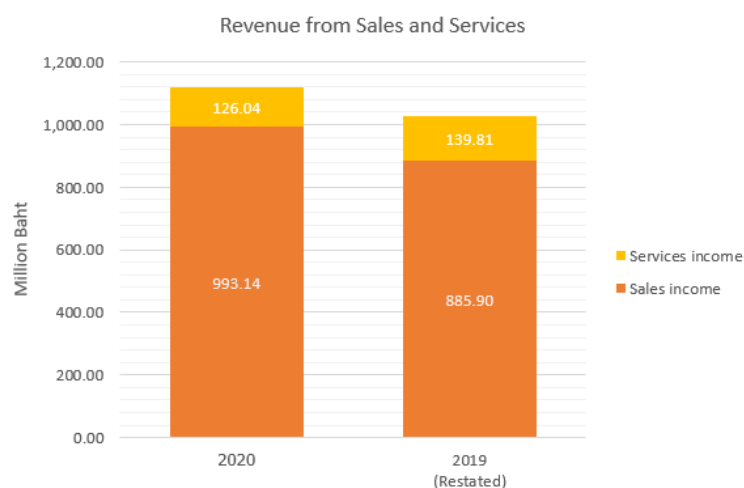
### OVERALL BUSINESS OPERATION 12 MONTHS

For the year 2020, Seven Utilities and Power Public Company Limited and its subsidiaries recorded a net profit of Baht 122.66 million. Profit increased from the year ended 2019 by Baht 75.98 million or 162.74%. For the year 2020, net profit of Baht 122.66 million mostly came from gross profit from business operation amounting to Baht 148.48 million. Overall, the Group's performance mostly results from operation of LPG and oil retail and wholesale business with gross profit of Baht 99.17



million, trunked radio and Internet of Things (IoT) business of Baht 25.95 million and utilities business of Baht 13.93 million. Moreover, the Company also had other incomes and non-recurring incomes by Baht 334.84 million, which consists of gain on sale of other long-term investments by Baht 84.15 million, income from debt lifting of Baht 56.37 million and reversal of allowance for loans and interest by Baht 53.50 million.

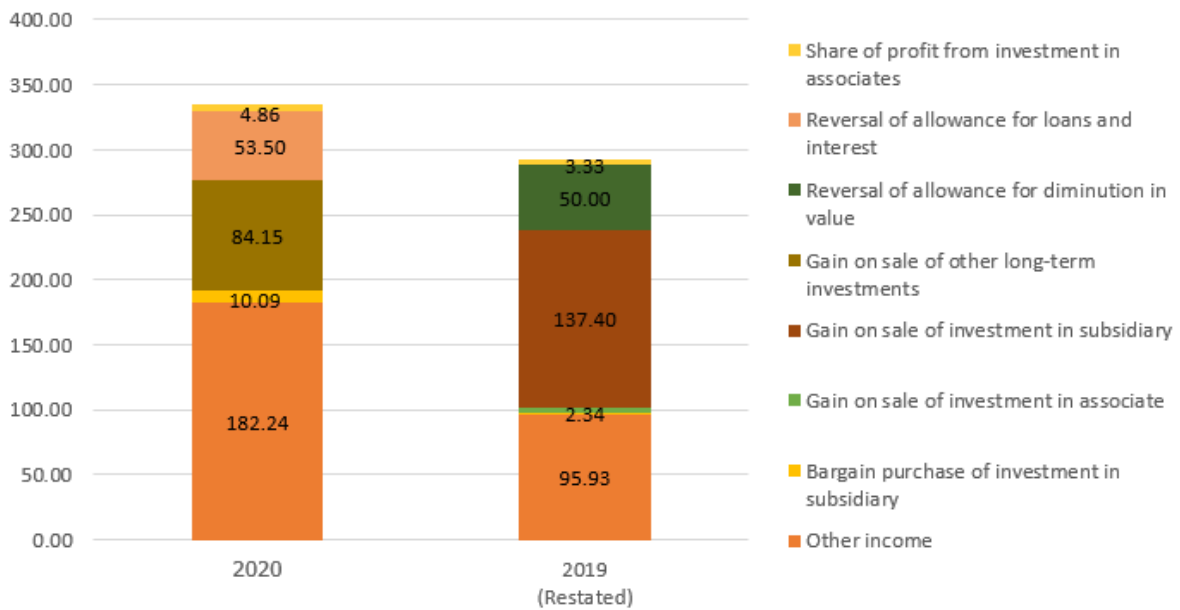
## REVENUE 12 MONTHS



For the year 2020, the Company had sales and services income of Baht 1,119.18 million, which increased from year ended 2019 by Baht 93.47 million or 9.11%. Sales income by Baht 933.14 million, mostly consist of revenue from sale of LPG and oil amounting to Baht 640.04 million, revenue from the sale radio and communications system and internet of thing (IoT) amounting to Baht 358.45 million and revenue from the sale of electricity amounting to Baht 22.19 million. While, services income by Baht 126.04 million, mostly consist of revenue from LPG and oil station management amounting to Baht 51.93 million and revenue from water treat management services amounting to Baht 44.42 million.

Sales and services income increased by Baht 93.47 million mostly came from trunked radio and Internet of Things (IoT) business increased by Baht 226.28 million due to during the year 2020 the Company was complete and recognized revenue from procurement project with the installation of a concourse and the procurement project of radio communication's battery and revenue from utilities business increased by Baht 16.04 million. On the other hands, revenue from LPG and oil retail and wholesale business was decreased by Baht 136.98 million due to COVID-19 pandemic, the Government announce the partial lockdown mandated and work from home policy is decreasing of demand on LPG and oil.

### Non-recurring incomes



For the year 2020, the Company had other income and non-recurring incomes of Baht 334.84 million which mostly came from;

- Gain on sale of other long-term investments of Baht 84.15 million
- Reversal of allowance for loans and interest of Baht 53.50 million
- Bargain purchase of investment in subsidiary of Baht 10.09 million
- Share of profit from investment in associates of Baht 4.86 million
- Other incomes of Baht 182.24 million, mostly consist of income from debt lifting of Baht 56.37 million, unrealized gain on revaluation of investments in available-for-sale of Baht 31.74, rental income and utilities of Baht 12.08 million, interest income of Baht 7.44 million, gain on sale of assets of Baht 7.32 million, income from share transfer from share receivable of Baht 5.10 million and gain on exchange rate of Baht 2.49 million.

## REVENUE, COST AND OPERATION BY SEGMENT

(Unit: Million Baht)

Gross profit per segment	2020	2019 (Restated)
<b><u>LPG and oil retail and wholesale business</u></b>		
Revenues from sales and rendering of services	691.97	828.95
Cost of sales and rendering of services	(592.80)	(689.26)
<b>Gross profit per segment</b>	<b>99.17</b>	<b>139.69</b>
<b><u>Trunked radio and Internet of Things (IoT)</u></b>		
Revenues from sales and rendering of services	358.45	132.17
Cost of sales and rendering of services	(332.50)	(104.25)
<b>Gross profit per segment</b>	<b>25.95</b>	<b>27.92</b>
<b><u>Renewable energy</u></b>		
Revenues from sales and rendering of services	24.34	33.51
Cost of sales and rendering of services	(16.93)	(27.76)
<b>Gross profit per segment</b>	<b>7.41</b>	<b>5.75</b>
<b><u>Utilities Business</u></b>		
Revenues from sales and rendering of services	44.42	28.38
Cost of sales and rendering of services	(30.49)	(15.74)
<b>Gross profit per segment</b>	<b>13.93</b>	<b>12.64</b>
<b><u>Other Business</u></b>		
Revenues from sales and rendering of services	-	2.70
Cost of sales and rendering of services	-	(1.88)
<b>Gross profit per segment</b>	<b>-</b>	<b>0.82</b>
Total Gross Profit before Adjustments and Eliminations	146.46	186.82
<u>Add(Less)</u> Adjustments and eliminations	2.02	(3.87)
<b>Total gross profit</b>	<b>148.48</b>	<b>182.95</b>

## **COST OF SALES AND SERVICES 12 MONTHS**

Cost of sales and services for year 2020 of Baht 970.70 million increased from the year ended 2019 by Baht 127.93 million or 15.18%, which consists of increasing in cost of sales and services of Baht 73.92 million and Baht 54.01 million, respectively. Cost of sales and services mostly consists of;

- LPG and oil retail and wholesale business of Baht 592.80 million consists of cost from purchase of LPG and oil amounting to Baht 560.31 million and cost from sales management amounting to Baht 32.49 million.
- Trunked radio and Internet of Things (IoT) business of Baht 332.50 million which is cost from sale radio and communications system and internet of thing (IoT) in whole amount.
- Utilities business of Baht 30.49 million which is cost of water treat management services in whole amount.
- Renewable energy business of Baht 16.93 million which is cost of electricity production in whole amount.

## **GROSS PROFIT MARGIN 12 MONTHS**

Gross profit for years 2020 and 2019 were Baht 148.48 million and Baht 182.95 million, respectively. Gross profit decreased by Baht 34.47 million or 18.84%. Gross profit mostly consists of;

- LPG and oil retail and wholesale business of Baht 99.17 million consist of gross profit from sale of LPG and oil amounting to Baht 79.73 million and gross profit from sales management amounting to Baht 19.44 million.
- Trunked radio and Internet of Things (IoT) business of Baht 25.95 million which is gross profit from sale radio and communications system and internet of thing (IoT) in whole amount.
- Utilities business of Baht 13.93 million which is gross profit from water treat management services in whole amount.
- Renewable energy business of Baht 7.41 million which is gross profit from sale electricity in whole amount.

## SELLING AND ADMINISTRATIVE EXPENSE 12 MONTHS

Selling and administrative expenses for the year 2020 is equal to Baht 294.44 million. Compared to the year ended 2019, selling and administrative expenses decreased by Baht 110.12 million, or 27.22%. Selling and administrative expenses for the year 2020 mainly consists of selling expenses amounting to Baht 33.49 million, which is selling expenses from LPG and oil business, and administrative expenses amounting to Baht 260.95 million, mainly due to management expense, employee expenses, utilities and audit fees.

## FINANCIAL COST 12 MONTHS

For year 2020, the Company's finance cost is Baht 33.66 million which increased from the year ended 2019 by Baht 18.45 million, or 121.30%, which mostly resulted from borrowings from financial institutions and related company.

## NET PROFIT (LOSS) FOR THE PERIOD 12 MONTHS

Results of operations for year 2020, the Company has a net profit of Baht 122.66 million, which increased from the year ended 2019 by Baht 75.98 million, or 162.74%. The increasing of net profit reflect that the Company's performance is improving, which conforms with the revenue incremental.

## STATEMENT OF FINANCIAL POSITION

Thousand Baht	Consolidated Financial Statement		Changes
	31 Dec 20	31 Dec 19 (Restated)	
Total Assets	3,233,797	2,178,380	48.45%
Total Liabilities	1,098,267	661,725	65.97%
Equity Attributable to Owners of the company	1,986,727	1,414,092	40.49%
Non-Controlling Interests	148,803	102,563	45.08%
Total Shareholders' Equity	2,135,530	1,516,655	40.81%

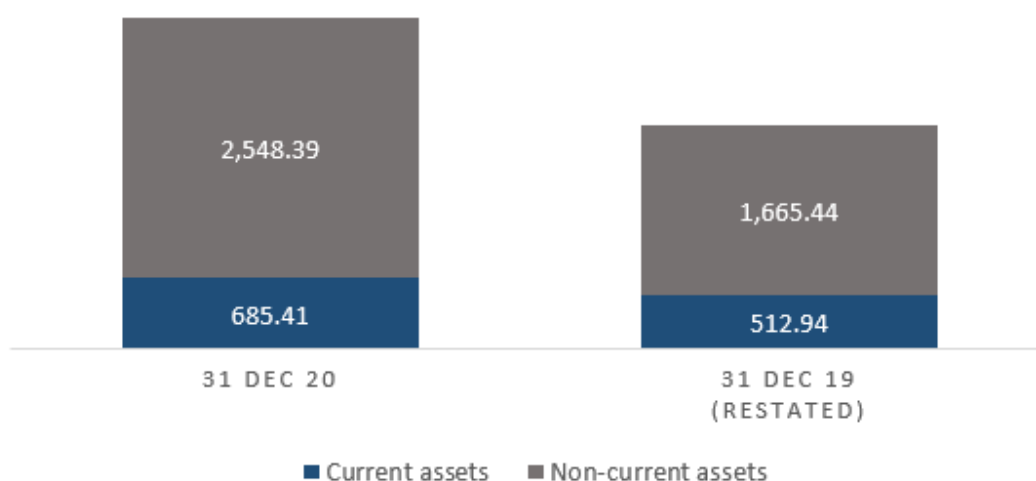
As at December 31, 2020, the total assets of the Company were Baht 3,233.80 million and as at December 31, 2019 were Baht 2,178.38 million, increasing by Baht 1,055.42 million or 48.45%. Total assets mostly consist of property, plant, and equipment amounting to Baht 748.09 million, deposits for business due diligence amounting to Baht 593.29 million, trade and other current receivables amounting to Baht 466.98 million, right-of-use assets amounting to Baht 217.88 million, intangible

assets amounting to Baht 207.58 million, goodwill amounting to Baht 165.47 million, investment in associate amounting to Baht 163.97 million, cash and cash equivalents amounting to Baht 116.47 million and investment properties amounting to Baht 113.96 million.

The total liabilities of the Company as at December 31, 2020 were Baht 1,098.27 million and as at December 31, 2019, were Baht 661.73 million, increase by Baht 436.54 million or 65.97%. Total liabilities mostly came from borrowings from financial institutions amounting to Baht 293.57 million, liabilities under lease agreements amounting of Baht 226.08 million, convertible debentures – liability component amounting of Baht 195.64 million and trade and other payables amounting to Baht 195.56 million.

Shareholders' equity as at December 31, 2020 amounting to Baht 2,135.53 million, while as at December 31, 2019, the amount was Baht 1,516.65 million, increased by Baht 618.88 million or 40.81%.

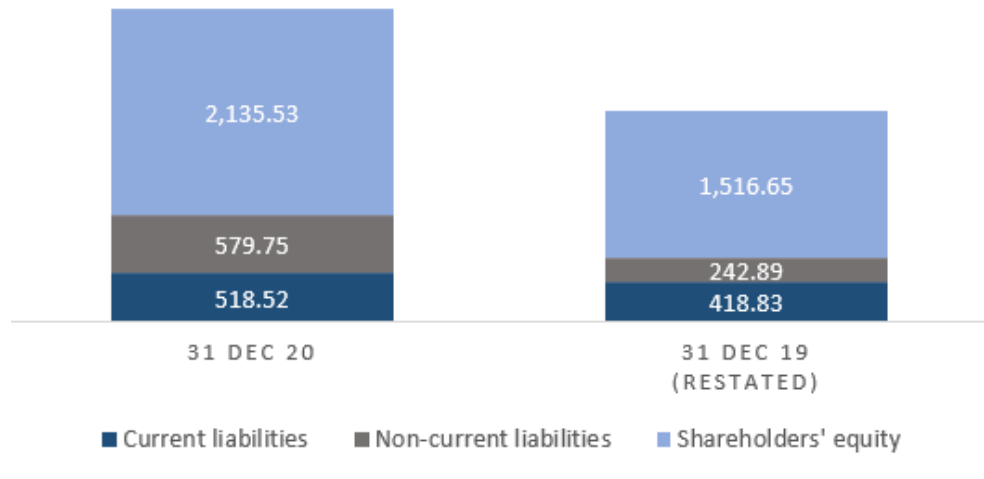
### TOTAL ASSETS



As at December 31, 2020, the Company has total assets by Baht 3,233.80 million which increase from December 31, 2019 by Baht 1,055.42 million, or 48.45% mostly from;

- Deposits for business due diligence increased by Baht 518.29 million due to the Company had the deposit for leasehold rights in land.
- Right-of-use assets increased by Baht 217.88 million due to the revision of Thai Financial Reporting Standards No. 16 which effective since January 1, 2020.
- Other non-current financial assets increased by Baht 172.39 million due to fair value measurement according to the revision of Thai Financial Reporting Standards No. 9.

## TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY



As at December 31, 2020, the Company has total liabilities by Baht 1,098.27 million which increase from December 31, 2019 by Baht 436.54 million, or 65.97% mostly from;

- Liabilities under lease agreements increased by Baht 202.55 million due to the revision of Thai Financial Reporting Standards No. 16 which effective since January 1, 2020.
- Convertible debentures – liability component increased by Baht 195.64 million due to the issuance of convertible bonds during the year 2020.

As at December 31, 2020, Shareholders' equity of the Company were Baht 2,135.53 million, which increased by Baht 618.88 million or 40.81% from December 31, 2019, mostly from;

- Deficit decreased by Baht 1,109.26 million.
- Registered share capital decreased by Baht 770.94 million due to reducing the Par Value from Baht 1.00 to Baht 0.50 per share.
- Deficit on issuance of share capital decreased by Baht 135.75 million.

## COMPANY'S LIQUIDITY

(Unit: Million Baht)

Details	Consolidate Financial Statement	
	31 Dec 20	31 Dec 19 (Restated)
Net cash provided by (used in) operating activities	1.71	(74.22)
Net cash provided by (used in) investing activities	(589.51)	15.69
Net cash provided by (used in) financing activities	597.14	15.32
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>9.34</b>	<b>(43.21)</b>
Cash and cash equivalents at the beginning of the period	107.13	150.34
<b>Cash and cash equivalents at the end of the period</b>	<b>116.47</b>	<b>107.13</b>

The Company's liquidity for the year ended December 31, 2020, the Company has net increase in cash and cash equivalents by Baht 9.34 million, while cash and cash equivalent at the beginning of the period by Baht 107.13 million affect to cash and cash equivalent at the end of the period by Baht 116.47 million, therefore each cash flow activities are as follows:

Net cash flow provided by operating activities by Baht 1.71 million due to the Company has profit before income tax by Baht 136.44 million and deduct by non-cash transactions by Baht 8.09 million. Mainly increase in net cash flow came from gain on sale from other long-term investment by Baht 84.15 million, depreciation expense by Baht 60.25 million and cash flow used in other operating activities by Baht 146.20 million. Moreover, the Company has cash received from tax refund by Baht 28.71 million and cash payment for income tax by Baht 9.15 million.

Net cash flow used in investment activities by Baht 589.51 million mostly came from cash payment for business due diligence by Baht 765.00 million, cash payment for purchase of investment in associates by Baht 69.50 million, cash payment for short-term loan to related company by Baht 64.86 million, cash received from sales of other long-term investment by Baht 112.50 million, cash received from long term loan to related company by Baht 113.57 million and cash received from sales of investment in associate by Baht 106.00 million. The details of purchase and sale of investment in associates are as follow:

- On 28 May 2020, the Executive Committee's Meeting had approved the acquisition of ordinary shares of Wangwiset Woodtrade Co., Ltd, by the Company, from a person who is not a connected person and without any relationship and/or any connection with the Company's



executives, Board of Directors, major shareholders, or controlling person of the Company and its subsidiaries of 5,000 ordinary shares at a par value of Baht 100 per share, totalling of Baht 500,000 (50% shareholding). WWS is a juristic person registered in Thailand with registered capital of Baht 1 million, which fully paid.

- On 15 June 2020, the Executive Committee's Meeting passed a resolution to approve the increase of the registered capital of Wangwiset Woodtrade Co., Ltd., an associate, amounting to Baht 39.00 million, from registered capital of Baht 1 million to Baht 40.00 million by issuing new ordinary shares of 390,000 shares with a par value of Baht 100 per share and allocated to the existing shareholders of the subsidiary according the proportion of each shareholder. In this regard, the Board of Directors approved the purchase of 37.50% of the shares, that was 145,000 shares at the price of Baht 100 per share, amounting to Baht 14.50 million. Such associate has registered with Department of Business Development, Ministry of Commerce on 16 June 2020. To this respect, the Company hold 37.50% of the 75% issued and paid-up shares of WWS, whereas the Company has already paid for its shares of Baht 11.38 million on 22 June 2020.

- On 12 November 2020, a meeting of the Board of Directors of the Company has passed a resolution approving to dispose of all shares in ECO Energy Group Corporation Co., Ltd., a subsidiary company, and received payment amounting to Baht 132.00 million, which consists of Pracharat Biomass Mae Lan Co., Ltd. and Pracharat Biomass Bannang Sata Co., Ltd., an associates company of ECO, amounting to Baht 92.00 million.

Net cash flow provided by financing activities by Baht 597.14 million mainly came from cash received from the issuance of convertible debenture by Baht 650.00 million, cash payment for interest expense by Baht 31.38 million and cash payment for loan from financial institutions by Baht 19.75 million.

For financing activities for support current operations and future investment. The Group has a policy to provide source of investment funds from financial institutions and investors which have knowledge and capabilities in that business. In addition, the Group has a debt to equity ratio and interest coverage ratio are 0.51 times and 5.05 times, respectively, indicating that the Group has sufficient solvency and there was no default on repayment to financial institutions.

## 2. FACTORS THAT MAY IMPACT FINANCIAL POSITION OR OPERATIONS

### IMPACT FROM THE COVID-19 PANDEMIC

The COVID-19 pandemic has affected Thai economy an early on February 2020, which likely cause a continued changing and dispersed forecast of the GDP growth in the year of 2020 as well as how and when the economic resumption would occur. Furthermore, the partial lockdown mandated in the last week of March 2020 resulted in a more pronounced slowdown in Thai economic and business activities until now.



The impact of LPG and oil business from the partial lockdown mandated and work from home policy is decreasing of demand on LPG and oil. Overall, LPG and oil business still necessary for personal and business, includes business operation and transportation.

### **3. FINANCIAL STATEMENT INFORMATION AND FINANCIAL RATIO**

#### **AUDITOR'S OPINION**

Financial statements for the year 2020 audited by Mr. Sompop Pholprasarn, Certified Public Accountant (Thailand) No. 6941 from Mazars Limited, which expressed an unmodified opinion. Auditor have audited the consolidated financial statements of Seven Utilities and Power Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Seven Utilities and Power Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2020, and the related consolidated and separate statements of profit or loss and other comprehensive income, and the related consolidated and separate statement of changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies with opinion that, the accompanying consolidated and the separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and of the Company as at December 31, 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Auditor conducted in accordance with Thai Standards on Auditing with independent of the Group and the Company in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and fulfilled other ethical responsibilities in accordance with these requirements. Auditor believe that the audit evidence which have obtained is sufficient and appropriate to provide a basis for auditor’s opinion.

## STATEMENT OF FINANCIAL POSITION

(Unit: Million Baht)

Statement of Financial position	2020	2019 (Restated)	2018 (Restated)
<b>Current assets</b>			
Cash and cash equivalents	116.47	107.13	150.34
Trade and other current receivables	466.98	366.64	164.18
Short-term loans to related parties	7.96	3.17	58.58
Short-term loans	67.55	-	-
Current portion of long-term loans	7.00	12.00	12.00
Inventories	13.20	16.63	27.79
Other current financial assets	6.25	-	-
Temporary investments	-	7.37	9.35
<b>Total current assets</b>	<b>685.41</b>	<b>512.94</b>	<b>422.24</b>
<b>Non-current assets</b>			
Restricted bank deposits	72.93	76.21	72.95
Deposits for business due diligence	593.29	75.00	170.00
Investments in subsidiaries	-	-	-
Investments in associates	163.97	227.86	-
Long-term loans	-	8.00	19.00
Investment properties	113.96	-	-
Property, plant and equipment	748.09	737.79	739.74
Right-of-use assets	217.88	-	-
Goodwill	165.47	192.70	186.70
Leasehold rights	68.30	62.65	48.34
Intangible assets	207.58	251.56	272.87
Deferred tax assets	2.19	3.71	2.24
Other non-current financial assets	172.39	-	-
Other long-term investments	-	24.80	24.80
Other non-current assets	22.33	5.16	6.93
<b>Total non-current assets</b>	<b>2,548.38</b>	<b>1,665.44</b>	<b>1,543.57</b>
<b>Total assets</b>	<b>3,233.79</b>	<b>2,178.38</b>	<b>1,965.81</b>

(Unit: Million Baht)

Statement of Financial position	2020	2019 (Restated)	2018 (Restated)
<b>Current liabilities</b>			
Bank overdraft and short-term borrowings from financial institutions	174.05	110.00	130.39
Trade and other current payables	195.56	171.18	149.29
Current portion of long-term borrowings from financial institutions	47.99	64.66	67.28
Current portion of liabilities under lease agreements	23.53	-	-
Current portion of liabilities under finance lease agreements	-	2.80	2.04
Short-term borrowings	65.28	62.71	22.10
Government grants	-	-	0.75
Current income tax payable	5.66	1.03	0.65
Share of loss in investment in a joint venture	6.45	6.45	6.45
<b>Total current liabilities</b>	<b>518.52</b>	<b>418.83</b>	<b>378.95</b>
<b>Non-current liabilities</b>			
Long-term borrowings from financial institutions	71.53	94.11	80.82
Liabilities under lease agreements	202.55	-	-
Liabilities under finance lease agreements	-	7.69	7.90
Convertible debentures - liability component	195.64	-	-
Government grants	-	-	12.21
Deferred tax liabilities	97.14	86.11	85.39
Non-current provision for employee benefits	12.07	10.91	6.32
Other non-current provision	-	43.15	-
Other non-current liabilities	0.81	0.92	0.69
<b>Total non-current liabilities</b>	<b>579.74</b>	<b>242.89</b>	<b>193.33</b>
<b>Total liabilities</b>	<b>1,098.26</b>	<b>661.72</b>	<b>572.28</b>
<b>Shareholders' equity</b>			
Share capital	2,567.76	3,635.52	3,272.89
Issued and paid-up share capital	2,258.66	3,029.60	3,029.60
Share discount on ordinary shares	(222.82)	(358.57)	(358.57)
Deficit on issuance of share capital at price higher than fair value	2.45	2.45	(12.17)
Deficit on change in percentage of shareholding in subsidiaries	(74.00)	(74.00)	(74.00)
Warrants	30.30	30.30	-
Deficit	(206.85)	(1,316.11)	(1,361.55)
Convertible debentures - equity component	3.26	-	-
Other components of shareholders' equity	195.73	100.43	102.97
Non-controlling interests	148.80	102.56	67.23
<b>Total shareholders' equity</b>	<b>2,135.53</b>	<b>1,516.66</b>	<b>1,393.51</b>

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Unit: Million Baht)

Statement of profit or loss and other comprehensive income	2020	2019 (Restated)	2018 (Restated)
<b>Revenues from sales and rendering of services</b>			
Revenues from sales	993.14	885.90	586.53
Revenues from rendering of services	126.04	139.81	96.75
<b>Total revenues</b>	<b>1,119.18</b>	<b>1,025.71</b>	<b>683.28</b>
<b>Costs of sales of goods and rendering of services</b>			
Costs of sales of goods	(822.57)	(748.65)	(434.89)
Costs of rendering of services	(148.13)	(94.12)	(61.42)
<b>Total costs</b>	<b>(970.70)</b>	<b>(842.77)</b>	<b>(496.31)</b>
<b>Gross profit</b>	<b>148.48</b>	<b>182.94</b>	<b>186.97</b>
Other incomes	182.24	95.93	77.16
Selling expenses	(33.49)	(32.34)	(30.79)
Administrative expenses	(260.95)	(372.22)	(316.72)
Bargain purchase of investment in subsidiary	10.09	2.34	30.77
Gain (loss) on sale of investment in subsidiary	-	137.40	-
Gain on sale of investment in associate	-	3.10	-
Gain on sale of other long-term investments	84.15	-	-
Loss on disposal of a subsidiary	(18.79)	-	-
Other expenses	-	-	(12.70)
Finance cost	(33.66)	(15.21)	(15.24)
Reversal of allowance for loans and interest	53.50	-	-
Reversal of allowance for diminution in value	-	50.00	-
Share of profit from investment in associates	4.86	3.33	-
Share of profit from investment in joint venture	-	-	0.36
<b>Profit before income tax (expense) income</b>	<b>136.43</b>	<b>55.27</b>	<b>(80.19)</b>
Income tax (expense) income	(13.77)	(8.59)	(0.83)
<b>Net profit (loss) for the year</b>	<b>122.66</b>	<b>46.68</b>	<b>(81.02)</b>
<b>Other comprehensive income (loss)</b>			
Items that will be not reclassified subsequently to profit or loss			
Gain (loss) on revaluation of assets	119.14	(3.16)	4.79
Income tax effect	(23.84)	0.62	(0.97)
<b>Other comprehensive income (loss) for the year - net of income tax</b>	<b>95.30</b>	<b>(2.54)</b>	<b>3.82</b>
Actuarial gain (loss)	2.19	(1.73)	(0.28)
Share of other comprehensive income from investment in an associate	-	0.28	-
Income tax effect	(0.27)	0.62	0.10
<b>Total comprehensive income for the year</b>	<b>219.88</b>	<b>43.31</b>	<b>(77.38)</b>

## STATEMENT OF CASH FLOWS

(Unit: Million Baht)

Statement of cash flows	2020	2019 (Restated)	2018 (Restated)
<b>Cash flows from operating activities</b>			
Profit before income tax	136.44	55.28	(80.20)
Items to reconcile profit (loss) to cash received (paid)			
Finance cost	33.66	15.21	15.24
Gain on fair value of investment properties	60.25	69.18	70.67
Depreciation - property, plant and equipment and right-of-use assets	2.30	2.41	0.87
Amortization - leasehold rights	31.67	21.89	18.28
Amortization - intangible assets	(53.50)	55.82	(0.05)
Doubtful debt - interest receivables (Reversal)	(1.70)	(23.50)	(5.57)
Doubtful debt - short-term loan to related parties (Reversal)	15.00	(50.00)	50.00
Doubtful debt - trade and other current receivables (Reversal)	11.00	-	-
Bad debt – deposit for business due diligence	-	-	9.00
Loss on impairment of goodwill	-	21.22	-
Loss on impairment of investments in subsidiaries	(1.11)	2.96	1.21
Provision for employee benefits	-	43.15	-
Provision for litigation	(43.15)	-	-
Other non-current provision (Reversal)	-	(1.99)	0.05
Unrealized (gain) loss on exchange	-	(0.26)	-
Gain on sale of temporary investments	1.12	(0.25)	(9.35)
(Gain) loss on change in value of temporary investments	64.86	(18.00)	(0.17)
(Gain) loss on write off and disposal of fixed assets and intangible assets	(4.86)	(3.33)	-
Share of profit from investment in joint venture	-	-	(0.35)
(Gain) loss on change in value of long-term investments	(31.74)	-	-
Gain from bargain purchase of investment in a subsidiary	(10.09)	(2.34)	(30.77)
(Gain) loss on sale of investment in a subsidiary	-	(137.40)	12.70
Gain on sale of other long-term investment	(84.15)	-	-
Gain on sale of investment in an associate	-	(3.10)	-
(Gain) loss on change in value of long-term investments	18.79	-	-
Government grant income	-	(12.21)	(2.18)
Dividend income	(0.87)	-	-

(Unit: Million Baht)

Statement of cash flows	2020	2019 (Restated)	2018 (Restated)
Interest income	(0.42)	(4.69)	(3.28)
Reversal of allowance for impairment of intangible assets	-	-	(0.72)
Reversal of allowance for diminution in value of withholding tax refundable	(4.74)	-	-
Reversal of allowance for diminution in value of VAT refundable	(28.71)	-	-
Penalty and tax surcharge	18.29	-	-
<b>Gain (loss) from operating activities before changes in operating assets and liabilities</b>	<b>128.34</b>	<b>30.05</b>	<b>45.38</b>
Operating assets (increase) decrease			
Trade and other current receivables	(108.85)	(173.90)	12.94
Inventories	3.43	11.16	(15.20)
Other non-current assets	(17.16)	1.76	4.52
Leasehold right	-	-	(47.98)
Operating liabilities increase (decrease)			
Trade and other current payables	(23.51)	64.69	5.20
Other non-current liabilities	(0.10)	0.22	0.69
<b>Cash flows from (used in) operating activities</b>	<b>(17.85)</b>	<b>(66.02)</b>	<b>5.55</b>
Cash received from tax refund	28.71	-	-
Cash paid for income tax	(9.15)	(8.21)	(7.27)
<b>Net cash flows from (used in) operating activities</b>	<b>1.71</b>	<b>(74.23)</b>	<b>(1.72)</b>
<b>Cash flows from investing activities</b>			
Dividend received	0.87	-	-
Cash received from sales of investment in subsidiary	-	59.93	55.44
Cash payment for purchase of investment in subsidiaries	(11.00)	(36.19)	(43.64)
Cash received from sales of temporary investment	-	2.49	-
Cash received from sales of other long-term investment	112.50	-	-
Cash payments for purchase of investments in associates	(69.50)	(145.80)	-
Cash received from sales of investment in an associate	106.00	13.90	-
Cash received from disposals of equipment	63.20	8.82	1.25
Cash payments for purchase of equipment	(15.47)	(84.23)	(84.21)
Cash payments for deposit of equipment	-	-	(66.00)
Cash received for deposit of equipment	-	-	66.00
Cash payments for purchase of intangible assets	(1.03)	(0.61)	(0.90)
Cash payments for purchase of leasehold rights	(7.95)	(16.72)	-
Cash payments for providing short-term loans to related parties	(64.85)	-	(31.00)
Cash received from long-term loans to related parties	113.57	-	-
Cash payments to provide short-term loans to non-related parties	(81.20)	73.73	-
Cash received from short-term loans to non-related parties	13.65	(20.71)	-
Cash received from (payment for) interest	0.42	8.35	(0.40)
Cash received from long-term loans	13.00	11.00	-
Increase in restricted bank deposits	3.28	(3.26)	(36.98)



(Unit: Million Baht)

Statement of cash flows	2020	2019 (Restated)	2018 (Restated)
Cash received from deposit for business due diligence	-	160.00	9.00
Cash payments for business due diligence	(765.00)	(15.00)	(170.00)
<b>Net cash flows used in investing activities</b>	<b>(589.51)</b>	<b>15.70</b>	<b>(301.44)</b>
<b>Cash flows from financing activities</b>			
Cash received from warrants	-	30.30	-
Cash received from short-term borrowings from financial institutions	70.27	-	331.49
Cash payments for short-term borrowings from financial institutions	(50.77)	(17.50)	(283.50)
Cash received from long-term borrowings from financial institutions	-	78.93	46.07
Cash payments for long-term borrowings from financial institutions	(39.25)	(68.26)	(62.25)
Cash received from short-term borrowings from related parties	185.58	111.30	13.50
Cash payments for short-term borrowings from related parties	(183.01)	(100.50)	(15.50)
Cash payments for liabilities under finance lease agreements	(4.30)	(2.32)	(3.44)
Cash received from the issuance of convertible debenture	650.00	-	-
Cash payment interest	(31.38)	(13.74)	(19.91)
Increase (decrease) in bank overdrafts	-	(2.89)	(10.02)
Cash received from increase in share capital	-	-	358.37
<b>Net cash flows from financing activities</b>	<b>597.14</b>	<b>15.32</b>	<b>354.81</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>9.34</b>	<b>(43.21)</b>	<b>51.65</b>
Cash and cash equivalents at the beginning of the period	107.13	150.34	98.69
<b>Cash and cash equivalents at the end of the period</b>	<b>116.47</b>	<b>107.13</b>	<b>150.34</b>

## FINANCIAL RATIO

Financial ratio	Unit	2020	2019 (Restated)	2018 (Restated)
<b>Liquidity Ratio</b>				
Quick ratio	Times	1.30	1.18	1.04
Receivable turnover	Times	2.69	3.86	4.10
Collection period	Days	135.93	94.44	89.02
Inventory turnover	Times	65.07	37.94	28.94
Day sale period	Days	5.61	9.62	12.61
<b>Profitability Ratio</b>				
Gross profit margin	%	13.27	17.84	31.88
Operating profit (loss) margin	%	15.20	6.87	(11.08)
Net profit (loss) margin	%	10.96	4.55	(13.82)
Return on equity	%	6.72	3.21	(6.37)
<b>Efficiency Ratio</b>				
Return on assets	%	4.53	2.25	(4.34)
Total asset turnover	Times	0.41	0.50	0.31
<b>Financial Policy Ratio</b>				
Debt to equity ratio	Times	0.51	0.44	0.41
Interest coverage ratio	Times	5.05	4.63	(4.26)
<b>Growth Rate</b>				
Revenue from sales and services	%	12.11	51.04	16.26
Cost of sales and services	%	9.87	72.15	16.12
Selling and administrative expenses	%	(27.22)	16.42	(11.77)
Net profit	%	162.74	17.52	38.69

# GENERAL INFORMATION AND OTHER IMPORTANT INFORMATION

## 1. GENERAL INFORMATION

### 1.1 COMPANY INFORMATION

Company's name	Seven Utilities and Power Public Company Limited
Abbreviation	7UP
Registration date on SET	April 3, 2002
Registered Capital	2,922,758,861.00 Baht
Issued and Paid-up Capital	2,470,909,875.50 Baht
Paid-up shares	4,941,819,751 shares
Par Value	0.50 Baht per share
Market Capitalization	2,619,164,468.03 Baht (as of March 15, 2021)
Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Energy and Utilities
Registered Number	0107545000021
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Website	<a href="http://www.sevenup.co.th">www.sevenup.co.th</a>

## 1.2 GENERAL INFORMATION OF SUBSIDIARIES AND ASSOCIATES

### STAR GAS COMPANY LIMITED

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	LPG service station
Registered Number	0105553111519
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-5724
Registered Capital	60,000,000 Baht
Paid-up Capital	60,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	99.99

### TAWATPINYO COMPANY LIMITED

Head Office	9/7 Moo.7 Bang Kae, Mueang Samut Songkhram, Samut Songkhram
Type of business	NGV service station
Registered Number	0755551000161
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-5724
Registered Capital	4,200,000 Baht
Paid-up Capital	4,200,000 Baht
Par Value	100 Baht per share
% of Share Possession	99.99

### **STAR PETROLEUM PLUS COMPANY LIMITED**

Head Office	73 Mahachol Building, 6 <sup>th</sup> Floor, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Petrol service station
Registered Number	0105561192301
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-5724
Registered Capital	20,000,000 Baht
Paid-up Capital	20,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	99.99

### **STAR SOLAR POWER COMPANY LIMITED**

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Production, distribution, and installation of solar cells
Registered Number	0105563167771
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-5724
Registered Capital	1,000,000 Baht
Paid-up Capital	1,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	50.99

## **M-SOLUTION COMPANY LIMITED**

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Trunk Radio and IoT
Registered Number	0105545082131
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-4897
Registered Capital	10,000,000 Baht
Paid-up Capital	10,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	99.99

## **INFORMATIX PLUS COMPANY LIMITED**

Head Office	73 Mahachol Building, 4 <sup>th</sup> Floor, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Distribution, design, installation and development of information technology systems
Registered Number	0105547004293
Telephone	66 (0) 2741-5741
Fax	66 (0) 2741-5741
Registered Capital	402,074,180 Baht
Paid-up Capital	402,074,180 Baht
Par Value	100 Baht per share
% of Share Possession	99.99

## FERRUM CAPITAL COMPANY LIMITED

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Nano Finance Operations (Permission from the relevant authorities)
Registered Number	0105558171293
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	50,000,000.00 Baht
Paid-up Capital	50,000,000.00 Baht
Par Value	100 Baht per share
% of Share Possession	99.99

## FERRUM ENERGY COMPANY LIMITED

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Invest and develop in renewable energy projects including the construction of power plant for production and distribution
Registered Number	0105558047835
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	100,000,000 Baht
Paid-up Capital	100,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	99.99

### **PHRSAENG GREEN POWER COMPANY LIMITED**

Head Office	111/3 Moo.4 Sin Pun, Phrasaeng, Surat Thani
Type of business	Biogas Power Plant
Registered Number	0845555003881
Telephone	66 (0) 7795-4097
Fax	66 (0) 7795-4097
Registered Capital	77,000,000 Baht
Paid-up Capital	77,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	60.00

### **ENERGY REVOLUTION COMPANY LIMITED**

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Hydro Turbine Cooling Tower
Registered Number	0135558008058
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	100,000,000.00 Baht
Paid-up Capital	50,000,000.00 Baht
Par Value	100 Baht per share
% of Share Possession	38.50



## **ERV INTERNATIONAL COMPANY LIMITED**

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Hydro Turbine Cooling Tower
Registered Number	0105562208422
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	300,000,000.00 Baht
Paid-up Capital	300,000,000.00 Baht
Par Value	100 Baht per share
% of Share Possession	99.99

## **BIO ENERGY SATUN COMPANY LIMITED**

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Biogas Power Plant
Registered Number	0915557000331
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	26,000,000 Baht
Paid-up Capital	26,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	80.00

### **P P L POWER COMPANY LIMITED**

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Biogas Power Plant
Registered Number	0815562000230
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	15,000,000 Baht
Paid-up Capital	15,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	80.00

### **SAM WATER SUPPLY COMPANY LIMITED**

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Water treatment for shrimp aquaculture
Registered Number	0125560006440
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	109,500,000 Baht
Paid-up Capital	109,500,000 Baht
Par Value	100 Baht per share
% of Share Possession	51.00

## UNIVERSAL WASTE MANAGEMENT COMPANY LIMITED

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Disposing of hazardous waste with a factory license from the Department of industrial works
Registered Number	0105561175784
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	450,000,000 Baht
Paid-up Capital	450,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	30.00

## ASIA RECYCLE TECHNOLOGY COMPANY LIMITED

Head Office	73 Mahachol Building, 4 <sup>th</sup> Floor, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Sorting and disposing of hazardous and non-hazardous waste
Registered Number	0115550004771
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	390,000,000 Baht
Paid-up Capital	390,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	99.99

## **ASIA WASTE MANAGEMENT COMPANY LIMITED**

Head Office	73 Mahachol Building, 4 <sup>th</sup> Floor, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Sorting and disposing of hazardous and non-hazardous waste
Registered Number	0115547012792
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	10,000,000 Baht
Paid-up Capital	10,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	99.99

## **SYSTEM AND SOFTWARE SERVICES COMPANY LIMITED**

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Application software
Registered Number	0105546032170
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	10,000,000 Baht
Paid-up Capital	10,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	35.00

### **ENERGY FOR SOCIETY COMPANY LIMITED**

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Invest in the production and distribution of biogas
Registered Number	0105541027747
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	250,000,000 Baht
Paid-up Capital	250,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	99.99

### **WANGWISET WOODTRADE COMPANY LIMITED**

Head Office	73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260
Type of business	Reforestation, Forest plantation
Registered Number	01035563011215
Telephone	66 (0) 2741-5700
Fax	66 (0) 2741-6878
Registered Capital	40,000,000 Baht
Paid-up Capital	40,000,000 Baht
Par Value	100 Baht per share
% of Share Possession	50.99

## 1.3 GENERAL INFORMATION OF REFERENCES

### SECURITIES REGISTRAR

Name	Thailand Securities Depository Company Limited
Head Office	The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400
Telephone	66 (0) 2009-9000
Fax	66 (0) 2009-9991

### AUDITOR

Name	Mazars Company Limited
Head Office	1 Empire Tower, 12 <sup>th</sup> Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120
Telephone	66 (0) 2670-1100
Fax	66 (0) 2670-1101

### LEGAL CONSULTANT

Name	NNA LAW AND CONSULT COMPANY LIMITED
Head Office	608/267, Areeya Daily Village, Lad Plakhao Rd., Charakhe Bua, Lat Phrao, Bangkok, 10120
Telephone	66 (0) 81-632-3944

Name	Premier Ad Company Limited
Head Office	26 Soi. Phatthanakan 28, Suan Laem Thong Village 2, Suanluang, Suanluang, Bangkok 10250
Telephone	66 (0) 81-870-9474

## **2. OTHER IMPORTANT INFORMATION**

### **2.1 OTHER INFORMATION THAT MAY INFLUENCE INVESTORS' DECISION MAKING SIGNIFICANTLY**

The Company has disclosed information in accordance with the guidelines within the time specified by the regulator. Shareholders and interested persons can search more information from the Company's website [www.sevenup.co.th](http://www.sevenup.co.th) or the website of the Stock Exchange of Thailand [www.set.or.th](http://www.set.or.th)

### **2.2 RESTRICTIONS F FOREIGN SHAREHOLDERS**

The Company has no restrictions on foreign shareholders.

## **3. LEGAL DISPUTES**

Seven Utilities and Power Public Company Limited and its subsidiaries are not the parties or contestant as follows

1. Any lawsuit that may negatively affect the assets of the Company or its subsidiary at an amount higher than 5 percent of the shareholders' equity at the end of the latest financial year.
2. Any lawsuit that affects the business undertaking of the Company or its subsidiary materially but the assessment thereof cannot be quantified in numbers.
3. Any lawsuit that is not caused by normal business undertaking of the Company or its Subsidiary.

## **4. SECONDARY MARKETS (IN CASE OF SECURITIES ARE LISTED ON THE STOCK EXCHANGE IN ANOTHER COUNTRY)**

-None-

## **5. FINANCIAL INSTITUTIONS (IN CASE OF COMPANY ISSUES BOND)**

-None-

## Part II

# Corporate Governance

- CORPORATE GOVERNANCE AND IMPLEMENTATION
- GOVERNANCE STRUCTURE
- REPORT OPERATING RESULT OF CORPORATE GOVERNANCE AND IMPLEMENTATION
- INTERNAL CONTROL AND RELATED TRANSACTIONS





# CORPORATE GOVERNANCE

## 1. CORPORATE GOVERNANCE POLICY AND GUIDELINE

The Board of Directors appreciates the importance of good corporate governance and has established a corporate governance policy covering important principles in various matters. The Board of Directors requires a review of the corporate governance policy including the process of implementing corporate governance practices to be appropriate annually.

### 1.1 POLICY AND GUIDELINES FOR THE BOARD

The policy and guidelines for the Board and executives of the Company are as follows:

#### LEADERSHIP AND VISION

The Board of Directors is involved in determining the visions, missions, strategies, goals of the Company as well as supervising the management implementing the business plans and budgets efficiently including ensuring that the internal control assessment, internal audit, financial reporting and risk management are sufficient.

#### CONFLICTS OF INTEREST

In order to prevent transactions that may lead to conflicts of interest, the Board and the Audit Committee carefully oversee the transactions that may lead to conflicts of interest including determining policy and procedure to prevent executives and related persons from using the Company's inside information for Personal gain.

##### 1) TRANSACTIONS THAT MAY LEAD TO CONFLICTS OF INTEREST

The Board of Directors has been informed of any transactions that may lead to conflicts of interest and related transactions must consider the suitability by taking into account the best interests of the Company as well as disclosing the details of the transaction value, partners of contract, reasons and necessities completely.

## **2) SUPERVISING AND CONTROLLING THE USE OF INSIDE INFORMATION**

2.1) All directors and executive including their spouses and children under legal age, must report any changes in their 7UP share ownership to the Securities and Exchange Commission (SEC) under Article 59 of the Securities and Exchange Act B.E. 2535. In addition, the Company has clearly defined the duties and responsibilities of the executives and departments by stipulating the regulations are prohibited publishing or disclosing any internal company information to outsider or non-affiliated parties in any way, unless the disclosure is under the responsibilities of the Stock Exchange of Thailand. Violations of these rules may lead to disciplinary action by the Company as well as serious criminal and civil penalties.

2.2) Educate all directors and executives including their spouses and children under legal age on their reporting duty any changes in their 7UP share ownership under penalties of the Securities and Exchange Act B.E. 2535 and regulations of the Stock Exchange of Thailand.

2.3) The Company will send a circular letter to inform executives that the executives who have received significant inside information that impact stock prices. Also, trading of the Company's securities is prohibited during 1 month prior to public announcement of financial statements or inside information and prohibited the disclosure of significant information to other persons.

## **DIRECTORIAL BALANCE OF CHECKS**

The Board of Directors ensure checks and balance of the independent directors, between non-executive and executive directors in proportion comply with law or more in order to make it appropriate to consider, inspect and balance.

## **CONSOLIDATION OR SEPARATION OF POSITION**

The Chairman of the Board of Directors have no any relationship with the management and not be the representative major shareholders. The Chairman of the Board of Directors, the Chief Executive Officer and Chief Executive Officer of the Company are not the same person in order to clearly separate roles and responsibilities and to ensure the balance of corporate governance policy and routine management.

## **REPORT OF THE BOARD OF DIRECTORS**

The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries including financial information disclose in the annual report. Such financial statements have been prepared in accordance with generally accepted accounting principles by selecting appropriate policies and practicing on a regular basis including sufficient disclosure of important information in the notes to the financial statements.

The Board of Directors has established an effective internal control system to ensure the accuracy, completeness and adequate of the records of accounting reporting to prevent fraud or damage to the Company and to build confidence for the shareholders. The Board of Directors has assigned the Audit Committee consisting of independent directors to be in charge of review financial reporting and internal control system including internal audit and opinions of the Audit Committee on this matter are prepared in the Audit Committee's report which is disclosed in the annual report.

## **DISCLOSURE OF INFORMATION**

The Board of Directors appreciates the importance of disclosure of information both financial and general information that impact the Company's stock prices whether with regard to accuracy, completeness, regularly, timeliness that is disclosed through the channels and publications of the Stock Exchange of Thailand including and company's website. On the part of the investor relations, the Company has assigned a department that responsible for the task of making information available including data disseminated to the shareholders and investors as well as those interested receive sufficient information.

## **OPERATION GOVERNANCE OF SUBSIDIARIES COMPANIES**

The Company has a governing mechanism that supervise the management and responsibility for the operation of the subsidiaries companies as follows:

1) The Board of Directors approves investments in subsidiaries and appoint persons to represent the Company as directors and executives in subsidiaries in proportion to their shareholding. The Board of Directors assigned the Chief Executive Officer and/or the Executive Committee selects the Company's representatives.

2) Supervise the subsidiaries to comply with the regulations, requirements of the Stock Exchange of Thailand regard to related transactions, acquisition or disposition of assets or any other important transactions are complete and accurate and use the rules related to the above disclosure and transactions same as the Company's criteria.

3) Supervise subsidiaries to prepare financial information and accounting records so that the Company can prepare consolidated financial statements for disclosure of financial position and operating results report.

## **1.2 POLICY AND GUIDELINES RELATED TO SHAREHOLDERS AND STAKEHOLDERS**

The Board of directors appreciates the importance to the rights of stakeholders' groups to ensure that such rights are protected and well-treated with details as follows:

### **SHAREHOLDERS' RIGHTS**

In the 2020 shareholders' meeting, there are one annual general meeting of shareholders and two extraordinary shareholders' meetings. The Company has published news on website of the Stock Exchange of Thailand and distributed the invitation manuscript and sufficient documents for the meeting in advance 14 days prior to the meeting and the minutes of meeting was duly recorded for shareholders may subsequently review these minutes for references.

The Chairman of the meeting allowed shareholders and the chance to direct queries and equal opportunity to express their opinions including published the minutes of the meeting to shareholder's meeting for acknowledgment.

### **EQUITABLE TREATMENT OF SHAREHOLDERS**

In the shareholders' meeting, all shareholders have equal rights to receive information, opportunity for minority shareholders to nominate qualified candidates as directors, propose agendas, express opinions or submit questions. The right to vote in a meeting, the right to appoint proxies and vote on their behalf in case of being unable to attend the meeting. The Chairman of the meeting is responsible for providing sufficient time and encouraging to express opinions and queries at the meeting.

## RIGHTS OF STAKEHOLDERS' GROUPS

**1. SHAREHOLDERS** The Company focuses on to be a good representative of the shareholders in conducting business in order to add value and create maximum shareholder satisfaction. There is transparent and reliable disclosure of information as well as a commitment to be secure and sustainable growth in the long term.

**2. CUSTOMERS** The Company is committed to satisfying the customers by selecting good quality of products and services at a reasonable price. There is complete, accurate disclosure of news and information about products and services without distorting the facts comply with contracts, agreements or conditions with customers in a transparent and equitable manner including provide advice and receive suggestions or opinions as well as keep the confidential information of customers.

**3. EMPLOYEES** The Company is committed to the development of human resources by fostering a healthy working environment, encourage teamwork, create opportunities for the development of employees' potential continuously including compensation and appropriate benefits to make the best use of human resources for the Company.

**4. BUSINESS PARTNERS** The Company realizes the equal and fair treatment towards the business partners and do business with business partners by observing the commercial terms, fair, and transparent and shall not be detrimental to the reputation of the Company or in contrary to any law. The Company will select reliable business partners to ensure that customers will receive quality products and services consistent with the standards.

**5. CREDITORS** The Company follows the contract and to be fair to all creditors under the contract did not violate the rights of creditors.

**6. COMPETITORS** The Company operates the business under the rules of fair competition, ethics and law and shall not seek for the confidential information of the competitor with dishonest method.

**7. CORPORATE SOCIAL AND RESPONSIBILITY** The company shall adhere the responsibility towards the society, community and environment, therefore, the Company has established a policy to continuously support social activities including public benefits for the community and environment.

## ANTI-CORRUPTION POLICY

The Company's Board of Directors, management and staff at all levels shall comply with the anti-corruption policy without getting involved in scandals, directly or indirectly covering state agency, private agency and related persons that the Company does business or contact with both in the country and abroad by following the anti-corruption policy strictly and needed to be reviewed regularly, including with a possible revision of such policy and implementation provision in order to accord with business changes, regulation, standard, and laws.

### 1. ROLES AND RESPONSIBILITIES

**1.1 The Board of Directors** has a responsibility of putting an emphasis on developing a policy and ensuring that anti-corruption system is efficiently supported and implemented. This is to guarantee the Company's management is aware of the anti-corruption's importance, and eventually makes it a corporate culture.

**1.2 The Audit Committee** is responsible for reviewing the financial reporting and accounting system, the internal audit system and the risk management system to ensure that these are concise and are carried out in compliance with standards and relevant laws in an efficient way including review reference documents and self-evaluation forms on the Company's anti-corruption measures and operations in accordance with the anti-corruption policy.

**1.3 The Executive Committee** is responsible for establishing systems as well as encouraging and promoting the anti-corruption policy, establish a risk management policy and a risk management strategy that affects the anti-corruption policy, consider and scrutinize matters in accordance with the acceptable risks of the Company.

**1.4 The Executives** The Company's chief executive officer, chief operating officer and executives are responsible for implementing the anti-corruption policy as a guideline in operations and communicate with the Company's staff and stakeholders. They also share a responsibility to review the appropriateness of standard and procedure to ensure conformity with changes in the business environment, rules and regulations, and applicable law.

**1.5 The internal audit department** has a responsibility to monitor and review operations, and reassure a compliance with the established policy, guidelines, authorizations, rules and regulations and applicable law which is sufficient for dealing with possible risks associated with corruption, along with an ability to report effectively to the Audit Committee.

**1.6 The compliance department** has a responsibility to prepare an anti-corruption policy, provide advice and suggestions about anti-corruption, supervise and educate about anti-corruption policy, investigate facts of complaint or whistleblowing of corruption by reporting to the Audit Committee for further action.

## **2. GUIDELINES AND REGULATIONS FOR COMPLIANCE WITH THE ANTI-CORRUPTION POLICY**

### **2.1 Guidelines for compliance with anti-corruption policy and law**

1) The Company has a policy to comply with the anti-corruption laws of Thailand and foreign countries that the company is involved in investing in business.

2) Directors, executives and employees including all businesses and transactions in all departments and subsidiaries, associated companies, other companies that the Company has power to control and related persons involved in business of the Company shall comply with the anti-corruption policy strictly.

3) Directors, executives and employees shall not solicit, participate or involve or accept corruption in all forms both directly and indirectly, for the benefit of the Company, themselves, family and related persons.

4) Directors, executives and employees who violate any action as a support, help or cooperation with corruption will be punished according to the penalties set by the Company.

5) The Company reviews the guidelines for compliance with the anti-corruption policy as well as reviews the practice guidelines and operating requirements to ensure conformity with changes in business, requirements, rules, regulations and applicable laws regularly.

### **2.2 Guidelines practice on political contributions**

1) The Company has a policy to support political and governmental democracy by encouraging the Company's directors, executives and employees use political rights comply with law as good citizens.

2) The Company has no policy on political contributions which means to support financially, items or participation in activities as well as encouraging employees to participate in political activities on behalf of the Company in order to get business benefits except for valid political contributions.

3) The Company has a policy of conducting business in an impartial manner, not being independent of any political party or professional politicians in any party. The Company will not support financially or items to any political party, politicians or candidate for political purposes for the purpose of providing business benefit to the Company.

### 2.3 Guidelines practice on charitable donations

The Company has a policy of the money or assets to charitable contributions to individuals or juristic persons with the objective to create public benefits for society without expecting returns in accordance with the mission of the Company.

#### Provision in implementation

1) Charitable contributions must be transparent, legally and comply with the Company's approval procedures, control and regulations by confirming that such transaction shall not be used for corruption.

2) Charitable contributions shall not be offered to get improper benefits or to persuade government officials.

3) The Company is required to verify the status of the donor recipient by considering that it is a non-profit organization or juristic person that is legally certified. In the case that a person must specify the clear objectives of accepting donations and be a trustworthy person to benefit of society.

### 2.4 Guidelines practice on aid granting policy

The Company has a policy to aid granting to individuals or juristic persons with the objective of conducting business to promote good reputation and good of the Company.

#### Provision in implementation

1) The money to support must specify in the Company name only.

2) There must be clearly documents in the process of approval and aid granting.

3) Ensure that the aid granting are not for corruption.

### 2.5 Guidelines practice on gifts, entertainment or related expense policy

The Company realizes the building of good relationship with business partners which is important to bring the success of the Company continuously. The offering or accepting of gifts as well as any kind of entertainment, business partners can be performed if requirements are met.

#### Provision in implementation

1) Must not be done in order to dominate, induce, or reward any person in order to obtain an advantage or a favor or benefit.

2) Comply with the relevant laws, regulations and criteria of the Company as specified.



3) Offer or accept of gifts on behalf of the Company, not on behalf of the employee and actions reveal.

4) During the period of bidding, no gifts or entertainment to government officials, company employees or related agencies.

5) Offer or accept gifts during special festivals or normal practice. No cash or cash equivalent gifts such as coupons, gift vouchers, etc. shall be accepted and not exceeding to 3,000 Baht in value. In case of accept or offer gifts of a value greater than 3,000 Baht shall be reported to one's supervisor immediately and also reported to the Compliance department in order to use as a reward to the employees in the special festivals or ask for approval to be donated to the public charity as appropriate then the Compliance department shall report to the Audit Committee for acknowledgment.

## **2.6 Guidelines practice on facilitation payment**

The Company has a policy not to pay facilitation to government officials under any circumstances as the facilitation payment paid to government officials are at high risk of becoming corruption.

### **Provision in implementation**

1) Directors, executives and employees are prohibited from offering, requesting or accepting to give a facilitation payment or assets or any other benefit to government officials both domestic and abroad in order to induce to act, not to act, delay any action that affect the business operations of the Company

2) Dealings with the government must be transparent and comply with the applicable laws strictly.

## **2.7 Guidelines practice on dissemination of information to the general public and stakeholders**

The Company has a policy of communicating various information about corruption to employees, shareholders, customers, business partners, representatives, stakeholders of all groups and related business persons are acknowledged through internal channel called intranet system and external channel through the Company's website.

## **2.8 Guidelines practice on human resource management**

The Company has human resources management to support the anti-corruption policy to be effective and prevent all forms of corruption by applying the anti-corruption policy to human resources management process.

### **Provision in implementation**

1) The Company has adopted the anti-corruption policy since the recruiting process, evaluating the performance, promoting and compensation by employees must not be offenses of corruption.

2) The Company must educate and raise awareness in order to create an understanding of anti-corruption by arranging an orientation, training and testing about the anti-corruption policy.

3) The Company has clarified the penalties of the anti-corruption policy to employees.

4) The Company will not demote, punish, or adversely affect employees who reject corruption even if the refusal will result in a loss of business opportunity.

### **2.9 Guidelines practice on internal control**

The Company has an internal control system by combining the important of the anti-corruption policy into the internal audit plan to ensure that the anti-corruption policy is practically implemented and measurable.

### **2.10 Guidelines practice on risk assessment of anti-corruption**

The Company has continuously assessed corruption risk and has developed a corruption risk management plan to reduce the chances and impacts of both internal and external corruption of the Company.

### 3. Complaint-Making or Whistle-Blowing

The Company has provided measures for complaint-making or whistle-blowing about illegal acts, code of conduct, corruption or misconduct that may impose corruption of directors, executives, or employees in the Company including appropriate measure to protect complainants or whistle-blowers. The Board of Directors has assigned the Audit Committee to consider accepting complaints or whistle-blowing to actions that may cause suspicion of fraud or corruption that occur to the Company both directly or indirectly through the receiving channels specified in the anti-corruption policy.



The complaint will need to specify the details of the story to tell the clues or of the claim with the name, address and the phone number to call and send it to the Complaint-Making or Whistle-Blowing channels.

#### 3.1 Complaint-Making or Whistle-Blowing Channels

- 1) Via the Audit Committee's email: [audit.committee@sevenup.co.th](mailto:audit.committee@sevenup.co.th)
- 2) Directly call to compliance department, Tel. 02-741-4896
- 3) Mail to Chairman of the Audit Committee or the compliance department  
Seven Utilities and Power Public Company Limited  
73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Road, Phrakhanong Tai,  
Phrakhanong, Bangkok 10260.

#### 3.2 Protection of Complainants or Whistle-Blowers,

To protect the rights of the Complaint and Whistle-Blower that deliberate action in good faith. The Company will keep the name, address or any information that can identify the complaint, or the whistle-blower and data retention of the Complaint and the information confidential by the limited only to those who are responsible for the operation of the complaint will be able to access to such information.

In the case where the complaint is the executives, chief executives so the Audit Committee is responsible for the protection of complainants or whistle-blowers, witnesses and the person who gives the information in the investigation of facts, not to be harmful or not just by the clues to the complaint is a witness or information provided. The data is received from the page related to the complaint have a duty to keep the information of the Complaint and the documents and evidence of the Complaint and the upshift confidential. Do not disclose information to other people who do not have the corresponding page unless the disclosure is based on the page the law.

#### **4. FOLLOW UP AND REVIEW**

The Company has to monitor and review anti-corruption measures to keep in mind the changing situation and risks of anti-corruption policy. The Audit Committee is responsible for reviewing anti-corruption measures and related internal controls, and the Executive Committee is responsible for reviewing the assessment and corruption risk management and report to the Board of Directors regularly.

## 2. BUSINESS ETHICS

The Board of Directors realizes the importance of good corporate governance and related practices of the Stock Exchange of Thailand and the Securities and Exchange Commission, therefore, establish appropriate guidelines and methods for applying the principles of corporate governance as a guideline for the Company's business operations in order to create sustainability and maximize benefits to stakeholders, society and environment under the following principles:

- (1) Perform duties with responsibility, cautious, honesty in accordance with the law, objectives, regulations of the Company and related regulations.
- (2) Operates business with transparency, fairness and adhere to the principles of good governance.
- (3) Equal and fair treatment to all stakeholders.
- (4) Commitment to developing our employees continuously to improve the quality of working life, cultivating great awareness to social and environmental responsibility.
- (5) Determine the directors, executives, employees including all businesses and transactions in all departments and subsidiaries, associated companies, other companies that the Company has authority to control and third parties involved in business must adhere to the anti-corruption policy strictly.
- (6) Opportunities for complaints and opinions channels and there is measures to protect the complainant or those who cooperate in reporting corruption.

### 2.1 IMPLEMENTATION OF BUSINESS CODES OF CONDUCT AND CORPORATE COMPLIANCE

2.1 .1 Operates based on rules, regulations and applicable laws in the business operations of the company as follows:

- (1) Directors, executives and employees must comply with the laws, rules, regulations, requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission.
- (2) Directors, executives and employees must not avoid complying with rules, regulations and applicable laws
- (3) Directors, executives and employees must cooperate with the corporate governance unit established by the Company and report information about violations, misconduct to comply with rules, regulations and laws against that unit.

2.1.2 Perform duties with impartiality and any directors who has any conflict with interest with interests in any matter being considered must leave the meeting room and not allowed to vote or make a decision on the issue.

2.1.3 Avoid conflict of personal interest for transparency in effective management as follows:

(1) Do not bring information received from the duties performed to take advantage of oneself or others illegally.

(2) Not allowed to use companies inside information for personal benefit nor may they reveal such information to the public even after they retire from the position.

(3) Not seeking personal interest from the position and duties performed.

(4) Not making obligations that may later conflict with duties.

(5) Not accepting items or any other interest which is contrary to the interest of the organization.

2.1.4 Maintain confidential information of the organization not to leak to unrelated persons that may lead to damage of the organization or stakeholders unless it is in accordance with the law.

2.1.5 Acquisition or disposition of registered securities of directors, spouses and underage children to comply with the announcement of the Stock Exchange of Thailand.

## **2.2 RESPONSIBILITY FOR THE COMPANY'S ASSETS**

Directors, executives and employees at all levels have duties and responsibilities in maintaining the use of the Company's assets for the best interest of the Company in order to avoid personal interest or other. The Company has a policy to prepare business documents, record financial and accounting information, and prepare financial reports with honesty, timeliness and completeness in accordance with relevant laws and in accordance with generally accepted accounting principles.

Directors, executives and all employees must control confidential information appropriately and must not communicate any important information and not disclose to the public which has been recognized from their duties to other departments and outsiders that do not deserve to be aware of that information and responsible for making the best efforts to protect such confidential information including the storage of confidential information.

## 2.3 ETHICS ON STAKEHOLDERS

### 2.3.1 TREATMENT POLICY ON SHAREHOLDERS

The Company focuses on a good representative of the shareholders in conducting business to create maximum shareholders' satisfaction with transparent and reliable disclosure of information including the long-term growth of the Company by following guidelines:

(1) Perform duties with responsibility, cautious, honesty and integrity in accordance with the law, objectives, company's regulations and related regulations.

(2) Intent to create stable growth for good long-term performance of the Company.

(3) Manage and protect company assets not to depreciate or wrongfully lost and do not use the Company's assets for personal interest or outside business that are not related to the Company's business unless approved by the supervisor only.

(4) Encourage the rights of shareholders to obtain important information equally and disclose important information related to the Company both financial information and non-financial information that is accurate, complete, timely, transparent through easy-to-access channels.

(5) Ensure that directors, executives or employees do not seek personal interests and related persons by providing any information of the Company which has not disclose to public and/or taken in any manner that may lead to conflict of interest with the Company.

(6) Provide various information dissemination channels and establish a company's website for shareholders to access information conveniently and easy to understand.

### 2.3.2 TREATMENT POLICY ON EMPLOYEES

The Company has measures to protect employees who provide information in the event of illegal acts or misconduct the Securities and Exchange Act will be covered. The Company cannot practice unfairly whether it is a change of position, job description, work place, suspension from job, threatening, interfering with work operations, termination, bullying in any manner due to the reason for providing clues about illegal or unethical practices.

The Company realizes that employees are the key factor in producing quality products for the Company. Therefore, to give importance to fair treatment of employees by adhering to the principle of equality and neutrally in terms of employment, compensation, appointment, transfer and potential development along with moral development so that employees are capable and good people of the society. The Company has set the principles of treatment for employees as following:

- (1) Comply with the labor law and various regulations involving employees strictly.
- (2) Employee treatment with politely, maintain the dignity of human beings and respect a person who obeys human rights principles.
- (3) Arrange fair employment conditions for new employees and take care of employees in the organization so that employees receive appropriate compensation according to their potential.
- (4) Maintain an environment and organize a working system to ensure the safety of life and assets as well as good hygiene.
- (5) Give importance to employee development in order to train skills and increase their potential by providing employees with thorough and regular learning opportunities.
- (6) Appoint, transfer, reward and punish employees with honesty and fairness based on knowledge, competency and employee's appropriate.
- (7) The Company provides a provident fund for employees.
- (8) Provide information consistent with the operations and status of the Company to employees regularly.
- (9) Listen to opinions and suggestions based on the professional knowledge of the employees.
- (10) Avoid any unfair conduct that may affect the stability in work of the employee or threaten and put pressure on the employee's mental state.
- (11) Build good awareness of employees, know how to be volunteer and a good citizen of society.
- (12) Provide a channel for employees to make a complaint in case of not being fair or whistle-blowing about matters that may be illegal and prepare improvement process including measures to protect the complainants' employees to be systematic and fair.
- (13) The Company and its representative shall support the impartial of the political rights of employees.
- (14) Encourage the participation of employees in suggesting and working guidelines and/or various agreements to benefit all parties and build a good relationship to work together under good corporate culture as well as unity within the organization
- (15) Encourage employees to participate in activities both internal and external which are beneficial to the organization and society to create participation and commitment to the organization as appropriate and at the discretion of the supervisor.



### **2.3.3 TREATMENT POLICY ON CUSTOMERS**

The Company focused on the customer's satisfaction by selecting quality products and services at appropriate price levels. The disclosure of information about products and services are complete, accurate without distorting the facts under the following guidelines:

(1) Commit to develop quality, safety and meet the specified standards of products and services and meet the specified standards at appropriate and fair price and able to deliver work within the specified time to the customer's satisfaction.

(2) Commit to propagate accurate news, information and suggestions to customers at the present moment appropriately. In order to assure that the customers have enough information for making a decision in purchased procedure.

(3) Commit to perform to customers with respect and honor by representing in action verbal and countenance.

(4) Execute to follow commercial terms and conditions as well as customer confidential measure strictly. Do not to disclose or public customer information for own benefits illegally.

(5) Arrange channels for customers' complaints and immediately feedback to fulfill that problem for customers' satisfaction.

(6) Always listen in to customer opinion and recommendation for enhancement any defections.

### **2.3.4 TREATMENT POLICY ON BUSINESS PARTNERS AND/OR CREDITORS**

The Company place an importance to equality and fairness to partners and supplier. Moreover, operations between the company and partners will not affect to company reputation or confliction to the law under this regulation.

(1) Execute purchasing policy and process strictly by using rule of vendor lists selection which was designed.

(2) Execute vendor lists system and investigate procedure for transparent selection in purchasing process.

(3) Negotiation and price comparison in purchasing process occur with reveal method.

(4) There is no acceptance bribes as well as other benefits from partners or suppliers that will be result in inequitable selection process except conventional receive.

(5) Execute agreed terms and conditions rigidly. In case of there is confliction between the company and partners, the parties have to inform the issue in advance to other party and find out solutions mutually.

### **2.3.5 TREATMENT POLICY ON COMMERCIAL COMPETITORS**

The Company adheres to the rules of fair competition, code of conduct and within the legal framework under the following guidelines:

- (1) Treat commercial competitors in accordance with good competition rules, encourage free trade and fair.
- (2) Not seeking the commercial competitor's confidential information through dishonest or improper.
- (3) Not destroying the reputation of the commercial competitors by defaming and accusing in the bad way.
- (4) Do not harass or causing competitors to lose unfair opportunities

### **2.3.6 SAFETY, OCCUPATIONAL HEALTH AND ENVIRONMENT**

The Company is committed to conducting business on the basis of good safety, occupational health and environment under the guideline "Sustainable Organization and Environment" that encourage the Company to create and implement processes of employees and the environment friendly with the following guidelines:

- (1) Comply with the law and various regulations in safety, occupational health and environment strictly.
- (2) Comply with relevant environmental standards in the business of the Company by entering operations and related to the environment.
- (3) Encourage and support the use of resources efficient, energy saving measures and encourage the process of resource recycling throughout business processes.
- (4) Provide a working system that focuses on the safety and hygiene in the workplace such as having a system to prevent pollution that may occur during the work, clean and hygienic of the workplace in order to keep all employees and who entering the Company are safe from the danger of accidents and disease.
- (5) Executives and employees must take seriously all activities that encourage the quality of safety, occupational health and environment and perform duties with safety and environmental consideration all time.
- (6) Disclose information about the operations of the Company and communicate activities related to safety, occupational health and environment to employees and related parties acknowledged continuously.

### **2.3.7 RESPONSIBILITY TOWARDS THE COMMUNITY AND SOCIETY**

The company is committed to coexistence with the community and society happily under the concept of “Strong organization and society” to support each other and join in developing the community to be strong and self-sufficient as well as focusing on the process of working with the community and encouraging community activities both near and far in accordance with the Company's policy in accordance with the development of government roadmap for sustainable development of the quality of life and the economy of community.

(1) The Company shall conduct business activities consider the benefits and sustainability of the community and society.

(2) The Company shall encourage the participation of the community and the social sector in the meeting, exchange ideas and cooperate with various agencies to develop the livelihoods of the community regularly.

(3) The Company requires in planning and preventive/corrective measures when there is an impact on the environment and community due to the Company's operations.

(4) Arrange public service activities for society by engaging employees to act as a good citizen of society and voluntarily

(5) The Company aims to develop knowledge and education of Thai youth according to the Company's potential.

(6) Build cooperation with local agencies to develop the infrastructure of educational institutions, religious place and the hygiene of youth and the underprivileged including the environment of the community.

(7) Encourage, maintain religion and conserve culture, good local customs and traditions.

(8) Encourage operations to strengthen local businesses and give opportunities to business partners with the Company.

(9) Generate income and encourage the community economy by recruiting and supporting in employment and community products as well as support activities that focus on providing knowledge to the community for occupation and adopted knowledge to create or encourage families and communities to generate additional income and able to live on their own.

(10) Communicate with the community and society regularly and transparently as well as disseminate and report the performance of social responsibility to all stakeholders for acknowledgement.

## 2.4 EMPLOYEE ETHICS

The Company determines to develop potential and encourage ethics to employees of the Company in parallel with the goal is to build employees to be quality people in order to perform their duties both good employees of the organization and society which will encourage the society and the nation to consist of citizens with both talents and morality at the same time, starting with the corporate level before expanding to a large institution of the country with the following guidelines

### 2.4.1 SELF TREATMENT

- (1) Perform the work with integrity and report performance according to facts
- (2) Respect and comply with the laws, rules and regulations of the Company strictly.
- (3) Perform the work with the awareness of integrity and do not use the position to take advantage abuse of benefit.

### 2.4.2 TREATMENT OF CUSTOMERS STAKEHOLDERS AND SOCIETY

- (1) Be polite, friendly and respectful in negotiations, coordinate with customers, business partners, visitors like close relatives.
- (2) Be honest and punctual in coordination or working with various departments.
- (3) Comply with laws, rules and regulations including professional ethics.
- (4) Comply with safety regulations as well as taking care the environment.
- (5) Do not disclose customer information unless authorized by the customer
- (6) Participate in company activities that contribute to culture, local customs and traditions.
- (7) Open a channel to express opinions and suggestions from customers for the benefit of improving the Company's operations.

### 2.4.3 TREATMENT OF EMPLOYEES

- (1) Be polite, friendly, respectful and considerate to colleagues to assist work as appropriate.
- (2) Not to persuade or guide the decisions of colleagues on political rights.
- (3) The right to express opinions politely and appropriately.

### 2.4.4 TREATMENT OF ORGANIZATIONS

- (1) Perform work with full responsibility and integrity.
- (2) Use the assets, resources and welfare of the organization appreciably.
- (3) Discipline and comply with the Company's policies, rules and regulations strictly.

(4) Intend to learn to self-development and have work ethics in the organization.

(5) When finding an event of corruption, misconduct or an event that may cause damage to the organization. It must be reported immediately via the complaint-making or whistle-blowing channels and suggestions as specified by the Company.

(6) Comply with safety regulations, wear protective equipment as specified by the Company.

(7) Follow the news of the organization and related agencies to use as information for talking and making decision to work rationally and all around.

#### **2.4.5 POLITICAL RIGHTS**

The Company operates with political neutrality, not participate and interested in any political party, political group or any political authority. Do not use company funds or resources to support both directly or indirectly to political party, political group or politician.

### **2.5 IMPLEMENTATION OF COMPLIANCE AND REVIEW**

The Company defines the responsibility of directors, executives and employees of the Company to acknowledge, understand and follow the policies in the business ethics manual strictly and voluntarily and cannot refer to the fact that the established guidelines are not known.

The Company's executives are responsible the important for employees under the supervisory line to know, understand and follow the business ethics manual. The Company shall not support any illegal action against good ethical principles. If directors, executives, employees of the Company violate the ethics then they are subject to receive penalties strictly.

The Company will review the business ethics manual to be appropriate for changing business situations and environments. There will be training and seminars within the organization on such topics to review existing and additional practices then report to the Board of Directors for acknowledgment regularly every year.

### 3. MAJOR CHANGES AND DEVELOPMENT

3.1 In the past year, the Company held 3 shareholders' meetings under the outbreak of the Coronavirus Disease 2019 (COVID-19) situation, the Company has broadcasted meetings in several meeting rooms to comply with social distancing measures. The shareholders can still interact with the shareholders meeting room. In addition, the Company encourages shareholders to consider appoint independent directors of the Company attend meeting and vote on their behalf. In this regard, shareholders can appoint a proxies and vote on various agenda items in advance and the Company has facilitated the shareholders who may not attend the meeting by themselves to participate in the meeting. The Annual General Meeting of Shareholders will be broadcasted via Facebook Live and open a channel for submitting questions in advance.

3.2 The Company has established an anti-corruption policy which approved by the Board of Directors' meeting No.1/2020 and organized training sessions to educate employees about the practice of the anti-corruption policy. In addition, there was a workshop between the companies' group to jointly the risk assessment of corruption on October 16, 2020.



3.3 The Company has reviewed and amended the Audit Committee Charter which approved by the Board of Directors' Meeting No. 2/2021 with additional amendments as follows:

- **Chapter 1 : General Provisions, Definitions**
  - Article 4. definitions added : Board of Directors, Directors, Independent Directors, Audit Committee
- **Chapter 4 : Authorities, Duties and Responsibilities**
  - Article 26. Review the anti-corruption process in accordance with the effective governance guidelines since the encouragement and raise awareness, risk assessment, establish a

preventive work system, audit and review on anti-corruption measures including provide channels for receiving complaints or receiving clues about wrongdoing or corruption.

- **Chapter 6 : Meeting**

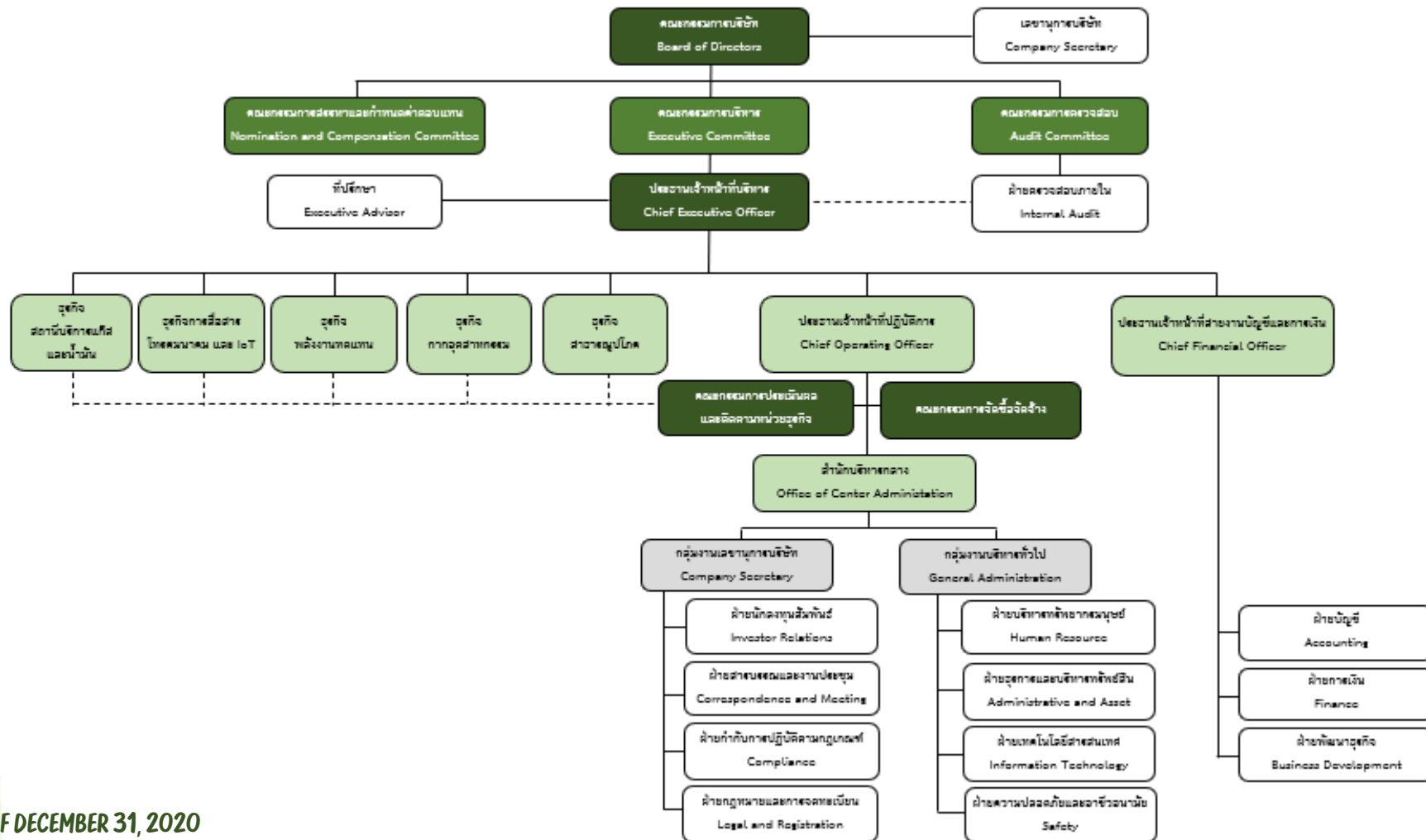
- Article 48. The Secretary of the Audit Committee shall have the duty to record and prepare minutes of the meeting within 14 days so that the Audit Committee and related persons can follow up and examine.

3.4 The Company has prepared the Board of Directors charter, the Nomination and Compensation Committee charter, the Executive Committee charter. It is further improved from the authorities and duties framework of the Board of Directors has previously defined including review of the authorities and duties of the Chief Executive Officer and the Company Secretary to define a clearly operational framework which has been approved by the Board of Directors' Meeting No. 2/2021.

3.5 The Company has established an internal audit department charter with the approval of the Audit Committee and Chief Executive Officer and the compliance department charter with the approval from the Chief Executive Officer.

# GOVERNANCE STRUCTURE

## 1. GOVERNANCE STRUCTURE



AS OF DECEMBER 31, 2020



## 2. BOARD OF DIRECTORS

The Board of Directors plays a role in driving the organization responsible for setting plans and policies in business as well as supervising the management to be in accordance with the objectives and guidelines for the maximum benefits of shareholders by considered the benefit of all stakeholders under the principles of ethics and good corporate governance. Perform duties with responsibility, caution and honesty including ensuring that the business operation is in accordance with the objectives and regulations of the Company, resolutions of the Board of Directors, resolutions of the shareholders' meeting as well as the laws, principles and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.

As of December 31, 2020, the Board of Directors comprises 8 members. Of this number, 3 Directors also serve as Executives while 1 Director is not Executive, 4 are Independent Directors with detailed as follows.

No.	Name-Surname	Position
1	Squadron Leader Sita Divari	Chairman of the Board of Directors/Independent Director
2	Mr. Torphong Chaiyasarn	Chairman of the Audit Committee/Independent Director
3	Mr. Ekatiptippavang <sup>1</sup>	Chairman of the Nomination and Compensation Committee/ Member of the Audit Committee/Independent Director
4	Mr. Mana Kitirat	Director/Executive Director
5	Mr. Pathrlap Davivongsa <sup>2</sup>	Director/Member of the Nomination and Compensation Committee/Executive Director
6	Pol. Capt. Ratchata Poompanmoung <sup>3</sup>	Director
7	Mr. Monthep Mapiam <sup>4</sup>	Director/Executive Director
8	Pol.Lt.Gen. Kiattipong Khawsam-ang <sup>5</sup>	Member of the Audit Committee/Member of the Nomination and Compensation Committee/Independent Director

**Remark:**

<sup>1</sup>Mr. Ekatiptippavang has appointed instead of Mr. Kittipong Kittikachorn as the Chairman of Nomination and Compensation Committee at the Board of Directors' meeting No.8/2020 held on May 28, 2020.

<sup>2</sup>Mr. Pathrlap Davivongsa has appointed instead of Mr. Nitipat Amnatthaloengsak as Director, Member of the Nomination and Compensation Committee and appointed as Executive Director at the Board of Directors' meeting No.10/2020 held on July 3, 2020.

<sup>3</sup>Pol. Capt. Ratchata Poompanmoung has appointed instead of Mr. Chanin Kiathaveepong as Director at the Board of Directors' meeting No.13/2020 held on August 26, 2020.

<sup>4</sup> Mr. Monthep Mapiam	has appointed instead of Mr. Sittichai Kritvivat as Director and appointed as Executive Director at the Board of Directors' meeting No. 16/2020, held on November 4, 2020.
<sup>5</sup> Pol.Lt.Gen. Kiattipong Khawsam-ang	has resigned from the Member of the Audit Committee/Member of the Nomination and Compensation Committee/Independent Director on January 20, 2021
Mr. Chanin Kiatthaveepong	Former Director resigned from the position on March 1,2020.
Mr. Preecha Laohapongchana	Former Director resigned from the position on April 8,2020.
Mr. Sittichai Kritvivat	Former Director resigned from the position on July 3, 2020
Mr. Kittipong Kittikachorn	Former Director resigned from the position on August 12, 2020.

## **DIRECTORS WITH SIGNATORY RIGHTS ON BEHALF OF COMPANY**

Directors with signatory rights on behalf of Company are Squadron Sita Divari or Mr. Pathrlap Davivongsa jointly signs with Mr. Mana Kitirat or Mr. Monthep Mapiam and affix the Company's seal.

## **BOARD OF DIRECTORS CHARTER**

### **COMPOSITION OF THE BOARD OF DIRECTORS**

1. The Board of Directors shall be consisted of at least 5 members of which not less than one-half of the directors shall reside in the Kingdom.
2. The Board of Directors provided that at least 3 members or not less than one-third of total directors shall be the Independent Directors.
3. The Board of Directors shall elect one of the directors to be the Chairman of the Board of Directors and in the event that the Board of Directors deems it appropriate, one or more directors may be elected to be the Vice Chairman, where the Vice Chairman has duties as assigned by the Chairman of the Board of Directors.
4. The company secretary is the secretary to the Board of Directors by position.

### **QUALIFICATIONS**

1. A person shall be directors who are elected by the shareholders' meeting or be selected by the Board of Directors.
2. A person possessed of comprehensive qualifications of director as prescribed in the Public Limited Company Act, the Company's Articles of Association and in accordance with the Stock Exchange of Thailand and the Securities and Exchange Commission.
3. The directors shall have knowledgeable, honest, have business ethics and have sufficient time to devote their knowledge, abilities and perform their duties to the Company.
4. The directors shall have leadership view with the wide visions and well understanding of the Company's business operations, reliable and generally accepted.

5. The directors can hold director positions in other companies but directors must not be an obstacle to the performance of duties of the Board of Directors and must be in accordance with the guidelines of the Stock Exchange of Thailand and the Securities and Exchange Commission.

6. The directors must not operate a business or be a partner or a director in any other juristic person operating a business that is in the same nature and in competition with the business of the Company and its subsidiaries unless they have been explicitly notified before the appointment.

7. The directors who to perform the position of independent directors of the Company with the qualifications in accordance with the guideline of the Stock Exchange of Thailand, the independent director of the Company with qualifications as following:

7.1 Holding no more than one percent of the total shares with voting rights in Company\*, shares held by related persons of that independent director shall also be counted.

7.2 Not be or used to be directors who were involved in management or being an employee, staff or advisor who receives fixed salary or controlling persons of the Company\*, unless they have not been involved in such positions for at least two years prior to the date of appointment.

7.3 Not be or have no blood relationship, no relationship in terms of marriage or legal registration with a person of possible conflict of interest as executives, major shareholders, controlling persons or a person who's nominated as executive or controlling persons of company or its subsidiary.

7.4 Not be or having no business relationship with company in a manner that may interfere with the use of personal judgment independently including that he or she must not be or used to be the major shareholders or controlling persons of company unless they have not been involved in such positions for at least two years prior to the date of appointment.

7.5 Not be or used to be an auditor of company\* and not be a major shareholders, controlling persons or a copartner manager of an audit firm which has the auditor of company\* unless they have not been involved in such positions for at least two years prior to the date of appointment.

7.6 Not be or used to be a person who provided any professional advice and services such as legal adviser or financial consultant who receives service fees more that 2 million Baht per annum from company\* and not be major shareholders, controlling persons or copartner manager of that professional service provider unless they have not been involved in such positions for at least two years prior to the date of appointment.

7.7 Must not be a director that was appoint to be the representative of company's director, major shareholder or shareholder that are related to the major shareholders of company.

7.8 Does not engage in a business of the same nature as and which is significantly competitive to that of the Company, the Parent Company or a Subsidiary. An Independent Director is not a significant partner to a partnership or a director with involvement in the management,

employees, staff, consultant with monthly salary, or, who holds more than 1 percent of all shares with voting rights of another company which is engaged in a business of the same nature as and which is significantly competitive to that of the Company or a Subsidiary.

7.9 Does not have any other characteristic which prevents him or her from opining freely on the operation of the Company.

7.10 Able to perform duties, give opinions or report on the performance of duties assigned by the Board of Directors without under the control of the management or major shareholders of the Company including related persons or close relatives of such persons and if necessary, the Board of Directors delegate to independent directors to make decisions in the form of a committee regarding the operations of the Company, its main, subsidiary company, associated company or other juristic persons with a possible conflict of Interest.

\*Including subsidiary, affiliate, major shareholder(s), or controlling parties of the Company

### **AUTHORITIES, DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS**

1. Perform their duties in accordance with the laws, the Articles of Association and the objectives of the Company as well as all legitimate resolutions of the Board of Directors and the shareholder meetings with responsibilities, duty of care and duty of loyalty.

2. Determine the policies, directions, objectives, business plans and budgets of the Company including to supervise the management to act in accordance with the prescribed policies with efficiency and effectiveness.

3. Nomination of directors to replace directors who complete their terms including the compensation of the directors and propose to the shareholders' meeting for approval.

4. Consider director's position becomes vacant due to reasons other than completion of term. An exception exists if the said Directorial position has a period of less than 2 months to completion of term and the replacement director may serve only the period of time remaining to completion of such term.

5. Consider the appointment of the Executive Committee, Audit Committee, Nomination and Compensation Committee to oversee the internal control system and the nomination and compensation system to be in accordance with the established policies.

6. Consider the appointment of chief executives at level of the Chief Executive Officer, Chief Operating Officer and Company Secretary as well as determine compensation.

7. Appoint the sub-committees and determined powers, duties and responsibilities of each committee so that they can proper function and support the Board of Directors.

8. Consider and alter the Authorized Directors who sign on behalf of the Company.

9. Ensure that the Statements of Financial Position and income statement at the end of fiscal year of the Company is well-prepared and certified in order to propose the Annual General Meeting of Shareholders for approval.

10. Consider and approve the selection and the fee of the Company's auditors as proposed by the Audit Committee prior to proposing to the Annual General Meeting of Shareholders for approval.

11. Appoint any other persons to operate the Company's business under the control of the Board of Directors or may authorize such person to have authority and/or within the period as the Board of Directors deems appropriate whereby the Board of Directors may cancel/withdraw/change or amend the authority.

12. Consider and approve the acquisition or disposition of assets of the Company except in the event that such transactions require approval from the shareholders' meeting, such approval shall be in accordance with the relevant announcements, regulations and/or rules of the Stock Exchange of Thailand.

13. Consider and approve the connected transactions except in the event that such transactions require approval from the shareholders' meeting. In this regard, such approval shall be in accordance with the notifications, regulations and / or rules of the Stock Exchange of Thailand.

14. Consider and approve the payment of interim dividends to shareholders when it considers that the Company is profitable to do so and report to the shareholders at the next shareholders' meeting.

15. Consider important matters such as business policies and plans in large investment projects, executive's authority and any other items stipulated by law including may request advice from an independent external consultant or professional expert if necessary and appropriate.

16. The performance evaluation and compensation for directors and chief executives.

17. Supervise the management to have an appropriate and efficient risk management system.

18. Determine the authority and level of authorization for transactions and actions relate to the work of the Company to a group or person as appropriate and in accordance with the relevant law by preparing a manual for the authority.

19. Provide an accounting system, reliable financial reporting and auditing including to supervise a process for assessing the appropriateness of internal control.

20. Provide appropriate communication channels with shareholders and supervise information disclosure to ensure accuracy, clarity, transparency, reliability, up-to-date and standardization.

21. Supervise the annual evaluation of the Board of Directors, individual directors to review performance, problems, obstacles in order to improve effectiveness of the Board of Directors.

22. Be responsible for the shareholders regularly and operate by protecting the interests of shareholders, disclose accurate and completed information to investors with standard and transparency including arrange the Annual General Meeting of Shareholders within 4 months from the end of fiscal year of the Company or other Extraordinary General Meeting of Shareholders as deemed appropriate.

23. Regular the Board of Directors meeting will be held no less than 4 times per year or quarterly to consider matters that are important to the company's operations.

24. Prepare an annual report and the Board of Directors' report on responsibility for the financial statements together with the auditor's report in the annual report covering important matters of the Company over the past year and propose to the shareholders' meeting and publicize it to the general public.

25. Develop and encourage directors and executives of the Company to attend training courses related to the duties and responsibilities of directors and executives.

26. Review and revise Charter of the Board of Directors to be appropriate for work.

### **TERM OF OFFICE**

1. One-third or the proportion closest to one-third of all directors shall vacate office at each of the Annual General Meeting of Shareholders and any director vacating office on due term can be re-elected.
2. Apart from retirement upon the expiration of the term of office, the Directors shall vacate upon:
  - 2.1 death;
  - 2.2 resignation;
  - 2.3 dispossession of qualifications or possession of disqualifications under the laws of Public Limited Company or this charter or stipulated in the Stock Exchange of Thailand and the Securities and Exchange Commission;
  - 2.4 the meeting of shareholders resolving to remove any director prior to the expiration of his term of office;
  - 2.5 the court issuing an order to remove.

### **BOARD OF DIRECTORS' MEETING**

1. Regular Board of Directors meeting will be held no less than 4 times per year.
2. Attending the Board of Directors' meetings is an important duty of all directors.
3. The company secretary is responsible for delivering meeting invitations, as well as the meeting agenda and supporting documents, to each Board member at least 7 days prior to the meeting for review.  
  
4. At a meeting of the Board of Directors, the presence of not less than one half of the total number of directors is required to constitute a quorum. In the case where the Chairman of the Board of Directors is not present at the meeting or is unable to perform the duty, the directors present at the meeting shall elect one amongst themselves to preside over the meeting.
5. During the Meeting, the Chairman of the meeting allowed directors and provided sufficient time and the chance to direct queries and equal opportunity to express their opinions. The Chairman answered such questions and provided suitable information in response.
6. A decision of a meeting shall be by a majority of votes. Each director shall have one vote, provided that any director who has any interest in a particular matter may not vote on such matter. In the case of an equality of votes, the person presiding over the meeting shall have an additional vote as a casting vote.
7. The company secretary is responsible for record in writing and preparing the minutes of the meeting within 14 days so that directors and related persons can follow up and be examined.

### **REPORT OF THE BOARD OF DIRECTORS**

1. The Board of Director shall prepare annual report of the organization to report the working outcomes and significant development in the year, present to the shareholders' meeting to financial specialists and investors, and forward the applicable work as indicated by the law.
2. Report on the resolutions of the Board of Directors meetings that are important or which must be disclosed by law or the rules of the Stock Exchange of Thailand or specified by the Securities and Exchange Commission.

## 3. SUB-COMMITTEES

### 3.1 AUDIT COMMITTEE

The Board of Directors of Seven Utilities and Power Public Company Limited realizes the importance of a good corporate governance system. Therefore, the Board of Directors considered and appoint the Audit Committee which consists of an independent director in order to review the operations of the Company, review the effectiveness of internal control to ensure that the performance of the various departments is efficient in accordance with the operating regulations appropriately. In addition, the Audit Committee is responsible for reviewing the Company's financial reports together with the auditor to ensure that the financial report of the Company is reliable, complete and accurate disclosure information is in accordance with relevant standards and requirements. Moreover, to ensure credibility to investors and stakeholders that there is a prudent audit and corporate governance to be fair, clear and operate in accordance with good corporate governance principles.

As of December 31, 2020, the Audit Committee comprises 3 members. Of this number are Independent Directors and not Executives with detailed as follows.

- |                                       |  |
|---------------------------------------|--|
| 1. Mr. Torphong Chaiyasarn            | Chairman of the Audit Committee / Independent Director |
| 2. Mr. Ekatiptippavang                | Member of the Audit Committee / Independent Director   |
| 3. Pol.Lt.Gen. Kiattipong Khawsam-ang | Member of the Audit Committee/Independent Director     |

## AUDIT COMMITTEE CHARTER

### COMPOSITION OF THE AUDIT COMMITTEE

1. The Audit Committee shall be comprised of solely independent directors with the number of members not less than three.
2. At least one member of the Audit Committee shall be financially literate or shall have background in accounting or finance sufficiently enough to perform the duty.
3. Chairperson of the Audit Committee shall be appointed by the Board of Directors or by the voting of all members from the Audit Committee.
4. Chief Audit Executive will be chosen as a secretary to the Audit Committee.



## **QUALIFICATIONS**

1. The Audit Committee shall be elected by the Board of Directors or shareholders' meeting.
2. The Audit Committee must have the qualifications as stipulated in the law of the Securities and Exchange and the regulations of the Stock Exchange of Thailand.
3. The Audit Committee holds no more than 1 percent of paid-up capital of the Company, associated or related companies including shares held by related persons.
4. The Audit Committee must be a director of the Board of Directors but must not participate in management of the Company, associated company, related company or major shareholders of an associated or related company.
5. The Audit Committee must be a director who were not being an employee, staff or advisor who receives fixed salary of the Company, associated company, related company.
6. The Audit Committee must be a director who has no interests or personal interests both directly or indirectly in terms of finance and management of the Company, professional advice and service, auditor of company, associated or related Companies including having no interest or stake in any transactions of the Company within 2 years prior being appointed as member of the Audit Committee.
7. The Audit Committee must be a director who is not a related person or close relatives of management or major shareholders of the Company.
8. The Audit Committee must not be a director that was appoint to be the representative of company's director, major shareholders or shareholder that are related to the major shareholders of company.
9. The Audit Committee must be able to perform duties and express opinions or report the performance of the duties assigned independently and not under the control of the executives or major shareholders of the Company including related persons or close relatives.
10. The Audit Committee must be a trusted and generally recognized person.
11. The Audit Committee shall contribute time schedule to work for the Company as sufficiency.

## **AUTHORITIES, DUTIES AND RESPONSIBILITIES OF THE AUDIT COMMITTEE**

1. Review company's financial reporting process to ensure that it is accurate and adequate including adequate information disclosure by coordinating with external auditor and executives responsible for preparing quarterly and annual financial reports.
2. Review the Company's internal control system to be appropriate and effective and may suggest a review or audit of any items that they deem necessary and important. In addition, the

recommendations on important and necessary improvements to the internal control system are presented to the Board of Directors by reviewing together with the external auditor and the chief audit executive.

3. Review the Company's risk management systems are appropriate and effective.

4. Review company's compliance with the law on securities and exchange or the and the regulations of the Stock Exchange of Thailand, policies, rules, and other laws related to the Company.

5. Review the preventive work systems to increase efficiency and effectiveness for the better.

6. Review the investigation process, fraud detection independently and defining internal safeguards of the Company including review the whistleblowing and complaints process.

7. Review the anti-corruption process in accordance with the effective governance guidelines since the encouragement and raise awareness, risk assessment, establish a preventive work system, audit and review on anti-corruption measures including provide channels for receiving complaints or receiving clues about wrongdoing or corruption.

8. Consider, select and appoint the selection and the fee of the Company's auditors and propose to the to the Board of Directors for approval.

9. Consider the Company's internal audit plan in accordance with generally accepted methods and standards.

10. Consider the Company's information disclosure in the event of a connected transaction or a transaction that may lead to a conflict of interest to be correct and complete.

11. Report Audit Committee's performances regularly to the Board of Directors for acknowledgement.

12. Participate in the consideration of appointment, dismissal and evaluation of the chief audit executive.

13. Authorize to invite the management, executives or employees of the Company concerned to give opinions, attend a meeting or send documents that are considered relevant or necessary in the performance of duties.

14. Authorize to employ consultants or third parties according to the Company's regulations to give opinions or give advice if necessary.

15. Prepare the Audit Committee's report and to disclose in the Company's annual report which the report shall be signed by Chairman of the Audit Committee.

16. The Audit Committee shall perform self-evaluation at least once per year and shall report the performance evaluation results to the Board of Directors for consideration and endorsement.

17. Provide a channel of communication between the stakeholders directly to the Audit Committee.

18. Review and revise Charter of the Audit Committee to be appropriate for work.
19. Perform any other duty as assigned by the Board of Directors.

### **TERM OF OFFICE**

1. The term of office for a member of the Audit Committee for 3 years and the member of the Audit Committee who vacate office upon the expiration of the term may be re-appointed.
2. The member of the Audit Committee shall be vacated upon:
  - 2.1 death;
  - 2.2 resignation;
  - 2.3 lack of the requisite qualifications of member of the Audit Committee prescribed by the Audit Committee Charter or the regulations and requirements of the Securities and Exchange Commission or the Stock Exchange of Thailand.
  - 2.4 Retirement from a director position of the Company.
3. Any member of the Audit Committee who wishes to resign from his/her office, shall submit a written notification to the Chairman of the Board of Directors. The Company will notify the resignation letter to the Stock Exchange of Thailand. In the event that all of the members of the Audit Committee shall vacate from their office, the Audit Committee members who are being vacated shall remain in office to continue their duties until the new committee members are appointed
4. In the event that a member of the Audit Committee position is vacated with reasons other than the expiration of the term of office, the Board of Directors shall appoint a qualified replacement to the vacated position in order to complete the Committee member within 90 days. The appointed replacement member of the Audit Committee shall hold office only for the remaining term of office of the replaced director.

### **AUDIT COMMITTEE'S MEETING**

1. The Audit Committee shall meet at least 4 times per year to consider financial statements, internal audit report and other matters and Chairman of the Audit Committee may call special meeting as deemed necessary and appropriate.
2. The Audit Committee attends a non-management meeting with the Company's auditor at least once a year.
3. An audit committee member who has interests in any matter has no right to vote on that matter.

4. Such resolution made by the Audit Committee shall be done by majority voting. In case of an equality of votes, the Chairman of Audit Committee shall make a casting vote. However, the opinion of other member of the Audit Committee who did not vote against so it shall be presented as a contradictory opinion to the Board of Directors.

5. The Chairman of the Audit Committee shall report the results of the meeting to the next meeting of the Board of Directors.

6. The secretary of the Audit Committee is responsible for record in writing and preparing the minutes of the meeting within 14 days so that directors and related persons can follow up and be examined.

### **REPORT OF AUDIT COMMITTEE**

1. The Audit Committee shall report performance to the Board of Directors in the Board of Directors' meeting.

2. While performing its duties, if the Audit Committee discovers or suspects any following transactions or activities which may have material impact on the financial status or operating result of the Company, the Audit Committee shall report the findings to the Board of Directors to take remedial actions within the time frame that the Audit Committee considers appropriate:

2.1 transaction which cause conflicts of interests;

2.2 fraud or irregularity or material deficiency in the internal control system;

2.3 infringement of the law on securities and exchange, the regulations of the Stock Exchange of Thailand or the laws relating to the Company's business;

3. If the Audit Committee has reported to the Board of Directors which may have material impact on the financial status and operating results and in consultation with the Board of Directors and executives to take remedial actions within the time frame. In the event that the Board of Directors or executives do not take any remedial actions within the set time frame, any Audit Committee member may report such transactions or activities to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

### **REPORT OF LISTED COMPANIES TO THE STOCK EXCHANGE OF THAILAND**

1. Appointment of the Audit Committee

1.1 Report the resolutions of the Board of Directors' meeting regarding the appointment of the Audit Committee and submit the form to report the names and scope of the Audit Committee according to the regulations of the Stock Exchange of Thailand.

1.2 Submit the certificate and biography of the Audit Committee including the resolutions of the appointment of the Audit Committee to the Stock Exchange of Thailand within 3 days from the date the Board of Directors resolves to appoint the Audit Committee

2. The Audit Committee has changed

2.1 Report the resolutions of the Board of Directors' meeting to the Stock Exchange of Thailand regarding change in member of the Audit Committee to according to the requirements of the Stock Exchange of Thailand.

2.2 Submit the certificate and biography of the Audit Committee including the resolutions of the appointment of the Audit Committee.

3. Report the resolutions of the Board of Directors' meeting on the change in duties and scope of the Audit Committee to the Stock Exchange of Thailand within 3 days from the date of the resolutions of the Board of Directors on changed.

### **3.2 NOMINATION AND COMPENSATION COMMITTEE**

The Board of Directors of Seven Utilities and Power Public Company Limited realizes the importance of a good corporate governance system. Therefore, the Board of Directors considered and appoint the Nomination and Compensation Committee in order to determine nomination of the Company's directors, sub-committee members and chief executives as well as setting criteria and policy in order to determine compensation of the chief executives and propose to the Board of Directors and the shareholders' meeting for approval.

As of December 31, 2020, the Nomination and Compensation Committee consists of 3 members as follows:

- |                                      |   |
|--------------------------------------|---|
| 1. Mr. Ekatiip Tippavang             | Chairman of the Nomination and Compensation Committee |
| 2. Mr. Pathrlap Davivongsa           | Member of the Nomination and Compensation Committee   |
| 3. Pol.Lt.Gen.Kiattipong Khawsam-ang | Member of the Nomination and Compensation Committee   |

# NOMINATION AND APPOINTMENT OF DIRECTORS AND CHIEF EXECUTIVES

## 1. INDEPENDENT DIRECTOR AND AUDIT COMMITTEE

### Independent Director

The definition of Independent Director is a director who does not manage the Company or its subsidiaries and independent from the executives' team and major shareholders and does not have business with the Company which may adversely affect the interests of the Company and/or shareholders.

The nomination of candidates to perform the position of independent directors of the Company, the nomination method will be performed by a committee who considers the nomination in accordance with the qualifications under Section 68 of the Public Limited Companies Act B.E. 2535 and the relevant announcement of the Securities and Exchange Commission including knowledgeable, capabilities and work experiences, the independent director of the Company with qualifications as following:

### Qualifications of Independent Director

- 1) Holding no more than 1 percent of the total with voting rights in the Company.
- 2) Not be or used to be directors who were involved in management or being an employee, staff or advisor who receives fixed salary including financial consultant, legal advisor, other advisors or controlling persons of the Company, affiliated, associated companies or other juristic persons with a possible conflict of interest unless they have not been involved in such positions for at least two years prior to the date of appointment.
- 3) Not be or having no business relationship such as customers, business partners, account payable/receivable, loan payable/ receivable including no benefits or interests whether directly or indirectly in terms of finance and management of the Company, affiliated, associated companies or other juristic persons with a possible conflict of interest in a manner that may interfere with the use of personal judgment independently unless they have not been involved in such positions for at least two years prior to the date of appointment.
- 4) Not be close or have no relationship that would judgement independently with executives, major shareholders of the Company, affiliated, associated companies or other juristic persons with a possible conflict of interest including not being appointed as a representative to protect the interests of the directors and major shareholders.
- 5) Must not be a director that was appoint to be the representative of Company's director or major shareholders as a representative to protect the interests of a particular group.

6) Able to perform duties, give opinions and report on the performance of duties assigned by the Board of Directors without being under the control of the management or major shareholders of the Company including those related to or close relatives of such persons. In case of necessity, the Board of Directors can assign independent directors to make decisions in the form of a committee on the operations of the Company, its main, subsidiaries, affiliated, associated companies, same level subsidiaries or other juristic persons with a possible conflict of interest.

### **Audit Committee**

The Audit Committee shall be comprised of solely independent directors with the number of members not less than three and at least one member of the Audit Committee shall be financially literate or shall have background in accounting or finance sufficiently. The Audit Committee has qualified according to the announcement of the Capital Market Supervisory Board and the Securities and Exchange Commission, and are independent according to the definition of corporate governance policy of the Company.

### **Qualifications of the Audit Committee**

1) The Audit Committee shall be comprised of solely independent directors with the number of members not less than three and qualified according to the announcement of the Capital Market Supervisory Board and the Securities and Exchange Commission, and are independent according to the definition of corporate governance policy of the Company.

2) Member of the Audit Committee shall be appointed by the Board of Directors and/or shareholders.

3) Not be directors who has been assigned by the Board of Directors to make decisions on the operations of Company, subsidiaries or juristic persons with a possible conflict of interest.

4) Not be directors of the Company, subsidiaries or same level subsidiaries only listed company.

5) At least one member of the Audit Committee shall have knowledge and experiences to perform the duty of reviewing the reliability of the financial statements. The Company will disclose which member of the Audit Committee has such qualifications and specify qualifications in the Audit Committee's profile certificate to be submitted to the Stock Exchange of Thailand.

## **NOMINATION OF DIRECTORS AND CHIEF EXECUTIVES**

### **NOMINATION OF DIRECTORS**

In the appointment of directors Nomination and Compensation Committee comprised at least 3 directors, most of them must be independent directors responsible for nominating, screening and selecting qualified candidate suitable for the Company's business by considering the knowledge, experience and all the qualifications required by law, non-disqualifications under the laws and list of qualified candidates propose to the Board of Directors for approval then propose to the shareholders' meeting for consideration to appoint directors in accordance with the rules prescribed in the Company's Articles of Association. The Company has set the criteria for director selection as follows:

1 ) Consider selection based on experience criteria relevant to the business with capability and reliability.

2) One shareholder shall have votes equal to the number of shares held

3) The persons receiving the highest votes in their respective order of the votes shall be elected as directors until all of director positions that the Company may have or that are to be elected at such meeting are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors that the Company may have or that are to be elected at such meeting to be exceeded, the Chairman of the meeting shall have a casting vote.

4) At every Annual General Meeting, the Articles of Association determine at least one third (1/3) of the directors shall retire from office and in case of re-elected directors who retire to be directors again, the shareholders' meeting must be approved. In the nomination of directors, the Company will provide a profile and details of the Supplementary document so that the shareholders can make decisions based on the information received.

If the position of the director is vacant for reasons other than the expiration of the term, the Board of Directors may elect a qualified person who does not obtain prohibited character to be a director for the next the Board of Directors' meeting, except for a term of less than two months, such person shall possess the position for the remaining term of the director who is replaced by such person. The resolution of the committee under paragraph one shall consist of votes of not less than three quarters of the remaining directors.



## **RIGHTS OF MINORITY SHAREHOLDERS IN THE APPOINTMENT OF DIRECTORS**

The Company provides the procedures and channel in which minority shareholders may nominate qualified candidates to be a director in advance for the coming annual general meeting. The Company discloses the required procedure and standards on [www.sevenup.co.th](http://www.sevenup.co.th) and notify the news via the SET's website by submitting the form by postal within the specified period.

## **NOMINATION OF EXECUTIVES**

The Nomination and Compensation Committee is responsible for selecting qualified persons to be appointed to the managing director and Chief Executive Officer by considering the experiences, knowledgeable, capable of management in the business of the Company to propose and give opinions to the Board of Directors for approval.

## **NOMINATION AND COMPENSATION COMMITTEE CHARTER**

### **COMPOSITION OF THE NOMINATION AND COMPENSATION COMMITTEE**

1. The Nomination and Compensation Committee shall be comprised at least 3 members.
2. The Nomination and Compensation Committee shall be comprised mostly of independent directors.
3. The Board of Directors shall select and appoint an independent director whose member of the nomination and compensation committee is the Chairman of the Nomination and Compensation Committee. The Chairman of the Board of Directors must not be a member of the Nomination and Compensation Committee.
4. The company secretary performs as secretary of the Nomination and Compensation Committee by position.

### **QUALIFICATIONS**

1. The Nomination and Compensation Committee shall be appointed by the Board of Directors.
2. The Nomination and Compensation Committee shall have knowledge, capabilities, experiences and understand the qualifications, duties and responsibilities of the Nomination and Compensation Committee under the good corporate governance principles.
3. The Nomination and Compensation Committee shall dedicate time for performing duty.

4. The Nomination and Compensation Committee shall be impartial in the nomination and selection of members who deserve to be nominated for the position as well as appropriately, fairly and transparently compensation.

#### **AUTHORITIES, DUTIES AND RESPONSIBILITIES OF THE NOMINATION AND COMPENSATION COMMITTEE**

1. Consider the structure and composition of the Board of Directors so that the number of directors with qualifications, skills and experiences are appropriate for the Company's size, type and complexity of the business.

2. The Nomination and Compensation Committee shall have knowledge, capabilities, experiences and understand the qualifications, duties and responsibilities of the Nomination and Compensation Committee under the good corporate governance principles.

3. Consider sensible compensation criteria for the Company's director and high-ranking executives' position.

4. In the event that a member of the Nomination and Compensation Committee position is vacated with reasons other than the expiration of the term of office including compensation and propose to the Board of Directors or shareholders' meeting for approval.

5. Nominating the high-ranking executives at the level of Chief Executive Officer, Chief Operating Officer including compensation and propose to the Board of Directors for approval.

6. The Nomination and Compensation Committee arranges meeting at least 1 time per year.

7. The Nomination and Compensation Committee shall evaluate self-performance on annual basis to review the results, problems and obstacles each year and then develop and improve the performance.

8. Report Nomination and Compensation Committee's performances regularly to the Board of Directors for acknowledgement in the meeting of the Board of Directors.

9. Prepare a report of the Nomination and Compensation Committee that disclose in the annual report of the Company which must be signed by the Chairman of the Nomination and Compensation Committee.

10. Revise the Nomination and Compensation Committee Charter to be appropriate to the operations.

## **TERM OF OFFICE**

1. Member of the Nomination and Compensation Committee has a term of 3 years and a member of the Nomination and Compensation Committee who vacates office upon this term may be re-elected.

2. In addition, to vacating office at the expiration of the term. Member of the Nomination and Compensation Committee's term of office shall vacate upon

2.1 death;

2.2 resignation;

2.3 lacked of qualifications as a member of the Nomination and Compensation Committee under this charter or according to the regulations of the Securities and Exchange Commission or the Stock Exchange of Thailand.

2.4 retirement from a director position of the Company.

3. Any member of the Nomination and Compensation Committee who will resign from office shall submit a resignation letter to the Chairman of the Board of Directors by notifying in writing along with reasons whereby the Company will notify the Stock Exchange of Thailand for the resignation.

## **NOMINATION AND COMPENSATION COMMITTEE'S MEETING**

1. The Nomination and Compensation Committee arranges meeting at least 1 time per year and conduct meeting under the Company's Articles of Association and the Chairman of the Nomination and Compensation Committee may call a special meeting to consider other urgent matters as it deems appropriate.

2. Such resolution made by the Nomination and Compensation Committee shall be done by majority voting. In case of an equality of votes, the Chairman of Nomination and Compensation Committee shall make a casting vote. However, the opinion of other member of the Nomination and Compensation Committee who did not vote against so it shall be presented as a contradictory opinion to the Board of Directors.

3. The secretary of the Nomination and Compensation Committee is responsible for record in writing and preparing the minutes of the meeting within 14 days so that directors and related persons can follow up and be examined.

## **REPORT OF NOMINATION AND COMPENSATION COMMITTEE**

1. Report Nomination and Compensation Committee's performances to the Board of Directors for acknowledgement in the meeting of the Board of Directors.
2. Prepare a report of the Nomination and Compensation Committee that disclose in the annual report of the Company to report the operating results present to the shareholders' meeting, publish to investors and interested parties and subsequently submit to the relevant agencies according to the law.

## **3.3 EXECUTIVE COMMITTEE**

The Board of Directors of Seven Utilities and Power Public Company Limited realize the importance of control and management of the Company. Therefore, the Board of Directors considered and appointed the Executive Committee to supervising the Company's operations to comply with policies and objectives set by the Board of Directors.

As of December 31, 2020, the Executive Committee consists of 4 members as followed:

- |                                |                                     |
|--------------------------------|-------------------------------------|
| 1. Mr. Sittichai Kritvivat     | Chairman of the Executive Committee |
| 2. Mr. Mana Kitirat            | Executive Director                  |
| 3. Mr. Monthep Mapiam          | Executive Director                  |
| 4. Ms. Poonchaya Patkotchakorn | Executive Director                  |

## **EXECUTIVE COMMITTEE CHARTER**

### **COMPOSITION OF EXECUTIVE COMMITTEE**

1. The Executive Committee consists of directors who are executives or employees or appointed by the Board of Directors at least 3 directors together to perform the Executive Committee.
2. The Executive Committee being the Company's director shall be appointed as the Chairman of the Executive Committee.
3. The company secretary performs as secretary of the Executive Committee by position.

### **QUALIFICATIONS**

1. The Executive Committee shall be appointed by the Board of Directors.
2. The Executive Committee shall have knowledge, capabilities, experiences and understand the nature of the Company's business operations.
3. The Executive Committee shall dedicate time for performing duty.

## **AUTHORITIES, DUTIES AND RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE**

1. Perform duties within the scope of laws, objectives, regulations, policies as well as resolutions of the Board of Directors' meeting and/or the resolution of the shareholders' meeting.
2. Propose policy, objective, business plan, business strategy, organizational structure, annual budget, investment plan, business expansion, financial plan, human resource management policy as well as scrutinizing the management's proposal to propose to the Board of Directors for approval.
3. Control the business operations to be in accordance with the policy, objective, strategy, operational plan and annual budget that approved by the Board of Directors.
4. Review and approve transactions that related to investment and acquisition and disposal of assets under the authorities including manage the investment of the Company effectively in order to maximize the benefits for shareholders.
5. Consider and approve the expenditure in general operations of the Company under the budget approved by the Board of Directors including approve the significant capital expenditures under the stipulated financial amount as assigned by the Board of Directors or approved by the Board of Directors in principle.
6. Approve the opening/ closing/editing and managing deposit accounts with financial institutions both domestic and aboard by considering to be suitable for overall financial management.
7. Set out the organizational structure and administration covering selection, training, employment, appointment, transferring, termination, determination of wages, rewards, adjustment of salary, compensation, bonus of all employees which is lower than the Chief Executive Officer.
8. Approve loans, acquisition of credit lines or any request for credit, pledge, mortgage, guarantee, trading/registration of land ownership including entering into a contract relating to the Company's normal business operations under the specified approval authority or the Board of Directors has approved in principle.
9. Supervise and monitor the operating results and financial status of the Company and its subsidiaries and report of the operational performance and financial status to the Board of Directors on a regular basis.
10. Consider the Company's operational performance and propose an interim dividend payment and annual dividend to the Board of Directors for approval before propose to the shareholders' meeting.
11. The Executive Committee may employ an advisor or an independent person to give opinion as necessary.
12. Revise the Executive Committee Charter regularly and revised charter must be approved by the Board of Directors.

13. Approval of funds that are normal commercial transactions or transactions that are binding on the company. The Executive Committee has the authority to approve the amount not exceeding 20 million baht.

14. Perform any other duty as assigned by the Board of Directors.

The Board of Directors' delegation of authorities shall not be in the manner which empowers a person to approve the transaction made by such person himself/herself or made by other persons who may have a conflicts of interest with the Company or its subsidiaries as defined in the notifications of the Securities and Exchange Commission and/or relevant agencies, unless the approval of such transaction is made in accordance with the policy and guidelines which have been already approved by the Board of Directors' meeting and/or the Company's shareholders meeting.

### **TERM OF OFFICE**

1. The Executive Committee shall vacate from the position when:

apart from the expiration of term of duty, the Committee shall vacate from the position when:

1.1 death;

1.2 resignation;

1.3 lacked of qualifications to be executive directors according to this charter;

2. Any executive director who will resign from office shall submit a resignation letter to the Chairman of the Board of Directors by notifying in writing along with reasons whereby the Company will notify the Stock Exchange of Thailand for the resignation.

### **EXECUTIVE COMMITTEE'S MEETING**

1. Arrange regular meetings of the Executive Committee to approve important topic and monitor the performance of the Company.

2. Such resolution made by the Executive Committee shall be done by majority voting. In case of an equality of votes, the Chairman of Executive Committee shall make a casting vote. However, the opinion of the other executive directors who did not vote against so it shall be presented as a contradictory opinion to the Board of Directors.

3. The company secretary is responsible for record in writing and preparing the minutes of the meeting within 14 days so that directors and related persons can follow up and be examined.

## **REPORT OF THE EXECUTIVE COMMITTEE**

1. Report Executive Committee's performances to the Board of Directors for acknowledgement in the meeting of the Board of Directors.
2. Prepare a report of the Executive Committee that disclose in the annual report of the Company to report the operating results present to the shareholders' meeting, publish to investors and interested parties and subsequently submit to the relevant agencies according to the law.

## **3.4 COMPANY SECRETARY**

The Board of Directors of Seven Utilities and Power Public Company Limited appointed the Company Secretary in order to support work of the Board of Directors and to perform duties in accordance with the regulations, laws and relevant rules as well as holding meetings and gathering information on various meetings including representative of the Company in liaison with legal regulators.

The Board of Directors has appointed Miss Patcharin Singthuen as the Company Secretary position since May 16, 2019 to give legal advice, rules and regulations related to the Company in compliance with the Securities and Exchange Commission Act B.E. 2535, the Company Secretary has the following roles and responsibilities:

- 1) Arrange meetings for shareholders, the Board of Directors, Sub-Committee, and Executive complied with the Company's Articles of Association.
- 2) Ensure the compliance of the Company with the relevant laws, rules and regulations including corporate governance practices.
- 3) Support the operations of the Board of Directors and coordinate to ensure the implementation of objectives, articles of association, resolutions of both the Board of Directors and shareholders' meeting as well as other relevant legal and regulatory requirements.
- 4) Prepare and keep important documents of the Company such as director registration book, meeting invitation letter, minutes of meeting and annual reports.
- 5) Keep reports on interest reported by directors or executives of the Company and provide the copy of such reports to the Chairman of the Board of Directors and the Chairman of the Audit Committee within 7 days from the date that the company received the report.
- 6) Perform other duty as required by Capital Market Supervisory.

In the case where the Company Secretary vacate office or unable to perform duties, the Board of Directors shall elect a person as the replacement Company Secretary within 90 days from the date the former company secretary vacates office or unable to perform duties and the Board of Directors shall delegate other persons to perform this duty during the said period.

## 4. EXECUTIVES

The executives consist of executives who meet the qualifications under the Public Limited Companies Act B.E. 2535 and the announcement of the Securities and Exchange Commission as of December 31, 2020, there are 5 members as follows:

	Name	Position
1.	Mr. Monthep <sup>1</sup> Mapiam	Acting Chief Executive Officer / Chief Operating Officer
2.	Ms. Poonchaya Patkotchakorn	Chief Financial Officer
3.	Ms. Patcharin Singthuen	Company Secretary / Vice President of Office of Central Administration
4.	Mr. Watcharawish Siraphobphumchai	Vice President of Investor Relations
5.	Mr. Kandanaï Srangtoneng	Vice President of Compliance

### Remark

<sup>1</sup>Mr. Monthep Mapiam has appointed to the position of Acting Chief Executive Officer effective from August 11, 2020.

**EXECUTIVES** means the first 4 executives following the Chief Executive Officer including all members holding position equivalent to the fourth executive level position and those holding executive-level position in accounting and finance.

## AUTHORITIES OF THE CHIEF EXECUTIVE OFFICER

The Board of Directors of Seven Utilities and Power Public Company Limited appointed the Chief Executive Officer and defined the roles, authorities, duties and responsibilities of the Chief Executive Officer to serve as practices for operations and management in the Company to achieve concrete performance in accordance with a good corporate governance principle. Moreover, to achieve the objectives according to the goals with transparency and accountability which will encourage the confidence of the shareholders, stakeholders and all related person which will lead to the sustainable growth of the business in the future. The roles, authorities, duties and responsibilities of the Chief Executive Officer are defined as follows.



1) Give advice for determining the main business strategy, business plan and budget of the Company for proposing to the Executive Committee and the Board of Directors for approval.

2) Supervise the business in accordance with the policies, strategies and operating directions of the Board of Directors.

3) Perform other duties as assigned by the Board of Directors and the Executive Committee at each period of time.

4) Follow the resolution of the shareholders' meeting, the Board of Directors and the Executive Committee meeting by law with honesty, carefulness, secure the benefit of the Company in accordance with the law, objective and articles of association.

5) Manage the Company structure efficiency, encourage and develop the potential of executives and employees.

6) Encourage and develop management under the principle of corporate governance and get mutual benefit.

7) Determine the important issue, define missions, objectives, guidelines, policies including the overall business of the Company and be responsible to the Board of Directors.

8) Authorize to employ, appoint, remove, terminate, dismiss, set the wage rate, rewards, increase salary, compensation including welfares of the Company with respect to all employees.

9) Authorize to approve and delegate during the approval of disbursement for the procurement of assets and services for the benefit of the Company and authorize to approve general and insignificant commercial transactions in the amount not exceeding 1 million Baht.

10) Authorize to directions, regulations, announcements and internal records to ensure the implementation of the policy and to maintain work discipline within the organization.

11) Authorize to act and acting as a representative of the Company to third parties in related businesses and beneficial to the Company.

The aforementioned delegation of authorize to the Chief Executive Officer does not include the authorization that enables the Chief Executive Officer to approve the transaction made by such person himself/herself or made by other persons who may have a conflicts of interests with Company or subsidiary including requiring approval from the Executive Committee, the Board of Directors or shareholders in the related transaction and the acquisition or disposition of important assets of the Company or its subsidiaries in order to comply with the regulations of the Stock Exchange of Thailand.



## COMPENSATION OF DIRECTORS AND EXECUTIVES

### 1. MONETARY COMPENSATION

In the year 2020, the compensation of directors and executives consist of

#### 1) DIRECTORS' COMPENSATION

The total compensation for the 13 directors (resigned director included) is equal to 4,576,451.62 Baht which are meeting allowance and directors' compensation as follows:

Name-Surname	Position	Meeting Allowance (Baht)	Compensation Fee (Baht)	Net total (Baht)
1. Sqn. Ldr. Sita Divari	Chairman of the Board of Directors/ Independent Director	90,000	2,400,000	2,490,000
2. Mr. Torphong Chaiyasarn	Chairman of the Audit Committee/ Independent Director	90,000	360,000	450,000
3. Mr. Preecha Laohapongchana	Chairman of the Nomination and Compensation Committee/Member of the Audit Committee/ Independent Director	20,000	75,000	95,000
4. Mr. Ekatip Tippavang	Chairman of the Nomination and Compensation Committee/Member of the Audit Committee/ Independent Director	130,000	300,000	430,000

5. Mr. Sittichai	Kritvivat	Director/Member of the Nomination and Compensation Committee/Chairman of the Executive Committee	50,000	150,000	200,000
6. Mr. Chanin	Kiatthaveepong	Director/Executive Director	5,000	50,000	55,000
7. Mr. Mana	Kitirat	Director/Executive Director	95,000	300,000	395,000
8. Mr. Chalermchai	Mahagitsiri	Director	-	125,000	125,000
9. Mr. Kittipong	Kittikachorn	Member of the Audit Committee/Member of the Nomination and Compensation Committee/Independent Director	20,000	58,870.97	68,870.97
10. Mr. Pathrlap	Davivongsa	Director/Member of the Nomination and Compensation Committee/Executive Director	60,000	147,580.65	207,580.65
11. Pol.Capt. Ratchata	Poompanmoung	Director	25,000	100,000	125,000
12. Pol.Lt.Gen.Kiattipong	Khawsam-ang	Member of the Audit Committee/Member of the Nomination and Compensation Committee/Independent Director	10,000	47,500	57,500
13. Mr. Monthep	Mapiam	Director/Executive Director	15,000	47,500	62,500
<b>Total</b>			<b>610,000</b>	<b>3,966,451.62</b>	<b>4,576,451.62</b>

In addition to said monetary compensation, the Company also provides directors and officers liability insurance to cover the risks of the directors in performing duties for the Company. However, this shall not be protected in the case of intend or gross negligence or dishonesty.

## 2) EXECUTIVES' COMPENSATION

In the year 2020, the total compensation for the 8 executives (resigned executive included) consists of salary, bonus, car allowance, provident fund and social security is equal to 11,070,915.33 Baht.

(Unit : Baht)

Compensation						
Salary	Bonus	Car Allowance	Provident Fund	Social Security	Welfare	Total
10,317,733.33	-	395,000	309,532	43,650	5,000	11,070,915.33

## 3) EMPLOYEES

The total number of company's employees as of December 31, 2020 has 46 members (executive included). The compensation of employees consisting of salary, bonus and other welfares totaled 16,506,760.44 Baht (excluding the executives' compensation No.2) and detailed as follows;

Department	No. of employee
Executives	3
Company Secretary	1
Internal Audit	1
Investor Relations	1
Document and Meetings	3
Compliance	1
Legal and registration	1
Human Resources Management	5
Administration and Assets	17
Information Technology	2
Safety and Occupational Health	1
Accounting	8
Finance	2
<b>Total</b>	<b>46</b>

### THE COMPENSATION OF EMPLOYEES FOR THE YEAR 2020

List	Total (THB)
Salary	14,101,940.01
Bonus	-
Position allowance	72,000.00
Car allowance	320,078.50
Mobile allowance	62,280.00
Allowance	97,960.00
Overtime	786,967.64
Welfare	79,278.29
Contributions for provident fund	323,624.00
Contributions for social security	270,317.00
Contributions for workmen's compensation	9,971.00
Health insurance	292,960.00
Life and accidental insurance	89,384.00
<b>Total</b>	<b>16,506,760.44</b>

#### 4) LABOR DISPUTE IN THE PAST 3 YEARS

The Company had no significant labor dispute in the past 3 years.

### POLICY ON EMPLOYEE DEVELOPMENT

Employees are the driving force for the Company to be successful in preparing for the diversified business operations and to be able to deal with with the current situation and competition. The Company has established management guidelines by focusing on recruitment, development and retain quality employees by

**RECRUITMENT** The Company provide manpower plan and consistent with the business growth plan by recruiting employees from both internal and external with transparency and non-discriminatory along with qualifications, knowledge, capability, potential, experience and attitude according to duties and responsibilities in that position.



### EMPLOYEE DEVELOPMENT

The Company continuously encourage and support employees to improve their knowledge, skills and competencies. In addition, the Company focuses on adjusting the thought and way of working to be able to handle with the uncertainty environment in order to perform their duties with fullest ability.

**EMPLOYEE RETENTION** The Company assesses the compensation and benefits as appropriate by taking into account different duties and responsibilities and can compete with the same industry group. The performance is assessed fairly in accordance with the ability to transfer, promote and encourage employees to show their potential and grow together with the Company. Moreover, the Company provide appropriate welfare consistent with labor market guidelines and support New Year's activity, charity, volunteering and other activities to keep employees engaged.

## 5. OTHER IMPORTANT INFORMATION

### 5.1 A LIST OF CONTROLLED PERSON

Responsible for	Name-Surname	Date of Appointment
Chief Financial Officer	Ms. Poonchaya Patkotchakorn	September 18, 2019
Chief Accountant	Ms. Poonchaya Patkotchakorn	April 8, 2019
Company Secretary	Ms. Patcharin Singthuen	November 4, 2020
Chief Audit Executive	Ms. Thamonwan Phalalum	February 27, 2020
Head of Compliance	Mr. Kandanai Srangtoneng	May 17, 2019
Head of Investor Relations	Mr. Watcharawish Siraphobphumchai	August 26, 2020

## 5.2 AUDITOR'S COMPENSATION



### AUDIT FEE

In 2020, the Company and its subsidiaries paid the auditor compensation to the accounting firm in the total amount of 10.18 million Baht including the audit fee of the Company at the amount of 3.30 million Baht and the audit fee of the subsidiaries at the amount of 5.04 million Baht.

### NON-AUDIT FEE

In 2020, the total Non-Audit Fee is equal to 1.84 million Baht.

# REPORT OF THE BOARD OF DIRECTORS

The Board of Directors has scheduled meeting at least 4 times a year. The meeting must be conducted under the Company's regulations, Public Limited Company Act B.E. 2535, the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. The chairman has offered opportunities for the Board of Directors to exercise proper discretion and allocate times for the management to make proposals and support the committee to discuss issues. Also, the minutes of the meeting are recorded in writing every time so this allows all directors and relevant persons can be examined. The attendance of the Board of Directors is considered an important duty of all directors.

In 2020, a total of 19 the Board of Directors' meeting were convened. The agenda items for each meeting and supporting documents in advance to all directors to study the information. The meeting provided the opportunity for directors to discuss important matters carefully by the secretary and executives attended the meeting including record of the minutes of meeting, records of directors' inquiries and opinions in order to all directors and related persons can follow up and examine.

Details of the meeting attendance of 8 directors who held the position as of December 31, 2020 are as follows:

Name - Surname	Position	Attendance
Sqn.Ldr. Sita Divari	Chairman of the Board of Directors/ Independent Director	18/19
Mr. Torphong Chaiyasan	Independent Director	16/19
Mr. Ekatip Tippavang	Independent Director	19/19
Pol.Lt.Gen. Kiattipong Khawsam-ang	Independent Director	2/3
Mr. Mana Kitirat	Director	19/19
Mr. Pathrlap Davivongsa	Director	9/9
Pol.Capt. Ratchata Poompanmoung	Director	5/6
Mr. Monthep Mapiam	Director	3/3



The Board of Directors has performed their duties aiming to benefit all stakeholders under the principles of good corporate governance, laws and regulations strictly. In the past year, many important matters were considered especially the investment in many businesses, investing to extend the existing business especially for businesses that generate long-term sustainable returns, considering to sell shares in various subsidiaries that the business operations have not yet produced clear and worthwhile returns. Moreover, the Company has defined operating policy that reflects the financial figures showing changes in business operations in a better direction. By doing this, it will create confidence among shareholders and stakeholders to operate the business according to the vision and mission set by the Company.

On behalf of the Board of Directors of Seven Utilities and Power Public Company Limited, we have performed the duties assigned to the best of our abilities and scrutinize carefully with reasonable. Lastly, we will continue to perform duties under the principles of good corporate governance in order to drive to develop the Company's growth sustainably.



**(SQN.LDR. SITA DIVARI)**  
**CHAIRMAN OF THE BOARD OF DIRECTORS**

# REPORT OF THE AUDIT COMMITTEE

The Audit Committee of Seven Utilities and Power Public Company Limited consists of three independent directors, appointed by the Board of Directors. Each selected member has all necessary attributes regarding the requirement of The Stock Exchange of Thailand and the Securities and Exchange Commission, Thailand. In the past year, the Audit Committee held five meetings and the further details of the Audit Committee meeting are as follows:

Name - Surname	Position	Attendance
Mr. Torphong Chaiyasarn	Chairman of the Audit Committee	5/5
Mr. Ekatiip Tippavang	Member of the Audit Committee	5/5
Pol.Lt.Gen. Kiattipong Khawsam-ang	Member of the Audit Committee	1/1

The Audit Committee performed its assigned duties liberally. In each meeting, the company's top executives attended the meeting to explain relevant facts. The certified auditors were invited to clarify the audit report including discussions on the audit guidelines and way forward of effective internal control without any participation from the management sector. In this regard, the significant operations information in the past year according to the Audit Committee meeting are as follows:

## 1. REVIEW OF FINANCIAL REPORT

The Audit Committee has reviewed the quarter and annual financial statement of both specific company's part and consolidated financial statement. The certified public accountant and company's executives worked together to clarify critical information and to ensure the financial report has been written in accordance with the legal requirements and achieve accounting standard. Moreover, the disclosure of information was proceeded sufficiently and completely.

## 2. REVIEW OF INTERNAL CONTROL PROCESS

In order to run the business toward the goals set, the Audit Committee has carefully considered the internal control system from the internal auditor's report and auditor's report to make sure that the company has adequate internal control which helps prevent and reduce the risks that may occur.

## 3. REVIEW OF RISK MANAGEMENT

The Audit Committee has given importance to risky issues with the cooperation from the internal auditor and auditor with the management team to consider the risk factors, preventive measures and risk control systems have been defined for the benefits of company's operations.

#### **4. LAW-ABIDING**

The Audit Committee has reviewed the company's performance with the opinion on the compliance with the Securities and Exchange Commission's laws, the Stock Exchange of Thailand's regulations, or any other related business laws.

#### **5. THE CONNECTED TRANSACTIONS OR THE TRANSACTIONS THAT MAY CAUSE CONFLICTS OF INTERESTS**

The Audit Committee has reviewed the connected transactions or the transactions that may cause conflicts of interests, making them in line with the laws and the Stock Exchange of Thailand's regulations. This is to ensure such transactions are reasonable and the disclosure of information should accurate and complete.

#### **6. REVIEW OF ANTI-CORRUPTION PROGRAM**

The Audit Committee has reviewed the anti-corruption program by receiving complaints and accepting all related data and clues with the high protection measure for whistle-blower, witnesses and those involved. The investigation must be strictly operated under company's procedures. Moreover, the company has announced its intention to join the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) which is currently in the process of requesting approval.

#### **7. CONSIDER THE SELECTION OF THE COMPANY'S AUDITOR**

The Audit Committees have considered the suitability of the auditors by considering their independence, reputation, work performance and the appropriate compensation. For the year 2020, the Audit Committee proposed to the Board of Directors for consideration and approval from the Annual General Meeting of Shareholders to appoint the auditors from Mazars (Thailand) Ltd. as the auditor of the company and its subsidiaries for the year 2021.

In summary, in the year 2020, the Audit Committee was able to perform duties independently and has prepared accurate reports and financial information according to accounting standards and complete disclosure of information. There was also an adequate internal control system and the operations were in compliance with the Securities and Exchange Commission's laws, the Stock Exchange of Thailand's regulations, or any other related business laws. All actions were transparent and verifiable, highly focused on the benefits of all stakeholders.

**(MR. TORPHONG CHAIYASARN)**  
**CHAIRMAN OF THE AUDIT COMMITTEE**

## REPORT OF THE NOMINATION AND COMPENSATION COMMITTEE

The Nomination and Compensation Committee appointed by the Board of Directors. In the past year, the Nomination and Compensation Committee held seven meetings and the further details of the Nomination and Compensation Committee meeting are as follows:

Name - Surname	Position	Attendance
Mr. Ekatiip Tippavang	Chairman of the Nomination and Compensation Committee	7/7
Mr. Pathrlap Davivongsa	Member of the Nomination and Compensation Committee	3/3
Pol.Lt.Gen. Kiattipong Khawsam-ang	Member of the Nomination and Compensation Committee	0/0

The Nomination and Compensation Committee has liberally performed duties assigned by the Board of Directors. The main responsibilities were to select executive management who have qualified for the company based on field knowledge, capability, experiences and qualification as required by law and submitting to the Board of Directors and the Annual General Meeting of Shareholder for the year 2020 for consideration. Moreover, this is an opportunity for shareholder to nominate directors' names according to the specified procedure during 2 January to 14 February 2020. However, there was no shareholder nominating any person to be considered as a director.

For the selection of directors and executive management, the Nomination and Compensation Committee has considered their qualifications, work performance, experiences, diverse expertise skills, professionalism and devotion for the company's business as well as their vision and positive attitude towards the benefits of the company. Furthermore, the establishment of methods and regulations for paying directors' compensation and subsidiaries properly by considering work performance and comparing the compensation in the market rate.

The Nomination and Compensation Committee has performed all assigned tasks completely with thorough scrutinizing process as well as given opinions and committed to operate tasks under the principle of equivalence and transparency in accordance with good corporate governance into account the best interests of all shareholders and stakeholders.



**(MR. EKATIP TIPPAVANG)**

**CHAIRMAN OF THE NOMINATION AND COMPENSATION COMMITTEE**

# REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee consists of five members, appointed by the Board of Directors. In the past year, the Executive Committee held eighteen meetings and the further details of the Executive Committee meeting are as follows:

Name - Surname	Position	Attendance
Mr. Sittichai Kritvivat	Chairman of the Executive Committee	14/18
Mr. Mana Kitirat	Executive Director	18/18
Mr. Pathrlap Davivongsa	Executive Director	5/8
Mr. Monthep Mapiam	Executive Director	4/5
Miss Poonchaya Patkotchakorn	Executive Director	4/5

The Executive Committee have performed duties assigned by the Board of Directors as follows:

1. Monitor the monthly performances of the company in accordance with goals and directions.
2. Analyze the impacts and changes occurring in order to determine ways to prevent or resolve problems.
3. Scrutinize the significant investment before submitting to the Board of Directors for approval.
4. Consider and approve schemes with the authority assigned by the Board of Directors.
5. Giving advices to the Chief Executive Officer for the company operation.

In the past year, the company has not only invested in many new businesses but also expanding their existing commerce. Even though the situation of the coronavirus outbreak has inevitably affected the economy which impacted the company operations. However, the company has adapted to handle changes and commit to run businesses that create sustainable returns.

The Executive Committee performed the assigned duties to the best of our abilities and carefully considered schemes with reasonable and taking into account the best interests of all shareholders and stakeholders.



**(MR. SITTICHAJ KRITVIVAT)**  
**CHAIRMAN OF THE EXECUTIVE COMMITTEE**

# INTERNAL CONTROL AND RELATED TRANSACTIONS

## 1. INTERNAL CONTROL

The Company recognize the significance of internal control systems by emphasizing sufficient and proper internal control systems for business operations to prevent damage to the Company. The internal control of the Company inclusive the executive level, operating level including care of assets and financial systems. Moreover, to enable the Company to prevent damage to assets of the Company and subsidiaries and also to prevent from seeking illegal exploitation. The Board of Directors assigns the Audit Committee to review the internal control system of the Company, the main components were found to be sufficient, proper and no significant defects as summarized below.

### **CONTROL ENVIRONMENT**

According to the Company's corporate governance policy clearly defines duties and responsibilities of the Board of Directors, sub-committees, executives and employees. The Company sets clearly performance goals and measurable consistent with business operations. There is an organizational structure in order for the operation to be flexible and appropriate in line with changing business conditions. Moreover, there is an organization that is conducive to controlling the performance of the executives to operate efficiently which helps to support the Company's internal control system. The Company establishes an internal audit department by reporting directly to the Audit Committee which helps to promote, follow up, evaluate and improve the Company's internal control system.

### **RISK ASSESSMENT**

The Board of Directors clearly defines the vision, mission and business goals of the Company. There is a process for preparing an annual business plans and when the details are clearly defined, the Company is able to analyze the risk factors in various fields with potential effects on the vision, objectives or business goals. Also, the Company set tools to measure and monitor results that are consistently appropriate. If there are changes or increases in risk factors that are assessed in the planning stage so this will be adjustments for strategies or measures to prevent and handle to risks promptly.

## **CONTROL ACTIVITIES**

The Board of Directors clearly defines duties and responsibilities of the Board of Directors and executives including the duties and responsibilities are strictly separated from each other in order to inspect each other. However, if the company has transactions with major shareholders, directors, executives and person related to the aforementioned individuals including connected persons for benefits in monitoring and reviewing connected transactions or transactions with potential conflicts of interests to control and prevent personal gain from the Company's benefits. Therefore, the Company establishes a compliance department in order to continue the good corporate governance policy and assist as a tool for the executives to comply with the laws, rules, regulations in order to operate the business efficiently.

## **INFORMATION AND COMMUNICATION**

In the meeting of the Board of Directors, the meeting invitations or documents with the specifications of necessary and sufficient information for meetings to accompany considerations and decision seven days in advance of the meeting. Minutes of meetings have specified information including records of directors' significant opinions and resolutions in order to improve along with suggestions and inform the Board of Directors in the next meeting.

Moreover, the Company arranges effective and proper channels of communication within the organization through email or notifications through the Company's intranet for employees' awareness. For the communication with outside organizations, the Company has channels to receive complaints and whistleblowing about illicit, code of conduct, corruption or misconduct concerning corruption of directors, executives or employees directly through email of the Audit Committee ([audit.committee@sevenup.co.th](mailto:audit.committee@sevenup.co.th)) or specified addresses and telephone numbers of the Company.

## **MONITORING ACTIVITIES**

The Company has set up a process to monitor the observance of the internal control system including business performance to compare with business goals. The Company also has a policy for the executive to report to the Board of Directors promptly when corruption, illegal practices or any unusual activities are found and significantly affect the reputation and financial position of the Company.

However, the assessment of the internal control efficiency of the Audit Committee aimed to examine the sufficient and proper of the internal control system and the performance of the Company's internal control system. The Audit Committee gives opinions that the Company's internal

control system is sufficient and proper for business operations with no reports significant errors in the Company's internal control system from the certified public accountant and the internal auditor.

### **CHIEF AUDIT EXECUTIVE AND HEAD OF COMPLIANCE**

The Company has considered the internal control system and compliance systems and the Company has expanded businesses. Therefore, to make an internal audit, corporate compliance governance and risk management covering all businesses. The resolution of the Board of Directors meeting approval consistent with the Audit Committee to set the organizational structure to have an internal audit department and compliance department by currently appointed to Miss Thamonwan Phalalum is the Chief Audit Executive and Mr. Kandanai Sranngtoneng is Head of Compliance by considering the experience, knowledge and understanding of the Company's business.

### **ROLES AND RESPONSIBILITIES OF THE CHIEF AUDIT EXECUTIVE**

1. Prepare the annual audit plan regarding the internal audit and propose to the Audit Committee for consideration and approval.
2. Perform duties in accordance with the annual audit plan as approved by the Audit Committee.
3. Review the accuracy and creditability of financial information, compliance with the law including internal and external regulations.
4. Review the transactions that may lead to conflicts of interests
5. Review the risk assessment including the Company's internal control.
6. Give advice, suggestion or measures for improvement to users regarding risk management, internal control as well as internal audit in order to ensure the efficiency, effective, economical and fraud prevention operations of the Company.
7. Prepare a performance report propose to the Chief Executive Officer and an internal audit report propose to the Audit Committee.
8. Follow up on improvement results regarding the suggestions of the Audit Committee.
9. Organize the Audit Committee meeting as assigned by the Chairman of the Audit Committee.
10. Coordinate with internal and external departments or individuals as well as the Company's auditor.
11. Perform other duties as assigned by under the authority of the Audit Committee and Chief Executive Officer.
12. Continuously develop and training to increase knowledge, skill and competency.



## **ROLES AND RESPONSIBILITIES OF HEAD OF COMPLIANCE**

1. Propose the compliance policy to the Board of Directors for approval and review to be appropriate and up to date.
2. Establish a compliance framework and communicate to employees to comply with the rules correctly and review regularly.
3. Encourage all departments to participate and aware of the compliance with the rules especially the specific rules of each department.
4. Communicate, training, give advice to employees in order to encourage the awareness of compliance with the rules and the potential impacts of non-compliance.
5. Advice employees on various business rules and inform the executives when there is change related to the business operations.
6. Gather laws and regulations related to conducting business.
7. Review compliance with rules and the accuracy of information.
8. Report non-compliance to the Chief Executive Officer or the responsible executives.
9. Follow up on the amendment due to non-compliance and report to the Chief Executive Officer or the responsible executives.
10. Coordinate with regulators or other external audit related to compliance.

## 2. RELATED TRANSACTIONS

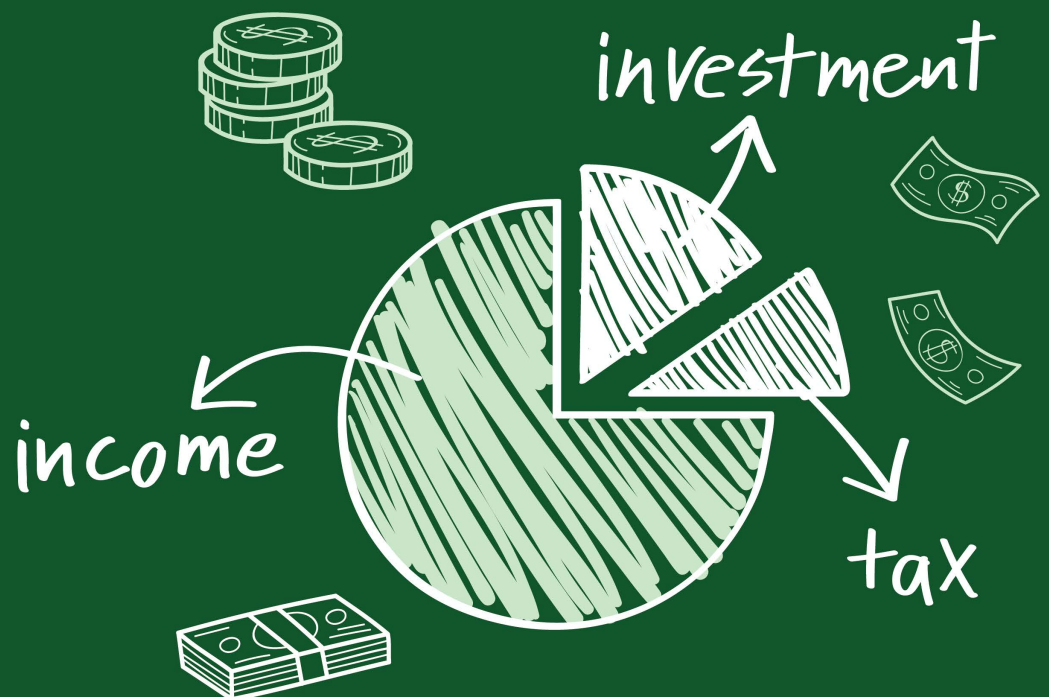
Related Party	Relationship with the Company	Nature of transaction	Related transactions value (THB million)			Rational and necessity of transaction
			2020	2019	2018	
Mitprasong Green Power Co., Ltd.	7UP is the major shareholder of 62.63% in Mitprasong Green Power Co., Ltd. (On December 11, 2018, 7UP sold all of shares).	Interest received from short-term loan which is at call promissory note.	-	-	3.16	This transaction is a loan for using as working capital by determine the conditions and the interest rate is normally as the business operation.
Hadyai Environmental Management Co., Ltd.	Hadyai Environmental Management Co., Ltd. holds 20% shares in Phrasaeng Green Power Co., Ltd., which Phrasaeng Green Power Co., Ltd. is a subsidiary of 7UP.	Production cost which is wages for controlling and maintainance of the power generation system.	4.46	4.46	4.58	This transaction is a normal business operation, which is an agreement contract under the general market price and returns as a normally trade.
		Interest expense from short-term borrowing which is at call promissory notes.	-	-	3.52	This transaction is a borrowing for using as working capital by determine the conditions and the interest rate is normally as the business operation.

Related Party	Relationship with the Company	Nature of transaction	Related transactions value (Million Baht)			Rational and necessity of transaction
			2020	2019	2018	
Smothong Group Co., Ltd.	Ferrum Energy Co., Ltd. is a subsidiary of 7UP, holds 1.22% shares in Smothong Group Co., Ltd.	Purchase of goods which is cost of raw materials used in production.	-	-	2.18	This transaction is a normal business operation, which price and returns are as normally trade.
		Other expense is land rental which is a location of power plant.	-	-	0.87	This transaction is a normal business operation, which is an agreement contract under the general market price and returns as a normally trade.
		Interest expense from short-term borrowing which is at call promissory notes.	-	-	0.50	This transaction is a borrowing for using as working capital by determine the conditions and the interest rate is normally as the business operation.
Palm Tong Kum Co., Ltd.	Palm Tong Kum Co., Ltd. holds 20% shares in Phrasaeng Green Power Co., Ltd., which Phrasaeng Green Power Co., Ltd. is a subsidiary of 7UP.	Purchase of goods which is cost of raw materials used in production.	0.80	0.65	0.81	This transaction is a normal business operation, which price and returns are as normally trade.
		Interest received from short-term loan which is at call promissory notes.	0.06	0.37	-	This transaction is a loan for using as working capital by determine the conditions and the interest rate is normally as the business operation.

## Part III

# Financial Statements

- BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORT
- INDEPENDENT AUDITOR'S REPORT
- FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS



## BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORT

The Board of Directors is responsible for Seven Utilities and Power Public Company Limited's financial statements and its subsidiaries consolidated financial statements, including the financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, using careful judgment and the best estimation. Important information is adequately, and transparency disclosed in the notes to financial statements for the Company shareholders and investors.

The Board of Directors provides and maintains risk management system and appropriate and efficient internal controls to ensure that accounting records are accurate, reliable and adequate to retain its assets as well as to prevent fraud or materially irregular operations.

In this regard, the Board of Directors has appointed an Audit Committee comprising independent directors to be responsible for reviewing quality of the financial reports, internal controls, internal audit and risk management system. The Audit Committee also reviews a disclosure of related party transactions. All their comments on these issues are presented in the Audit Committee Report included in this annual report.

The separate financial statements and the consolidated financial statements of the Company have been examined by an external auditor, Mazars Company Limited. To conduct the audits and express an opinion in accordance with generally accepted auditing standards, all records and related data, as requested, are provided to the auditor. The auditor's opinion is presented in the auditor's report as a part of this annual report.

The Board of Directors considers the Company's overall internal control system satisfactory and provides credibility and reliability to Seven Utilities and Power Public Company Limited's financial statements and Seven Utilities and Power Public Company Limited and its subsidiaries consolidated financial statements for the year ended 31 December 2020. The Board of Directors also believes that all these financial statements have been prepared in accordance with generally accepted accounting principles and related regulations.

*Monthep Mapiam .*

**(MR. MONTHEP MAPIAM)**  
**ACTING CHIEF EXECUTIVE OFFICER**

*Sita Divari*

**(SQUADRON LEADER SITA DIVARI)**  
**CHAIRMAN OF THE BOARD OF DIRECTORS**

# INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of Seven Utilities and Power Public Company Limited

## Opinion

I have audited the consolidated financial statements of Seven Utilities and Power Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Seven Utilities and Power Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at 31 December 2020, and the related consolidated and separate statements of profit or loss and other comprehensive income, and the related consolidated and separate statement of changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and the separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and of the Company as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

## Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Emphasis of Matter

I draw attention to Notes to the financial statements regarding the matters as follows.

Note 5: The Group adopted group of Financial Instruments Standards and Thai Financial Reporting Standard –TFRS 16 ‘Leases’ which became effective for fiscal years beginning on or after January 1, 2020. The Group elected to recognize the cumulative effect of initial application of this Standard as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

Note 6: Restatement and retrospective adjustment of financial statements regarding the matters as follows.

Note 6.1- 6.2, following the completion of business acquisitions through the purchase of shares, the Group has updated the fair value of identifiable assets acquired and liabilities assumed based upon the final appraisal reports from the independent appraiser and other relevant information obtained within one year from the acquisition date. As a result, the consolidated statement of financial position as at 31 December 2019 and the consolidated statements of profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows for the year then ended have been restated accordingly.

Note 6.3, the revenue recognition of the subsidiary company was restated in accordance with TFRS 15 ‘Revenue from Contracts with Customers’, because, in the opinion of management, it is more appropriate and reflect the operation of the Group’s business.

My opinion is not modified in respect of these matters.

## Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matters and how audit procedures respond to each matter are described below.

Key Audit Matters	Audit Responses
<p><b>The adoption of new financial reporting standards - TFRS 16, ‘Leases’</b></p> <p>The new Thai Financial Reporting Standard – TFRS 16, ‘Leases’ – became effective for annual reporting periods beginning on or after 1 January 2020.</p> <p>This standard has a significant impact upon the Group’s financial statements. The Group leases a number of assets and has a large number of arrangements which were previously classified as operating leases under Thai Accounting Standards – TAS 17 ‘Leases’ and held off the statement of financial position (off-balancesheet items). These are recognised as part of assets and liabilities under TFRS 16.</p> <p>Key audit matters include the following areas:</p> <ul style="list-style-type: none"> <li>• Leasing arrangements within the scope of TFRS16 are not identified or appropriately included in the calculation by the Group’s external specialist as the Group has a large number of arrangements.</li> <li>• Specific assumptions applied to determine the discount rates for each lease are inappropriate.</li> <li>• The underlying lease data used to calculate the transition impact is incomplete and/or inaccurate.</li> <li>• The accuracy of lease calculations is flawed.</li> <li>• The disclosures in the financial statements are insufficient because of the adoption of new financial reporting standards.</li> </ul> <p>The cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards, accounting policies of right-of-use and details of right-</p>	<p>Key audit procedures including:</p> <ul style="list-style-type: none"> <li>• understanding the consideration process and related internal control for determining the underlying lease arrangement by the Group’s external specialists;</li> <li>• considering the competence and objectivity of the external independent specialist engaged by management;</li> <li>• assessing the appropriateness of key assumptions of the Group’s external specialists.</li> <li>• considering on the completeness of the lease data by testing the reconciliation of the lease liability to operating lease commitments disclosed in the 2019 financial statements, and considering if, based on other information during of the audit, there are any other contracts which may contain a lease;</li> <li>• verifying the accuracy of the underlying report by agreeing on a representative sample of leases through the inspection of lease documentation;</li> <li>• recalculating the lease liability and right of use assets for a sample of leases; and</li> <li>• assessing whether the disclosures in the financial statements are appropriate in light of the requirements of TFRS 16.</li> </ul>



Key Audit Matters	Audit Responses
<p>of-use have been disclosed in Notes 4, 5 and 21 to the financial statements, respectively.</p>	
<p><b>Business acquisition</b></p> <p>On 30 June 2020, Energy For Society Co., Ltd. (“EFS”), a subsidiary company, purchased shares of P P L Power Co., Ltd. (“PPL”) and Bio Energy Satun Co., Ltd. (“BES”), through the acquisition of 80% of its ordinary shares, for a total of THB 22 million. The acquisition is treated as a business combination under TFRS 3 (revised 2019).</p> <p>At the acquisition date, the Group used the net asset value from the latest available financial information of PPL and BES, including other relevant factors which may affect such information, as the consideration received from this businesses acquisition. The Group recognized the difference between the purchase price and the consideration received from the acquired businesses as a gain from bargain purchase of THB 10.09 million in the consolidated statements under profit and loss and other comprehensive income.</p> <p>As at 31 December 2020, the Group was in the process of appraising the fair value of the identifiable assets acquired and liabilities assumed and the fair value allocation at the acquisition date of the businesses. The assessment shall be completed within one year of the business acquisition date, as allowed by the Financial Reporting Standards – TFRS 3 ‘business combination’.</p> <p>Business acquisition is a key audit matter as the acquired assets and liabilities at the acquisition date have been recognized in accordance with TFRSs, including related disclosures.</p>	<p>Key audit procedures including:</p> <ul style="list-style-type: none"> <li>• understanding the business acquisition process and related internal control procedures;</li> <li>• evaluating the design and implementation of the internal control procedures in regards to the business acquisition;</li> <li>• examining the terms and conditions of the Share Sale Agreement for the acquisition of businesses, payment documents, share transfer documents and related supporting documents;</li> <li>• examining details of assets and liabilities at the acquisition date which consists of examining the existence, rights and obligations, and valuation of assets and liabilities; and</li> <li>• considering the adequacy of the Group’s disclosures made in the notes to the financial statements.</li> </ul>

Key Audit Matters	Audit Responses
<p>Accounting policies and details of business acquisition have been disclosed in Notes 4.4 and 7 to the financial statements, respectively.</p>	
<p><b>Goodwill</b></p> <p>As at 31 December 2020, the Group had goodwill, before impairment of THB 165.47 million arising from the acquisition of business. As required by TAS 36, ‘Impairment of assets’, an impairment review is performed on goodwill at least annually and when there is an indicator of impairment.</p> <p>As at 31 December 2020, management performed an impairment assessment of goodwill, and concluded that there was no impairment. This conclusion was based on a value-in-use model that required significant management judgement with respect to the future cash inflows, and setting an appropriate discount rate and terminal growth rate.</p> <p>The key assumptions are disclosed in Note 22 to the financial statements.</p> <p>This is significant to my audit because the magnitude of the carrying amounts of the assets represented a key matter in the audit of the consolidated financial statements. In addition, the annual assessment process involves significant management judgement, which is based on assumptions that are affected by expected future market and economic conditions.</p>	<p>Key audit procedures including:</p> <ul style="list-style-type: none"> <li>• understanding the consideration process for recognising the impairment of goodwill;</li> <li>• assessing management's key assumptions by comparing them to historical results and economic and industry outlook;</li> <li>• testing the composition of management’s cash flow forecasts and the process by which they were developed;</li> <li>• testing the mathematical accuracy of the underlying calculations;</li> <li>• reviewing the parameters used to determine the discount rate applied and re-performance of the calculations; and</li> <li>• considering the adequacy of the Group’s disclosures made in the notes to the financial statements.</li> </ul>

Key Audit Matters	Audit Responses
<p><b>Impairment of investments in subsidiaries, associates, and other long-term investments</b></p> <p>As at 31 December 2020, the Group had a significant balance of investments in subsidiaries, associates, and other long-term investments.</p> <p>Management performed an assessment at the end of each reporting period to determine whether there was any indication that the investments in subsidiaries, associates, and other long-term investments may be impaired. If there were indications of impairment, an impairment assessment was performed accordingly.</p> <p>The audit focused on the recoverable amount and impairment of investments in subsidiaries, associates, and other long-term investments because these are material to the financial statements and are dependent on the management judgments and assumptions used in the impairment assessment. The Group's management is required to exercise judgment in determining assumptions which are uncertain when considering discounted future cash flows.</p> <p>Accounting policies for investments and impairment and details of investments in subsidiaries, associates and other long-term investments have been disclosed in Notes 4.4-4.5, 4.12 ,16-17 and 26 to the financial statements, respectively.</p>	<p>Key audit procedures including:</p> <ul style="list-style-type: none"> <li>• understanding the impairment consideration process and related internal control procedures for determining impairment of investments in subsidiaries, associates, and other long-term investments;</li> <li>• evaluating the internal and external sources of information to identify impairment indicators;</li> <li>• examining supporting documents for management's consideration of impairment indicators for investments in subsidiaries, associates, and other long-term investments;</li> <li>• evaluating the reasonableness of management's estimate, such as key assumptions and methodology used by the management in assessing the impairment of investments in subsidiaries, associates, and other long-term investments;</li> <li>• reviewing the parameters used to determine the discount rate applied and re-performing the calculations; and</li> <li>• considering the adequacy of the Group's disclosures made in the notes to the financial statements.</li> </ul>

## Other Matters

The consolidated financial statements of Seven Utilities and Power Public Company Limited and its subsidiaries and the separate financial statements of Seven Utilities and Power Public Company Limited as at 31 December 2019 (before restatement), presented herein as comparative information, were audited by another auditor, whose report thereon dated 2 March 2020 expressed an unmodified opinion on those statements with an emphasis of matter paragraph.

## Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I have read other information prepared for issuance in the annual report, I did not find any material inconsistency therein which I have to report.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and the separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Sompop P2

**Sompop Pholprasarn**

Certified Public Accountant (Thailand) No. 6941

Mazars Limited

25 February 2021

# FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

## 1. TO FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020

Seven Utilities and Power Public Company Limited

Statement of financial position

As at 31 December 2020

(Unit : Baht)

Note	Consolidated financial statements		Separate financial statements		
	31 December 2020	31 December 2019 "Restated"	31 December 2020	31 December 2019	
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	9	116,471,517	107,127,844	40,857,598	6,976,967
Trade and other current receivables	10	466,984,958	366,636,362	209,864,081	75,814,907
Short-term loans to related parties	8, 11	7,955,000	3,169,000	880,225,701	684,010,042
Short-term loans	11	67,550,000	-	67,550,000	-
Current portion of long-term loans	11	7,000,000	12,000,000	7,000,000	12,000,000
Inventories	12	13,203,073	16,632,782	17,629	17,629
Other current financial assets	13	6,246,827	-	6,246,827	-
Temporary investments	13	-	7,370,672	-	7,370,672
<b>Total current assets</b>		<b>685,411,375</b>	<b>512,936,660</b>	<b>1,211,761,836</b>	<b>786,190,217</b>
<b>Non-current assets</b>					
Restricted bank deposits	14	72,926,407	76,210,681	-	-
Deposits for business due diligence	15	593,292,554	75,000,000	243,292,554	75,000,000
Investments in subsidiaries	16	-	-	733,159,874	772,243,773
Investments in associates	17	163,965,680	227,863,432	19,999,900	-
Long-term loans	11	-	8,000,000	-	8,000,000
Investment properties	19	113,964,845	-	209,800,000	204,680,000
Property, plant and equipment	20	748,088,105	737,787,140	175,742,722	206,487,148
Right-of-use assets	21	217,884,601	-	4,469,863	-
Goodwill	22	165,470,180	192,697,104	-	-
Leasehold rights	23	68,304,397	62,652,681	-	13,169
Intangible assets	24	207,582,661	251,562,381	2,564,400	3,443,774
Deferred tax assets	25	2,187,202	3,706,365	-	-
Other non-current financial assets	26	172,392,367	-	115,853,814	-
Other long-term investments	26	-	24,800,500	-	-
Other non-current assets	27	22,326,397	5,162,914	383,949	383,949
<b>Total non-current assets</b>		<b>2,548,385,396</b>	<b>1,665,443,198</b>	<b>1,505,267,076</b>	<b>1,270,251,813</b>
<b>Total assets</b>		<b>3,233,796,771</b>	<b>2,178,379,858</b>	<b>2,717,028,912</b>	<b>2,056,442,030</b>

Seven Utilities and Power Public Company Limited

Statement of financial position

As at 31 December 2020

(Unit : Baht)

Note	Consolidated financial statements		Separate financial statements	
	31 December 2020	31 December 2019 "Restated"	31 December 2020	31 December 2019
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Bank overdraft and short-term borrowings from financial institutions	28	174,045,916	110,000,000	70,000,000
Trade and other current payables	29	195,558,529	171,184,262	73,754,354
Current portion of long-term borrowings from financial institutions	30	47,992,400	64,656,500	-
Current portion of liabilities under lease agreements	9.3	23,525,653	-	1,625,941
Current portion of liabilities under finance lease agreements		-	2,796,713	-
Short-term borrowings	31	65,283,049	62,712,865	137,175,487
Current income tax payable		5,662,263	1,033,591	-
Share of loss in investment in a joint venture		6,450,914	6,450,914	-
<b>Total current liabilities</b>		<b>518,518,724</b>	<b>418,834,845</b>	<b>242,068,526</b>
<b>Non-current liabilities</b>				
Long-term borrowings from financial institutions	30	71,531,759	94,113,159	-
Liabilities under lease agreements	9.3	202,554,004	-	3,530,848
Liabilities under finance lease agreements		-	7,691,269	-
Convertible debentures - liability component	32	195,642,607	-	195,642,607
Deferred tax liabilities	25	97,141,420	86,108,511	59,085,282
Non-current provision for employee benefits	33	12,068,113	10,909,081	3,806,693
Other non-current provision		-	43,152,768	539,095
Other non-current liabilities		810,426	915,847	-
<b>Total non-current liabilities</b>		<b>579,748,329</b>	<b>242,890,635</b>	<b>262,604,525</b>
<b>Total liabilities</b>		<b>1,098,267,053</b>	<b>661,725,480</b>	<b>504,673,051</b>



Seven Utilities and Power Public Company Limited

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
			"Restated"		
<b>Shareholders' equity</b>					
Share capital					
Authorized share capital					
	34				
5,135,517,722 ordinary shares of Baht 0.50 each		2,567,758,861		2,567,758,861	
3,635,517,722 ordinary shares of Baht 1.00 each			3,635,517,722		3,635,517,722
Issued and paid-up share capital					
4,517,320,055 ordinary shares of Baht 0.50 each		2,258,660,027	-	2,258,660,027	-
3,029,598,102 ordinary shares of Baht 1.00 each		-	3,029,598,102	-	3,029,598,102
Share discount on ordinary shares		(222,820,127)	(358,566,093)	(222,820,127)	(358,566,093)
Deficit on issuance of share capital at price higher than fair value	35	(74,000,000)	(74,000,000)	-	-
Deficit on change in percentage of shareholding in subsidiaries	36	2,450,686	2,450,686	-	-
Warrants	34	30,295,981	30,295,981	30,295,981	30,295,981
Deficit		(206,853,530)	(1,316,114,185)	(87,753,673)	(1,201,025,160)
Convertible debentures - equity component	32	3,264,782	-	3,264,782	-
Other components of shareholders' equity	37	195,729,118	100,427,290	230,708,871	244,658,917
Total equity attributable to owners of the parent		1,986,726,937	1,414,091,781	2,212,355,861	1,744,961,747
Non-controlling interests		148,802,781	102,562,597	-	-
<b>Total shareholders' equity</b>		<b>2,135,529,718</b>	<b>1,516,654,378</b>	<b>2,212,355,861</b>	<b>1,744,961,747</b>
<b>Total liabilities and shareholders' equity</b>		<b>3,233,796,771</b>	<b>2,178,379,858</b>	<b>2,717,028,912</b>	<b>2,056,442,030</b>

Seven Utilities and Power Public Company Limited

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2020

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
			"Restated"		
<b>Revenues from sales and rendering of services</b>					
Revenues from sales		993,145,267	885,899,758	-	2,695,000
Revenues from rendering of services		126,044,319	139,811,646	-	-
<b>Total revenues</b>		<b>1,119,189,586</b>	<b>1,025,711,404</b>	<b>-</b>	<b>2,695,000</b>
<b>Costs of sales of goods and rendering of services</b>					
Costs of sales of goods		(822,567,642)	(748,650,130)	-	(1,877,912)
Costs of rendering of services		(148,130,116)	(94,115,429)	-	-
<b>Total costs</b>		<b>(970,697,758)</b>	<b>(842,765,559)</b>	<b>-</b>	<b>(1,877,912)</b>
<b>Gross profit</b>		<b>148,491,828</b>	<b>182,945,845</b>	<b>-</b>	<b>817,088</b>
Other incomes	38	182,242,791	95,928,042	76,917,111	94,788,628
Selling expenses		(33,493,966)	(32,335,521)	(442,360)	(1,323,324)
Administrative expenses		(260,947,011)	(372,224,448)	(109,402,488)	(68,782,535)
Bargain purchase of investment in subsidiary		10,092,427	2,342,255	-	-
Gain (loss) on sale of investment in subsidiary		-	137,395,907	(22,101,232)	60,000,000
Gain on sale of investment in associate		-	3,100,000	-	-
Gain on sale of other long-term investments		84,146,368	-	84,146,368	-
Loss on disposal of a subsidiary		(18,794,372)	-	-	-
Finance cost		(33,660,689)	(15,207,577)	(16,368,784)	(11,448,166)
Reversal of allowance for loans and interest		53,500,000	-	65,742,649	-
Reversal of allowance for diminution in value		-	50,000,000	-	-
Share of profit from investment in associates		4,859,876	3,333,432	-	-
<b>Profit before income tax (expense) income</b>		<b>136,437,252</b>	<b>55,277,935</b>	<b>78,491,264</b>	<b>74,051,691</b>
Income tax (expense) income		(13,774,402)	(8,591,944)	2,315,365	(1,980,817)
<b>Profit for the year</b>		<b>122,662,850</b>	<b>46,685,991</b>	<b>80,806,629</b>	<b>72,070,874</b>
<b>Other comprehensive income (loss)</b>					
Items that will be not reclassified subsequently to profit or loss					
Gain (loss) on revaluation of assets		119,140,708	(3,159,292)	(17,437,557)	(3,105,748)
Income tax effect		(23,838,880)	621,150	3,487,511	621,150
Other comprehensive income (loss) for the year - net of income tax		95,301,828	(2,538,142)	(13,950,046)	(2,484,598)
Actuarial gain (loss)		2,187,202	(1,727,370)	585,943	(472,949)
Share of other comprehensive income from investment in an associate		-	283,659	-	-
Income tax effect		(269,043)	617,908	117,189	125,301
<b>Total comprehensive income for the year</b>		<b>219,882,837</b>	<b>43,322,046</b>	<b>67,559,715</b>	<b>69,238,628</b>

Seven Utilities and Power Public Company Limited

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2020

					(Unit: Baht)
Note	Consolidated financial statements		Separate financial statements		
	2020	2019	2020	2019	
		"Restated"			
<b>Profit (loss) attributable to</b>					
Owners of the parent	117,444,472	58,402,317	80,806,629	72,070,874	
Non-controlling interests	5,218,378	(11,716,326)	-	-	
	<b>122,662,850</b>	<b>46,685,991</b>	<b>80,806,629</b>	<b>72,070,874</b>	
<b>Total comprehensive income (loss) attributable to</b>					
Owners of the parent	214,664,459	55,066,389	67,559,715	69,238,628	
Non-controlling interests	5,218,378	(11,744,343)	-	-	
	<b>219,882,837</b>	<b>43,322,046</b>	<b>67,559,715</b>	<b>69,238,628</b>	
<b>Earning per share</b>					
Basic earnings per share (Baht)	41	0.04	0.02	0.02	
Diluted earnings per share (Baht)	41	0.04	-	-	

Seven Utilities and Power Public Company Limited

Statement of changes in shareholder's equity

For the year ended 31 December 2020

(Unit : Baht)

Consolidated financial statements													
Note	Issued and paid-up share capital	Share discount on ordinary shares	Warrants	Deficit		Convertible debentures - equity component	Other components of shareholders' equity						
				Appropriated legal reserve	Unappropriated		Change in revaluation of asset	Other comprehensive income (loss)		Total other components shareholders' equity	Total equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
								Deficit on issuance of share capital at price higher than fair value	Deficit on change in percentage of shareholding in subsidiaries				
Beginning balance as at 1 January 2019	3,029,598,102	(358,566,093)	-	-	(1,361,551,003)	-	102,965,432	(74,000,000)	(12,167,711)	16,797,721	1,326,278,727	56,832,282	1,383,111,009
Fair value adjustment of identifiable assets	-	-	-	-	-	-	-	-	-	-	-	10,401,728	10,401,728
Balance as at 1 January 2019 - restated	3,029,598,102	(358,566,093)	-	-	(1,361,551,003)	-	102,965,432	(74,000,000)	(12,167,711)	16,797,721	1,326,278,727	67,234,010	1,393,512,737
Changes in shareholders' equity during the year													
Warrants	-	-	30,295,981	-	-	-	-	-	-	-	30,295,981	-	30,295,981
Profit for the year	-	-	-	-	86,613,171	-	-	-	-	-	86,613,171	892,798	87,505,969
Other comprehensive income (loss) for the year	-	-	-	-	(797,786)	-	(2,538,142)	-	-	(2,538,142)	(3,335,928)	(28,017)	(3,363,945)
Increase from business combination	-	-	-	-	-	-	-	-	-	-	-	82,128,233	82,128,233
Decrease from dispose of business	-	-	-	-	-	-	-	-	-	-	-	4,098,254	4,098,254
Changing non-controlling interest from share increment of subsidiaries	-	-	-	-	(12,167,711)	-	-	-	14,618,397	14,618,397	2,450,686	(2,450,686)	-
<b>Ending balance as at 31 December 2019</b>	<b>3,029,598,102</b>	<b>(358,566,093)</b>	<b>30,295,981</b>	<b>-</b>	<b>(1,287,903,329)</b>	<b>-</b>	<b>100,427,290</b>	<b>(74,000,000)</b>	<b>2,450,686</b>	<b>28,877,976</b>	<b>1,442,302,637</b>	<b>151,874,592</b>	<b>1,594,177,229</b>
Beginning balance as at 1 January 2020 - (as reported)	3,029,598,102	(358,566,093)	30,295,981	-	(1,287,903,329)	-	100,427,290	(74,000,000)	2,450,686	28,877,976	1,442,302,637	151,874,592	1,594,177,229
Fair value adjustment of identifiable assets	6	-	-	-	4,906,426	-	-	-	-	-	4,906,426	(49,311,994)	(44,405,568)
The cumulative effect of the error	6	-	-	-	(33,117,282)	-	-	-	-	-	(33,117,282)	-	(33,117,282)
Balance as at 1 January 2020 - restated	3,029,598,102	(358,566,093)	30,295,981	-	(1,316,114,185)	-	100,427,290	(74,000,000)	2,450,686	28,877,976	1,414,091,781	102,562,597	1,516,654,378
The impact of using the new financial reporting standard	5	-	-	-	(24,693,218)	-	-	-	-	-	(24,693,218)	-	(24,693,218)
Change in shareholders' equity during the year													
Increase share capital	536,558,625	(377,412,471)	-	-	-	-	-	-	-	-	159,146,154	-	159,146,154
Reduction of share capital with deficit	(1,783,078,364)	735,978,564	-	-	1,047,099,800	-	-	-	-	-	-	-	-
Transferred convertible debenture to ordinary shares and share discount	475,581,664	(222,820,127)	-	-	-	-	-	-	-	-	252,761,537	-	252,761,537
Convertible debentures - equity component	32	-	-	-	-	3,264,782	-	-	-	-	3,264,782	-	3,264,782
Profit for the year	-	-	-	-	117,444,472	-	-	-	-	-	117,444,472	5,218,378	122,662,850
Other comprehensive loss for the year	-	-	-	-	1,918,159	-	95,301,828	-	-	95,301,828	97,219,987	-	97,219,987
Increase from business acquisition	-	-	-	-	-	-	-	-	-	-	-	8,513,248	8,513,248
Decrease from disposal of the business	-	-	-	-	-	-	-	-	-	-	-	(3,160,939)	(3,160,939)
Changing non-controlling interest from share increment of subsidiaries	-	-	-	-	(32,508,558)	-	-	-	-	-	(32,508,558)	35,669,497	3,160,939
<b>Ending balance as at 31 December 2020</b>	<b>2,258,660,027</b>	<b>(222,820,127)</b>	<b>30,295,981</b>	<b>-</b>	<b>(206,853,530)</b>	<b>3,264,782</b>	<b>195,729,118</b>	<b>(74,000,000)</b>	<b>2,450,686</b>	<b>124,179,804</b>	<b>1,986,726,937</b>	<b>148,802,781</b>	<b>2,135,529,718</b>

Seven Utilities and Power Public Company Limited

Statement of changes in shareholder's equity

For the year ended 31 December 2020

(Unit : Baht)

	Separate financial statements									
	Note	Issued and paid-up share capital	Share discount on ordinary shares	Warrants	Deficit		Convertible debentures - equity component	Other comprehensive income	Total other components of shareholders' equity	Total shareholders' equity
					Appropriated for legal reserve	Unappropriated		Gain on asset revaluation		
Beginning balance as at 1 January 2019		3,029,598,102	(358,566,093)	-	-	(1,272,748,386)	-	247,143,515	247,143,515	1,645,427,138
Changes in shareholders' equity during the year										
Warrants		-	-	30,295,981	-	-	-	-	-	30,295,981
Profit for the year		-	-	-	-	72,070,874	-	-	-	72,070,874
Other comprehensive income (loss) for the year		-	-	-	-	(347,648)	-	(2,484,598)	(2,484,598)	(2,832,246)
<b>Ending balance as at 31 December 2019</b>		<b>3,029,598,102</b>	<b>(358,566,093)</b>	<b>30,295,981</b>	<b>-</b>	<b>(1,201,025,160)</b>	<b>-</b>	<b>244,658,917</b>	<b>244,658,917</b>	<b>1,744,961,747</b>
Beginning balance as at 1 January 2020		3,029,598,102	(358,566,093)	30,295,981	-	(1,201,025,160)	-	244,658,917	244,658,917	1,744,961,747
The impact of using the new financial reporting standards	5	-	-	-	-	(15,338,073)	-	-	-	(15,338,073)
Changes in shareholders' equity during the year										
Increase share capital		536,558,625	(377,412,471)	-	-	-	-	-	-	159,146,154
Reduction of share capital with deficit		(1,783,078,364)	735,978,564	-	-	1,047,099,800	-	-	-	-
Transferred convertible debenture to ordinary shares and share discount		475,581,664	(222,820,127)	-	-	-	-	-	-	252,761,537
Convertible debentures - equity component	32	-	-	-	-	-	3,264,782	-	-	3,264,782
Profit for the year		-	-	-	-	80,806,629	-	-	-	80,806,629
Other comprehensive loss for the year		-	-	-	-	703,131	-	(13,950,046)	(13,950,046)	(13,246,915)
<b>Ending balance as at 31 December 2020</b>		<b>2,258,660,027</b>	<b>(222,820,127)</b>	<b>30,295,981</b>	<b>-</b>	<b>(87,753,673)</b>	<b>3,264,782</b>	<b>230,708,871</b>	<b>230,708,871</b>	<b>2,212,355,861</b>

Seven Utilities and Power Public Company Limited

Statement of cash flows

For the year ended 31 December 2020

(Unit : Baht)

Note	Consolidated financial statements		Separate financial statements	
	2020	2019 "Restated"	2020	2019
<b>Cash flows from operating activities</b>				
Profit before income tax	136,437,252	55,277,935	78,491,264	74,051,691
Items to reconcile profit (loss) before income tax to net cash provided by (paid from) operating activities:				
Finance cost	33,660,689	15,207,577	16,368,784	11,448,166
Gain on fair value of investment properties	-	-	(5,120,000)	(1,480,000)
Depreciation - property, plant and equipment and right-of-use assets	60,253,998	69,181,599	9,150,563	9,178,268
Amortization - leasehold rights	2,302,321	2,406,301	13,168	575,307
Amortization - intangible assets	31,666,044	21,893,073	918,375	879,487
Doubtful debt - interest receivables (Reversal)	-	-	(790,168)	-
Doubtful debt - short-term loan to related parties (Reversal)	(53,500,000)	55,819,000	(65,742,649)	(6,779,808)
Doubtful debt - trade and other current receivables (Reversal)	(1,704,570)	(23,502,696)	1,704,570	(17,033,984)
Doubtful debt - deposit for business due diligence (Reversal)	15,000,000	(50,000,000)	15,000,000	-
Doubtful debt - VAT	11,000,000	-	-	-
Loss on impairment of goodwill	-	21,225,000	-	-
Loss on impairment of investments in subsidiaries	-	-	13,327,468	-
Provision for employee benefits	(1,108,649)	2,957,998	347,823	1,031,344
Provision for litigation	-	43,152,768	-	-
Other non-current provision (Reversal)	(43,152,768)	-	-	-
Unrealized (gain) loss on exchange	-	(1,992,386)	-	-
Gain on sale of temporary investments	-	(256,896)	-	(256,896)
(Gain) loss on change in value of temporary investments	1,123,845	(254,556)	1,123,845	(254,556)
(Gain) loss on write off and disposal of fixed assets and intangible assets	64,859,538	(17,999,982)	562,454	(2,900,534)
Share of profit from investment in associates	(4,859,876)	(3,333,432)	-	-
(Gain) loss on change in value of long-term investments	(31,738,053)	-	-	-
Gain from bargain purchase of investment in a subsidiary	(10,092,427)	(2,342,255)	-	-
(Gain) loss on sale of investment in a subsidiary	-	(137,395,907)	22,101,232	(60,000,000)
Gain on sale of other long-term investment	(84,146,368)	-	(84,146,368)	-
Gain on sale of investment in an associate	-	(3,100,000)	-	-
Gain on sale of investment in an associate	18,794,372	-	-	-
Amortization of deferred interest under finance lease agreement	-	-	-	498,762
Government grant income	-	(12,207,534)	-	-
Dividend income	(868,891)	-	(364,885)	-
Interest income	(422,723)	(4,687,980)	(52,736,836)	(40,709,385)
Reversal of allowance for diminution in value of withholding tax refundable	(4,742,512)	-	(12,593)	-

Seven Utilities and Power Public Company Limited

Statement of cash flows

For the year ended 31 December 2020

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
		"Restated"		
Reversal of allowance for diminution in value of VAT refundable	(28,714,265)	-	-	-
Penalty and tax surcharge	18,294,482	-	-	-
Gain (loss) from operating activities before changes in operating assets and liabilities	128,341,439	30,047,627	(49,803,953)	(31,752,138)
Operating assets (increase) decrease				
Trade and other current receivables	(108,847,069)	(173,898,162)	(63,277,541)	30,120,302
Inventories	3,429,709	11,158,255	-	(17,629)
Other non-current assets	(17,163,482)	1,764,856	-	11,000
Operating liabilities increase (decrease)				
Trade and other current payables	(23,513,004)	64,692,773	(50,104,949)	6,522,115
Other non-current liabilities	(105,418)	224,543	1,526	152,280
Cash flows from (used in) operating activities	(17,857,825)	(66,010,108)	(163,184,917)	5,035,930
Cash received from sales of investment in subsidiary	-	-	47,655,200	-
Cash received from tax refund	28,714,265	-	7,234,349	-
Cash paid for income tax	(9,145,732)	(8,207,904)	(877,080)	(1,980,817)
<b>Net cash flows from (used in) operating activities</b>	<b>1,710,708</b>	<b>(74,218,012)</b>	<b>(109,172,448)</b>	<b>3,055,113</b>
<b>Cash flows from investing activities</b>				
Dividend received	868,891	-	364,885	-
Cash received from sales of investment in subsidiary	-	59,928,000	-	59,928,000
Cash payment for purchase of investment in subsidiaries	(11,000,000)	(36,185,078)	-	-
Cash payments for share increment in subsidiaries	-	-	(44,000,000)	(35,500,000)
Cash received from sales of temporary investment	-	2,494,410	-	2,494,410
Cash received from sales of other long-term investment	112,500,000	-	112,500,000	-
Cash payments for purchase of investments in associates	(69,499,900)	(145,799,900)	(19,999,900)	-
Cash received from sales of investment in an associate	106,000,000	13,899,900	-	-
Cash received from disposals of equipment	63,200,000	8,821,000	2,360,325	1,825,295
Cash payments for purchase of equipment	(15,466,886)	(84,233,382)	(122,079)	(1,408,118)
Cash payments for purchase of intangible assets	(1,030,963)	(611,542)	(39,000)	(530,900)
Cash payments for purchase of leasehold rights	(7,954,037)	(16,720,325)	-	-

**Seven Utilities and Power Public Company Limited**

**Statement of cash flows**

**For the year ended 31 December 2020**

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
		"Restated"		
Cash payments for providing short-term loans to related parties	(64,855,000)	-	(657,410,000)	(496,839,150)
Cash received from long-term loans to related parties	113,567,760	-	-	-
Cash received from short-term loans to subsidiaries	-	-	514,694,341	319,598,016
Cash payments to provide short-term loans to non-related parties	(81,200,000)	73,725,000	(81,200,000)	-
Cash received from short-term loans to non-related parties	13,650,000	(20,710,990)	13,650,000	-
Cash received from (payment for) interest	422,723	8,348,980	17,610,700	16,158,657
Cash received from long-term loans	13,000,000	11,000,000	13,000,000	11,000,000
Increase in restricted bank deposits	3,284,274	(3,264,732)	-	-
Cash received from deposit for business due diligence	-	160,000,000	-	100,000,000
Cash payments for business due diligence	(765,000,000)	(15,000,000)	(415,000,000)	(15,000,000)
<b>Net cash flows used in investing activities</b>	<b>(589,513,138)</b>	<b>15,691,341</b>	<b>(543,590,728)</b>	<b>(38,273,790)</b>
<b>Cash flows from financing activities</b>				
Cash received from warrants	-	30,295,981	-	30,295,981
Cash received from short-term borrowings from financial institutions	70,267,210	-	-	2,500,000
Cash payments for short-term borrowings from financial institutions	(50,767,210)	(17,500,000)	-	-
Cash received from long-term borrowings from financial institutions	-	78,925,224	-	-
Cash payments for long-term borrowings from financial institutions	(39,245,500)	(68,260,000)	-	-
Cash received from short-term borrowings from related parties	185,576,049	111,303,019	237,540,487	24,350,000
Cash payments for short-term borrowings from related parties	(183,005,865)	(100,496,164)	(189,470,000)	(10,245,000)
Cash payments for liabilities under finance lease agreements	(4,300,000)	(2,317,714)	(4,462,354)	(1,892,035)
Cash received from the issuance of convertible debenture	650,000,000	-	650,000,000	-
Cash payment interest	(31,378,581)	(13,742,917)	(6,964,326)	(5,654,614)
Increase (decrease) in bank overdrafts	-	(2,894,538)	-	-
<b>Net cash flows from financing activities</b>	<b>597,146,103</b>	<b>15,312,891</b>	<b>686,643,807</b>	<b>39,354,332</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>9,343,673</b>	<b>(43,213,780)</b>	<b>33,880,631</b>	<b>4,135,655</b>
Cash and cash equivalents at the beginning of the period	107,127,844	150,341,624	6,976,967	2,841,312
<b>Cash and cash equivalents at the end of the period</b>	<b>116,471,517</b>	<b>107,127,844</b>	<b>40,857,598</b>	<b>6,976,967</b>

9.1



## 2. NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

The financial statements were approved and authorized for issue by the Company's Board of Directors on 25 February 2021.

### 1. General information

Seven Utilities and Power Public Company Limited (“the Company”) is a public company limited under Public Company Limited Act, B.E. 2535 which was first established on 18 September 1995 with fully-paid registered capital of Baht 30 million and is listed in the Stock Exchange of Thailand on 11 February 2002. The Company incorporated and domiciled in Thailand. The registered office of the Company is at 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Road, Phrakhanong Tai, Phrakhanong, Bangkok.

For reporting purpose, the Company and its subsidiaries are referred to as “the Group”.

The Group is principally engaged in LPG distribution and LPG service station operation, operation of trunked radio business, operation of renewable energy business, and other business.

Detail of subsidiaries as at December 31 are as follows:

Company	Relationship	Country of incorporate	Percentage of shareholding (%)	
			2020	2019
<b>Direct subsidiaries</b>				
Star Gas Co., Ltd.	Operation of LPG stations	Thailand	99.99	99.99
M - Solution Co., Ltd.	Distribution, development and service rendered of Trunked radio and Internet of Things (IoT)	Thailand	99.99	99.99
Ferrum Capital Co., Ltd.	Operation of investment business relating to energy	Thailand	99.99	99.99
SAM Water Supply Co., Ltd.	Operation of water treatment solutions	Thailand	51.00	90.84
Energy For Society Co., Ltd. (Formerly known as Beyond Healthcare Co., Ltd.)	Operation of investment business relating to energy	Thailand	99.99	99.99
<b>Indirect subsidiaries</b>				
R.A. Logistics Co., Ltd.	Transportation of LPG	Thailand	-	99.99
Tawatpinyo Co., Ltd.	Management of NGV gas stations	Thailand	99.99	99.99
Star Petroleum Plus Co., Ltd.	Operation of oil and non-oil business	Thailand	99.99	99.99
Ferrum Energy Co., Ltd.	Operation of investment business joint investment or business development relating to energy or future energy projects	Thailand	99.99	99.99
Informatix Plus Co., Ltd.	Distribution, development and service rendered of internal	Thailand	99.99	99.99

Company	Nature of business	Country of incorporate	Percentage of shareholding (%)	
			2020	2019
P P L Power Co., Ltd.	Production and distribution of biogas electricity	Thailand	80.00	-
Bio Energy Satun Co., Ltd.	Production and distribution of biogas electricity	Thailand	80.00	-
Phrasaeng Green Power Co., Ltd.	Production and distribution of biogas electricity	Thailand	60.00	60.00
Energy Revolution Co., Ltd.	Production and sales of energy saving technology	Thailand	38.50	30.00
ERV International Co., Ltd.	Buy-Sell, Export-Import energy saving technology	Thailand	99.99	99.97
Star Solar Power Co., Ltd.*	Production and distribution of solar energy	Thailand	50.99	-
Chiang Mai Waste2power Co., Ltd.	During liquidation process and completed on 27 January 2020	Thailand	-	100.00
Eco Energy Group Corporation Co., Ltd.	Operation of investment business	Thailand	-	76.92

(\*) The company has registered its establishment on 13 November 2020

The Company and its subsidiaries have extensive transaction and relationships with the related companies. Accordingly, the accompanying financial statements may not necessarily be indicative of the condition that would have existed or the results of operation that would have occurred had the Company and its subsidiaries operated without such affiliation.

### **Coronavirus disease 2019 Pandemic**

The Coronavirus disease 2019 pandemic is currently impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management continuously monitored the ongoing development and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

## **2. Basis of preparation of the financial statements**

- 2.1 The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
- 2.2 The Group's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 "Presentation of Financial Statements", which was effective for financial periods beginning on or after 1 January 2020 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated 2 October 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statement (No.3) B.E. 2562" dated 26 December 2019.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 4)
- 2.4 The consolidated and separate statements of financial position as at 31 December 2020 (Before restate), presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.
- 2.5 The preparation of financial statements in conformity with Thai Financial Reporting Standards also requires the management of the Company to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of reporting period and the reported amounts of revenue and expense during the reporting period. Although these estimates are based on management's reasonable consideration of current events. Actual results may differ from these estimates.
- 2.6 An English version of the financial statements has been prepared from the financial statements that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

## **3. New financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. However, the new standard involves changes to key principles, which are summarised below:

## Financial reporting standards related to financial instruments

A set of Thai Financial Reporting Standards (TFRS) related to financial instruments consists of five accounting standards and interpretations, as follows:

### Financial reporting standards

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

### Accounting standard

TAS 32	Financial Instruments: Presentation
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### Financial Reporting Standard Interpretations

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model) calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

The impact of the adoption of these standards on the Group's financial statements is as follows.

- Classification and measurement of investments in equity instruments of non-listed companies that the Group is to measure investments in equity instruments of non-listed companies at fair value and classify the investments as financial assets at fair value, through either profit or loss or through other comprehensive income.
- Recognition of credit losses that the Group is to recognise an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables and the general approach to consider impairment of loan to.

The Group adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 5.1 to notes to financial statements.

## **TFRS 16 Leases**

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 5.2 to notes to financial statements.

## **4. Significant accounting policy**

### **4.1 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### **4.2 Trade receivable and other current receivables**

#### **a) Policies applicable prior to 1 January 2020**

Trade receivables and other current receivables are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments.

#### **b) Policies applicable from 1 January 2020**

Trade receivables and other receivables are stated at cost less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 5.1.

### **4.3 Inventories**

Inventories are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Reduce cost of inventories to net realizable value will be set up for old, obsolete, slow moving or deteriorated inventories.

#### 4.4 Group accounting - investments in subsidiaries and investment in an associate

##### **Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurements are recognized in profit or loss.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognized and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in profit or loss.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

A list of the Group's principal subsidiaries is set out in Note 1.

#### ***Transactions and non-controlling interests***

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in shareholders' equity.

#### ***Disposal of subsidiaries***

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

#### ***Associates***

Associates are all entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of its associates' post-acquisition profits or losses is recognized in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables,

the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to share of profit (loss) of associates in the statement of profit or loss and other comprehensive income.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In the separate financial statements, investments in associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

#### **4.5 Investment**

##### *Temporary investment*

Trading and available-for-sale securities are presented at fair value. The fair value of equity securities which is publicly traded securities is measured at the last bidding price of the last operating day of the year of the Stock Exchange of Thailand.

Gain or loss on the change in fair value of trading securities is recognized as unrealized gains or losses in the statement of profit or loss and other comprehensive income.

##### *Other long-term investment*

Other long-term investment is equity securities which is no marketable security are stated at cost less any impairment losses.

#### **4.6 Financial instruments**

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or



financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### **Financial assets**

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### *Classification and measurement*

(1) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Interest income is recognised in profit or loss and is included in the “interest income” line item.

(2) Debt instruments classified as at FVTOCI

The corporate bonds held by the Group are classified as at FVTOCI. The corporate bonds are initially measured at fair value plus transaction costs. Subsequently changes in the carrying amount of these corporate bonds as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these corporate bonds are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these corporate bonds are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(3) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if;

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or

- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be classified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with TFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the “finance income” line item in profit or loss.

The Group has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of TFRS 9.

(4) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL. Specifically;

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called “accounting mismatch”) that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

*Impairment of financial assets*

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, receivables and contract assets, as well as on financial guarantee contracts. The amount of expect credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted

for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(1) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(2) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

For a financial guarantee contracts, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance

is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

#### *Derecognition of financial assets*

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

#### **Financial liabilities**

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

#### *Financial liabilities measured subsequently at amortised cost*

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

#### *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### **4.7 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognized in profit or loss when incurred.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period when the asset is derecognized.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

#### **4.8 Property, plant and equipment**

Land is stated at revalued amount. Buildings and building improvements are stated at revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any). Equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land, buildings and building improvements are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Company's and its subsidiaries' assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognized in equity under the heading of "Surplus on revaluation of assets". However, a revaluation increase is recognized as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognized as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Company's and its subsidiaries' assets, the decrease is recognized in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Surplus on revaluation of assets" in respect of the same asset.

Property, plant and equipment acquired through business combination are initially recognized at their fair value on the date of business acquisition.

In general, depreciation of plant and equipment is calculated by reference to their costs or the revalued amount, on the straight-line basis over the following estimated useful lives:

Land improvements	21 - 23 years
Buildings and building improvements	20 and 46 years
Biogas electricity generating system	20 years
Machinery and equipment	10 years
Computer	3 years
Office equipment	5 years
Furniture and fixtures	5 - 15 years
Motor vehicles	5 years
Tools and equipment to repair mobile phone	5 years

Equipment related to water treatment – The Group selects the depreciation method by the units of production method. The units of production method units result in a charge based on the expected use or output and most closely reflects the expected consumption pattern of the future economic benefits embodied in the asset.

No depreciation is provided on land and assets under installation.

An item of equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognized.

#### 4.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 4.10 Right-of-use assets and Lease liabilities

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### The Group as a lessee

##### *Accounting policies adopted since 1 January 2020*

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### *Right-of-use assets*

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, decommissioning cost, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and land improvements	9 - 30 years
Buildings and building improvements	2 - 30 years
Machinery and equipment	2 - 5 years
Motor Vehicle	3 - 5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

### ***Accounting policies adopted before 1 January 2020***

#### ***Long-term lease***

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the asset.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

#### ***Leasehold right and amortisation***

Leasehold rights are carried at cost less any accumulated amortization and any accumulated impairment losses (if any). Amortization is calculated over the term of each lease contract. The amortisation is recognised to profit or loss.



#### 4.11 Intangible assets

Intangible assets acquired through business combination are initially recognized at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognized at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortized on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Computer software and application software	5 years
Rights under electricity purchase and sale agreements	Contract periods
Rights and benefits under land lease agreements	Contract periods
Rights under gas station management agreements	Contract periods
Customer contract	5 years
Petty patent	Contract periods

#### 4.12 Business combinations and goodwill

Business combinations are accounted for using the acquisition method with the cost of the acquisition being the fair value at the acquisition date of consideration transferred, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest, if any, in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and the services are received.

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognized as gain in the profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's and its subsidiaries' cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company and its subsidiaries estimate the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

#### **4.13 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

#### **4.14 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.15 Impairment of non-financial assets**

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment reviews in respect of goodwill. An impairment loss is recognized when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based

on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognized in profit or loss. However, in cases where property, plant and equipment was previously revalued and the revaluation was taken to equity, a part of such impairment is recognized in equity up to the amount of the previous revaluation.

In the assessment of asset impairment if there is any indication that previously recognized impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

#### **4.16 Employee benefits**

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognized as expenses when incurred.

Post-employment benefits

*Defined contribution plans*

The Company, its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company's and its subsidiaries' contributions are recognized as expenses when incurred.

*Defined benefit plans*

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognized immediately in other comprehensive income.

#### **4.17 Convertible debentures**

Convertible debentures are classified into liability and equity components and these are presented separately in the statements of financial position. In separately presenting such components, the Company determines the liability component by discounting the stream of future payments of principal and interest at the prevailing market rate. The carrying amount of the equity component was then determined by deducting the liability component from the total carrying value of the convertible debenture.

The liability component is presented at amortised cost until the conversion or maturity of the debentures. The value of the equity component determined upon the issue of the debentures does not change in subsequent periods.

Expenses for issuance debentures separately recorded between liability and equity component and based on the proportion. The expenses related to liability component deducted from convertible debenture - liability component and amortising over the life of the convertible debentures and expenses related to equity component deducted from equity component and was not amortised.

#### **4.18 Provisions**

Provisions are recognized when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.19 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### ***Current income tax***

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### ***Deferred tax***

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognize deferred tax liabilities for all taxable temporary differences while they recognize deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that

it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.20 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on categorize of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

#### **4.21 Revenues recognition**

##### ***Revenues from Sales***

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable,

excluding value added tax of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

#### ***Revenues from rendering of services***

Service income consists of gas transportation income and maintenance service income. Service income is recognized over time when services have been rendered taking into account the stage of completion. Service rate charged and service period are stipulated in the contract. Commissions paid or discounts given to counterparties who are considered to be customers of the Group are recorded net of revenues from services.

#### ***Revenues from system installation services***

Revenue from system installation services is recognized upon completion of service in cases where the projects are low value, the work had a short duration, and control of the assets created has not yet been transferred to the customers.

#### ***Management fee income***

Management fee income is recognized on an accrual basis in accordance with terms and conditions stipulated in the agreements.

#### ***Interest income***

Interest income is recognized on an accrual basis based on the effective interest rate.

### **4.22 Segment information**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

### **4.23 Earnings (losses) per share**

Basic earnings (losses) per share are calculated by dividing net profit (loss) for the year by the weighted average number of ordinary shares held by third parties during the year. In case of a capital increase, the number of ordinary shares is weighted according to time of subscriptions received. In case of a capital decrease, the number of ordinary shares is weighted according to time of registration of capital reduction. Diluted earnings (losses) per share are calculated from weighted average number of ordinary shares assumed that dilutive ordinary shares equivalents are totally converted to ordinary shares.

#### 4.24 Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

##### ***Property, plant and equipment and depreciation***

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Company and its subsidiaries measure land, buildings and building improvements at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land and the cost approach for building and building improvements. The valuation involves certain assumptions and estimates as described in Note 21.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

##### ***Goodwill and intangible assets***

The initial recognition and measurement of goodwill and intangible assets and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

##### ***Deferred tax assets***

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

## 5. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

During the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts on the beginning balance of retained earnings of 2020 from changes in accounting policies due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	The impacts of			
	Financial reporting standards related to financial			
	31 December 2019	instruments	TFRS 16	1 January 2020
<b>Statement of financial position</b>				
<b>Assets</b>				
<b>Current assets</b>				
Temporary investments	7,371	(7,371)	-	-
Other current financial assets	-	7,371	-	7,371
Trade and other current receivables	353,545	(24,693)	-	328,852
<b>Non-current assets</b>				
Other long-term investments	24,801	(24,801)	-	-
Other non-current financial assets	-	24,801	-	24,801
Property, plant and equipment	660,172	-	(12,207)	647,965
Right-of-use assets	-	-	233,699	233,699
<b>Liability and shareholders' equity</b>				
<b>Current liabilities</b>				
Current portion of liabilities under				
finance lease agreements	2,797	-	(2,797)	-
Current portion of liabilities under				
lease agreements	-	-	18,802	18,802



(Unit: Thousand Baht)

	Consolidated financial statements			
	The impacts of			
	Financial reporting standards related to financial instruments			
	31 December 2019		TFRS 16	1 January 2020
<b>Non-current liabilities</b>				
Liabilities under finance lease agreements	7,691	-	(7,691)	-
Liabilities under lease agreements	-	-	215,745	215,745
<b>Shareholders' equity</b>				
Deficit - unappropriated	(1,287,903)	(24,693)	-	(1,312,596)

(Unit: Thousand Baht)

	Separate financial statements			
	The impacts of			
	Financial reporting standards related to financial instruments			
	31 December 2019		TFRS 16	1 January 2020
<b>Statement of financial position</b>				
<b>Assets</b>				
<b>Current assets</b>				
Temporary investments	7,371	(7,371)	-	-
Other current financial assets	-	7,371	-	7,371
Trade and other current receivables	75,815	(15,338)	-	60,477
<b>Non-current assets</b>				
Property, plant and equipment	206,487	-	(10,463)	196,024
Right-of-use assets	-	-	10,463	10,463
<b>Liability and shareholders' equity</b>				

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2019	The impacts of		
		Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
<b>Current liabilities</b>				
Current portion of liabilities under finance lease agreements	2,472	-	(2,472)	-
Current portion of liabilities under lease agreements	-	-	2,472	2,472
<b>Non-current liabilities</b>				
Liabilities under finance lease agreements	7,147	-	(7,147)	-
Liabilities under lease agreements	-	-	7,147	7,147
<b>Shareholders' equity</b>				
Deficit - unappropriated	(1,201,025)	(15,338)	-	(1,216,363)

## 5.1 Financial instruments

Details of the impact on deficit as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Recognition of an allowance for expected credit losses on financial assets	(24,693)	(15,338)
Impacts on deficit due to the adoption of financial reporting standards related to financial instruments	(24,693)	(15,338)

The classification and measurement basis, and carrying values of financial assets in accordance with TFRS 9 as at 1 January 2020, and with the carrying amounts under the former basis, are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
<b>Financial assets as at 1 January 2020</b>					
Cash and cash equivalents	111,641	-	-	111,641	111,641
Temporary investments	7,371	7,371	-	-	7,371
Trade and other current receivables	353,545	-	-	328,852	328,852
Short-term loans to related parties	9,161	-	-	9,161	9,161
Current portion of long-term loans	12,000	-	-	12,000	12,000
Restricted bank deposits	76,211	-	-	76,211	76,211
Other long-term investments	24,801	24,801	-	-	24,801
Long-term loans	8,000	-	-	8,000	8,000
<b>Total financial assets</b>	<b>602,730</b>	<b>32,172</b>	<b>-</b>	<b>545,865</b>	<b>578,037</b>

(Unit: Thousand Baht)

	Consolidated financial statements				
	Classification and measurement in accordance with TFRS 9				
	Carrying amounts under the former basis	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
<b>Financial liabilities as at 1 January 2020</b>					
Bank overdraft and short-term borrowings from financial institutions	110,000	-	-	110,000	110,000
Trade and other current payables	214,984	-	-	214,984	214,984
Current portion of long-term borrowings from financial institutions	64,656	-	-	64,656	64,656
Short-term borrowings	69,392	-	-	69,392	69,392
Long-term borrowings from financial institutions	94,113	-	-	94,113	94,113
<b>Total financial liabilities</b>	<b>553,145</b>	<b>-</b>	<b>-</b>	<b>553,145</b>	<b>553,145</b>

(Unit: Thousand Baht)

	Separate financial statements				
	Classification and measurement in accordance with TFRS 9				
	Carrying amounts under the former basis	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
<b>Financial assets as at 1 January 2020</b>					
Cash and cash equivalents	6,977	-	-	6,977	6,977
Temporary investments	7,371	7,371	-	-	7,371
Trade and other current receivables	75,815	-	-	60,477	60,477
Short-term loans to related parties	684,010	-	-	684,010	684,010
Current portion of long-term loans	12,000	-	-	12,000	12,000
Long-term loans	8,000	-	-	8,000	8,000
<b>Total financial assets</b>	<b>794,173</b>	<b>7,371</b>	<b>-</b>	<b>771,464</b>	<b>778,835</b>
<b>Financial liabilities as at 1 January 2020</b>					
Bank overdraft and short-term borrowings from financial institutions	70,000	-	-	70,000	70,000
Trade and other current payables	73,754	-	-	73,754	73,754
Short-term borrowings	89,105	-	-	89,105	89,105
<b>Total financial liabilities</b>	<b>232,859</b>	<b>-</b>	<b>-</b>	<b>232,859</b>	<b>232,859</b>

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

## Impairment of financial assets

The Group has trade receivables that are subject to the expected credit loss model. The Company has trade receivables and long-term loans to related parties that are subject to the expected credit loss model.

### Trade receivables

The Group applies the simplified approach to measuring expected credit losses, which use a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles, the corresponding historical credit losses experienced and the impact of potential factor to the expected loss rates.

On that basis, the loss allowance for trade receivables as at 1 January 2020 as follows:

(Unit: Thousand Baht)						
Consolidated financial statements						
As at 1 January 2020	Current	1 - 30 days	31 - 60 days	61 - 90 days	Over 90 days	Total
Gross carrying amount	93,120	25,089	10,098	383	10,572	139,262
Expected credit loss allowance	(4,872)	(2,632)	(4,089)	(201)	(10,572)	(22,366)
(Unit: Thousand Baht)						
Separate financial statements						
As at 1 January 2020	Current	1 - 30 days	31 - 60 days	61 - 90 days	Over 90 days	Total
Gross carrying amount	6,629	149	23	-	13,261	20,062
Expected credit loss allowance	(1,340)	(82)	(16)	-	(13,261)	(14,699)

The loss allowance for trade receivables as at 31 December 2019 is reconciled to the opening loss allowance for trade receivables as at 1 January 2020 as follows:

(Unit: Thousand Baht)		
	Consolidated financial statements	Separate financial statements
<b>Expected credit loss allowance</b>		
As at 31 December 2019	767	-
Amounts restated through opening unappropriated deficit	24,693	15,338
<b>Opening balance as at 1 January 2020</b>	<b>25,460</b>	<b>15,338</b>

## 5.2 Leases

Upon initial application of TFRS 16 the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	382,453	95
<u>Less: Short-term leases and leases of low-value assets</u>	(19,637)	(95)
<u>Less: Contracts reassessed as service agreements</u>	(5,200)	-
Increase in lease liabilities due to first adoption of TFRS 16	357,616	-
Liabilities under lease agreements as at 31 December 2019	10,488	9,619
<b>Lease liabilities as at 1 January 2020</b>	<b>368,104</b>	<b>9,619</b>

The above lease liabilities comprise of:

Current lease liabilities	35,056	2,472
Non-current lease liabilities	333,048	7,147

The adjustments of right-of-use assets due to first adoption of TFRS 16 of as at 1 January 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Land and land improvement	226,129	-
Buildings and building improvement	43	-
Office equipment	111	-
Motor vehicles	17,007	15,061
<b>Total right-of-use assets</b>	<b>243,290</b>	<b>15,061</b>

## 6. Restatement and retrospectively adjustment of financial statement

6.1 On 25 June 2019, the Board of Directors' Meeting No. 8/2019 passed the resolution to approve purchase shares of Eco Energy Group Corporation Co., Ltd. ("ECO") by 76.92% of authorized and paid-up shares capital.

On 26 June 2019, Ferrum Energy Co., Ltd. ("FEN") that is the subsidiary of the Company purchased shares of ECO from 2 persons, which includes 130,766,665 common shares, at 76.92% of the registered share capital. The consideration for the purchase of a subsidiary is Baht 50 million which fully paid on 20 June 2019. According to terms in the share purchase agreement and the fact the acquisition of such shares causing the Company to acquire 2 associates of ECO ("ECO Group") as follows:

1. Pracharat Biomass Mae Lan Co., Ltd. ("PCM")
2. Pracharat Biomass Bannang Sata Co., Ltd. ("PCB")

ECO Group as above mentioned has been granted the power purchase agreements of Pracharath Project, biomass fuel for 3 southern border provinces.

During the year, the Company engaged an independent appraiser to appraise the fair value of identifiable assets acquired and liabilities assumed and allocation fair value at the acquisition date. The Company received the purchase price allocation report dated 30 September 2020 from an independent appraiser. To appropriately reflect the fair value of identifiable assets acquired and liabilities as at the acquisition date. The Company applied Thai Financial Reporting Standard No. 3 (revised 2019) "Business combinations" to recognize the business combination transaction.



The following summarizes the major classes of consideration transferred and the recognized fair value of assets acquired and liabilities assumed at the business acquisition date:

	(Unit: Thousand Baht)
	As at 26 June 2019
	“Restated”
Cash and cash equivalents	23,507
Trade and other current receivables	17,054
Short-term loans to related parties	669
Investments in associates	64,780
Property, plant and equipment	860
Intangible assets	24
Short-term borrowings	(29,469)
Other non-current provision	(43,153)
Deferred tax liabilities	(4,666)
<b>Identifiable assets and liabilities - net</b>	<b>29,606</b>
Percentage of shareholders	76.92%
Identifiable assets and liabilities	22,773
Consideration transferred (Cash)	50,000
<b>Goodwill</b>	<b>27,227</b>

The Group retrospectively adjusted the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. Therefore, the consolidated statement of financial position as at 31 December 2019 have been restated accordingly.

Net cash outflows from acquisition of ordinary shares of Eco Energy Group Corporation Co., Ltd. was presented below:

	(Unit: Thousand Baht)
	Consolidated
	financial statements
Cash transferred during the year	50,000
<u>Less:</u> Cash and cash equivalents of the subsidiary company	(23,507)
<b>Net cash outflows from purchase of subsidiary</b>	<b>26,493</b>

6.2 The Management of the Company has approved to retrospectively restate adjust the financial statements for the year ended 31 December 2019, presented herein as comparative information, regarding the correction of accounting error that the Company did not cleared fair value of sale of assets (partial) that belonged to R.A. Logistic Co., Ltd., a subsidiary at that time, which resulting to the Company over recorded property, plant and equipment and deferred tax liabilities and understated deficit-unappropriated as at 31 December 2019 and over recorded net profit for years ended 31 December 2019. Such error has no impact to beginning balance as at 1 January 2018.

6.3 The Management the Company has approved to retrospectively restate adjust the financial statements for the year ended 31 December 2019 presented herein as comparative information, regarding of accounting error related to the revenue recognition of the subsidiary company, SAM Water Supply Co., Ltd., because, in the opinion of management, the TFRS 15 “Revenue from Contracts with Customers” is more appropriate and reflect the operation of the subsidiary’s business.

The effect of consolidated financial statements restatement to the consolidated statement of financial position as at 31 December 2019 according to Notes 6.1, and Impacts on the consolidated financial statements from correction of error according to Notes 6.2 and 6.3 summarized are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			Balance as restated
	Balance as previously reported	Effect of the restatement (Notes 6.1)	Correction of error (Notes 6.2 and 6.3)	
<b>Statements of financial position</b>				
<b>as at 31 December 2019</b>				
<b>Assets</b>				
Cash and cash equivalents	111,641	(4,513)	-	107,128
Trade and other current receivables	353,545	29,573	(16,482)	366,636
The portion of finance lease receivables				
that are due within one year	13,596	-	(13,596)	-
Short-term loans to related parties	9,161	(5,992)	-	3,169
Investments in associates	139,106	88,757	-	227,863
Finance lease receivable	129,632	-	(129,632)	-
Property, plant and equipment	693,800	(59,398)	103,385	737,787
Goodwill	222,207	(29,510)	-	192,697
Intangible assets	251,593	(31)	-	251,562
Other non-current assets	54,634	(49,470)	-	5,164
<b>Total</b>	<b>1,978,915</b>	<b>(30,584)</b>	<b>(56,325)</b>	<b>1,892,006</b>

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as	Effect of	Correction of error	Balance as restated
	previously reported	the restatement		
<b>Statements of financial position</b>		(Notes 6.1)	(Notes 6.2 and 6.3)	
<b>as at 31 December 2019</b>				
<b>Liabilities and shareholders' equity</b>				
Trade and other current payables	214,984	(27,318)	(16,482)	171,184
Short-term borrowings	69,392	(6,679)	-	62,713
Deferred tax liabilities	88,168	4,666	(6,725)	86,109
Other non-current provision	-	43,153	-	43,153
Deficit	(1,287,903)	4,906	(33,118)	(1,316,115)
Non-controlling interests	151,875	(49,312)	-	102,563
<b>Total</b>	<b>(763,484)</b>	<b>(30,584)</b>	<b>(56,325)</b>	<b>(850,393)</b>

## Impact on the statements of profit or loss and other comprehensive income

(Unit: Thousand Baht)

	Consolidated financial statements			
	As	Effect of	Correction of error	As restated
	previously reported	the restatement		
<b>For the year ended 31 December 2019</b>		(Notes 6.1)	(Notes 6.2 and 6.3)	
<u>Profit (loss) for the year attributable to:</u>				
Owners of the parent	86,613	4,906	(33,117)	58,402
Non-controlling interests	893	(12,609)	-	(11,716)
Basic earnings (loss) per share (Baht)	0.029	0.002	(0.011)	0.019
Weighted average number of ordinary shares (Thousand shares)	3,029,598	3,029,598	3,029,598	3,029,598

## Impact on the statements of cash flows

(Unit: Thousand Baht)

	Consolidated financial statements			
	As	Effect of	Correction of error	As restated
	previously reported	the restatement		
<b>For the year ended 31 December 2019</b>				
Profit before income tax	96,098	(7,703)	(33,117)	55,278

6.4 On 23 July 2019, the Board of Executive Committee Meeting No. 10/2019 passed a resolution to approve the Group to purchase share of Energy Revolution Co., Ltd. (“ERV”) in which the company operates as an engineering installation service provider and a technical consultant for cooling system. On 27 July 2019, Ferrum Energy Co., Ltd. (“FEN”), which is the Company’s subsidiary, entered into an agreement to purchase 1 ordinary share from a person, representing 0.00% of total issued and paid-up share capital of ERV at a par value of Baht 100.

Subsequently, on 18 September 2019, the Board of Directors’ Meeting No. 11/2019 passed a resolution to approve the Group to purchase 24,999 newly issued shares of ERV, representing 50.00 % of total issued and paid-up capital of ERV at the amount of 2.50 million in which The Group has fully paid such shares on 24 September 2019.

During the year, the Company engaged an independent appraiser to appraise the fair value of identifiable assets acquired and liabilities assumed at the acquisition date of Energy Revolution Co., Ltd. The appraised fair value by an independent appraiser from the purchase price allocation report dated 16 April 2020 and other related information received within one year from acquisition date had no material difference with the book value of such identifiable assets acquired and liabilities assumed at the acquisition date. Therefore, the Group used book value to allocate the fair value.

The net carrying amounts of net identifiable assets acquired of Energy Revolution Co., Ltd. acquired on the date of acquisition were as follows:

	(Unit: Thousand Baht)
Cash and cash equivalents	5,357
Trade and other current receivables	1,466
Short-term loans to related persons	1,000
Other non-current assets	3,877
Trade and other current payables	(1,015)
Long-term borrowing from related company	(1,000)
<b>Net identifiable assets and liabilities</b>	<b>9,685</b>
Shareholding percentage	50%
Fair values of net assets	4,842
Consideration transferred	2,500
<b>Gain from bargain purchase of investment in subsidiary</b>	<b>2,342</b>

The Company recognized gain from bargain purchase of Energy Revolution Co., Ltd. of Baht 2.34 million in the consolidated statements of profit and loss and other comprehensive income for the year ended 31 December 2020.

Net cash outflows from acquisition of ordinary shares of Energy Revolution Co., Ltd. was presented below:

	(Unit Thousand Baht)
	Consolidated financial statements
Cash transferred during the year	2,500
<u>Less:</u> Cash and cash equivalents of the subsidiary company	<u>(5,357)</u>
<b>Net cash outflows from purchase of subsidiary</b>	<b><u>(2,857)</u></b>

## 7. Acquisition of businesses

On 28 May 2020, a meeting of the Board of Directors of the Company passed a resolution approving an investment by Energy For Society Co., Ltd. (“EFS”), a subsidiary company, in P P L Power Co., Ltd. (“PPL”), which is engaged in to build a power plant with a capacity of 3 megawatts, through the acquisition of 80.00% of its ordinary shares from its existing shareholders 120,000 shares, totalling Baht 10.00 million.

On 28 May 2020, a meeting of the Board of Directors of the Company passed a resolution approving an investment by Energy For Society Co., Ltd. (“EFS”), a subsidiary company, in Bio Energy Satun Co., Ltd. (“BES”), which is engaged in to build a power plant with a capacity of 2 megawatts, through the acquisition of 80.00% of its ordinary shares from its existing shareholders 208,000 share, totalling Baht 12.00 million.

The Group is in the process of appraising the fair value of the identifiable assets acquired and liabilities assumed and the fair value allocation at the business acquisition date. The Group, however, used the net asset value at the business acquisition date from the interim financial information of such subsidiaries and other relevant factors which may affect such information as the consideration received from the acquired businesses, and measured components of non-controlling interests by applying fair value of net assets of such subsidiaries according to its proportionate ownership. The assessment shall be completed within measurement period within one year from the business acquisition date pursuant to the period allowed by Thai Financial Reporting Standard No. 3 (revised 2019) “Business Combination”. During the measurement period, the Group shall retrospectively adjust the provisional value recognized at the business acquisition date and recognize additional assets and liabilities and other related accounts to reflect new information obtained about facts and circumstances that existed as of the business acquisition date.

The fair value of the identifiable assets acquired and liabilities assumed from P P L Power Co., Ltd. at the acquisition date is as follows:

	(Unit: Thousand Baht)
Cash and cash equivalents	77
Trade and other receivables	2,974
Property, plant and equipment	43,291
Trade and other payables	(31,374)
<b>Identifiable assets and liabilities</b>	<b>14,968</b>
Shareholding percentage	80%
Fair values of net assets	11,974
Consideration transferred (cash)	10,000
<b>Gain from bargain purchase of investment in a subsidiary</b>	<b>1,974</b>

The Company recognized gain from bargain purchase of P P L Power Co., Ltd. of Baht 1.98 million in the consolidated statement of profit or loss and other comprehensive income.

The fair value of the identifiable assets acquired and liabilities assumed from Bio Energy Satun Co., Ltd. at the acquisition date is as follows:

	(Unit: Thousand Baht)
Trade and other receivables	4,340
Property, plant and equipment	56,440
Trade and other payables	(9,100)
Loans from directors	(16,432)
Short-term borrowings from related parties	(10,100)
<b>Identifiable assets and liabilities</b>	<b>25,148</b>
Shareholding percentage	80%
Fair values of net assets	20,118
Consideration transferred (cash)	12,000
<b>Gain from bargain purchase of investment in a subsidiary</b>	<b>8,118</b>

The Company recognized gain from bargain purchase of Bio Energy Satun Co., Ltd. of Baht 8.12 million in the consolidated statements of profit and loss and other comprehensive income.

Net cash outflows from acquisition of ordinary shares of P P L Power Co., Ltd. and Bio Energy Satun Co., Ltd. were presented below.

	(Unit: Thousand Baht)
	Consolidated
	<u>financial statements</u>
Cash transferred during the year	7,000
<u>Less:</u> Cash and cash equivalents of a subsidiary	<u>(77)</u>
<b>Net cash outflows from purchase a subsidiary</b>	<b><u>6,923</u></b>

## 8. Related party transactions

During the year ended 31 December 2020 and 2019, the Group and the Company had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

1. Sales prices are determined at market price.
2. Other service income and expenses are charged at a mutually agreed price.
3. Interest on short-term loans to the related parties are charged at 3.50 - 7.50 percent per annum (2019: 3.50 - 7.25 percent per annum).
4. Interest on short-term loans from related parties are charged at 4.50 - 7.50 percent per annum (2019: 7.25 percent per annum).
5. Directors and management's benefit expenses are charged as approved by the shareholders' meeting or contractually agreed price.

The relationships that the Group and the Company have with related persons or related parties as follows:

Company	Relationship
Star Gas Co., Ltd.	Subsidiary company
M - Solution Co., Ltd.	Subsidiary company
Ferrum Capital Co., Ltd.	Subsidiary company
SAM Water Supply Co., Ltd.	Subsidiary company
Energy For Society Co., Ltd.	Subsidiary company
P P L Power Co., Ltd. <sup>(1)</sup>	Subsidiary company of Energy For Society Co., Ltd.
Bio Energy Satun Co., Ltd. <sup>(1)</sup>	Subsidiary company of Energy For Society Co., Ltd.
Tawatpinyo Co., Ltd.	Subsidiary company of Star Gas Co., Ltd.
Star Petroleum Plus Co., Ltd.	Subsidiary company of Star Gas Co., Ltd.

Ferrum Energy Co., Ltd.	Subsidiary company of Ferrum Capital Co., Ltd.
Informatix Plus Co., Ltd.	Subsidiary company of M - Solution Co., Ltd.
Phrasaeng Green Power Co., Ltd.	Subsidiary company of Ferrum Energy Co., Ltd.
Eco Energy Group Corporation Co., Ltd. <sup>(2)</sup>	Subsidiary company of Ferrum Energy Co., Ltd.
Energy Revolution Co., Ltd.	Subsidiary company of Ferrum Energy Co., Ltd.
ERV International Co., Ltd.	Subsidiary company of Ferrum Energy Co., Ltd.
Star Solar Power Co., Ltd. <sup>(3)</sup>	Subsidiary company of Tawatpinyo Co., Ltd
Pracharat Biomass Maelan Co., Ltd. <sup>(2)</sup>	Associated company of Eco Energy Corporation Co., Ltd.
Pracharat Biomass Bannangsata Co., Ltd. <sup>(2)</sup>	Associated company of Eco Energy Corporation Co., Ltd.
System And Software Services Co., Ltd.	Associated company
Wangwiset Woodtrade Co., Ltd. <sup>(4)</sup>	Associated company
Universal Waste Management Co., Ltd.	Associated company
Asia Waste Management Co., Ltd.	Subsidiary company of Universal Waste Management Co., Ltd.
Asia Recycling Technology Co., Ltd.	Subsidiary company of Universal Waste Management Co., Ltd.
Palm Thongkum Co., Ltd.	Shareholder of Phrasaeng Green Power Co., Ltd. - same shareholders
Hatyai Environmental Management Co., Ltd.	Shareholder of Phrasaeng Green Power Co., Ltd. - same shareholders
Mlink QIR Co., Ltd.	Joint venture
SAM Investment Holdings Limited	Shareholder of SAM Water Supply Co., Ltd. -  same shareholders
Person or other related parties	Being a person related to a director of the company or a business that has a joint director

(1) The Group purchased share in these companies since 30 June 2020

(2) The Company sold the investments in subsidiaries since 15 December 2020

(3) The company has registered its establishment on 13 November 2020

(4) The Group purchased share in the company since 9 June 2020



Significant business transactions between the Company and its related parties were summarized as below:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Transactions with subsidiaries</b>				
Other income	-	-	12	6
Management fee income	-	-	-	23
Interest income	-	-	50	39
Other expenses	-	-	-	1
Interest expense	-	-	6	6

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Transactions with associates</b>				
Revenue from sales	16	1	-	-
Management fee income	-	2	-	2
Other income	3	2	3	2
Other expense	6	-	6	-
Interest income	3	2	3	2
Interest expense	1	2	1	-
<b>Transactions with related companies</b>				
Purchase of goods and production/service expenses	5	5	-	-

As at 31 December 2020 and 2019, the balances of the accounts between the Company and those related parties were as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Trade receivables - related parties (see Note 10)</b>				
Associates	1,544	-	-	-
<u>Less: Allowance of doubtful account</u>	-	-	-	-
<b>Total trade receivables - related parties</b>	<b>1,544</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other receivables - related parties (see Note 10)</b>				
Subsidiaries	-	-	6,014	17,745
Associates	2,200	2,375	2,200	2,373
Total	2,200	2,375	8,214	20,118
<u>Less: Allowance for doubtful debts</u>	-	-	-	-
<b>Total other receivables - related parties, net</b>	<b>2,200</b>	<b>2,375</b>	<b>8,214</b>	<b>20,118</b>
<b>Accrued income - related parties (see Note 10)</b>				
Subsidiaries	-	-	269	167
Associates	328	143	251	66
Total	328	143	520	233
<u>Less: Allowance for doubtful debts</u>	(77)	(77)	-	-
<b>Total accrued income - related parties, net</b>	<b>251</b>	<b>66</b>	<b>520</b>	<b>233</b>
<b>Accrued interest income - related parties (see Note 10)</b>				
Subsidiaries	-	-	86,412	54,204
Associates	10,775	8,002	10,673	8,002
Related companies (related by shareholder)	-	5	-	-
Related persons	-	2,379	-	-
Total	10,775	10,386	97,085	62,206
<u>Less: Allowance for doubtful debts</u>	(1,410)	(3,485)	(21,340)	(22,130)
<b>Total accrued interest income - related parties, net</b>	<b>9,365</b>	<b>6,901</b>	<b>75,745</b>	<b>40,076</b>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Deposit for business due diligence</b>				
- related parties (see Note 15)				
Related persons	-	75,000	-	75,000
<b>Total deposit for business due diligence</b>				
- related parties	-	75,000	-	75,000
<b>Trade payables - related parties (see Note 29)</b>				
Related companies (related by shareholder)	8,260	796	-	-
<b>Total trade payables - related parties</b>	<b>8,260</b>	<b>796</b>	<b>-</b>	<b>-</b>
<b>Other payables - related parties (see Note 29)</b>				
Associates	13,869	9,245	13,869	9,245
Related companies (related by shareholder)	-	48,000	-	48,000
Related persons	4,000	-	-	-
<b>Total other payables - related parties</b>	<b>17,869</b>	<b>57,245</b>	<b>13,869</b>	<b>57,245</b>
<b>Accrued expenses - related parties (see Note 29)</b>				
Subsidiaries	-	-	32	-
Related companies (related by shareholder)	631	346	-	-
Related persons	377	-	-	-
<b>Total accrued expenses - related parties</b>	<b>1,008</b>	<b>346</b>	<b>32</b>	<b>-</b>
<b>Accrued interest expenses - related parties</b>				
(see Note 29)				
Subsidiaries	-	-	12,096	7,487
Associates	1,352	1,053	-	-
<b>Total accrued interest expenses - related parties</b>	<b>1,352</b>	<b>1,053</b>	<b>12,096</b>	<b>7,487</b>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Deposit received for space rental - related parties</b>				
Subsidiaries	-	-	130	167
Associates	188	178	188	178
<b>Total deposit received for space rental</b>				
<b>- related parties</b>	<b>188</b>	<b>178</b>	<b>318</b>	<b>345</b>

### Short-term borrowings to related parties and short-term borrowings from related person or parties

As at 31 December 2020 and 2019, the balances of short-term borrowings to related person or parties and the movements were as follows:

		(Unit: Thousand Baht)			
		Consolidated financial statements			
Short-term borrowings to related person or related parties	Related by	1 January 2020	During the year		31 December 2020
			Increase	Decrease	
Director of subsidiary	Related person	669	51,965	(52,569)	65
Palm Thongkum Co., Ltd.	Related company	2,500	-	(2,500)	-
System And Software Services Co., Ltd.	Associated company	62,600	4,840	(53,500)	13,940
Wangwiset Woodtrade Co., Ltd.	Associated company	-	8,050	(5,000)	3,050
<b>Total</b>		<b>65,769</b>	<b>64,855</b>	<b>(113,569)</b>	<b>17,055</b>
<u>Less: Allowance for doubtful debts</u>		<u>(62,600)</u>			<u>(9,100)</u>
<b>Net</b>		<b>3,169</b>			<b>7,955</b>

(Unit: Thousand Baht)

		Consolidated financial statements			
Short-term borrowings to related person or related parties	Related by	1 January 2019	During the year		31 December 2019
			Increase	Decrease	
Directors of subsidiaries	Related person	58,575	669	(58,575)	669
Palm Thongkum Co., Ltd.	Related company	-	8,500	(6,000)	2,500
Mlink QIR Co., Ltd.	Joint venture	6,780	-	(6,780)	-
System and Software Services Co., Ltd.*	Associated company	-	70,750	(8,150)	62,600
<b>Total</b>		<b>65,355</b>	<b>79,919</b>	<b>(79,505)</b>	<b>65,769</b>
Less: Allowance for doubtful debts		(6,780)			(62,600)
<b>Net</b>		<b>58,575</b>			<b>3,169</b>

\* Formerly known as MLink Shop Co., Ltd.

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loans to related parties	Related by	1 January 2020	During the year		31 December 2020
			Increase	Decrease	
Ferrum Energy Co., Ltd.	Subsidiary company	332,280	463,970	(122,235)	674,015
Star Gas Co., Ltd.	Subsidiary company	153,000	13,000	(88,626)	77,374
SAM Water Supply Co., Ltd.	Subsidiary company	32,704	14,900	(47,604)	-
Ferrum Capital Co., Ltd.	Subsidiary company	50,600	16,050	(100)	66,550
M - Solution Co., Ltd.	Subsidiary company	73,118	47,600	(64,947)	55,771
Informatix Plus Co., Ltd.	Subsidiary company	27,113	6,150	(33,263)	-
Phrasaeng Green Power Co., Ltd.	Subsidiary company	1,395	2,600	(1,370)	2,625
Star Petroleum Plus Co., Ltd.	Subsidiary company	5,000	-	(5,000)	-
Eco Energy Group Corporation Co., Ltd.	Subsidiary company	8,800	68,150	(76,950)	-
Energy Revolution Co., Ltd.	Subsidiary company	-	1,400	(1,400)	-
ERV International Co., Ltd.	Subsidiary company	-	13,200	(13,200)	-
System And Software Services Co., Ltd.	Associated company	62,600	840	(53,500)	9,940
Wangwiset Woodtrade Co., Ltd.	Associated company	-	8,050	(5,000)	3,050
<b>Total</b>		<b>746,610</b>	<b>655,910</b>	<b>(513,196)</b>	<b>889,325</b>
Less: Allowance for doubtful debts		(62,600)			(9,100)
<b>Net</b>		<b>684,010</b>			<b>880,226</b>

(Unit: Thousand Baht)

Short-term loans to related parties	Related by	Separate financial statements			
		1 January 2019	During the year		31 December 2019
			Increase	Decrease	
Ferrum Energy Co., Ltd.	Subsidiary company	186,652	145,628	-	332,280
Star Gas Co., Ltd.	Subsidiary company	118,000	35,000	-	153,000
SAM Water Supply Co., Ltd.	Subsidiary company	95,400	-	(62,696)	32,704
Ferrum Capital Co., Ltd.	Subsidiary company	50,600	-	-	50,600
M - Solution Co., Ltd.	Subsidiary company	49,337	23,781	-	73,118
Informatix Plus Co., Ltd.	Subsidiary company	-	27,113	-	27,113
Phrasaeng Green Power Co., Ltd.	Subsidiary company	-	1,395	-	1,395
Star Petroleum Plus Co., Ltd.	Subsidiary company	-	5,000	-	5,000
Eco Energy Group Corporation Co., Ltd.	Subsidiary company	-	8,800	-	8,800
Mlink QIR Co., Ltd.	Joint venture	6,780	-	(6,780)	-
System And Software Services Co., Ltd.	Associated company	62,600	8,150	(8,150)	62,600
<b>Total</b>		<b>569,369</b>	<b>254,867</b>	<b>(77,626)</b>	<b>746,610</b>
<b>Less: Allowance for doubtful debts</b>		<b>(69,380)</b>			<b>(62,600)</b>
<b>Net</b>		<b>499,989</b>			<b>684,010</b>

As at 31 December 2020 and 2019, the balances of short-term borrowings from a related person or related parties and the movements were as follows:

(Unit: Thousand Baht)

Short-term borrowing from related person or related parties		Related by	Consolidated financial statements			
			1 January 2020	During the year		31 December 2020
			Increase	Decrease		
Director of subsidiary company (see Note 31)		Related person	259	16,432	(259)	16,432
Hatyai Environmental Management Co., Ltd. (see Note 31)		Related company	-	19,794	-	19,794
Universal Waste Management Co., Ltd. (see Note 31)		Associated company	62,454	103,300	(136,747)	29,007
Asia Waste Management Co., Ltd. (see Note 31)		Subsidiary company of Universal Waste Management Co., Ltd.	-	20,000	(20,000)	-
Wangwiset Woodtrade Co., Ltd. (see Note 31)		Associated company	-	26,000	(26,000)	-
<b>Total</b>			<b>62,713</b>	<b>185,526</b>	<b>(183,006)</b>	<b>65,233</b>

(Unit: Thousand Baht)

Short-term borrowing from related person or related parties		Related by	Consolidated financial statements			
			1 January 2019	During the year		31 December 2019
			Increase	Decrease		
Director of subsidiary company (see Note 31)		Related person	16,498	259	(16,498)	259
Universal Waste Management Co., Ltd. (see Note 31)		Associated company	-	62,454	-	62,454
<b>Total</b>			<b>16,498</b>	<b>62,713</b>	<b>(16,498)</b>	<b>62,713</b>

(Unit: Thousand Baht)

Short-term borrowing from a related parties		Related by	Separated financial statements			
			1 January	During the year		31 December
			2020	Increase	Decrease	2020
Energy For Society Co., Ltd.	Subsidiary company	89,105	32,010	(45,240)	75,875	
Informatix Plus Co., Ltd.	Subsidiary company	-	11,500	(11,500)	-	
Energy Revolution Co., Ltd.	Subsidiary company	-	57,200	(1,900)	55,300	
ERV International Co., Ltd.	Subsidiary company	-	8,030	(2,030)	6,000	
Star Petroleum Plus Co., Ltd.	Subsidiary company	-	2,000	(2,000)	-	
Wangwiset Woodtrade Co., Ltd.	Associated company	-	26,000	(26,000)	-	
Universal Waste Management Co., Ltd.	Associated company	-	90,800	(90,800)	-	
Asia Waste Management Co., Ltd.	Subsidiary company of Universal Waste Management Co., Ltd.	-	10,000	(10,000)	-	
<b>Total</b>		<b>89,105</b>	<b>237,540</b>	<b>(189,470)</b>	<b>137,175</b>	

(Unit: Thousand Baht)

Short-term borrowing from a related party		Related by	Separated financial statements			
			1 January	During the year		31 December
			2019	Increase	Decrease	2019
Energy For Society Co., Ltd.*	Subsidiary company	75,000	14,105	-	89,105	
<b>Total</b>		<b>75,000</b>	<b>14,105</b>	<b>-</b>	<b>89,105</b>	

\*Formerly known as Telex Asia Corporation Co., Ltd. (see Note 31)

### Directors and management's benefits

For the year ended 31 December 2020 and 2019, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	2020	2019	2020	2019
Short-term employee benefits	30	40	11	13
Post-employment benefits	6	4	1	1
<b>Total</b>	<b>36</b>	<b>44</b>	<b>12</b>	<b>14</b>



## Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 43.3.2

### 9. Supplemental disclosures of cash flow information

9.1 Cash and cash equivalents as at 31 December 2020 and 31 December 2019 consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash on hand	3,163	2,819	159	135
Deposits at banks	113,309	104,309	40,699	6,842
<b>Total</b>	<b>116,472</b>	<b>107,128</b>	<b>40,858</b>	<b>6,977</b>

As at 31 December 2020 and 2019, interest rate of in the deposits at bank consolidated and the separate financial statements are interest charged at 0.05 - 0.25 and 0.13 - 0.38 per annum, respectively.

9.2 Cash paid for purchases of equipment for the year end ended 31 December 2020 and 2019, consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Equipment payables brought forward (recorded as a part of trade and other payables)	659	8,136	-	-
<b>Add:</b> Purchases of equipment	15,031	27,453	122	4,229
Purchase of intangible asset	1,031	613	39	531
Increasing from business acquisition	30,549	-	-	-
<b>Less:</b> Cash paid for purchases of equipment	(16,497)	(32,016)	(161)	(1,939)
Liabilities under lease agreements	-	(3,527)	-	(2,821)
Equipment payables carried forward (recorded as a part of trade and other payables)	30,773	659	-	-

9.3 Non-cash transactions for the nine-month period ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Long-term liabilities under lease agreements brought forward				
(recorded as part of current portion of long-term finance lease)	10,488	9,932	9,619	8,690
<u>Add:</u> Additional during the period/year	-	2,874	-	2,821
<u>Less:</u> Cash payments during the period/year	(4,300)	(2,318)	(4,462)	(1,892)
Increased in liabilities under lease agreements from first adoption TFRS 16	219,892	-	-	-
Long-term liabilities under finance lease agreements carried forward (recorded as part of current portion of long-term finance lease)	226,080	10,488	5,157	9,619

9.4 Reconciliation of liabilities arising from financing activities for the year ended 31 December 2020 are as follows:

	(Unit: Thousand Baht)				
	Consolidated financial statements				Balance as at 31 December 2020
	Balance as at 1 January 2020	Cash flows from financing activities	Non-cash changes	Others changes	
Bank overdrafts and short-term borrowings from a financial institution (see Note 28)	110,000	19,500	44,546	-	
Short-term borrowing (see Note 31)	62,713	2,570	-	-	65,283
Liabilities under lease agreements	10,488	(4,300)	-	219,892	226,080

	(Unit: Thousand Baht)				
	Separate financial statements				Balance as at 31 December 2020
	Balance as at 1 January 2020	Cash flows from financing activities	Non-cash changes	Others changes	
Bank overdrafts and short-term borrowings from a financial institution (see Note 28)	70,000	-	-	-	
Short-term borrowing (see Note 31)	89,105	48,070	-	-	137,175
Liabilities under lease agreements	9,619	(4,462)	-	-	5,157

(Unit: Thousand Baht)

Consolidated financial statements

	Balance as at	Cash flows			Balance as at
	1 January	from financing	Non-cash	Others	31 December
	2019	activities	changes	changes	2019
Bank overdrafts and short-term borrowings					
from a financial institution (see Note 28)	130,395	(20,395)	-	-	110,000
Short-term borrowing (see Note 31)	22,098	40,615	-	-	62,713
Liabilities under lease agreements	9,932	(2,318)	2,874	-	10,488

(Unit: Thousand Baht)

Separate financial statements

	Balance as at	Cash flows			Balance as at
	1 January	from financing	Non-cash	Others	31 December
	2019	activities	changes	changes	2019
Bank overdrafts and short-term borrowings					
from a financial institution (see Note 28)	67,500	2,500	-	-	70,000
Short-term borrowing (see Note 31)	75,000	14,105	-	-	89,105
Liabilities under lease agreements	8,690	(1,892)	2,821	-	9,619

## 10. Trade and other current receivables

10.1 Trade and other current receivables as at 31 December 2020 and 2019 consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Trade receivables - related parties (see Note 8)	1,544	-	-	-
Trade receivables - non-related parties	170,192	154,942	-	-
Other receivables - related parties (see Note 8)	2,200	2,375	8,214	20,118
Other receivables - non-related parties	149,356	64,339	88,789	228
Accrued income - related parties (see Note 8)	328	143	520	233
Accrued income - non-related parties	7,689	1,757	-	96
Accrued interest income - related parties (see Note 8)	10,775	10,386	97,085	62,206
Accrued interest income - non-related parties	238	-	237	-
Input tax refundable	8,522	36,735	-	-
Suspense input tax	33,773	28,631	1,563	976
Withholding tax refundable	4,463	16,526	2,529	9,764
Suspense withholding tax	9,086	8,752	4,148	3,271
Advance to employees	35,423	209	-	-
Prepaid expenses	31,180	8,413	29,299	1,759
Deposit	-	77,067	-	-
Others	32,264	10,780	1,200	1,687
<b>Total</b>	<b>497,033</b>	<b>421,055</b>	<b>233,584</b>	<b>100,338</b>
<u>Less:</u> Allowance for doubtful debts	(10,213)	(12,126)	(21,340)	(22,130)
Allowance for diminution in value of input tax and withholding tax refundable	(19,835)	(42,292)	(2,380)	(2,393)
<b>Trade and other current receivables - net</b>	<b>466,985</b>	<b>366,637</b>	<b>209,864</b>	<b>75,815</b>

10.2 Aging analysis of trade receivables as at 31 December 2020 and 2019 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current	143,298	119,071	-	-
Past due				
Up to 3 months	16,144	17,993	-	-
3 - 6 months	8,485	13,648	-	-
6 - 12 months	3,809	3,463	-	-
Over 12 months	-	767	-	-
<b>Total</b>	<b>171,736</b>	<b>154,942</b>	<b>-</b>	<b>-</b>

10.3 Withholding tax deducted at sources

The balances of withholding tax deducted at sources as at 31 December 2020 and 2019, aged on years, were summarized as follows:

(Unit: Thousand Baht)

Year	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
2014	2	4,731	-	-
2015	1,340	8,574	-	7,234
2016	2,688	2,804	2,096	2,096
2017	524	1,135	434	434
2018	2,840	2,840	838	838
2019	4,118	5,037	2,433	2,433
2020	2,037	-	876	-
Total	13,549	25,121	6,677	13,035
<u>Less: Allowance for diminution in value</u>	<u>(4,314)</u>	<u>(9,148)</u>	<u>(2,380)</u>	<u>(2,393)</u>
<b>Net</b>	<b>9,235</b>	<b>15,973</b>	<b>4,297</b>	<b>10,642</b>

The Company and its subsidiaries regard withholding tax deducted at sources as an asset since they have the right to claim for refund of it. However, the net realizable value of withholding tax depends on the exercise right to claim it, and the results of any tax audit by the Revenue officer.

During the year 2019, the Company refunded 2015 withholding tax deducted at sources totalling of Baht 7.22 million (Separate financial statements: Nil).

## 11. Short-term loan and long-term loans

Short-term loans and long-term loans as at 31 December 2020 and 2019 consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term loans to related parties (see note 8)	17,055	65,769	889,326	746,610
<u>Less: Allowance for doubtful debts</u>	<u>(9,100)</u>	<u>(62,600)</u>	<u>(9,100)</u>	<u>(62,600)</u>
<b>Short-term loans to related parties - net</b>	<b><u>7,955</u></b>	<b><u>3,169</u></b>	<b><u>880,226</u></b>	<b><u>684,010</u></b>
Short-term loans to non-related persons	25,000	-	25,000	-
Short-term loans to non-related companies	42,550	-	42,550	-
<b>Short-term loans to non-related parties</b>	<b><u>67,550</u></b>	<b><u>-</u></b>	<b><u>67,550</u></b>	<b><u>-</u></b>
Long-term loans to non-related parties	7,000	20,000	7,000	20,000
<u>Less: Current portion due within 1 year</u>	<u>(7,000)</u>	<u>(12,000)</u>	<u>(7,000)</u>	<u>(12,000)</u>
<b>Long-term loans to non-related party - net</b>	<b><u>-</u></b>	<b><u>8,000</u></b>	<b><u>-</u></b>	<b><u>8,000</u></b>

As at 31 December 2020 and 2019, the Company has loans to a non-related party of Baht 7 million and Baht 20 million, lending to Mitprasong Greenpower Co., Ltd. which will be repaid on a monthly basis by Baht 1 million, without interest charged.

## 12. Inventory

Inventory as at 31 December 2020 and 2019 consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Finished goods	21,156	23,862	1,738	1,738
<u>Less: Allowance for diminution of value</u>	<u>(7,953)</u>	<u>(7,229)</u>	<u>(1,720)</u>	<u>(1,720)</u>
<b>Net</b>	<b><u>13,203</u></b>	<b><u>16,633</u></b>	<b><u>18</u></b>	<b><u>18</u></b>

### 13. Other current financial assets (2019: Temporary investments)

Movements of the temporary investments in equity instrument account for the year ended 31 December 2020 and 2019 were summarized as below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2020	2019
<i>Beginning balance</i>	7,371	9,354
<i>Disposals</i>	-	(2,238)
<i>Gain (Loss) on change in value</i>	(1,124)	255
<b><i>Ending balance</i></b>	<b>6,247</b>	<b>7,371</b>

### 14. Restricted bank deposits

As at 31 December 2020 and 2019, the Group have current restricted bank deposits in amount of Baht 72.93 million and Baht 76.21 million, respectively, with interest rate of 0.06% - 0.38% and 0.05% - 0.85% per annum. The restricted deposits are used as collateral against to secure credit facilities and letter of guarantees obtained from the banks which is due within one year (Separate financial statements: Nil).

### 15. Deposit for business due diligence

Deposits for business due diligence as at 31 December 2020 and 2019 comprised of as follows:

Payer	Receiver	Related by	(Unit: Thousand Baht)			
			Consolidated		Separate	
			financial statements		financial statements	
			2020	2019	2020	2019
Seven Utilities and Power Public Company Limited	- Shareholder of the Company	Related person	-	75,000	-	75,000
Company Limited	- World Honour Trading Limited.	Non-related company	243,293	-	243,293	-
	- Bangkok Dec-Con Pcl.	Non-related company	15,000	-	15,000	-
Ferrum Energy Co., Ltd.	- Excellent Tech Co., Ltd.	Non-related company	2,500	2,500	-	-
<b>Total</b>			<b>260,793</b>	<b>77,500</b>	<b>258,293</b>	<b>75,000</b>
<b>Less: Allowance for diminution in value</b>			<b>(17,500)</b>	<b>(2,500)</b>	<b>(15,000)</b>	<b>-</b>
<b>Total deposit for business due diligence - net</b>			<b>243,293</b>	<b>75,000</b>	<b>243,293</b>	<b>75,000</b>

As at 31 December 2020, the subsidiary company had the deposit for leasehold rights in land Baht 350 million.

Change in the deposits for business due diligence account for the year ended 31 December 2020 and 2019 were summarized as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Balance as at beginning of the year	75,000	170,000	75,000	160,000
Increase during the year	765,000	15,000	415,000	15,000
Received during the year	(231,707)	(160,000)	(231,707)	(100,000)
Less : allowance for diminution in value	(15,000)	-	(15,000)	-
Reverse of allowance for diminution in value	-	50,000	-	-
<b>Balance as at end of the year</b>	<b>593,293</b>	<b>75,000</b>	<b>243,293</b>	<b>75,000</b>

## 16. Investments in subsidiaries

16.1 Details of investments in subsidiaries as at 31 December 2020 and 2019 are as follows:

(Unit: Thousand Baht)

Company	Separate financial statements					
	Paid-up capital		Shareholding percentage		Cost	
	2020	2019	2020	2019	2020	2019
Star Gas Co., Ltd.	60,000	60,000	99.99	99.99	550,000	550,000
Energy For Society Co., Ltd.	250,000	250,000	99.99	99.99	249,999	249,999
SAM Water Supply Co., Ltd.	109,500	65,500	51.00	90.84	81,744	107,500
Ferrum Capital Co., Ltd.	50,000	50,000	99.99	99.99	50,000	50,000
M - Solution Co., Ltd.	10,000	10,000	99.99	99.99	13,327	13,327
Total					945,070	970,826
Less: Allowance for impairment					(211,910)	(198,582)
<b>Investments in subsidiaries - net</b>					<b>733,160</b>	<b>772,244</b>



## 16.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Thousand Baht)

Company	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interest during the year	
	2020	2019	2020	2019	2020	2019
	<i>Subsidiary directly held by the Company</i>					
SAM Water Supply Co., Ltd	49	9	51	4	5	1
<i>Subsidiary companies of Ferrum Energy Co., Ltd.</i>						
Phrasaeng Green Power Co., Ltd.	40	40	54	(8)	1	(12)
Eco Energy Group Corporation Co., Ltd.	-	23	-	(2)	-	(6)
Energy Revolution Co., Ltd.	62	70	33	-	(2)	1

Summarized financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling.

Summarized information about financial position.

(Unit: Million Baht)

	SAM Water Supply Co., Ltd.		Phrasaeng Green Power Co., Ltd.		Eco Energy Group Corporation Co., Ltd.		Energy Revolution Co., Ltd.	
	2020	2019	2020	2019	2020	2019	2020	2019
	Current assets	18	368	10	13	11	18	61
Non-current assets	178	40	141	149	116	106	1	-
Current liabilities	50	301	30	36	11	124	13	13
Non-current liabilities	53	56	19	24	-	-	-	-

## Summarized information about comprehensive income

(Unit: Million Baht)

	SAM Water		Phrasaeng Green		Eco Energy Group		Energy Revolution	
	Supply		Power Co., Ltd.		Corporation Co.,		Co., Ltd.	
	2020	2019	2020	2019	2020	2019	2020	2019
Revenue	47	32	22	45	55	12	5	10
Profit	5	4	1	20	42	7	(3)	3
Other comprehensive income	-	4	-	20	-	7	-	3

## Summarized information about cash flows

(Unit: Million Baht)

	SAM Water Supply		Phrasaeng Green Power		Eco Energy Group Corporation Co.,		Energy Revolution Co.,	
	Co., Ltd.		Co., Ltd.		Ltd.		Ltd.	
	2020	2019	2020	2019	2020	2019	2020	2019
Cash flows from (used in) operating activities	202	126	9	(89)	108	758	29	(16)
Cash flows used from (used in) investing activities	(149)	205	(1)	(3)	1	(868)	-	21
Cash flows from (used in) financing activities	(53)	(331)	(10)	83	(109)	110	(31)	-
Net increase (decrease) in cash and cash equivalents	-	-	(2)	(9)	-	-	(2)	5

### 16.3 Disposal of investment in subsidiary company

16.3.1 On 23 March 2020, a meeting of the Executive Committees No. 4/2020 of the Company has passed a resolution approving Star Gas Co., Ltd. to dispose of all 9,998 shares in R.A. Logistics Co., Ltd., a subsidiary company, or 99.98% interest. Settlement was made in the form of cash payment amounting to Baht 14 million by the subsidiary company transferred the shares in R.A. Logistics Co., Ltd. and received payment for the shares in the form of cash amounting to Baht 14 million.

Gain on disposal of investment in this subsidiary company was as follows:

	(Unit: Thousand Baht)	
Cash received from disposal of investment in subsidiary company		14,000
<u>Less:</u> Cash and cash equivalents	(3,834)	
Trade and other current receivables	(2,235)	
Plant and equipment	(522)	
<u>Add:</u> Trade and other current payables	3,040	
Provision for employee benefits	250	(3,301)
Total		10,699
<u>Add:</u> Non-controlling interests		1
Gain on disposal of investment in subsidiary company		10,700

The Group recorded gain on disposal of investment in subsidiary company as presented in other income in the consolidated statement of comprehensive income.

Net cash flows from the disposal of investment in this subsidiary company was as follows:

	(Unit: Thousand Baht)	
Cash received from disposal of investment in subsidiary company		14,000
<u>Less:</u> Cash and cash equivalents of subsidiary company at disposal date		(3,834)
Net cash flows from disposal of investment in subsidiary company		10,166

16.3.2 On 12 November 2020, a meeting of the Board of Directors no.17/2020 of the Company has passed a resolution approving to dispose of all 52,375,434 shares or 99.87% in ECO Energy Group Corporation Co., Ltd., a subsidiary company, which including Pracharat Biomass Mae Lan Co., Ltd. and Pracharat Biomass Bannang Sata Co., Ltd., associate company of ECO Energy Group Corporation Co., Ltd. Settlement was made in the form of cash payment amounting to Baht 132 million by the subsidiary company transferred the shares in ECO Energy Group Corporation Co., Ltd., and received payment for the shares in the form of cash amounting to Baht 132 million.

Loss on disposal of investment in this subsidiary company was as follows:

	(Unit: Thousand Baht)	
Cash received from disposal of investment in subsidiary company		132,000
<u>Less:</u> Cash and cash equivalents	(364)	
Trade and other current receivables	(68)	
Investment in associates	(139,030)	
Intangible assets	(19)	
Goodwill	(27,227)	
<u>Add:</u> Trade and other current payables	372	
Other non-current liabilities	4,666	(161,670)
Total		(29,670)
<u>Add:</u> Non-controlling interests		169
Loss on disposal of investment in subsidiary company		<u>(29,502)</u>

16.3.3 On 3 December 2020, a meeting of the Board of Directors no. 18/2020 of the Company has passed a resolution approving to dispose of 476,552 shares or a 43.52% from totalling 1,034,996 shares or 94.52% in SAM Water Supply Co., Ltd. which is the Company's subsidiary, by amounting of Baht 47.65 million. Therefore, as the year ended 31 December 2020, the Company has the remain of shareholding of 558,444 shares or a 51.00% in SAM Water Supply Co., Ltd.

#### 16.4 Increase share capital in subsidiary

On 6 August 2020, the Extraordinary General Meeting of Shareholders No. 2/2020 of ERV International Co., Ltd. ("ERI"), a subsidiary of Ferrum Energy Co., Ltd. ("FEN") passed a resolution to approve the increase of the registered share capital of ERI, from Baht 1 million to Baht 300 million by issuing new ordinary shares of 2.99 million shares with a par value of Baht 100. In this regard, the Board of Directors approved the purchase of 100% of the shares, totalling of Baht 299 million. The first called up for paid-in capital was 25%, totalling of Baht 75 million. The Company registered the paid-up capital with the Department of Business Development, Ministry of Commerce on 11 August 2020.

On 17 August 2020, the Extraordinary General Meeting of Shareholders No. 1/2020 of SAM Water Supply Co., Ltd. ("SAM"), a subsidiary of Seven Utilities and Power Public Company Limited ("7UP") passed a resolution to approve the increase of the registered share capital of SAM, from Baht 65.50 million to Baht 103.50 million by issuing new ordinary shares of 0.38 million shares with a par value of Baht 100. The Company registered the paid-up capital with the Department of Business Development, Ministry of Commerce on 9 October 2020.

On 19 August 2020, the Board of Director Meeting No. 10/2020 of ECO Energy Group Corporation Co., Ltd. ("ECO"), a subsidiary of Ferrum Energy Co., Ltd. ("FEN") passed a resolution to approve the increase of the registered share capital

of ECO. from Baht 137.2 million to Baht 262.20 million by issuing new ordinary shares of 25 million shares with a par value of Baht 5. In this regard, the Board of Directors approved the purchase of 100% of the shares. The first called up for paid-in capital was 25%. The Company registered the paid-up capital with the Department of Business Development, Ministry of Commerce on 10 September 2020.

On 2 September 2020, the Extraordinary General Meeting of Shareholders No. 2/2020 of SAM Water Supply Co., Ltd. ("SAM"), a subsidiary of Seven Utilities and Power Public Company Limited ("7UP") passed a resolution to approve the increase of the registered share capital of SAM, from Baht 103.50 million to Baht 109.50 million by issuing new ordinary shares of 0.06 million shares with a par value of Baht 100. The Company registered the paid-up capital with the Department of Business Development, Ministry of Commerce on 9 October 2020.

#### 16.5 Establishment of subsidiary company

On 12 November 2020, the Board of Directors' Meeting No. 17/2020 passed a resolution to approve the establishment by Tawatpinyo Co., Ltd., a subsidiary company, of a new company named "Star Solar Power Co., Ltd.", which is 50.99% held by the subsidiary, to support the business of production and distributing electricity from solar energy, also distributing materials and equipment used in the manufacture of solar cell, with registered share capital of Baht 1.00 million (10,000 ordinary share of Baht 100 each). Such company registered its establishment on 13 November 2020.

## 17. Investments in associates

17.1 Investments in associates as at 31 December 2020 and 2019 consisted of: (Separate financial statements: Nil)

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Consolidated financial statements							
			Ownership interest (%)		Paid-up share capital		Cost method		Equity method	
			2020	2019	2020	2019	2020	2019	2020	2019
Universal Waste Management Co., Ltd.	Treatment and disposal of hazardous wastes including transportation	Thailand	30.00	30.00	135,000	135,000	135,000	135,000	144,806	139,106
Wangwiset Woodtrade Co., Ltd.	The mill operations sawmill wooden	Thailand	49.99	-	20,000	-	20,000	-	20,222	-
System And Software Services Co., Ltd.	Services and sales of equipment related to VR game	Thailand	35.00	35.00	3,500	3,500	3,500	3,500	-	-
Pracharat Biomass Maelan Co., Ltd.	Electric power generation and transmission	Thailand	42.98	59.37	54,100	42,500	-	42,500	(348)	42,147
Pracharat Biomass Bannangsata Co., Ltd.	Electric power generation and transmission	Thailand	48.67	59.30	72,530	47,030	-	47,030	(714)	46,610
<b>Total</b>							158,500	228,030	163,966	227,863
<b>Less:</b> Allowance for impairment							(3,500)	(3,500)	-	-
<b>Investments in associates - Net</b>							<b>155,000</b>	<b>224,530</b>	<b>163,966</b>	<b>227,863</b>

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Separate financial statements					
			Ownership interest (%)		Paid-up share capital		Cost method	
			2020	2019	2020	2019	2020	2019
Wangwiset Woodtrade Co., Ltd.	The mill operations sawmill wooden	Thailand	49.99	-	20,000	-	20,000	-
System And Software Services Co., Ltd.	Services and sales of equipment related to VR game	Thailand	35.00	35.00	3,500	3,500	3,500	3,500
Total							23,500	3,500
<u>Less: Allowance for impairment</u>							(3,500)	(3,500)
<b>Investments in associates - Net</b>							<b>20,000</b>	<b>-</b>

## 17.2 Approval of the acquisition of ordinary shares of Wangwiset Woodtrade Co., Ltd.

On 28 May 2020, the Executive Committee's Meeting No. 8/2020 had approved the acquisition of ordinary shares of Wangwiset Woodtrade Co., Ltd. ("WWS"), by the Company, from a person who is not a connected person and without any relationship and/or any connection with the Company's executives, Board of Directors, major shareholders, or controlling person of the Company and its subsidiaries of 5,000 ordinary shares at a par value of Baht 100 per share, totalling of Baht 500,000 (50% shareholding). WWS is a juristic person registered in Thailand with registered capital of Baht 1 million, which fully paid.

On 15 June 2020, the Executive Committee's Meeting No. 9/2020 passed a resolution to approve the increase of the registered capital of Wangwiset Woodtrade Co., Ltd. ("WWS"), an associate, amounting to Baht 39 million, from registered capital of Baht 1 million to Baht 40 million by issuing new ordinary shares of 390,000 shares with a par value of Baht 100 per share and allocated to the existing shareholders of the subsidiary according the proportion of each shareholder. In this regard, the Board of Directors approved the purchase of 37.50% of the shares, that was 145,000 shares at the price of Baht 100 per share, amounting to Baht 14.50 million. Such associate has registered with Department of Business Development, Ministry of Commerce on 16 June 2020.

To this respect, the Company hold 37.50% of the 75% issued and paid-up shares of WWS, whereas the Company has already paid for its shares of Baht 11.38 million on 22 June 2020.



## 18. Investment in joint venture

Investment in joint venture represents investment in entity which is jointly controlled by the Company and another company. Details of this investment are as follows:

		(Unit: Thousand Baht)					
		Consolidated				Separate	
		financial statements				financial statements	
		Carrying amount based					
		on equity method				Cost method	
Joint venture	Nature of business	Shareholding percentage		2020	2019	2020	2019
Mlink QIR Co., Ltd.	During liquidation process	60	60	(6,451)	(6,451)	9,000	9,000
<u>Less: Allowance for impairment of investment</u>				-	-	(9,000)	(9,000)
<b>Net</b>				<b>(6,451)</b>	<b>(6,451)</b>	-	-

Mlink QIR Co., Ltd., registered its dissolution with the Ministry of Commerce on 19 February 2018 and currently is in process of liquidation.

## 19. Investment properties

Change in investment properties account for the year ended 31 December 2020 and 2019 were summarized as follows:

(Consolidate financial statements : Nil)

		(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Net book value at beginning of year		-	-	204,680	203,200
Revaluation surplus		-	-	5,120	1,480
Reclassification to investment properties		113,965	-	-	-
<b>Net book value at end of year</b>		<b>113,965</b>	<b>-</b>	<b>209,800</b>	<b>204,680</b>

The Company had office building space for rental to its subsidiaries, associates and third parties thus classified the rental space as investment properties in the separate and consolidated financial statements

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent value. The fair value of the office building held for rent has been determined using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, space rental rate and long-term growth in real rental rates.

## 20. Property, plant and equipment

Change in property, plant and equipment account for the year ended 31 December 2020 and 2019 were summarized as follows:

(Unit: Thousand Baht)

	Consolidate financial statement							
	Balance as at 1 January 2020	The impact of TFRS 16	(Increase)	(Decrease)	Transfer in (out)	Additions From acquisition of business (see Note 7)	Deductions From Sale of business (see Note 16.3.1, 16.3.2)	Balance as at 31 December 2020
<b>Cost:</b>								
Land and land improvement	132,760	-	19,250	-	(299)	-	-	151,711
Buildings and building improvements	484,333	-	33,916	(64,109)	(49,589)	-	(70)	404,481
Biogas electricity generating system	147,595	-	-	(125)	(35,403)	-	-	112,067
Machinery and equipment	343,939	-	913	(37,051)	(10,590)	-	(1,218)	295,993
Office equipment	42,798	-	471	(519)	(3,172)	-	(371)	39,207
Furniture and fixtures	18,350	-	17	(347)	(13,355)	-	(103)	4,562
Motor Vehicles	25,366	(17,007)	-	-	663	-	(824)	8,198
Tools and equipment to repair mobile phone	4,482	-	9	(7)	6,879	-	-	11,363
<b>Total Costs</b>	<b>1,199,623</b>	<b>(17,007)</b>	<b>54,576</b>	<b>(102,158)</b>	<b>(104,866)</b>	<b>-</b>	<b>(2,586)</b>	<b>1,027,582</b>

(Unit: Thousand Baht)

	Consolidate financial statement							
	Balance as at 1 January 2020	The impact of TFRS 16	(Increase)	(Decrease)	Transfer in (out)	Additions From acquisition of business	Deductions From Sale of business	Balance as at 31 December 2020
<b>Accumulated depreciation:</b>								
Land improvement	(4,069)	-	(469)		(1)	-	-	(4,539)
Buildings and building improvements	(270,867)	-	(17,650)	4,621	54,777	-	70	(229,049)
Biogas electricity generating system	(56,722)	-	(6,386)	967	35,727	-	-	(26,414)
Machinery and equipment	(78,101)	-	(26,886)	8,158	16,649	-	702	(79,478)
Office equipment	(39,464)	-	(2,898)	511	6,874	-	370	(34,607)
Furniture and fixtures	(7,174)	-	(834)	347	5,968	-	98	(1,595)
Motor Vehicles	(12,399)	5,044	(405)	-	(458)	-	824	(7,394)
Tools and equipment to repair mobile phone	(3,697)	-	(1,522)	7	(2,481)	-	-	(7,693)
<b>Total accumulated depreciation</b>	<b>(472,493)</b>	<b>5,044</b>	<b>(57,050)</b>	<b>14,611</b>	<b>117,055</b>	<b>-</b>	<b>2,064</b>	<b>(390,769)</b>
Property, plant and equipment - net	727,130	-	-	-	-	-	-	636,813
Construction in progress	11,333	-	12,881	-	(11,528)	99,731	-	112,417
Less Allowance for diminution in value	(676)	-	(474)	-	8	-	-	(1,142)
<b>Property, plant and equipment - net</b>	<b>737,787</b>							<b>748,088</b>

(Unit: Thousand Baht)

	Consolidate financial statement					Balance as at 31 December 2019
	Balance as at 1 January 2019	The impact of TFRS 16	(Increase)	(Decrease)	Additions From acquisition of business (see Note 7)	
<b>Cost:</b>	132,760	-	-	-	-	132,760
Land and land improvement	461,500	-	22,893	(60)	-	484,333
Buildings and building improvements	145,821	-	1,774	-	-	147,595
Biogas electricity generating system	209,133	-	134,816	(17)	7	343,939
Machinery and equipment	42,336	-	1,523	(1,589)	528	42,798
Office equipment	15,935	-	2,068	-	347	18,350
Furniture and fixtures	149,952	-	9,416	(134,002)	-	25,366
Motor Vehicles	5,404	-	957	(1,879)	-	4,482
Tools and equipment to repair mobile phone	1,162,841	-	173,447	(137,547)	882	1,199,623

(Unit: Thousand Baht)

	Consolidate financial statement				Balance as at 31 December 2019
	Balance as at 1 January 2019	(Increase)	(Decrease)	Additions from acquisition of business	
<b>Accumulated depreciation:</b>					
Land improvement	(3,600)	(469)	-	-	(4,069)
Buildings and building improvements	(251,179)	(19,688)	-	-	(270,867)
Biogas electricity generating system	(50,905)	(5,817)	-	-	(56,722)
Machinery and equipment	(52,219)	(25,877)	2	(7)	(78,101)
Office equipment	(36,522)	(3,425)	1,025	(542)	(39,464)
Furniture and fixtures	(6,413)	(414)	-	(347)	(7,174)
Motor Vehicles	(98,194)	(12,075)	97,870	-	(12,399)
Tools and equipment to repair mobile phone	(3,168)	(1,416)	887	-	(3,697)
<b>Total accumulated depreciation</b>	<b>(502,200)</b>	<b>(69,181)</b>	<b>99,784</b>	<b>(896)</b>	<b>(472,493)</b>
Property, plant and equipment - net	660,641				727,130
Construction in progress	79,776	2,140	(70,583)	-	11,333
Less Allowance for diminution in value	(676)	-	-	-	(676)
<b>Total property, plant and equipment</b>	<b>739,741</b>				<b>737,787</b>
<b>Depreciation for the year ended 31 December</b>					
2020				<b>Thousand Baht</b>	<b>(57,050)</b>
2019				<b>Thousand Baht</b>	<b>(69,181)</b>

(Unit: Thousand Baht)

	Separate financial statement					Balance as at 31 December 2020
	Balance as at 1 January 2020	The impact of TFRS 16	Increase	(Decrease)	Transfer in (out)	
<b>Cost:</b>						
Land	111,650	-	19,250	-	-	130,900
Buildings and building improvements	246,531	-	-	(33,573)	-	212,958
Office equipment	29,047	-	122	(201)	-	28,968
Furniture and fixtures	871	-	-	-	-	871
Motor Vehicles	17,698	(15,061)	-	-	1,392	4,029
Tools and equipment to repair mobile phone	2,505	-	-	-	-	2,505
<b>Total Costs</b>	<b>408,302</b>	<b>(15,061)</b>	<b>19,372</b>	<b>(33,774)</b>	<b>1,392</b>	<b>380,231</b>
<b>Accumulated depreciation:</b>						
Buildings and building improvements	(165,858)	-	(4,988)	-	-	(170,846)
Office equipment	(26,069)	-	(1,083)	196	-	(26,956)
Furniture and fixtures	(307)	-	(175)	-	-	(482)
Motor Vehicles	(7,089)	4,598	(88)	-	(1,129)	(3,708)
Tools and equipment to repair mobile phone	(2,492)	-	(4)	-	-	(2,496)
<b>Total accumulated depreciation</b>	<b>(201,815)</b>	<b>4,598</b>	<b>(6,338)</b>	<b>196</b>	<b>(1,129)</b>	<b>(204,488)</b>
<b>Total property, plant and equipment</b>	<b>206,487</b>					<b>175,743</b>

(Unit: Thousand Baht)

	Separate financial statement			Balance as at 31 December 2019
	Balance as at 1 January 2019	Increase	(Decrease)	
<b>Cost:</b>				
Land	111,650	-	-	111,650
Buildings and building improvements	246,344	187	-	246,531
Office equipment	28,928	241	(122)	29,047
Furniture and fixtures	771	100	-	871
Motor Vehicles	30,621	3,700	(16,623)	17,698
Tools and equipment to repair mobile phone	2,505	-	-	2,505
<b>Total Costs</b>	<b>420,819</b>	<b>4,228</b>	<b>(16,745)</b>	<b>408,302</b>
<b>Accumulated depreciation:</b>				
Buildings and building improvements	(160,841)	(5,017)	-	(165,858)
Office equipment	(24,959)	(1,214)	104	(26,069)
Furniture and fixtures	(148)	(159)	-	(307)
Motor Vehicles	(20,084)	(2,785)	15,780	(7,089)
Tools and equipment to repair mobile phone	(2,488)	(4)	-	(2,492)
<b>Total accumulated depreciation</b>	<b>(208,520)</b>	<b>(9,179)</b>	<b>15,884</b>	<b>(201,815)</b>
<b>Property, plant and equipment - net</b>	<b>212,299</b>			<b>206,487</b>
<b>Depreciation for the year ended 31 December</b>				
2020			<b>Thousand Baht</b>	<b>(6,338)</b>
2019			<b>Thousand Baht</b>	<b>(9,179)</b>

As at 31 December 2020 and 2019, the Company and its subsidiaries have mortgaged their land, buildings and machine with total net book value amounting to Baht 314 million and Baht 341 million, respectively. For separate financial statements amounting to Baht 173 million and Baht 192 million, respectively, to secure credit facilities for long-term borrowing from a financial institution (see Note 30).

The Company and its subsidiaries company arranged for an independent professional valuer to appraise the value of certain assets in 2020 on an asset-by-asset basis. The basis of the revaluation was as follows:

- Land was revalued using the market approach
- Buildings and building improvements were revalued using the cost approach

Had the land, buildings and building improvements been carried in the financial statements on a historical cost basis, their net book value as of 31 December 2020 and 2019 would have been as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Land	77,659	-	67,200	-
Buildings and building improvements	186,337	-	75,687	-

As at 31 December 2020, the Company and its subsidiaries had motor vehicles with net book value of Baht 6 million (Separate financial statements: Baht 4 million) (2019: Baht 11 million) (Separate financial statements: Baht 10 million)).

As at 31 December 2020, the Company and its subsidiaries have certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 304 million (2019: Baht 143 million) (Separate financial statements: Baht 264 million (2019: Baht 67.50 million)).



## 21. Right-of-use assets

The recognised right-of-use assets for the year ended 31 December 2020 were summarized as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					Balance as at 31 December 2020
	Balance as at 31 January 2020	The impact of TFRS 16	Increase	(Decrease)	Transfer in (out)	
<b>Cost:</b>						
Land and land improvement	-	221,872	-	-	-	221,872
Buildings and building improvements	-	8,528	-	-	-	8,528
Machinery and equipment	-	2,881	-	-	-	2,881
Motor Vehicles	-	17,007	-	(3,700)	(1,392)	11,915
<b>Total Costs</b>	-	250,288	-	(3,700)	(1,392)	245,196
<b>Accumulated depreciation:</b>						
Land and land improvement	-	(19,603)	-	-	-	(19,603)
Buildings and building improvements	-	(346)	-	-	-	(346)
Machinery and equipment	-	(1,027)	-	-	-	(1,027)
Motor Vehicles	-	(5,044)	(3,203)	783	1,129	(6,335)
<b>Total accumulated depreciation</b>	-	(26,020)	(3,203)	783	1,129	(27,311)
<b>Total Right of use assets - net</b>	-					<b>217,885</b>

(Unit: Thousand Baht)

Separate financial statements

	Balance as at 31 January 2020	The impact of TFRS 16	Increase	(Decrease)	Transfer in (out)	Balance as at 31 December 2020
<b>Cost:</b>						
Motor Vehicles	-	15,061	-	(3,700)	(1,392)	9,969
Total Costs	-	15,061	-	(3,700)	(1,392)	9,969
<b>Accumulated depreciation:</b>						
Motor Vehicles	-	(4,598)	(2,813)	783	1,129	(5,499)
Total accumulated depreciation	-	(4,598)	(2,813)	783	1,129	(5,499)
<b>Total Right of use assets</b>	-					<b>4,470</b>

## 22. Goodwill

Movements of the goodwill account during the years ended 31 December 2020 and 2019 were summarized below.

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2020	2019
		“Restated”
Balance as at beginning of the year	192,697	186,695
Increase from business acquisition	-	56,737
<u>Less:</u> Effect from the measurement as at the acquisition date (see Note 6.3)	-	(29,510)
Decrease from disposal of investment in subsidiary company (see Note 16.3.2)	(27,227)	-
Impairment	-	(21,225)
<b>Balance as at end of the year</b>	<b>165,470</b>	<b>192,697</b>

Goodwill of 2019 was arising from the Company bought shares of Eco Energy Group Corporation Co., Ltd.

The Company and its subsidiary have determined recoverable amounts of their cash generating units (CGUs) based on value in use calculation using cash flow projections from financial budgets approved by the management.

The management has considered the growth rate from historical operations, expected market growth rate, gross domestic product growth rate and discount rate which are the rates before income tax which relate to the specific risk in that operating segment.

## 23. Leasehold right

Change in leasehold rights account for the year ended 31 December 2020 and 2019 were summarized as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net book value at beginning of the year	62,653	48,339	13	588
Increase	7,954	16,720	-	-
Amortization	(2,303)	(2,406)	(13)	(575)
<b>Net book value at end of year</b>	<b>68,304</b>	<b>62,653</b>	<b>-</b>	<b>13</b>

During the year 2020, Star Petroleum Plus Co., Ltd. and Star Gas Co., Ltd., which are the subsidiary company, entered into petrol stations agreement for period of 30 years for business operation. The subsidiaries have already paid of Baht 7.95 million for the leasehold rights.

## 24. Intangible assets

Intangible assets as at 31 December 2020 and 2019 consist of:

(Unit: Thousand Baht)

	Consolidated financial statements					Balance as at 31 December 2020
	Balance as at 1 January 2020	Increase	(Decrease)	Increase from business acquisition	(Decrease) from business sale	
<b>Cost:</b>						
Computer software and application software	163,932	888	(1)	-	(34)	164,785
Petty patent	-	143	-	-	-	143
Rights under electricity purchase and sale agreements	90,420	-	-	-	-	90,420
Rights and benefits under land lease agreements	69,045	-	(16,666)	-	-	52,379
Rights under gas station management agreements	82,640	-	-	-	-	82,640
Customer contracts	52,009	-	-	-	-	52,009
<b>Total Costs</b>	<b>458,046</b>	<b>1,031</b>	<b>(16,667)</b>	<b>-</b>	<b>(34)</b>	<b>442,376</b>

(Unit: Thousand Baht)

	Consolidated financial statements					Balance as at 31 December 2020
	Balance as at 1 January 2020	Increase	(Decrease)	Increase from business acquisition	(Decrease) from business sale	
<b>Accumulated amortization:</b>						
Computer software and application software	(58,348)	(1,212)	-	-	15	(59,545)
Petty patent	-	(54)	-	-	-	(54)
Rights under electricity purchase and sale agreements	(14,628)	(3,940)	-	-	-	(18,568)
Rights and benefits under land lease agreements	(12,521)	(12,291)	3,340	-	-	(21,472)
Rights under gas station management agreements	(10,548)	(3,737)	-	-	-	(14,285)
Customer contracts	(8,692)	(10,430)	-	-	-	(19,122)
Total accumulated amortization	(114,610)	(31,666)	3,340	-	15	(133,046)
Intangible assets - net	353,309					309,330
Less Allowance for diminution in value	(101,747)					(101,747)
<b>Total intangible assets</b>	<b>251,562</b>					<b>207,583</b>

(Unit: Thousand Baht)

	Consolidated financial statements					Balance as at 31 December 2019
	Balance as at 1 January 2019	Increase	(Decrease)	Increase from business acquisition	(Decrease) from business sale	
<b>Cost:</b>						
Computer software and application software	163,358	574	-	-	-	163,932
Rights under electricity purchase and sale agreements	90,420	-	-	-	-	90,420
Rights and benefits under land lease agreements	69,045	-	-	-	-	69,045
Rights under gas station management agreements	82,640	-	-	-	-	82,640
Customer contracts	52,009	-	-	-	-	52,009
<b>Total Costs</b>	<b>457,472</b>	<b>574</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>458,046</b>
<b>Accumulated amortization:</b>						
Computer software and application software	(57,235)	(1,113)	-	-	-	(58,348)
Rights under electricity purchase and sale agreements	(10,699)	(3,929)	-	-	-	(14,628)
Rights and benefits under land lease agreements	(8,097)	(4,424)	-	-	-	(12,521)
Rights under gas station management agreements	(6,821)	(3,727)	-	-	-	(10,548)
Customer contracts	-	(8,692)	-	-	-	(8,692)
<b>Total accumulated amortization</b>	<b>(92,725)</b>	<b>(21,885)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(114,610)</b>
<b>Intangible assets - net</b>	<b>374,620</b>					<b>353,309</b>
<b>Less Allowance for diminution in value</b>	<b>(101,747)</b>					<b>(101,747)</b>
<b>Total intangible assets</b>	<b>272,873</b>					<b>251,562</b>

**Amortization for the year ended 31 December**

2020

**Thousand Baht** 31,666

2019

**Thousand Baht** 21,885

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at	Increase	(Decrease)	Balance as at
	1 January			31 December
	2020			2020
<b>Cost:</b>				
Computer software	22,592	39	-	22,631
Total Costs	22,592	39	-	22,631
<b>Accumulated amortization:</b>				
Computer software	(19,148)	(919)	-	(20,067)
Total accumulated amortization	(19,148)	(919)	-	(20,067)
<b>Total intangible assets</b>	<b>3,444</b>			<b>2,564</b>

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at	Increase	(Decrease)	Balance as at
	1 January			31 December
	2019			2019
<b>Cost:</b>				
Computer software	22,061	531	-	22,592
Total Costs	22,061	531	-	22,592
<b>Accumulated amortization:</b>				
Computer software	(18,269)	(879)	-	(19,148)
Total accumulated amortization	(18,269)	(879)	-	(19,148)
<b>Total intangible assets</b>	<b>3,792</b>			<b>3,444</b>

**Amortization for the years ended 31 December**

2020	<b>Thousand Baht</b>	919
2019	Thousand Baht	879

## 25. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 consists of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Current income tax</b>				
Current corporate income tax charge for the year	9,616	6,044	-	-
<b>Deferred tax</b>				
Deferred tax relating to origination and reversal of temporary differences	4,158	2,548	(2,315)	1,981
<b>Income tax expenses reported in the statement of comprehensive income</b>	<b>13,774</b>	<b>8,592</b>	<b>(2,315)</b>	<b>1,981</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Deferred tax on relating to loss from revaluation of land, buildings and building improvements	(23,839)	621	3,488	621
Deferred tax relating to actuarial gain	(269)	618	117	125
<b>Income tax expenses recognized in the other comprehensive income</b>	<b>(24,108)</b>	<b>1,239</b>	<b>3,605</b>	<b>746</b>



The reconciliation between accounting loss and income tax expenses are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Accounting gain (loss) before corporate income tax	136,437	55,278	78,491	74,052
Corporate income tax rate	exempt, 20%	exempt, 20%	20%	20%
Accounting gain (loss) before income tax multiplied by income tax rate	19,974	19,220	15,698	14,810
Tax effects for:				
Promotional privileges	(294)	(1,467)	-	-
Utilization of tax loss carry forward	(47,642)	(38,072)	(47,642)	(17,720)
Non-deductible of tax expenses	2,605	18,508	789	2,363
Additional expense deductions allowed	833	238	688	-
Total	(44,498)	(20,793)	(46,165)	(15,357)
Deferred tax assets not recognized	34,626	13,267	28,152	2,528
Write-off deferred tax assets	-	-	-	-
Gain from bargain purchase of investment in subsidiary companies	(2,018)	(2,342)	-	-
Loss on disposal of investment in subsidiary companies	6,662	-	-	-
Share of profit from investment in associates companies	(972)	(760)	-	-
Share of profit from investment in joint venture	-	-	-	-
<b>Income tax expenses reported in the statement of comprehensive income</b>	<b>13,774</b>	<b>8,592</b>	<b>(2,315)</b>	<b>1,981</b>

The components of deferred tax assets and deferred tax liabilities in the statement of financial position as at 31

December 2020 and 2019 were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Deferred tax assets</b>				
Government grants	-	1,447	-	-
Provision for long-term employee benefits	2,187	1,857	-	-
Provision for investment in subsidiary companies	-	200	-	-
Finance lease agreement	-	202	-	-
<b>Total</b>	<b>2,187</b>	<b>3,706</b>	<b>-</b>	<b>-</b>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Deferred tax liability</b>				
Surplus on revaluation of assets	72,430	86,075	57,677	62,913
Surplus on revaluation of investment properties	24,113		1,320	
Building and building improvement which changed useful lives	330	172	330	171
Finance lease agreement	-	2,046	-	2,046
Provision for long-term employee benefits	268	(125)	(242)	(125)
<b>Total</b>	<b>97,141</b>	<b>88,168</b>	<b>59,085</b>	<b>65,005</b>

Deferred tax assets and liabilities balance in statement of financial position were as follows:

(Unit: Thousand Baht)

	Statement of financial position			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
Deferred tax assets	2,187	3,706	-	-
Deferred tax liabilities	(97,141)	(88,168)	(59,085)	(65,005)
Deferred tax net	(94,954)	(84,462)	(59,085)	(65,005)

As at 31 December 2020 the Company and its subsidiary companies have deductible temporary differences and unused tax losses totalling Baht 188 million (2019: Baht 223 million) (Separate financial statements: Baht 100 million and (2019: Baht 135 million)), on which deferred tax assets have not been recognized as the Company and subsidiary companies believe that the future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

Details of expiry date of unused tax losses and deductible temporary differences are summarized were as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Unused tax losses				
31 December 2020	-	54	-	29
31 December 2021	40	40	24	24
31 December 2022	22	22	15	15
31 December 2023	11	11	2	2
31 December 2024	18	18	-	-
Deductible temporary differences	97	88	59	65
<b>Total</b>	<b>188</b>	<b>233</b>	<b>100</b>	<b>135</b>

## 26. Other non-current financial assets (2019: Other long-term investments)

Other non-current financial assets in the consolidated financial statements as at 31 December 2020 and 2019 are as follows:

(Unit: Thousand Baht)

Company	Consolidated financial statements					
	Paid up capital		Shareholding percentage		Amount	
	2020	2019	2020	2019	2020	2019
Smothong Group Co., Ltd.	688,400	688,400	1.22	1.22	56,539	24,801
Vithai Biopower Co., Ltd.	-	250,000	-	16.00	-	40,000
Gold Shores Co., Ltd.	637,994	-	10.00	-	115,854	-
<u>Less: Allowance for impairment</u> of other non-current financial assets					-	(40,000)
<b>Total</b>					<b>172,392</b>	<b>24,801</b>

(Unit: Thousand Baht)

Company	Separate financial statements					
	Paid up capital		Shareholding percentage		Amount	
	2020	2019	2020	2019	2020	2019
Gold Shores Co., Ltd.	637,995	-	10.00	-	115,854	-
<b>Total</b>					<b>115,854</b>	<b>-</b>

## 27. Other Non-Current Assets

Other non-current assets as at 31 December 2020 and 2019 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Deposit for project	20,473	-	-
Others	1,853	5,163	384	384
<b>Total other non-current assets</b>	<b>22,326</b>	<b>5,163</b>	<b>384</b>	<b>384</b>

During the year 31 December 2020, the subsidiaries of SAM Water Supply Co., Ltd. have deposited for construction fee amount Baht 20.47 million.

## 28. Bank overdrafts and short-term borrowings from financial institutions

Bank overdrafts and short-term borrowings from financial institutions as at 31 December 2020 and 2019 consisted of the following:

	Interest rate		Consolidated		(Unit: Thousand Baht)	
	(percent per annum)		financial statements		Separate	
	2020	2019	2020	2019	2020	2019
Short-term borrowings						
from banks	4.70 – 6.03	4.70 - 6.24	129,500	110,000	70,000	70,000
Trust receipt	4.25 – 5.38	-	44,546	-	-	-
<b>Total</b>			<b>174,046</b>	<b>110,000</b>	<b>70,000</b>	<b>70,000</b>

## 29. Trade and other current payables

Trade and other current payables as at 31 December 2020 and 2019 consisted of the following:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2020	2019	2020	2019
Trade payables - related parties (see Note 8)	8,260	796	-	-
Trade payables - non-related parties	51,740	58,828	-	-
Other payables - related parties (see Note 8)	17,869	57,245	13,869	57,245
Other payables - non-related parties	44,254	6,092	1,106	2,273
Accrued expenses - related parties (see Note 8)	1,008	346	32	-
Accrued expenses - non-related parties	43,759	24,460	3,058	4,478
Accrued interest expenses - related parties (see Note 8)	1,352	1,053	12,096	7,487
Accrued interest expenses - non-related parties	2,172	189	2,029	-
Others	25,144	22,175	1,077	2,271
<b>Total trade and other payables</b>	<b>195,558</b>	<b>171,184</b>	<b>33,267</b>	<b>73,754</b>

### 30. Long-term borrowings from financial institutions

Long-term borrowings from financial institutions as at 31 December 2020 and 2019 consisted of the following:

(Separate financial statement: Nil)

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2020	2019
Long-term borrowings	119,524	158,770
<u>Less: Current portion</u>	<u>(47,992)</u>	<u>(64,657)</u>
<b>Long-term borrowings - net of current portion</b>	<b>71,532</b>	<b>94,113</b>

(Unit: Thousand Baht)

Company	Credit facilities	Significant terms and conditions of loan agreements			Consolidated financial statements	
		Repayment schedule	Collateral	Interest rate (% per annum)	2020	2019
<b>Subsidiaries</b>						
Phrasaeng Green Power Co., Ltd.	100,000	<ul style="list-style-type: none"> <li>- 1st to the 8th installments after first drawdown: payment only of interest on the drawn down portion of the loan at the end of each month.</li> <li>- 9th to 18th installment: payment of principal and interest, at not less than Baht 1.57 million per month with settlement completed within 6 years.</li> <li>- 19th installment: perpetuating the contract for 9 months and paying interest of loan each end of the month for 19th to the 27th installments.</li> <li>- From the 28th installment: payment of principal and interest, at not less than Baht 1.18 million per month with settlement completed within 6 years 9 months.</li> </ul>	<ol style="list-style-type: none"> <li>1. Land and buildings</li> <li>2. Guarantees by directors of the Company and its subsidiaries</li> </ol>	1st to the 18th installments: MLR-1% per annum 19th to the 30th installments: MLR-1.5% per annum From the 31th installment: MLR-1% per annum	36,376	42,656
Star Gas Co., Ltd.	123,600	<ul style="list-style-type: none"> <li>- 1st to 3rd installments after first drawdown: payment only of interest on the drawn down portion of the loan at the end of each month.</li> <li>- From the 4th installment: payment of principal of Baht 2.13 million, together with separate interest payments, with settlement completed within 5 years.</li> </ul>	<ol style="list-style-type: none"> <li>1. Leasehold rights to land on which gas stations are located</li> <li>2. Have Tawatpinyo Co., Ltd. transfer rights to receive payment for gas station management income to the bank</li> </ol>	MLR-1.5% per annum	-	14,974

Company	Credit facilities	Significant terms and conditions of loan agreements			(Unit: Thousand Baht) Consolidated financial statements	
		Repayment schedule	Collateral	Interest rate (% per annum)	2020	2019
<b>Subsidiaries (continued)</b>						
SAM Water Supply Co., Ltd.	125,000	<ul style="list-style-type: none"> <li>- 1st to 5th installments after the first drawdown: only interest on the drawn down portion of the loan is payable, on a monthly basis.</li> <li>- 6th to 53rd installment: payment of principal of Baht 2.08 million together with interest.</li> <li>- 54th installment: payment of the remaining principal together with interest.</li> </ul>	<ol style="list-style-type: none"> <li>1. Fixed deposit at Baht 30 million</li> <li>2. Fully guaranteed by the Company</li> <li>3. Assignment the collection right of service fee under water treatment solutions for shrimp farms using Ultrafiltration (UF) and Ozone system Contract to bank</li> </ol>	3.58% per annum	83,148	101,140
Total Long-term borrowings from financial institutions					119,524	158,770
<u>Less:</u> Current portion of long-term borrowings from financial institutions					(47,992)	(64,657)
Long-term borrowings from financial institutions - net current portion of long-term borrowings from financial institutions					71,532	94,113

According to loan agreement of Star Gas Co., Ltd., the subsidiary company must comply with the conditions stipulated in the agreement, such as maintaining percentage shareholdings, maintaining debt to equity ratio as not more than 1.2 times and debt service coverage ratio at not lower than 1.2 times as from the year 2016.



Movements in the long-term loans account during the years ended 31 December 2020 and 2019 were summarized below: (Separate financial statement: Nil)

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2020	2019
Beginning balance of the year	158,770	148,104
<u>Add:</u> Additional borrowings during the year	-	78,926
<u>Less:</u> Repayment during the year	(39,246)	(68,260)
<b>Ending balance of the year</b>	<b>119,524</b>	<b>158,770</b>

On 1 August 2019 and 21 August 2018, SAM Water Supply Co., Ltd., a subsidiary company, entered into a loan agreement with a local bank totalling Baht 25 million and Baht 125 million carry interest at 6.78% per annum and 3.58% per annum, respectively. The repayment of the first instalment is on the 4th month and 6th month after date on the loan agreement with payment of principal and interest to be completed within the 48th month. The subsidiary company is required to comply with covenants stipulated in the agreements, such as maintaining debt service coverage ratios at not lower than 1.25 - 1.5 times as from the year 2019 and debt to equity ratio of not more than 2 - 3 times in 2019 and 2 times from the year 2020 and not allow for dividend payment. In addition, the subsidiary had entered into an interest rate swap agreement with the above local bank for totalling loan of Baht 70 million to hedge the volatility of interest rate by paying interest at floating rates as specified in the agreement in exchange for fixed rates. However, the agreement will come into force on 1 February 2019. As at 31 December 2020, the subsidiary had loan outstanding of Baht 83 million (2019: Baht 101 million).

### 31. Short-term borrowings

Short-term borrowings as at 31 December 2020 and 2019 consist of the following:

	(Unit: Thousand Baht)					
	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	2020	2019	2020	2019	2020	2019
Related company (see Note 8)	6.25	6.75	29,007	62,454	137,175	89,105
Director of subsidiary (see Note 8)	-	-	16,432	259	-	-
Shareholder (see Note 8)	-	-	19,794	-	-	-
Non-related company	-	-	50	-	-	-
<b>Total short-term borrowings</b>			<b>65,283</b>	<b>62,713</b>	<b>137,175</b>	<b>89,105</b>

As at 31 December 2020 and 2019, the Company and its subsidiaries have short-term borrowing in term of promissory notes, with no collateral, at call.

### 32. Convertible debentures

26 May 2020, the Annual General Meeting of Shareholder has approved the issuance and offering of the convertible debentures on a private placement basis and is not a person related with the company in the amount of not exceeding Baht 650 million, the Company has entered into the convertible debentures agreement to issue the convertible debentures on a private placement basis to Advance Opportunities Fund and Advance Opportunities Fund I. The convertible debentures will be issued from time to time until the amount is Baht 650 million and were summarized below:

Type of Convertible Debentures	Senior Unsecured Convertible Debentures
Currency	THB
Total Principal amount	Not exceeding Baht 650 million as it can be broken down to 3 Tranche as below; <ol style="list-style-type: none"><li>1. Tranche 1 not exceeding Baht 200 million which is divided in to 20 sets and Baht 10 million per set</li><li>2. Tranche 2 not exceeding Baht 200 million which is divided in to 20 sets and 10 million Baht per set</li><li>3. Tranche 3 not exceeding Baht 250 million which is divided in to 10 sets and Baht 25 million per set</li></ol>
Conversion condition	The company which issued the convertible bond following by Tranche (1-3) according to the liquidity of the company.  The issuance has to follow the condition precedent which is approval of The Securities and Exchange Commission and other regulator including condition and conversion of such Convertible Debentures.  However, the timeframe of the conversion is within 1 year after shareholder's meeting approved the issuance. But it can be reconsidered by shareholder if the company would like to extend these matter
Interest rate	2 percent per annum, provided that the interest will be paid on a quarterly basis.
Maturity period	Not over 3 year after the issuance of each Tranche.
Payback condition	Repay in lumpsum after each due of specific Tranche according to the term and condition of the Convertible Debenture. In such, for each Tranche the maturity period is not over 3 year after the issuance

Redeem rights before due date	The holders of the Convertible Debentures may or may not have rights to redeem the Convertible Debentures before due date and/or the issuer of the Convertible Debentures may or may not have rights to redeem the Convertible Debentures before due date too. The redemption has to be followed by the terms and conditions of each set aligned with rules, regulations, laws and/or permissions from related authorized Governmental Bodies.
Conversion price	Not lower than 90 percent of market price which does not in the case the price is lower than the offering price offered pursuant to the Notification No. Tor Chor. 72/2558 The market price shall be calculated based on the weighted average price of the Company's shares trading on the Stock Exchange of Thailand for the past 7-15 consecutive business days (Floating Conversion Price) However, if the conversion price calculated above is lower than the par value of the company's shares. The company must issue additional compensation shares for the calculation of all shares issued at par value is based on the conversion price.
Conversion period	The holder of the Convertible Debentures may exercise their rights of conversion of the Convertible Debentures into the Company's until the close of business on the date falling 7days prior to the maturity date of the Convertible Debentures.
Number of ordinary shares reserved for conversion	650,000,000 shares (equivalent to 17.66 percent of the total issued shares of the Company after registering the paid-up capital which are based on the assumption that the Convertible Debentures shall be entirely exercised.) (Excluding, the conversion of 7UP-W4).
Secondary market for ordinary shares issued after conversion	The Company shall arrange to list the ordinary shares issued after the conversion of the Convertible Debentures on the Market for Alternative Investment (MAI) or other stock exchange where the shares of the Company is a listed security at that time.

Thai Accounting Standard No. 32 "Financial Instruments: Presentation", requires the issuer of convertible debentures to present the debentures' liability and equity components separately in the statement of financial position. Therefore, upon issuing the convertible debentures, the Company separated these components, determining the liability component by discounting the stream of future payments of principal and interest at the prevailing market rate. The carrying amount of the equity component was then determined by deducting the liability component from the total carrying value of the convertible debenture.

The liability component is presented at amortised cost until the conversion or maturity of the debentures. The value of the equity component determined upon the issue of the debentures does not change in subsequent periods.

Movements of convertible debentures net from convertible debenture expenses during the year ended 31 December 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated/ Separate financial statements	
	Convertible debenture - liability component	Convertible debenture - equity component
Balance as at 1 January 2020	-	-
Issuing during the year	637,913	12,087
Amortisation of debenture expenses	(40,728)	(772)
Convertible debenture	(401,542)	(8,050)
<b>Balance as at 31 December 2020</b>	<b>195,643</b>	<b>3,265</b>

### 33. Non-current provision for employee benefits

33.1 Non-current provision for employee benefits as at 31 December 2020 and 2019 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Provision for long-term employee benefits as at				
Beginning balance of the year	10,909	6,323	3,459	1,955
Increased from business acquisition	-	-	-	-
Recognized in profit or loss				
Current service cost	2,401	2,776	840	965
Interest cost	276	182	93	66
Recognized in other comprehensive income				
Actuarial (gain) loss				
Demographic assumptions changes	3	-	2	-
Financial assumptions changes	956	1,727	437	473
Experience adjustments	(2,068)	-	(1,024)	-
Benefit paid during the year	(159)	(99)	-	-
Decreased from sales subsidiaries	(250)	-	-	-
Provision for long-term employee benefits as at end of year	12,068	10,909	3,807	3,459

The Company and its subsidiaries expect to pay Baht 3.22 million of long-term employee benefits during the next year (Separate financial statements: Nil) (2019: Baht 0.4 million (Separate financial statements: Nil)).

As at 31 December 2020 the weighted average duration of the liabilities for long-term employee benefit of the Company and its subsidiaries during 11 - 27 years (Separate financial statements: 18 years) (2019: 11 - 29 years (Separate financial statements: 18 years)).

Significant actuarial assumptions are as follows:

(Unit: % per annum)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	1.6 - 2.3	1.50 - 2.1	1.96	1.8
Salary increase rate	4.0 - 6.0	3.0 - 6.0	6.0	6.0
Turnover rate	1.9 - 45.8	1.9 - 45.8	2.9 - 34.4	2.9 - 34.3

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarized below.

(Unit: Thousand Baht)

	Consolidated				Separate			
	financial statements				financial statements			
	Liability increase (decrease)				Liability increase (decrease)			
	Increase 1%		Decrease 1%		Increase 1%		Decrease 1%	
	2020	2019	2020	2019	2020	2019	2020	2019
Discount rate	(1,287)	(692)	1,539	819	(501)	(246)	595	290
Salary increase rate	1,461	761	(1,253)	(658)	565	268	(488)	(233)
	Increase 20%		Decrease 20%		Increase 20%		Decrease 20%	
	2020	2019	2020	2019	2020	2019	2020	2019
Turnover rate	(1,252)	(680)	1,528	830	(472)	(227)	574	271

On 5 April 2019, the Labor Protection Act (No. 7) B.E. 2562 had been announced in the Royal Gazette which will be effective after 30 days from the date announced in the Royal Gazette. This Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of 20 years or more. Such employees are entitled to receive compensation of not less than 400 days at the employees' latest wage rate. This change is considered an amendment to post-employment benefits plan. The Group reflected the effect of such change by recognizing past service cost as an expense for the year ended December 31, 2019 in the consolidated and separate statements of profit or loss and other comprehensive income in amount of Baht 0.15 million and Baht 0.40 million, respectively.

### 33.2 Provident Fund

The Company established a contributory Provident Fund and registered according to the Provident Fund Act, B.E. 2530 (1987) and Provident Fund Act (No.2), B.E. 2542 (1999). The contributions from the employees are deducted from their monthly salaries, and the Company matches the individuals' contributions.

For the year ended 31 December 2020 and 2019, the Company's contributions recorded as expense in the statements of profit and loss and other comprehensive income are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
For the year ended 31 December	1,691	1,786	633	563

### 34. Share capital, warrants and convertible debenture

#### Share capital

The Board of Directors' Meeting No. 6/2020 held on 9 April 2020 had approved to propose to the Annual General Meeting of Shareholders No.1/2020 held on 26 May 2020 to consider and approve the increase of the Company's registered capital to accommodate issuance of the convertible debenture to purchase the Company's ordinary shares.

#### Capital increase

The Annual General Meeting of Shareholders No.1/2020 held on 26 May 2020 to consider and approve the increase of the Company registered capital by Baht 650,000,000 from the existing registered capital of Baht 3,635,517,722 to Baht 4,285,517,722 by issuing new ordinary shares of 650,000,000 at par Baht 1.00 per share in order to reserve for the exercise of the conversion right of the Convertible Debentures.

The Extraordinary General Meeting of Shareholders No.2/2020 held on 27 October 2020 to consider and approve the increase of the Company registered capital by issuing new ordinary shares of 850,000,000 at par Baht 0.50 per share in order to reserve for the exercise of the conversion right of the Convertible Debentures.

#### Warrants

The Board of Directors' meeting had a resolution to propose to the Extraordinary General Meeting of Shareholders No.1/2019 held on 31 May 2019 to consider and approve the increase of the Company registered capital by Baht 605,919,620 from the existing registered capital of Baht 3,029,598,102 to Baht 3,635,517,722 by issuing 605,919,620 new ordinary shares at par Baht 1.00 per share to accommodate the exercise of the Warrants to Purchase the Company's Ordinary Shares No.4 ("7UP-W4") to allocate to existing shareholders follows the proportion of rights offering by 5 existing ordinary shares per 1 warrant in amount of Baht 0.05 per unit.

Exercise prices are as follows:

First exercise price is at Baht 0.50 per share

Second exercise price is at Baht 1.25 per share

Third exercise price is at Baht 2.25 per share

(Proportion of exercise equals to 1 warrant of 7UP-W4: 1 ordinary share)

#### Share capital reduction

On 15 July 2020, the Extraordinary General Meeting of Shareholders No.1/2020 held to consider and approve the reduction of the Company's registered capital by Baht 2,142,758,861 from the existing registered capital of Baht 4,285,517,722 to Baht 2,142,758,861 and reduction of the Company's paid-up share capital by Baht 1,514,799,051 from the existing paid-up share capital of Baht 3,029,598,102 to Baht 1,514,799,051 by reducing the Par Value from Baht 1.00 to Baht 0.50 per share. The reduction of the registered capital and the paid-up capital will not affect the amount the company's shares in any way and remain the same amount of 4,285,517,722 shares.

In this regard, the reduction of the paid-up capital Baht 1,514,799,051, as a result of the said par value reduction, the Company will proceed to deduct the discounted on share value of Baht 358,566,093 and compensate for some accumulated losses in the amount of Baht 1,156,232,958 when there is a partial retained loss compensation, the Company will have accumulated losses remaining to Baht 55,872,728 according to the separate financial statements of the company ended 31 March 2020. The reduction of the paid-up capital will not be affected to shares amount of the Company.

However, the capital reduction by reducing the Par Value of the company from Baht 1.00 per share to Baht 0.50 per share will not affect the Company to adjust of the exercise price and the exercise ratio of the warrants to purchase the company's ordinary shares series 4 (7UP-W4).

**35. Deficit on issuance of share capital at price higher than fair value**

Differences between the fair value and offering price of the Company's ordinary shares arose due to the acquisition of the investment in Star Gas Co., Ltd. And its subsidiaries and the issue and offering of additional shares through private placements with strategic investors, who are not only potential sources of investment, but also have experience, knowledge, and expertise in the LPG distribution business, and operation of LPG related business. The offer price was higher than the fair value of the Company's ordinary shares at the date of the acquisition of the investment in the group of Star Gas Co., Ltd.

**36. Deficit on changes in percentage of shareholding in subsidiary**

Deficit on changes in percentage of shareholding in a subsidiary was the result of the Company acquire an additional 10.84% of the shares of SAM Water Supply Co., Ltd. And dilute 20% of ownership in Energy Revolution Co., Ltd. The effect of change in ownership of subsidiary without change in control was presented as "Deficit on changes in percentage of shareholding in subsidiary" in the shareholder's equity in the consolidated statement of financial position.



### 37. Surplus on revaluation of assets

Surplus on revaluation of assets are surplus from revaluation of land, buildings and building improvements. The surplus is amortized to retained earnings on a straight-line basis over the remaining life of the related assets.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Balance as at beginning of year	100,427	102,965	244,658	247,143
<u>Add:</u> Revaluation surplus during the year	106,572	-	(15,400)	-
<u>Less:</u> Revaluation decrease during the year	(8,725)	-	(26,859)	-
<u>Less:</u> Amortization	(2,524)	(2,566)	(2,491)	(2,485)
<u>Less:</u> Release to non-controlling interests	(21)	28	-	-
<b>Balance as at end of year</b>	<b>195,729</b>	<b>100,427</b>	<b>230,708</b>	<b>244,658</b>

Surplus on revaluation of assets can neither be offset against deficit nor used for dividend payment.

### 38. Other income

Other income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Unrealized gain on fair value of investment properties	-	-	5,120	1,480
Government grant income	118	21,469	-	-
	31,738	-	-	-
Gain on sale of assets	7,321	-	-	2,901
Income from sale of sketch planned	-	7,477	-	-
Management fee income	-	-	-	24,960
Interest income - related parties	6,733	-	52,489	40,621
Rental income and utilities	12,078	16,226	11,007	14,380
Dividends income	869	-	365	-
Earned for Debts forgiveness	56,374	-	-	-
Other	67,012	50,756	7,936	10,447
<b>Balance as at end of year</b>	<b>182,243</b>	<b>95,928</b>	<b>76,917</b>	<b>94,789</b>

### 39. Expenses by nature

For the years ended 31 December 2020 and 2019 expense by nature consists of significant expenses are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Changes in finished goods	-	(12,884)	-	-
Purchase of inventories and other expenses	-	676,191	-	1,739
Employee expenses	43,237	79,404	22,004	21,837
Management expenses	30,378	39,799	11,071	12,957
Sale promotion expenses	26,171	50,777	-	-
Rental expenses and common service expenses	28,010	36,561	1,185	1,623
Depreciation and amortization	90,651	82,642	6,968	7,527
Doubtful debts	9,295	16,207	(3,886)	-
Unrealized gain on fair value of investment in other current financial assets	1,124	(255)	1,124	(255)
Loss on impairment of investments in subsidiaries (reversal)	-	(3,500)	13,327	9,500
Professional fees	28,545	24,228	21,078	10,985
Loss on write-off of equipment	-	2,901	-	-
Provision for diminution in value of input tax and withholding tax refundable (reversal)	(33,457)	-	(13)	-
Loss on disposal of investment in subsidiary company	-	-	(22,101)	-
Loss from disposal of its subsidiaries	18,794	-	-	-
Loss on diminution in value of deposit for business due diligence (reversal)	15,000	(50,000)	15,000	-
Write-off deposit for business due diligence	-	9,000	-	9,000
Reversal of doubtful debts - short loan to related party	(53,500)	(62,600)	(65,743)	(62,600)

#### 40. Promotional Privileges

The subsidiaries has received promotional privileges under the Investment Promotion Act B.E. 2520 by the Board of Investment under certain significant conditions, significant outstanding privileges of the subsidiaries are as follows:

	Phrasaeng Green Power Co., Ltd.	SAM Water Supply Co., Ltd.						
1. Certificate No.	58-2136-1-00-1-0	62-0718-1-00-1-0	62-0719-1-00-1-0	62-0720-1-00-1-0	62-0721-1-00-1-0	62-0722-1-00-1-0	62-1441-1-00-1-0	62-1442-1-00-1-0
2. Promotional privileges for	Production of electricity from biogas	Production water for industry	Production water for industry	Production water for industry	Production water for industry	Production water for industry	Production water for industry	Production water for industry
3. The significant privileges are	8 years Expired 25 June 2020  Granted	5 years Expired 4 April 2024  Granted	5 years Expired 13 June 2024  Granted	5 years Expired 13 June 2024  Granted	5 years Expired 30 April 2024  Granted	5 years Expired 8 March 2024  Granted	5 years Expired 9 January 2025  Granted	5 years Expired 31 October 2024  Granted
	6 July 2015	9 April 2019	9 April 2019	9 April 2019	9 April 2019	9 April 2019	3 December 2019	3 December 2019

	Phrasaeng Green Power Co., Ltd.	SAM Water Supply Co., Ltd.						
3.1 Exemption of corporate income tax for net income from promotional privileges and exemption of income tax on dividends paid from the income of the operations throughout the period in which the corporate income tax is exempted.  In case that there are losses incurred during the corporate income tax exemption period, the subsidiary is allowed to utilize the losses as a deduction against the net income of future years after the expiry of the tax exemption period, but with a time limit of five years after that period.	8 years Expired June 25, 2020	5 years Expired April 4, 2024	5 years Expired June 13, 2024	5 years Expired June 13, 2024	5 years Expired April 30, 2024	5 years Expired March 8, 2024	5 years Expired January 9, 2025	5 years Expired October 31, 2024
3.2 Exemption from income tax on dividends paid from the income of the promoted operations for which corporate income tax is exempted, throughout the corporate income tax exemption.	Granted	Granted	Granted	Granted	Granted	Granted	Granted	Granted
4. Date of first earning operating income	6 July 2015	9 April 2019	9 April 2019	9 April 2019	9 April 2019	9 April 2019	3 December 2019	3 December 2019

All income of the subsidiaries were income from local promoted operations.

#### 41. Earnings (loss) per share

Basic earnings (loss) per share attributable to shareholders of the parent company is calculated by dividing net earnings (loss) attributable to shareholders of the parent by the weighted average number of paid-up ordinary shares in issue during the period

The diluted earnings (loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares being warrants as detailed follow:

The Company has issued and offered warrants No. 4 (“7UP-W4”) to shareholders of the Company, who are entitled in 10 June 2019 (record date). The warrants have no offered price and their terms do not exceed 3 years from the issued date (the issued date is 9 August 2019) at a maximum of 605,919,620 units. The exercise price is at Baht 0.05 per share. The exercise ratio is one warrant to one ordinary share. The warrants can be exercised 3 times which are the followings; the first exercise price is Baht 0.50 per share, the second exercise price is Baht 1.25 per share, and the third exercise price is Baht 2.25 per share. The first exercise date will be on 30 June 2020.

The outstanding warrants as at 31 December 2020 which were issued and offered to shareholders of the Company did not affect the diluted earnings (loss) per share since the exercise price of the outstanding warrants is higher than the average market price of the Company’s shares during the year ended 31 December 2020.

The basic earnings per share for the year ended 31 December 2020 are calculated as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Earnings attributable for the year to ordinary shareholders of the Company (Thousand Baht)	117,444	58,402	80,807	72,071
Weighted average number of ordinary shares outstanding (Thousand shares)	3,308,155	3,029,598	3,308,155	3,029,598
Basic earnings per share (Baht per share)	0.04	0.02	0.02	0.02

The diluted earnings per share are calculated as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Earnings attributable for the year to ordinary shareholders of the Company (Thousand Baht)	118,188	-	81,550	-
Weighted average number of ordinary shares outstanding (Thousand shares)	3,383,013	-	3,383,013	-
Diluted earnings per share (Baht per share)	0.04	-	0.02	-

The exercise price of warrants are higher than the average market price during the year. Therefore, there is no diluted earnings per share.

#### 42. Segment financial information and disaggregation of revenue

For the year ended 31 December 2020 and 2019, the Group has 4 reportable segments which consist as follows:

- 1) LPG stations business and Transportation of LPG
- 2) Operation of investment business, joint investment or business development relating to energy of future energy business
- 3) Distribution, development and service rendered of Trunked radio and Internet of Things (IoT) business.
- 4) Operating of water waste treatment

##### *Geographical segments*

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in foreign countries.

##### *Major customer*

For the year ended 31 December 2020 and 2019, there is no major customer.

The details of segments information for the period ended 31 December 2020 and 2019 are as follows:

(Unit: Million Baht)

	Consolidated statement of profit and loss and other comprehensive income for the year ended 31 December											
	LPG retail and wholesale business		Renewable energy		Trunked radio and Internet of Things (IoT)		Operating of water waste treatment		Adjustments and eliminations		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenues from sales - recognize at a point of time	640	756	22	23	358	107	-	-	-	-	993	886
Revenues from rendering services - recognize overtime	52	73	2	10	-	28	44	28	-	-	126	139
Cost of sales	(560)	(637)	(17)	(19)	(332)	(90)	-	-	-	(4)	(822)	(750)
Cost of rendering of services	(32)	(53)	-	(9)	-	(17)	(30)	(16)	2	-	(147)	(95)
Gross profit	100	139	7	5	26	28	14	12	2	(4)	150	180
Other income											311	289
Selling expense											(33)	(32)
Administrative expense											(261)	(372)
Finance costs											(34)	(15)
<b>Profit before income tax (expense) income</b>											<b>133</b>	<b>50</b>
Income tax (expense) income											(13)	(9)
Share profit from investment in associate											5	3
<b>Profit for the year</b>											<b>125</b>	<b>44</b>

#### 43. Commitments and contingent liabilities

The Company and its subsidiaries have commitments and contingent liabilities other than those disclosed in other notes to financial statements as follows:

##### 43.1 Long-term operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land, office building space and equipment. The terms of the agreements are generally between 1 and 30 years.

The Company and its subsidiaries have future minimum lease payments required under these operating leases contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Payable:				
Within 1 year	-	27	-	1
Over 1 but not later than 5 years	-	120	-	-
Over 5 years	-	234	-	1

##### 43.2 Service commitments

The Company and its subsidiaries have future minimum lease payments required under these operating leases contracts as at 31 December 2020 and 2019 were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Payable:				
Within 1 year	1	1	1	1
Over 1 year but not later than 5 years	-	1	-	-
Over 5 years	-	-	-	-



### 43.3 Guarantees

#### 43.3.1 Bank guarantees

As at 31 December 2020 and 2019, the Company and its subsidiaries had bank guarantees issued by banks on behalf of the Company and subsidiaries, as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Performance guarantees	26	23	24	23
Guarantee electricity use and others	1	1	1	1
<b>Total</b>	<b>27</b>	<b>24</b>	<b>25</b>	<b>24</b>

#### 43.3.2 Related parties guarantees

As at 31 December 2020, the Company's and its subsidiary company's directors have an obligation as a guarantor of credit facilities of SAM Water Supply Co., Ltd. and Phrasaeng Green Power Co., Ltd., the subsidiary companies, amounting to Baht 73 million (31 December 2019: Baht 351 million).

Generally, these guarantees are effective for guarantor as long as the underlying obligations have not been discharged by the guaranteed party.

### 43.4 Shares Pledge of Subsidiary

On 3 December 2020, a meeting of the Board of Directors' No. 18/2020 of the Company has passed a resolution approving to dispose of 476,552 shares or a 43.52% from totaling 1,034,996 shares or 94.52% in SAM Water Supply Co., Ltd. which is the Company's subsidiary, by amounting of Baht 47.65 million. Therefore, as the year ended 31 December 2020, the Company has the remain of shareholding of 558,444 shares or a 51.00% in SAM Water Supply Co., Ltd. Moreover, the Company purchased 6 shares from other shareholders of SAM Water Supply Co., Ltd. by amounting of Baht 600. Therefore, the totaling of shares which the Company held is 558,450 shares or a 51.00%.

The Company entered into Share Pledge Agreement with the new shareholder totaling 558,450 shares that belonged to the Company as a secure obligation.

#### 43.5 Other commitments

43.5.1 On 1 January 2016, Phrasaeng Green Power Co., Ltd., a subsidiary, entered into a control and maintenance agreement with respect to electricity generation from biogas with a related company to maintain the biogas generator system, gas delivery equipment and the dynamos and to recruit personnel to monitor and maintain such system, at a total cost of Baht 33 million. The agreement requires the subsidiary to pay monthly control and maintenance wages at the rates specified in the agreement, which is effective from 1 January 2016 to 31 December 2020. The agreement is renewable according to the period of power purchase agreement and the wage rates will be agreed every 5 years.

43.5.2 Phrasaeng Green Power Co., Ltd., entered into a control and maintenance agreement with respect to electricity generation from biogas with a related company to maintain the biogas generator system, gas delivery equipment and the dynamos and to recruit personnel to monitor and maintain such system. Future minimum payments required under this agreement was as follows:

	(Unit: Million Baht)	
	31 December 2020	31 December 2019
Payable:		
Within 1 year	4	4
Over 1 year but not later than 5 years	6	11
<b>Total</b>	<b>10</b>	<b>15</b>

Under the conditions stipulated in the agreement, the subsidiary was required to pay monthly control and maintenance wages at specified rates, which were effective from 1 January 2016 to 31 December 2020. However, on 1 April 2018, the subsidiary company entered into a new agreement and cancelled the former agreement, which is effective from 1 April 2018 to 31 March 2023 and is renewable according to the term of power purchase agreement, with wage rates to be agreed to renew every 5 years.

43.5.3 Phrasaeng Green Power Co., Ltd., a subsidiary company, has commitments under sale and purchase of wastewater agreements with a related company. The agreements have terms of 15 years and can be extended for periods of 10 years at a time.

#### 44. Fair value hierarchy

Some financial assets of the Group have fair value measurement in the statement of financial position at the end of reporting period.

Fair value measurement in financial assets were as table below.

(Unit: Million Baht)

	Consolidated financial statements							
	Level 1		Level 2		Level 3		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>Assets measured at fair value</b>								
Other current financial assets	6	7	-	-	-	-	6	7
Other non-current financial assets	-	-	-	-	172	25	172	25
Land and land improvements	-	-	147	129	-	-	147	129
Buildings and building improvements	-	-	175	213	-	-	175	213
Investment Property	-	-	-	-	114	-	114	-
Rights under electricity purchase and sale agreements from business combination	-	-	-	-	72	76	72	76
Rights and benefits under land lease agreements from business combination	-	-	31	57	-	-	31	57
Rights under gas station management agreements from business combination	-	-	-	-	68	72	68	72

(Unit: Million Baht)

	Separate financial statements							
	Level 1		Level 2		Level 3		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>Assets measured at fair value</b>								
Other current financial assets	6	7	-	-	-	-	6	7
Other non-current financial assets	-	-	-	-	116	-	116	-
Investment properties	-	-	-	-	210	205	210	205
Land	-	-	131	112	-	-	131	112
Buildings and building improvements	-	-	42	81	-	-	42	81

In during the year didn't transfer transaction between fair value hierarchy

#### **45. Financial instruments**

Financial instruments are any contracts which give rise to both a financial asset of one entity and a financial liability or equity instrument of another entity in the meantime.

As at 31 December 2020 financial instruments of the Company principally comprise cash and cash equivalents, trade and other receivables, loans, investments; and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below:

The Company has no policy for speculation in or engaging in the trading of any derivative financial instruments.

##### **45.1 Financial risk management policy**

###### **45.1.1 Credit risk**

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loans as stated in the statement of financial position.

###### **45.1.2 Interest rate risk**

The Company's and its subsidiaries' exposure to interest rate risk relates primarily to their cash at banks, bank overdrafts, short-term and long-term borrowings. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

###### **45.1.3 Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to manage market positions. Due to the dynamic nature of the underlying business, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.

Significant financial assets and liabilities classified by type of interest rates are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date as follows

(Unit: Million Baht)

## Consolidated financial statements

	Fixed interest rates				Floating				Effective interest rate			
	Within 1 year		1-5 years		interest rate		Non-interest bearing		Total		(% per annum)	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>Financial assets</b>												
Cash and cash equivalents	-	1	-	-	109	95	8	11	117	107	0.1 - 0.3	0.1 - 0.4
Other current financial assets	-	-	-	-	-	-	6	7	6	7	-	-
Trade and other receivables	-	-	-	-	-	-	467	367	467	367	-	-
Short-term loans	76	3	-	-	-	-	7	12	83	15	0 - 7.5	0 - 6.8
Restricted bank deposits	-	-	-	-	73	76	-	-	73	76	0.1 - 0.4	0.1 - 0.9
Long-term loans	-	-	-	-	-	-	-	8	-	8	-	-
Other non-current financial assets	-	-	-	-	-	-	172	25	172	25	-	-
	76	4	-	-	182	171	660	430	918	605		
<b>Financial liabilities</b>												
Short-term loans from financial institutions	174	110	-	-	-	-	-	-	174	110	4.3 - 6.0	4.7 - 6.2
Trade and other payables	-	-	-	-	-	-	196	171	196	171	-	-
Short-term loans	29	-	-	-	-	-	36	62	65	62	0 - 6.8	0 - 6.8
Long-term loans from financial institutions	37	50	52	70	39	39	-	-	119	159	3.6 to MLR-1%	3.6 to MLR-1%
Liabilities under finance lease agreements	24	2	202	8	-	-	-	-	226	10	4.8 - 7.9	4.8 - 7.9
	264	162	254	78	39	39	232	233	780	512		

(Unit: Million Baht)

## Separate financial statements

	Fixed interest rates		Floating				Effective interest rate					
	Within 1 year		1-5 years		interest rate		Non-interest bearing		Total		(% per annum)	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>Financial assets</b>												
Cash and cash equivalents	-	-	-	-	41	7	-	-	41	7	0.1 - 0.3	0.1 - 0.4
Other current financial assets	-	-	-	-	-	-	6	7	6	7	-	-
Trade and other receivables	-	-	-	-	-	-	210	76	210	76	-	-
Short-term loans	948	684	-	-	-	-	7	12	955	696	0 - 6.8	0 - 6.8
Long-term loans	-	-	-	-	-	-	-	8	-	8	-	-
	948	684	-	-	41	7	223	103	1,212	794		
<b>Financial liabilities</b>												
Short-term loans from financial institutions	70	70	-	-	-	-	-	-	70	70	6.0	6.3
Trade and other payables	-	-	-	-	-	-	33	74	33	74	-	-
Short-term loans from related parties	137	89	-	-	-	-	-	-	137	89	0.1 - 6.8	0 - 6.8
Liabilities under finance lease agreements	2	2	4	7	-	-	-	-	6	9	5.2 - 7.9	5.2 - 7.9
	209	161	4	7	-	-	33	74	246	242		

#### 45.1.4 Fair value of financial instruments

Fair value represents the amount for which an asset could be exchange or a liability settled between knowledgeable, willing parties in an arm's length transaction.

Summarised comparison between fair value and book value are as follows:

	(Million Baht)				(Million Baht)			
	Consolidated financial statements				Separate financial statements			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
<b>Financial assets</b>								
Cash and cash equivalents	117	117	107	107	41	41	7	7
Other current financial assets	6	6	7	7	6	6	7	7
Trade and other receivables	467	467	367	367	210	210	76	76
Short-term loans	83	83	15	15	955	955	696	696
Restricted bank deposit	73	73	76	76	-	-	-	-
Long-term loans	-	-	8	8	-	-	8	8
Other non-current financial assets	172	172	25	25	-	-	-	-
<b>Financial liabilities</b>								
Short-term loans from financial institutions								
	174	174	110	110	70	70	70	70
Trade and other payables								
	196	196	171	171	33	33	74	74
Short-term loans								
	65	65	62	62	137	137	89	89
Long-term loans from financial institutions								
	119	119	159	159	-	-	-	-
Liabilities under lease agreements								
	226	226	10	10	6	6	9	9

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, Trade and other receivables, Short-term loans, Loans from financial institutions, and liabilities under lease agreements, their carrying amounts in the statement of financial position approximate their fair value.
- For equity securities, their fair value is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

- c) For long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

**46. Subsequent events**

On 3 February 2021, the Extraordinary General Meeting of Shareholders No. 1/2021 of Seven Utilities and Power Public Company Limited (“The Company”) passed a resolution to approve the increase of the registered share capital of the Company, from Baht 2,567,758,861 to Baht 2,922,758,861 by issuing new ordinary shares of 710,000,000 shares with a par value of Baht 0.50. The Company has updated the registered share capital with the Department of Business Development, Ministry of Commerce on 5 February 2021 is completed.



# Part IV

## Certification of information accuracy



# CERTIFICATION OF INFORMATION ACCURACY

The company has already reviewed all information containing in annual report carefully. The company, hereby, represent and warrant that all such information are accurate and complete and contain no false statement without any lack of material fact which should have been informed where such information may cause damages to the purchasers of those shares. In addition, the company would like to certify that:

(1) Financial statements and financial information, attached to this filing, are represent accurate and complete without any lack of material fact about the financial status, performance and cash flow of the company and its subsidiaries.

(2) The company is responsible to provide the good disclosure system of the information of the company to ensure that the company discloses the material fact of the company and its subsidiaries accurately and completely. The company also supervises the practice of that system.

(3) The company is responsible to provide the good corporate governance system of the company and supervise the practice of that system. In addition, the company already inform the result of the good corporate governance appraisal as of December 31, 2020 to the Auditor and the Audit Committee of the company including the material incomplete and change of the corporate governance as well as false practice that may influent the preparation of the financial statements of the company and its subsidiaries.

## NAME

## POSITION

## SIGNATURE

1. Mr. Monthep Mapiam

Authorized Director

Monthep Mapiam.

2. Mr. Mana Kitirat

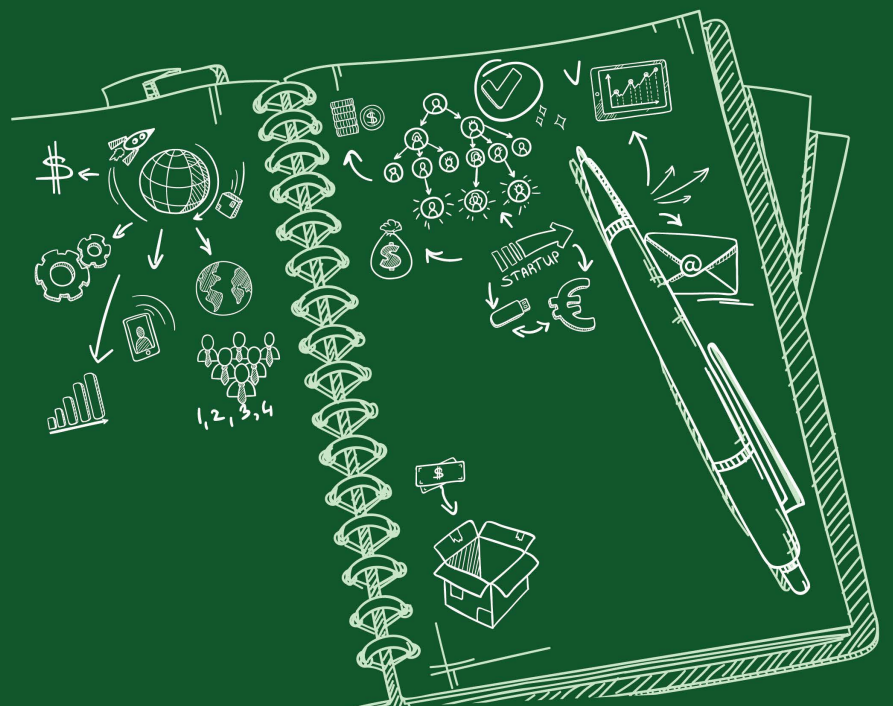
Authorized Director

M. Kitirat

# Part V

## Attachments

- INFORMATION OF COMPANY DIRECTORS AND COMPANY SECRETARY
- INFORMATION OF SUBSIDIARIES DIRECTORS
- INFORMATION OF CHIEF AUDIT EXECUTIVE AND HEAD OF COMPLIANCE
- BUSINESS ASSET AND INFORMATION OF COMPANY ASSET VALUATION





# **SQN. LDR. SITA DIVARI**

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

**Age 56 years old**

## **EDUCATION**

- Air Command and Staff College Class 43
- Squadron Officer School Class 81
- Bachelor of Science, Royal Thai Air Force Academy
- Armed Forces Academies Preparatory School Class 24

## **WORKING EXPERIENCES**

- **Seven Utilities and Power Public Company Limited**  
2017 - Present Chairman of the Board of Directors / Independent Directors
- **Eastern Water Resources Development and Management Public Company Limited**  
2013 - 2014 Chairman of the Board of Directors
- **Airports of Thailand Public Company Limited**  
2013 - 2014 Chairman of the Board of Directors
- **Ministry of Agriculture and Cooperatives**  
2005 - 2006 Secretary to the Minister of Agriculture and Cooperatives
- **Office of the Prime Minister**  
2003 - 2005 Deputy Secretary General of the Prime Minister  
2002 - 2003 Spokesman of the Office of the Prime Minister

## **DATE OF APPOINTMENT**

- Independent Director  
10<sup>th</sup> October 2017
- Chairman of the Board of Directors  
26<sup>th</sup> January 2018

## **SHAREHOLDING (%)**

- Myself -None-
- Spouse/Underage child -None-

## **FAMILY RELATIONSHIP AMONG DIRECTORS AND EXECUTIVES**

-None-

## **CRIMINAL-FREE TRACK RECORD FOR THE PAST**

### **10 YEARS**

-None-

## **TRAINING PROGRAM**

- Director Certification Program (DCP) Class  
178/2013
- Training on Capital Market Academy Leadership Program Class 16



**MR. TORPHONG CHAYASARN**  
Independent Director  
Chairman of the Audit  
Committee  
Age 51 years old

### EDUCATION

- Master of Public Administration, Thammasat University
- The American College London (MBA)
- The American College LA (BBA)

### WORKING EXPERIENCES

- Seven Utilities and Power Public Company Limited  
2019 - Present Independent Director /  
Chairman of the Audit Committee
- Ministry of Public Health  
2011 Deputy Minister of Public Health
- House of Representatives  
2008 - 2011 Chairperson of the Committee on  
Foreign Affairs, House of Representatives  
2001 - 2011 Member of the house of  
representatives, Udon Thani, Thai Rak Thai Party  
2003 - 2005 Deputy Government Spokesman  
in the government of Pol.Lt.Col. Thaksin  
Shinawatra

### DATE OF APPOINTMENT

- Director  
31<sup>st</sup> May 2019
- Independent Director / Chairman of the  
Audit Committee  
1<sup>st</sup> November 2019

### SHAREHOLDING (%)

- Myself -None-
- Spouse/Underage child -None-

### FAMILY RELATIONSHIP AMONG DIRECTORS AND EXECUTIVES

-None-

### CRIMINAL-FREE TRACK RECORD FOR THE PAST 10 YEARS

-None-

### TRAINING PROGRAM

- Digital Transformation for CEO Class 1
- Training on Capital Market Academy Leadership  
Program Class 16
- Advanced Certificate Course in Politics and  
Governance in Democratic Systems for Executives  
Class 12, King Prajadhipok's Institute



**MR. EKATIP TIPPAVANG**  
Independent Director  
Chairman of the Nomination and  
Compensation Committee  
Member of the Audit Committee  
Age 36 years old

**DATE OF APPOINTMENT**

- Independent Director / Member of the Audit Committee / Member of the Nomination and Compensation Committee  
26<sup>th</sup> January 2018
- Chairman of the Nomination and Compensation Committee  
1<sup>st</sup> June 2020

**SHAREHOLDING (%)**

- Myself -None-
- Spouse/Underage child -None-

**FAMILY RELATIONSHIP AMONG  
DIRECTORS AND EXECUTIVES**

-None-

**CRIMINAL-FREE TRACK RECORD FOR THE PAST  
10 YEARS**

-None-

**EDUCATION**

- Master of Business Administration  
(Accounting), Ramkhamhaeng University
- Bachelor of Business Administration  
(Accounting), Assumption University

**WORKING EXPERIENCES**

- Seven Utilities and Power Public Company Limited  
2018 - Present Independent Director /  
Chairman of the Nomination and  
Compensation Committee / Member of the  
Audit Committee
- Automation & Technology  
Services Company Limited  
2018 - Present Chief Financial Officer
- R J Energy Company Limited  
2015 - 2020 Managing Director
- We Love Accounting Company Limited  
2014 - 2015 Managing Director
- Thanamitr Consulting Company Limited  
2010 - 2014 Deputy Managing Director

**TRAINING PROGRAM**

- Director Accreditation Program (DAP) Class 149/2018



## MR. MANA KITIRAT

Director

Executive Director

Age 47 years old

### EDUCATION

- M.Eng. Water Resources Engineering and Management, Asian Institute of Technology (AIT)
- B.Eng. (Environmental Engineering), King Mongkut's University of Technology Thonburi

### WORKING EXPERIENCES

- Seven Utilities and Power Public Company Limited  
2019 - Present Director / Executive Director
- Universal Waste Management Company Limited  
2018 - Present Managing Director
- Central Hydro Company Limited  
2015 - 2018 Project Manager
- 2012 - 2014 Independent Engineer
- Brunel Energy (Thailand) Company Limited  
2008 - 2012 Environmental Engineer
- United Analyst and Engineering Consultant Company Limited  
2008 - 2008 Environmental Engineer
- Panya Consultant Company Limited  
2005 - 2008 Water Resources Engineer
- Macro Consultants Company Limited  
1996 - 2003 Environmental Engineer

### DATE OF APPOINTMENT

- Director / Executive Director  
14<sup>th</sup> August 2019

### SHAREHOLDING (%)

- Myself -None-
- Spouse/Underage child -None-

### FAMILY RELATIONSHIP AMONG DIRECTORS AND EXECUTIVES

-None-

### CRIMINAL-FREE TRACK RECORD FOR THE PAST 10 YEARS

-None-

### TRAINING PROGRAM

- Director Accreditation Program (DAP) Class 168/2020



## MR. PATHRLAP DAVIVONGSA

Director

Member of the Nomination and Compensation Committee

Executive Director

Age 59 years old

### WORKING EXPERIENCES

- Seven Utilities and Power Public Company Limited  
2020 - Present Director / Member of the Nomination and Compensation Committee / Executive Director
- M-Solution Company Limited  
2012 - Present Managing Director
- Ferrum Public Company Limited and affiliated company formerly M-Link Asia Corporation Public Company Limited  
2014 - 2017 Director
- MCOT Public Company Limited  
2014 - 2014 Director / Audit Committee
- Metropolitan Electricity Authority  
2013 - 2014 Director
- Bank for Agriculture and Agricultural Cooperatives  
2013 - 2014 Director
- Playingcard Factory, The Excise Department, Ministry of Finance  
2012 - 2013 Director
- Tobacco Authority of Thailand, Ministry of Finance  
2011 - 2014 Director
- Portalnet Company Limited  
2011 - 2012 Managing Director

### DATE OF APPOINTMENT

- Director / Nomination and Compensation Committee / Executive Director  
3<sup>rd</sup> July 2020

### SHAREHOLDING (%)

- Myself -None-
- Spouse/Underage child -None-

### FAMILY RELATIONSHIP AMONG DIRECTORS AND EXECUTIVES

-None-

### CRIMINAL-FREE TRACK RECORD FOR THE PAST 10 YEARS

-None-

### EDUCATION

- Master of Economics, Western Michigan University, United States of America
- Faculty of Commerce and Accountancy, Chulalongkorn University

### TRAINING PROGRAM

- DAP 27/2004 (IOD)
- DCP 55/2005 (IOD)
- RNG 3/2012 (IOD)
- ACP 44/2013 (IOD)
- AACP 12/2013 (IOD)
- PDI 10/2012 (King Prajadhipok's Institute)



## **POL.CAPT. RATCHATA POOMPANMOUNG**

**Director**

Age 32 years old

### **DATE OF APPOINTMENT**

- Director  
26<sup>th</sup> August 2020

### **SHAREHOLDING (%)**

- Myself 5.38% (As of February 25, 2021)
- Spouse/Underage child -None-

### **FAMILY RELATIONSHIP AMONG DIRECTORS AND EXECUTIVES**

-None-

### **CRIMINAL-FREE TRACK RECORD FOR THE PAST**

#### **10 YEARS**

-None-

### **EDUCATION**

- Master of Political Science (Public Administration), Rattana Bundit University
- Bachelor of Marketing Communication, University of Buckingham, United Kingdom



### **WORKING EXPERIENCES**

- Seven Utilities and Power Public Company Limited  
2020 - Present Director
- Royal Thai Police  
2016 - Present Sub-Inspector, Investigation and Suppression Sub-Division, Immigration Division 2  
2015 - 2016 Sub-Inspector, Sub-Division 5, Crime Suppression Division  
2014 - 2015 Sub-Inspector, General Staff Sub-Division, Anti-Trafficking in Persons Division

### **TRAINING PROGRAM**

- Academy of Business Creativity (ABC) Class 5
- Thai - Chinese Leadership Studies (NTCL) Class 1



**MR. MONTHEP MAPIAM**  
Director  
Executive Director  
Acting Chief Executive Officer  
Chief Operating Officer  
Age 43 years old

#### **DATE OF APPOINTMENT**

- Director  
4<sup>th</sup> November 2020
- Executive Director  
26<sup>th</sup> August 2020
- Acting Chief Executive Officer  
11<sup>th</sup> August 2020

#### **SHAREHOLDING (%)**

- Myself -None-
- Spouse/Underage child -None-

#### **FAMILY RELATIONSHIP AMONG DIRECTORS AND EXECUTIVES**

-None-

#### **CRIMINAL-FREE TRACK RECORD FOR THE PAST 10 YEARS**

-None-

#### **EDUCATION**

- Master of Engineering (Water Resources Engineering) Kasetsart University
- Bachelor of Engineering (Water Resources Engineering) Kasetsart University

#### **WORKING EXPERIENCES**

- Seven Utilities and Power Public Company Limited  
2020 - Present Director / Executive Director / Acting Chief Executive Officer / Chief Operating Officer
- Gold Shores Company Limited  
2016 - 2020 Managing Director
- Sam Water Supply Company Limited  
2016 - 2020 Executive Director
- Chonlakisakol Company Limited  
2014 - 2016 Deputy Managing Director

#### **TRAINING PROGRAM**

- Business Analysis Program, Faculty of Economics, Chulalongkorn University
- Leader as Communicator by Berkeley Executive Coaching Institute, January 2013
- Water Leadership Program Class 1, Water and Environment Institute for Sustainability, The Federation of Thai Industries
- Corporate Governance for Executives Class 16/2020



**MR. SITTICHAJ KRITVIVAT**  
Chairman of the Executive Committee  
Age 52 years old

**EDUCATION**

- Master Degree in Business Administration (Finance)  
Western Michigan University, (USA)
- Bachelor of Business Administration (Marketing)  
(Second class honors), Chiangmai University

**WORKING EXPERIENCES**

- Seven Utilities and Power Public Company Limited  
2019 - Present Chairman of the Executive Committee  
2019 - 2020 Member of the Nomination and  
Compensation Committee /  
Chief Executive Officer  
2018 - 2020 Director
- Nusasiri Public Company Limited  
2018 - 2019 Senior Deputy Chief Executive Officer
- Tune Insurance Public Company Limited  
2018 - 2019 Member of the Risk Management Committee
- United Power of Asia Public Company Limited  
2016 - 2018 Deputy Chief Financial Officer
- Krungthai Panich Insurance Public Company Limited  
2013 - 2016 Executive Vice President (CFO)  
Accounting, Finance & Investment

**DATE OF APPOINTMENT**

- Chairman of the Executive Committee  
17<sup>th</sup> October 2019

**SHAREHOLDING (%)**

- Myself -None-
- Spouse/Underage child -None-

**FAMILY RELATIONSHIP AMONG  
DIRECTORS AND EXECUTIVES**

-None-

**CRIMINAL-FREE TRACK RECORD FOR THE PAST 10 YEARS**

-None-

**TRAINING PROGRAM**

- Director Certification Program (DCP 205)
- Chief Transformation Officer



## MISS POONCHAYA PATKOTCHAKORN

Executive Director  
Chief Financial Officer

Age 38 years old

### EDUCATION

- Master of Business Administration (Finance), Bangkok University
- Bachelor of Management and Information Science (Accounting), Narasuan University

### WORKING EXPERIENCES

- Seven Utilities and Power Public Company Limited  
2019 - Present Executive Director / Chief Financial Officer
- United Power Asia Public Company Limited  
2015 - 2019 Vice President of Accounting
- Lucky Group Services (Thailand) Company Limited  
2013 - 2015 Assistant Accounting Manager
- Ausiris Futures Company Limited  
2010 - 2013 Senior Accounting Officer
- Indodrama Ventures Public Company Limited  
2008 - 2010 Accounting Officer

### TRAINING PROGRAM

- Orientation Course - CFO Focus on Financial Reporting Class 8, Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
- Penetrate the new accounting standard TFRS 9, TFRS 15 and TFRS 16 Essence, impact, guidelines, and case studies, NYC Management Company Limited
- Know about business by analyzing financial statements, Accounting Coach (Thailand) Company Limited
- Cash Budgeting Workshop in planning and decision making for executives, Dharmniti Seminar and Training Company Limited

### DATE OF APPOINTMENT

- Executive Director  
26<sup>th</sup> August 2020
- Chief Financial Officer  
18<sup>th</sup> September 2019
- Chief Accountant  
8<sup>th</sup> April 2019

### SHAREHOLDING (%)

- Myself -None-
- Spouse/Underage child -None-

### FAMILY RELATIONSHIP AMONG DIRECTORS AND EXECUTIVES

-None-

### CRIMINAL RECORDS FOR THE PAST 10 YEARS

-None-



## **MISS PATCHARIN SINGTHUEN**

**Company Secretary  
and Vice President of Executive  
Office**  
Age 29 years old

### **DATE OF APPOINTMENT**

- **Company Secretary**  
4<sup>th</sup> November 2020
- **Vice President of Executive Office**  
10<sup>th</sup> September 2020

### **SHAREHOLDING (%)**

- **Myself** 0.00%
- **Spouse/Underage child** -None-

### **FAMILY RELATIONSHIP AMONG**

#### **DIRECTORS AND EXECUTIVES**

-None-

### **CRIMINAL-FREE TRACK RECORD FOR THE PAST 10**

#### **YEARS**

-None-

### **EDUCATION**

- **MSc. Tourism Management and Marketing**  
Bournemouth University, United Kingdom
- **Bachelor of Laws, Faculty of Law**  
Prince of Songkhla University

### **WORKING EXPERIENCES**

- **Seven Utilities and Power Public Company Limited**  
2020 - Present **Company Secretary and  
Vice President of Executive Office**
- **2018 - 2019** **Executive Secretary**
- **At peak Company Limited**  
2017 - 2018 **Manager of Operations**
- **Primeworld Solution Company Limited**  
2016 - 2017 **Head of Business Development**
- **Aero Media Group Company Limited**  
2015 - 2016 **CEO Secretary**

### **TRAINING PROGRAM**

- **Company Reporting Program (CRP) Class 17/2017**
- **Company Secretary Program (CSP) Class 78/2017**
- **Board Reporting Program (BRP) Class 22/2017**
- **Effective Minutes Taking (EMT) Class 38/2017**
- **Preliminary to Corporate Sustainability Class 1/2020**
- **Smart Disclosure Program SDP 2020**



**MR. WATCHARAWISH SIRAPHOBPHUMCHAI**  
**Vice President of Investor Relations**  
**Age 38 years old**

### **EDUCATION**

- Master of Business Administration  
University of the Thai Chamber of Commerce
- Bachelor of Business Administration  
University of the Thai Chamber of Commerce

### **WORKING EXPERIENCES**

- Seven Utilities and Power Public Company Limited  
2020 - Present Vice President of Investor Relations  
2018 - 2020 Vice President of Executive Office
- Apple Wealth Securities Company Limited  
2014 - 2018 Securities Dealing Manager
- Country Group Public Company Limited  
2008 - 2014 Securities Dealing Assistant Manager
- BFIT Public Company Limited  
2005 - 2008 Securities Dealing Assistant Manager

### **DATE OF APPOINTMENT**

- 2<sup>nd</sup> May 2018

### **SHAREHOLDING (%)**

- Myself -None-
- Spouse/Underage child -None-

### **FAMILY RELATIONSHIP AMONG DIRECTORS AND EXECUTIVES**

-None-

### **CRIMINAL-FREE TRACK RECORD FOR THE PAST 10 YEARS**

-None-

### **TRAINING PROGRAM**

- The Challenge of Administration
- Management Leadership Competencies

## MR. KANDANAI SRANGTONENG

Vice President of Compliance

Age 35 years old

### DATE OF APPOINTMENT

- Head of Compliance  
17<sup>th</sup> May 2019

### SHAREHOLDING (%)

- Myself -None-
- Spouse/Underage child -None-

### FAMILY RELATIONSHIP AMONG DIRECTORS AND EXECUTIVES

-None-

### CRIMINAL-FREE TRACK RECORD FOR THE PAST

#### 10 YEARS

-None-

### EDUCATION

- Master of Laws, Ramkhamhaeng University
- Bachelor of Laws, Ramkhamhaeng University
- Bachelor of Economics, Sukhothai  
Thammathirat University

### WORKING EXPERIENCES

- Seven Utilities and Public Company Limited  
2019 - Present Vice President of Compliance
- Nusasiri Public Company Limited  
2015 - 2019 Assistant Vice President of  
Internal Audit
- Areeya Property Public Company Limited  
2010 - 2015 Senior Internal Audit Officer
- Ramkhamhaeng Institute of Languages  
2008 - 2009 Special Project Officer



### TRAINING PROGRAM

- Internal Auditing Certificate Program (IACP) Class  
10, Federation of Accounting Professions Under  
The Royal Patronage of His Majesty The King
- Certified Professional Internal Audit of  
Thailand (CPIAT) Class 48, The Institute of  
Internal Auditors of Thailand
- ACPG 51/2020 (IOD)
- Smart Disclosure Program (SDP)
- SHLD/FSCOM
- SCP Straight Through
- SET Portal
- SET Link
- Preliminary to Corporate Sustainability (P01)
- Sustainability Risk and Materiality Analysis (S04)

## DETAILS OF DIRECTORS AND SUBSIDIARIES

Name list	Subsidiaries																			
	STG	TWP	SSP	SPP	SAM	FEC	FEN	MSO	IFP	EFS	SSS	UWM	ART	AWM	PSG	ERV	ERI	WWS	BES	PPL
Mr. Chanin Kiatthaveepong	/	/							/		/				/					
Mr. Pathrlap Davivongsa								/	/									/	/	/
Mr. Mana Kitirat					/	/	/	/		/		/	/	/		/	/			
Mr. Monthep Mapiam	/	/	/		/	/	/	/	/	/					/	/	/	/	/	/
Air Vice Marshal Tawan Nakorntap									/											
Air Vice Marshal Surapol Navamavadhana									/											
Mr. Tharatip Tarathamrat											/									
Miss Jisarapa Puenpa				/																
Mr. Arnate Smerasuta									/											
Mr. Phairoch Klaytongkum															/					
Mr. Suchat Tunglamare															/				/	/
Mr. Nicholas John Wood					/															
Mr. Qiao Herman Cai					/															
Mr. Pornthep Muangsukhum					/															
Mr. Tanapot Suppasri																			/	
Mr. Prakit Wuttisetarak																			/	
Mr. Ar-thit Samakkun			/	/																
Air Chief Marshal Chainan Thumasujarit												/	/	/						
Miss Malinee Bunrak												/	/	/						
Mr. Suthep Theprungroj												/								
Mr. Somkiet Yanyongphanit			/																	



## COMPANY NAME

STG	:	Star Gas Company Limited
TWP	:	Tawatpinyo Company Limited
SSP	:	Star Solar Power Company Limited
SPP	:	Star Petroleum Plus Company Limited
SAM	:	SAM Water Supply Company Limited
FEC	:	Ferrum Capital Company Limited
FEN	:	Ferrum Energy Company Limited
MSO	:	M-Solution Company Limited
IFP	:	Informatix Plus Company Limited
EFS	:	Energy For Society Company Limited
SSS	:	System and Software Services Company Limited
UWM	:	Universal Waste Management Company Limited
ART	:	Asia Recycle Technology Company Limited
AWM	:	Asia Waste Management Company Limited
PSG	:	Phrasaeng Green Power Company Limited
ERV	:	Energy Revolution Company Limited
ERI	:	E R V International Company Limited
WWS	:	Wangwiset Woodtrade Company Limited
BES	:	BIO Energy Satun Company Limited
PPL	:	P P L Power Company Limited

## MISS THAMONWAN PHALALUM

Internal Audit Manager

Age 30 years old



### DATE OF APPOINTMENT

- Head of Internal Audit  
27<sup>th</sup> September 2020

### SHAREHOLDING (%)

- Myself -None-
- Spouse/Underage child -None-

### FAMILY RELATIONSHIP AMONG DIRECTORS AND EXECUTIVES

-None-

### CRIMINAL-FREE TRACK RECORD FOR THE PAST 10 YEARS

-None-

### EDUCATION

- MSc. International Business Management, Executive Business School, Bournemouth University, United Kingdom
- Bachelor of Engineering (Chemical Engineering) (International Programme), Thammasat English Programme of Engineering, Thammasat University

### WORKING EXPERIENCES

- Seven Utilities and Power Public Company Limited  
2020 - Present Internal Audit Manager
- Kasikorn Bank Public Company Limited  
2015 - 2020 Service Fulfillment Strategy Specialist

### TRAINING PROGRAM

- Road to Certify CAC (IOD)
- Road to Join CAC (IOD)
- Smart Disclosure Program (SDP) Class 3/2020
- Operation Risk Management Training Program
- Project Management Training Program
- Safety, Occupational Health and Environment in the Workplace Training Course for General and New Employee

## DETAIL OF ASSETS VALUATION

Company	Transaction		Appraiser	Objective of valuation	Valuation date
	Asset	Fair Market Value (Baht)			
Seven Utilities and Power Public Company Limited	<p>3 plots of land, total area of 0-3-85.0 rai and 2 buildings</p> <ol style="list-style-type: none"> <li>1. 8 floors building with basement which area around 8,028 square meters</li> <li>2. Garage area around 120 square meters.</li> </ol>	222,649,440	Value Asset Company Limited	To know current market value of assets	2 November 2020



**7UP**

บริษัท เซเว่น ยูทิลิตี้ส์ แอนด์ พาวเวอร์ จำกัด (มหาชน)

SEVEN UTILITIES AND POWER PUBLIC COMPANY LIMITED