

BUILDING

A SUCCESS FUTURE

2019



ANNUAL REPORT AND SUSTAINABILITY REPORT





CONTENT

ANNUAL REPORT AND SUSTAINABILITY REPORT 2019

4	VISION	38	2019 BOARD OF DIRECTORS AND SUB COMMITTEES
6	ABOUT US	50	EXECUTIVES
8	OVERALL BUSINESS OPERATIONS OF THE COMPANY	57	REPORT ON THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS
9	MESSAGE FROM THE BOARD OF DIRECTORS	58	AUDIT COMMITTEE'S REPORT
12	KEY FIGURES	60	FINANCIAL STATEMENTS
13	HIGHLIGHTS OF THE YEAR 2019	123	MANAGEMENT AND CORPORATE GOVERNANCE
14	CORPORATE STRATEGIES	157	INTERNAL CONTROL AND RISK MANAGEMENT
15	INTEGRATED SUSTAINABILITY REPORT	159	RELATED PARTIES TRANSACTIONS
20	SOCIETY	160	SEC CONTENTS IN ACCORDANCE WITH FORM 56-2
24	ENVIRONMENT	161	GENERAL INFORMATION
26	ECONOMY		
30	OVERVIEW OF FINANCIAL AND COMPANY PERFORMANCE		
37	RISK FACTORS		

VISION



**TO BE A LEADER IN DEVELOPING,
DRIVING AND GROWING SUSTAINABLE
BUSINESSES IN SOUTHEAST ASIA**



DRIVEN BY INNOVATION AND BALANCED CONCERNS,
WE MAXIMIZE ADDED VALUE FOR OUR CLIENTS,
WITH RESPECT TO OUR PEOPLE, OUR ECOSYSTEMS AND THE ENVIRONMENT.
WE SUPPORT THE COMMUNITIES IN WHICH WE OPERATE
AND GIVE THE BEST POSSIBLE RETURN TO OUR SHAREHOLDERS.

It is under reviewed to incorporate real estate business

ABOUT US

Padaeng Industry Public Company Limited or “PDI” was founded on April 10, 1981, to engage in the operation of zinc mining and smelting business in Tak province, Thailand. It was the first company in Southeast Asia in zinc mining and smelting, and has produced high quality zinc for over 30 years. It has specialized in producing special high-grade zinc ingot and zinc alloys used in the galvanizing and die-casting industries.

Due to the depletion of the mine, PDI ceased its mining and smelting operations and entered into renewable energy business and real estate business in 2014 and 2019 respectively.

PDI KEY MILESTONES

BEGINNING OF ZINC MINING BUSINESS

1982

The Company was granted a 25 years concession with Zinc Silicate’s annual capacity of 300,000 mt at Mae Sot, Tak

1984

Started Zinc Refinery with annual capacity of 60,000 mt

ENTERING METAL TRADING AND STOCK MARKET

1985

PDI’s zinc ingot was registered with the LME (London Metal Exchange)

1987

Listed on the Stock Exchange of Thailand (SET)



CONTINUING OF ZINC LEGACY

1995

Modified smelting process and constructed calcine plant in Rayong to treat imported zinc sulphide and became one of the smelters in the world using both zinc silicate and zinc sulphide

1997

Refinery production capacity reached 100,000 mt/year



RENEWABLE ENERGY ERA AND CLOSURE OF ZINC OPERATIONS

2014

Entered into renewable energy business for sustainable revenues

2016

Achieved commercial operation of Nanao solar farm with 2.27 MW, PDI Asia Solar first investment in Japan

Acquired Mae Ramat solar farm in Tak, with an installed capacity of 6.3 MW

Closed zinc mine due to zinc depletion

2017

Acquired 6 solar farms in Thailand (30 MW)

2018

2nd Japan solar farm “Nogata” for 11 MW

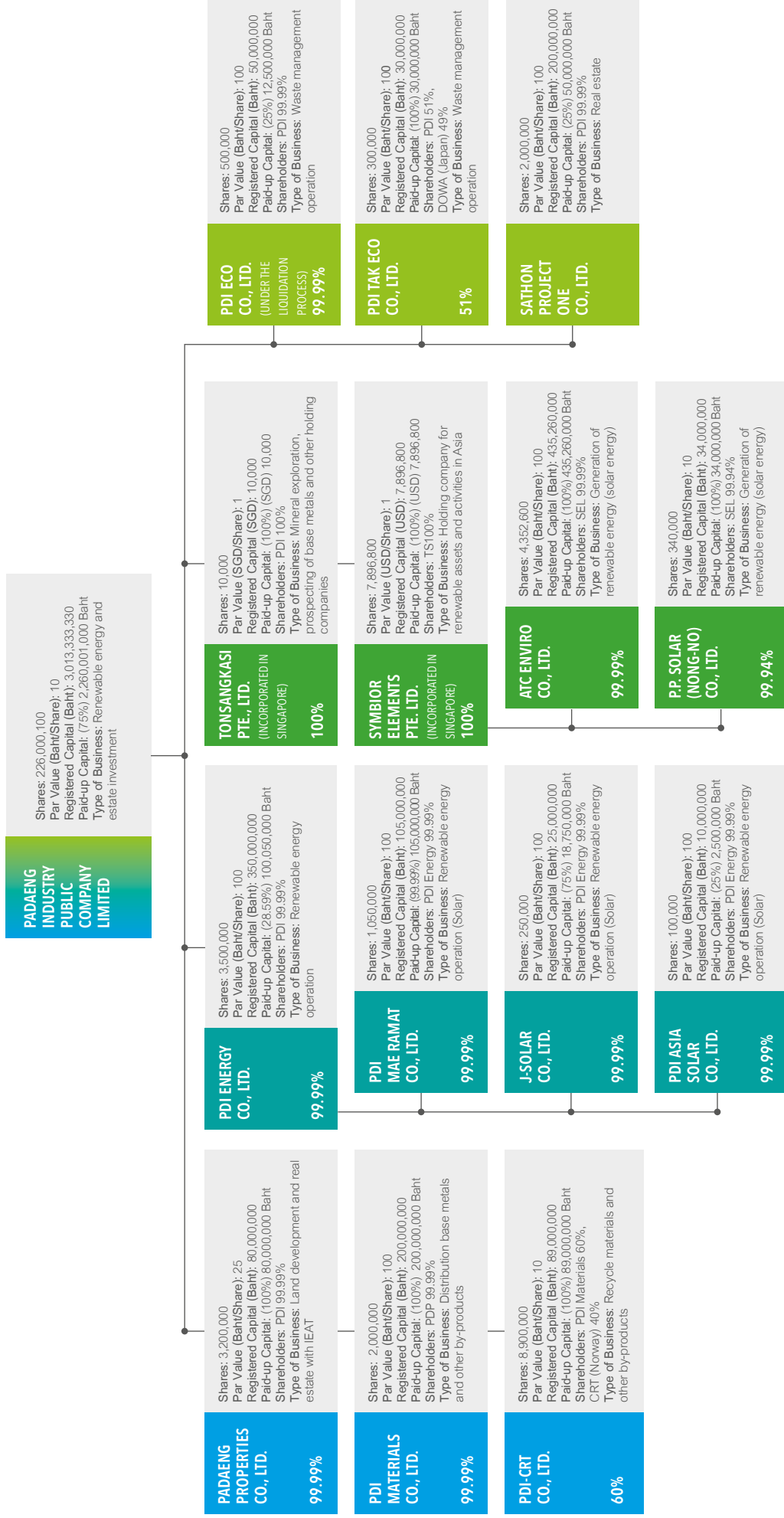
BUSINESS TRANSFORMATION FOR SUSTAINABLE GROWTH

2019

Entered into real estate and hospitality business for sustainable business growth

Successfully secured prime land in Bangkok CBD area and started the hotel development project (expected completion in 2023)

OVERALL BUSINESS OPERATIONS OF THE COMPANY



MESSAGE FROM THE BOARD OF DIRECTORS



In 2019, PDI went through some significant changes both in its business strategy and management team. The original plan that had been in place over the past few years, was to transform PDI from a zinc mining company into a green industrial company focused on renewable energy, the recycling of materials, and the recycling of waste. The Company outlined several projects for the strategy, including the construction of a recycling plant via a submerged plasma technology to recycle EAF Steel dust, as well as plans to create an industrial waste recycling facility in Tak province. After careful consideration of the Strategy, and the associated risks with such greenfield projects, the Board took the difficult decision to cease these greenfield projects.

A NEW STRATEGY

In Q4 2019, a new strategy was developed for PDI by the new management. The strategy involves the focus on two main sectors, real estate, and renewable energy both of which are lower risk with tangible assets. The two sectors complement each other well with renewable energy being a stable business with high cashflows and low growth, whereas real estate has lower cashflows but provides higher asset appreciation. As such, the board has instructed management to develop a quick asset acquisition plan targeting equal weighting for real estate and renewable energy, with most of the weighting to be in existing assets that already have recurring income. The management is evaluating larger scale acquisitions in these sectors both domestic and overseas, such that a successful acquisition will mean that income can be recognized immediately. In focusing in only businesses, the management can develop deep expertise, allowing PDI to be able to compete in the long term. Given the severe level of uncertainty in the world economy, PDI will prudent in selecting highly defensive assets for investment.

CLOSURE OF ZINC OPERATIONS

In Q1 2019, PDI stopped its zinc trading business as it was not profitable. In the past, zinc trading made sense as PDI had a cost advantage due to access to its own zinc supplies from its Mae Sod Mine. As zinc mining operations stopped, it is natural that the trading business will stop. This will result in significant reduced revenues but have a very small positive impact on the net profit of the Company.



FINANCIAL RESULTS

The operating performance for PDI for the year of 2019 was a net loss of 6 MB. This was an improvement from the operating performance as compared to 2018 which had a net loss of 42 MB. The revenues recorded were 1,125 MB, a dramatic decrease of 3,902 MB from 2018 due to permanently ceasing zinc business in Q1/2019.

PDI's predominant business is the renewable energy business. It operates commercial farms in Thailand and Japan with total production capacity of 50 megawatts. The performance was improved slightly with revenues from the energy business in Thailand earning 340 MB vs 331 MB in 2018. PDI has been successful in building an internal team with complete operational knowhow, and has thus been able to reduce management costs associated with solar farms by conducting all operations and maintenance activities in-house. The total costs of operations of the Thai solar farms were 157 MB, a decrease of 9 MB or 5% from 2018. The Japanese farms also operated well. PDI realized an income of 32 MB in dividends from its Japanese solar farms.

In 2019, The Company continued to drive cost reductions, with total costs reduced by 122 MB or 34%. Staff or employee costs reduced by 8 MB or 6% and operating costs reduced by 114 MB or 50%. Most of the cost saving measures have already been implemented however, if the Company is successful in selling its non-core assets in the coming year, further cost reductions associated with the management of these assets are possible.

During the year, the Company recognized several once-off items that had an overall net impact of 86 MB. This could be split into revenues recognized from the sale of building structures where were disassembled in Rayong and Tak through the cleaning process which was 42 MB and 132 MB respectively. There were also some non-operating costs that were incurred, that was made up of the unrealized loss on exchange rate totaling 50 MB due to the strength of the Thai Baht against the Yen, and impairments of investment of joint ventures of 38 MB due to the decision to stop some previous projects.

Despite a relatively quiet year, PDI is well positioned for growth with its highly liquid balance sheet. As of December 31, 2019, the Company had a total of 950 MB in cash and 1,815 MB in short term investments. The Company is aggressively looking for suitable acquisitions that are well priced and defensive in nature.



DETERMINATION TO OPERATE BUSINESSES WITH RESPONSIBILITY TO ALL STAKEHOLDERS

PDI is determined to operate its business with responsibility and maximum benefits for its shareholders and society. Despite a significant change in its business structure, the Company still believes that the sustainability of a business stems from an operation with responsibility to all stakeholders, a balance between society, economy and environment combined with business ethics and good governance to create value for the organization and society. PDI is committed to being one of the organizations that fight against all kinds of corruption. Last year, the Company has submitted a request for re-certification as a member of the Private Sector Collective Action Coalition Against Corruption (CAC) and was certified on February 7, 2020.

On behalf of the Board of Directors and the management, I'd like to express my sincerest appreciation to the shareholders and all stakeholders for your continued confidence and support. Please rest assured that PDI will continue to operate at its maximum capacity with good governance, consideration to all stakeholders and environmental responsibility to attain stable growth and sustainable returns.

A handwritten signature in black ink, appearing to be 'Arsa Sarasin'.

(Arsa Sarasin)
Chairman

A handwritten signature in black ink, appearing to be 'Tommy Taechaubol'.

(Tommy Taechaubol)
Managing Director

KEY FIGURES

KEY FIGURES AND RATIOS

The Consolidated Financial Statements

FOR THE YEARS ENDED		2019			2018	2017
		CONTINUING OPERATIONS	DISCONTINUED OPERATION	TOTAL		
Total Revenues	(Million Baht)	434.14	690.86	1,125.01	5,027.05	6,357.19
Gross Profit	(Million Baht)	183.57	(4.25)	179.31	295.54	1,362.25
Net Profit (loss)	(Million Baht)	(115.66)	109.89	(5.76)	(41.76)	905.28
Net Profit (Loss) per Share	(Baht)	(0.51)	0.49	(0.02)	(0.18)	4.01
Net Profit (Loss) per Total Revenue	%	(26.64)	15.91	(0.51)	(0.83)	14.24
Total Asset	(Million Baht)			7,514.30	7,018.91	7,408.65
Total Liabilities	(Million Baht)			2,809.71	2,315.67	2,324.22
Total Shareholders' Equity	(Million Baht)			4,704.59	4,703.24	5,084.43
Return on Assets	%			(0.08)	(0.58)	13.93
Return on Equity	%			(0.12)	(0.85)	19.89
Return on Capital Employed	%			3.45	1.02	30.87
Debt to Equity Ratio	(Times)			0.60	0.49	0.46
Net debt to EBITDA Ratio	(Times)			5.59	2.13	0.22
Debt Service Coverage Ratio	(Times)			2.32	2.39	53.14
Debt to Equity Ratio	(Times)			1.58	1.23	4.85
Interest Bearing Debt matured in 1 Year to Total Interest Bearing Debt	(Times)			0.07	0.12	0.19
Loan from Financial Institution to Total Debt Ratio	(Times)			0.40	0.55	0.56
Book Value per Share	(Baht)			20.82	20.81	22.50
Dividend per Share	(Baht)			-	-	1.50

REVENUE STRUCTURE

The Consolidated Financial Statements can be classified by types of product (2017 - 2019)

PRODUCTS OR SERVICES	2019		2018		2017	
	MILLION BAHT	% OF TOTAL REVENUES	MILLION BAHT	% OF TOTAL REVENUES	MILLION BAHT	% OF TOTAL REVENUES
Continuting Operations						
Renewable Energy	340	30.22	331	6.58	143	2.25
Others	94	8.36	109	2.17	188	2.96
Discontinued Operation						
Zinc Metal	691	61.42	4,587	91.25	6,026	94.79
Total Revenues	1,125	100.00	5,027	100.00	6,357	100.00

HIGHLIGHTS OF THE YEAR 2019

BUSINESS TRANSFORMATION FOR SUSTAINABLE GROWTH

NET LOSS OF 6 MB,
AN IMPROVEMENT FROM
NET LOSS OF 42MB IN
2018

**RENEWABLE ENERGY
BUSINESS** REACHED AN
INCREASE OF GROSS
PROFIT BY 11% FROM
EFFECTIVELY CONDUCTED
ALL OPERATIONS AND
MAINTENANCE OF PDI'S
SOLAR FARMS



**SUCCESSFUL REDUCED
OPERATING** AND
ADMINISTRATIVE
EXPENSES BY 120 MB OR

50%

**PERMANENTLY CEASED ZINC BUSINESS AND STOPPED
UNCERTAIN GREEN FIELD PROJECTS AND TRANSFORMED
BUSINESS** BY FOCUSING ON REAL ASSET INVESTMENT IN
RENEWABLE ENERGY AND REAL ESTATE TO GENERATE
SUSTAINABLE AND HIGHER RETURNS IN THE LONG TERM



**ENTERED INTO NEW
BUSINESS IN REAL ESTATE
AND HOSPITALITY** FOR
SUSTAINABLE BUSINESS
GROWTH BY SUCCESSFULLY
SECURED PRIME LAND IN
BANGKOK FOR PDI'S FIRST
FLAGSHIP PROJECT

CORPORATE STRATEGIES

In 2019, PDI has reviewed its current business situation and set the new business strategy and new business direction, which open to other new investments with superior return and sustainable growth. Apart from renewable energy business which provide strong and stable cash flow with high rate of return, after the long consideration and study, the Company set its new direction to invest in the real estate business which has a sustainable growth rate and creates long-term stability.

The Company's new strategy is to identifying and acquiring potential high quality real assets in combination of renewable energy (high yield and strong cash flow, despite of low growth) and real estate/hospitality (lower yields in early stage, but provides higher asset appreciation).

In 2020, PDI's key objectives are bringing back the profit and expediting its investment in the real estate business. Major activities include:

1

Managing cost reduction in all areas efficiently and consistently as well as manage its investment expenses as per the approved budget.

2

Managing the Group's solar farms to ensure smooth production and highest efficiency according to the international standard.

3

Selling the existing unused assets from the zinc business and use the money to support its future investments.

4

Expediting its business expansion by considering investment in high quality assets in the renewable energy and real estate business both in Thailand and Overseas.

AS A RESULT OF NEW BUSINESS STRATEGY, THE YEAR 2020 WILL BE ANOTHER YEAR OF MAJOR CHANGES. MOREOVER, THE CHANGE IN PDI'S STRATEGY WILL CLEARLY REFLECT ITS GOAL AND BUSINESS DIRECTION.



INTEGRATED SUSTAINABILITY REPORT

ABOUT THIS REPORT

PDI combines the Annual Report with the Sustainable Report in order to present the results of its sustainable management. This report covers all operating aspects including economic, social and environmental between January 1 and December 31, 2019 and also displays the Company's latest update in 2020 and its on-going activities. The scope of the report is based on business relevance, the availability of the information and the impact on PDI's operation with regard to its main business, renewable energy.

The information in this report has been audited by the auditor, Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. to ensure that PDI presents complete, accurate, transparent and reliable information in accordance with the Securities & Exchange Commission's standard reporting criteria. The report is produced in both Thai and English in a printing format and an electronics file downloadable at www.padaeng.com, For a printing version, please contact Investor Relations, Padaeng Industry Public Company Limited, 191/18-25 CTI Tower, 26th floor, Ratchadaphisek road, Khlong Toei, Bangkok 10110, Tel.+66 (0) 2695-9495, Fax. +66 (0) 2695-9495 or email at ir@padaeng.co.th.

PDI AND SUSTAINABLE DEVELOPMENT

PDI is committed to operating its business with emphasis on economic, social and environmental sustainability while holding on to business ethics and good governance. The main purpose of this commitment is to create value to the organization and society in general. The Company moved over to its new businesses by permanently terminating the zinc business at the end of 2019's first quarter. At present, PDI's main business is renewable energy, and it is heading towards new, challenging businesses with high potential growth.

Last year, PDI set a new business strategy to be in line with the changing business situation. By operating its businesses with innovation and investment balance, as well as investing in businesses which constantly yield high returns.

PDI reviewed of its business direction to be consistent with its new strategy and the changing situations includes:

1) Economic Aspect - increasing its organizational value, responding to the overall economic and social development through cost management, ability to make profit from its assets and investment capital, and careful and regular risk management.

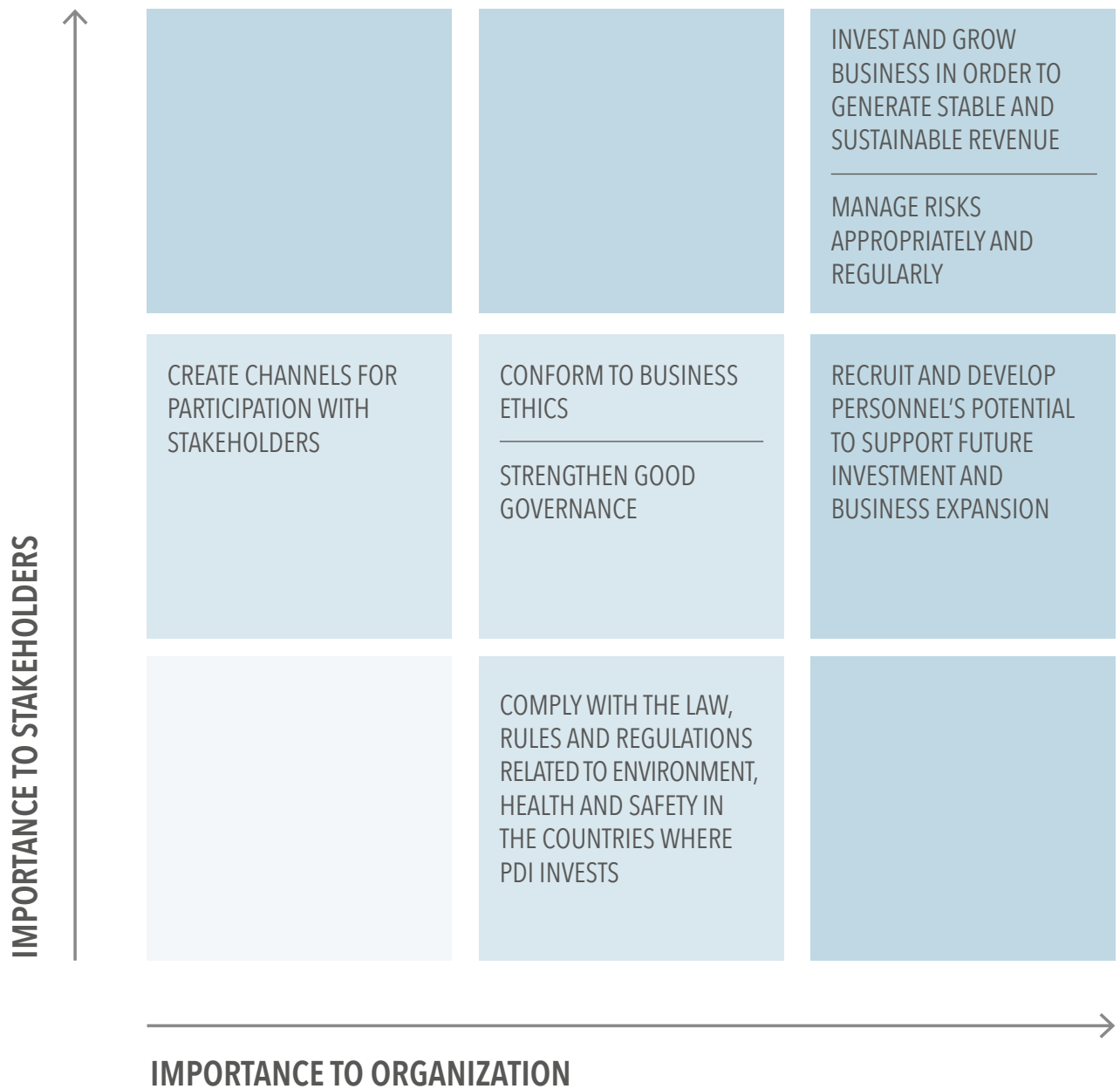
2) Social Aspect - gaining recognition and support from all stakeholders.

3) Environmental Aspect - minimizing the impact from the operation of various projects.

4) Good Governance Aspect - operating its businesses with transparency and fairness by complying with business ethics and anti-corruption measures.

SUSTAINABLE DEVELOPMENT ISSUES

PDI reviewed and identified its important issues in all dimensions, be its economic, social or environmental, which may impact all stakeholders. The objective of this revision is to ensure consistency with its operation and business direction which focus on investing in renewable energy and real estate businesses.



EXPECTATION AND ACTION FOR STAKEHOLDERS

STAKEHOLDER GROUPS	COMMUNICATION & CHANNELS	EXPECTATION	RESPONSE
1. Shareholders and Investors	<ul style="list-style-type: none"> • Holding General Shareholders' Meetings • Disclosing information via the Stock Exchange of Thailand's SET Portal and PDI's website • Producing and distributing annual reports and sustainability reports • Creating channels for inquiries via its website and directly via the Investor Relations Unit • Participating in the Stock Exchange of Thailand's Investor Relations activities such as Opportunity Day 	<ul style="list-style-type: none"> • Fair investment returns on a short and long term basis as well as sustainable business growth • Management transparency through regular disclosure of information and business movement • Participation of minor shareholders 	<ul style="list-style-type: none"> • Create good performance under careful risk management • Disclose Company's information accurately, completely, transparently, equally and timely • Invite shareholders to attend and to share their opinions at the Annual General Shareholders' Meetings
2. Employees	<ul style="list-style-type: none"> • Disseminating information and knowledge via internal communication channels • Activities to encourage talks between employees and management • Training & personnel development plan 	<ul style="list-style-type: none"> • Receiving good and fair compensation and welfare • Stability at work and career growth opportunity • Opportunity for development and equal training opportunity to increase skills • Balance between personal life and work • Respect for rights and fair treatment • Provision of good occupational health and work environment 	<ul style="list-style-type: none"> • Set Human Resources Department's policies and practices and comply with the labor laws • Regularly conduct surveys of the labor markets' compensation to ensure appropriate compensation and benefits • Disseminate Company's information via various communication channels such as emails and Intranet • Hold meetings for management to meet staff twice a year. At these meetings, the highest level of management gives important information to the staff directly. • Prepare courses for staff's development which are suitable for each staff's function and level • Improve work environment in accordance with occupational health principles

STAKEHOLDER GROUPS	COMMUNICATION & CHANNELS	EXPECTATION	RESPONSE
3. Customers	<ul style="list-style-type: none"> • Company's website • Interaction with customers as deemed appropriate • Complaints via complaint channels 	<ul style="list-style-type: none"> • Receiving quality standard service • Listening to customers' problems and helping solve them • Protecting customers' personal information • Experience with personalized service • Support of customers' activities 	<ul style="list-style-type: none"> • Deliver service that responds to customers' needs • Interact with customers as deemed appropriate • Regularly communicate with customers via various communication channels • Survey customer satisfaction and answer inquiries via communication channels
4. Vendors, Debtors, Communities, Government and Local Authorities and the Press	<ul style="list-style-type: none"> • Communicating regularly via email and telephone • Sending necessary reports or information to the government • Participating in or supporting activities organized by communities, government units or other institutions • Holding press conferences • Producing press releases, brochures and pamphlets to disseminate Company's information • Holding activities or projects with target groups 	<ul style="list-style-type: none"> • Carrying out business with vendors fairly • Disseminating factual and timely information • Participating in the development of communities' quality of life particularly in education • Employing and providing occupational development for people in the communities • Complying with the government's laws, rules and regulations • Carrying out business with social responsibility • Carrying out business with maximum safety and environmental protection 	<ul style="list-style-type: none"> • Comply with the stakeholder groups' criteria, rules, regulations and policies • Follow sustainable practice between PDI and its vendors • Participate in and support communities' activities or projects • Hold press conferences • Produce press releases and brochures to disseminate Company's information



SOCIETY

HUMAN RESOURCES MANAGEMENT

PDI realizes the importance of human resources management and has, therefore, focused on building and developing personnel with knowledge, skills, a positive attitude, ethics and integrity. The Company also encourages staff to fully use their knowledge and skills, and provides them with opportunities for growth.

The Company's internal management structure has been adjusted to be in line with PDI's new businesses which focus on renewable energy and real estate. As a result, PDI requires a lot of qualified personnel to support its future business expansion. Recruitment strategy and process have been adjusted to be more proactive so as to attract personnel with the required knowledge and skills. In addition, retaining qualified staff is also emphasized to leverage the Company's human resources competitiveness potential in terms of capacity and capability.

In 2019, PDI paid out a total of 114 Million Baht to its staff. This amount included salary, bonus, provident fund, shift pay, overtime pay, various benefits and welfare, compensation in case of termination as a result of business change, and compensation in case of retirement. In addition, PDI's subsidiaries paid out 7 MB to their staff. At the end of 2019, the total number of PDI's and its subsidiaries' staff was 66.

SAFETY AND OCCUPATIONAL HEALTH

Ensuring that work environment is appropriate and safe for its staff is one of PDI's top priorities, as announced in its policy and direction regarding safety, occupational health and work environment. This policy includes PDI's contractors, customers, visitors and those who come to work in the Company's premises.

During the past year, PDI removed the machinery and equipment in the Roaster in Rayong province after the termination of its zinc business. The contractors' work was closely supervised based on the strict work safety and environmental management standards specified by the laws. Risks were assessed, and safe removal steps were identified. Staff required permission to work in risky areas and were trained on safety measures before the work started. In addition, appropriate and sufficient equipment and tools were prepared for the staff to ensure maximum safety. As a result, the removal of the machinery and equipment at the ore dressing plant was successfully completed without any single accident. Similarly, the removal of machinery and equipment at the zinc smelting plant in Tak province will be as strict to ensure maximum safety at every step.

As for the Group's 7 solar farms, a "zero" accident has been set as a target for work safety and occupational health measures. At the same time, the head office which is located on a high rise building has cooperated with the building's juristic person to prevent and eliminate fire. The work includes patrols, campaigns to prevent fire, fire drills, fire evacuation practices and fire relief. Besides, the building space is managed so that there is no material or risky work that may cause fire. In 2019, there was no accident at work; thus, no average leave rate as a result of accidents at work and no work injury. Moreover, PDI continues to provide an annual health examination for all staff.

PARTICIPATION IN COMMUNITY AND SOCIAL DEVELOPMENT

Social Development PDI continues to support the activities or projects that are beneficial to communities and societies in general, as a return of part of its profit to societies. This support reflects in the implementation of the projects and activities which have responded to the needs of the communities for almost 40 years since its establishment. Each year, a budget is allocated to support education, public health, religion, tradition and culture, public welfare and occupational development. The main objective is to help strengthen communities so that they can depend on themselves.

During the past year, the Group continued to provide educational support and participated in community activities as deemed appropriate. Examples included the donation of educational and sports supplies, the provision of prizes for children on Children's Day, merit making and the donation of Buddhist Lent's candles. In addition, PDI provided opportunities for youth and villagers in the surrounding area to visit the Group's solar farms to learn about clean energy. The Company also supported the construction of Mae Ramat Estate Cooperative Limited's community store where members of the community can sell their products.



SUPPLY CHAIN MANAGEMENT

PDI holds on to the Code of Conduct for Suppliers which is distributed to all suppliers and covers important points such as business ethics, social responsibility, environment, occupational health and safety as well as human rights and anti-corruption. The permanent termination of the zinc business has reduced the number of suppliers. However, PDI still continues to assess the suppliers or contractors before and after their practice to ensure work safety and on-time work transfer. As for the Company's new businesses including its subsidiaries and joint ventures, PDI has assigned the central purchasing unit to oversee the policy and supervision to ensure compliance with the announced practice. In addition, management and preventive measures against risks from suppliers that may impact PDI's business operation economically, socially and environmentally have also been put in place.





ENVIRONMENT

PDI is committed to minimizing the environmental impact as a result of the Group's production and business operation. Its emphasis is on high standard environmental management, maximum utilization of resources, greenhouse gas management and adjustment. In addition, the efficient use of energy, waste material management and the use of innovation and the best technology in its investment projects are also focused. All these measures will help protect as well as minimize the possible impact and risks on the surrounding communities and environment. PDI's business decisions on new investment projects are based not only on economic factors but also on environment and society as well as hygiene and safety of all concerned.

In 2019, PDI permanently terminated its zinc business, but it has continued to assess the possible risks and impact on the environment as a result of the termination. The Company has appropriately managed the environment and has strictly followed the government's rules and regulations. PDI is confident that the termination of the whole production process will not have any impact on the surrounding environment and communities. This is because PDI has operated with strict environmental measures at all of its business locations.

- PDI commissioned a contractor to demolish the production building and remove the machinery at the zinc smelting plant in Tak province within 540 days (November 2019 - April 2021). The contractor started the work according to the specified plan which included risk assessment as well as corrective and preventive measures to avoid any possible work accidents. It also included environmental assessment as well as corrective and preventive measures to avoid any impact on the environment as a result of the demolition. The contractor is required to provide personal safety equipment, tools and machines that are appropriate and sufficient, along with an engineer and a safety officer who must supervise the work closely. Moreover, PDI follows up the work of the contractor closely with emphasis on work safety and environmental management that is in line with the specific laws.

- PDI removed the machines and equipment at the Roaster plant in Rayong province without any impact. The work was completed in July 2019.

- PDI has continued to monitor and measure the quality of environment after 5 years of mining operation (2017 - 2021) at Mae Sot Mine, Tak province. It has

measured 1) the quality of surface water in Mae Tao and Mae Ku basins, 2) the quality of underground water both inside and outside the project area, 3) the quality of water released from the last sediment tank, and 4) the quality of water in the last sediment tank (if it is not released outside). The quality tests are done during the dry and the rainy seasons, and the results have still been within the standard criteria.

- PDI has continued to focus on minimizing the energy use at its head office by appropriately adjusting the work area and continuing with the campaign to reduce the use of energy and various resources. This includes turning off computers and lights when they are not in use, reducing the use of paper and other supplies, etc.

- PDI has 9 solar farms both in Thailand and Japan with a total production capacity of 50 megawatts. Solar farms help reduce the greenhouse gas when compared with the common power generation in Thailand which uses fossils as fuel. The total 70 million kilowatt hours of electricity generated by the Company's solar farms during the past year helped reduce the release of carbon dioxide equivalent to 42,651 tons of carbon dioxide.

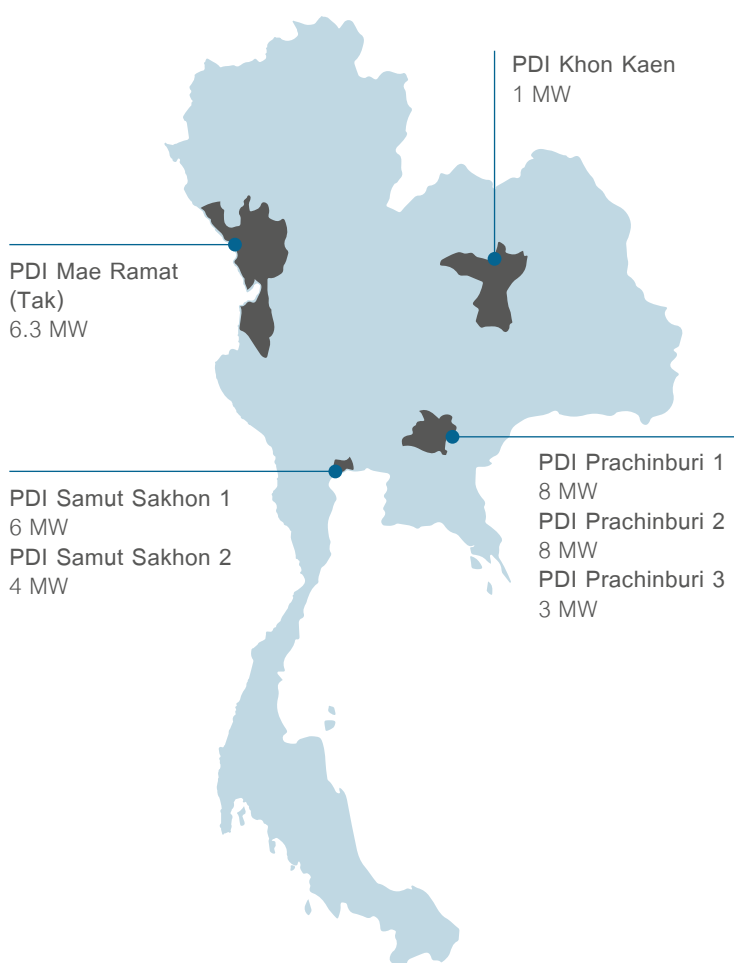


ECONOMY

PDI terminated its zinc trading business at the end of 2019's first quarter and is in the process of selling its existing unusable assets. The machinery and equipment of the Roaster in Rayong province were completely removed in the middle of the previous year. PDI will sell the 52-rai piece of land in the Padaeng Industrial Estate which is located in the Map Ta Phut Industrial Estate and is the original site of the plant. Income from the sale of this land will be used to support future new investment projects. Meanwhile, the machinery and equipment at the smelting plant in Tak province are being removed and will be completed in 2021.

PDI's main revenue in 2019 came from its investment in the renewable energy business, particularly the solar farms both in Thailand and Japan which have been in commercial operations. The total production capacity was 50 megawatts: 37 megawatts from the solar farms in Thailand and 13 megawatts from those in Japan. The long-term power purchasing agreement (PPA) with the buyers who are financially strong results in continued stable revenue and profit for the Company.

PDI RENEWABLE POWER - CURRENT DOMESTIC INVESTMENT



PDI Prachinburi 1-2

Capacity	16 MW
COD	Dec 2015
Year Left	20
Tariff Scheme	Fit Scheme 5.66 THB

PDI Prachinburi 3

Capacity	3 MW
COD	Apr 2015
Year Left	21
Tariff Scheme	Fit Scheme 5.66 THB

PDI Mae Ramat (Tak)

Capacity	6.3 MW
COD	Dec 2013
Year Left	18
Tariff Scheme	Adder Scheme 6.5 THB

PDI Samut Sakhon 1

Capacity	6 MW
COD	Dec 2015
Year Left	20
Tariff Scheme	Fit Scheme 5.66 THB

PDI Samut Sakhon 2

Capacity	4 MW
COD	Dec 2015
Year Left	20
Tariff Scheme	Fit Scheme 5.66 THB

PDI Khon Kaen

Capacity	16 MW
COD	Dec 2015
Year Left	18
Tariff Scheme	Adder Scheme 8 THB



The overall solar farm operations under the PDI Energy Group has been smooth and efficient thanks to the ISO 9001:2015 standard quality management system. During the past year, the Group's power plants generated 70 million kWh. In addition, PDI was able to reduce its overall electricity sale and service costs significantly as a result of careful and thorough cost management. The maintenance of the Group's power plant machinery and equipment were carried out by the Group itself, and this led to the cost reduction worth many millions of Baht.

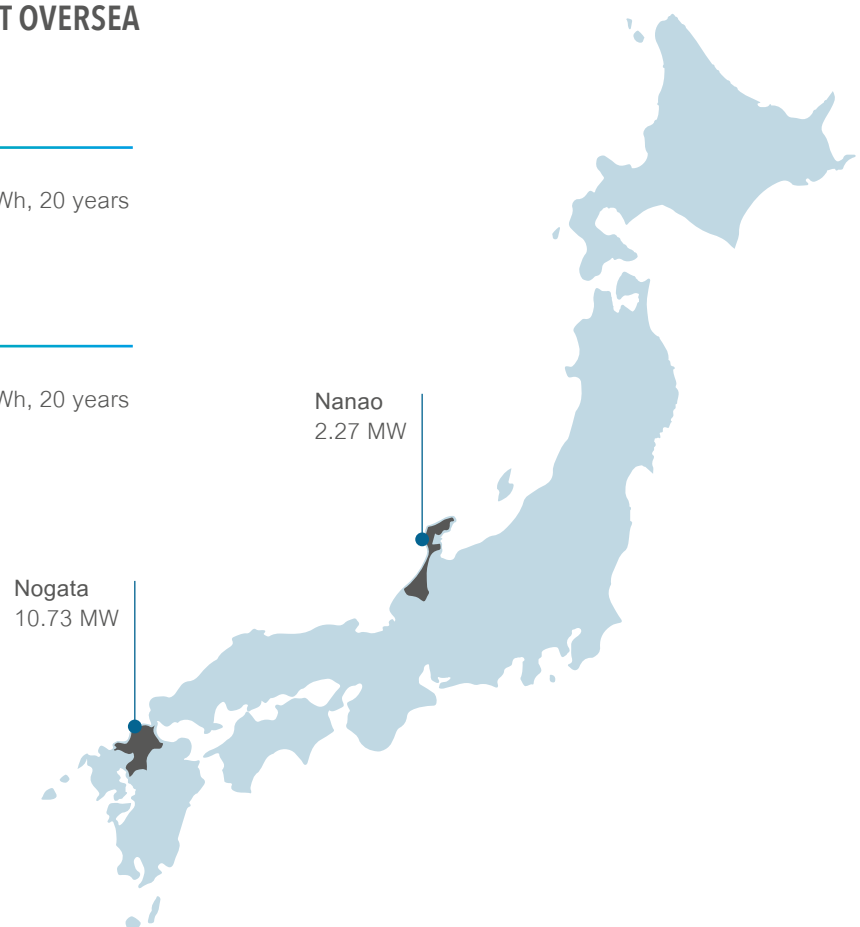
PDI RENEWABLE POWER – CURRENT OVERSEA INVESTMENT

Nogata: Operation

Capacity	10.73 MW
PPA	FIT scheme at 36 JPY/kWh, 20 years
COD	Q1 2018
Project Value	4,500 M JPY

Nanao: Operation

Capacity	2.27 MW
PPA	FIT scheme at 32 JPY/kWh, 20 years
COD	OCT 2016
Project Value	800 M JPY





In 2020, PDI will continue to manage the Group's power plants efficiently in order to generate similar amount of electricity as in the past year. At the same time, it will expand into maintenance service business and increase its investment in renewable energy business both locally and internationally. The solar farm projects under feasibility studies and negotiation are the 48-megawatt solar farm on the Company's residue pones in Tak province, the 16-megawatt community power plant and the power plants in Vietnam and Southeast Asia with a total capacity of more than 300 megawatts.

Originally, PDI's vision and goals were set towards "Green Businesses" with emphasis on renewable energy business, metal recycling business and environmental management business. All these businesses are interesting and beneficial to the country economically, socially and environmentally. However, the current business fluctuations and project implementation obstacles including the limitation in policies, rules and regulations, the attitudes and concerns of some stakeholder groups have led to the delay in the industrial waste management project. PDI, therefore, decided to postpone the investment in this project until situation improves.

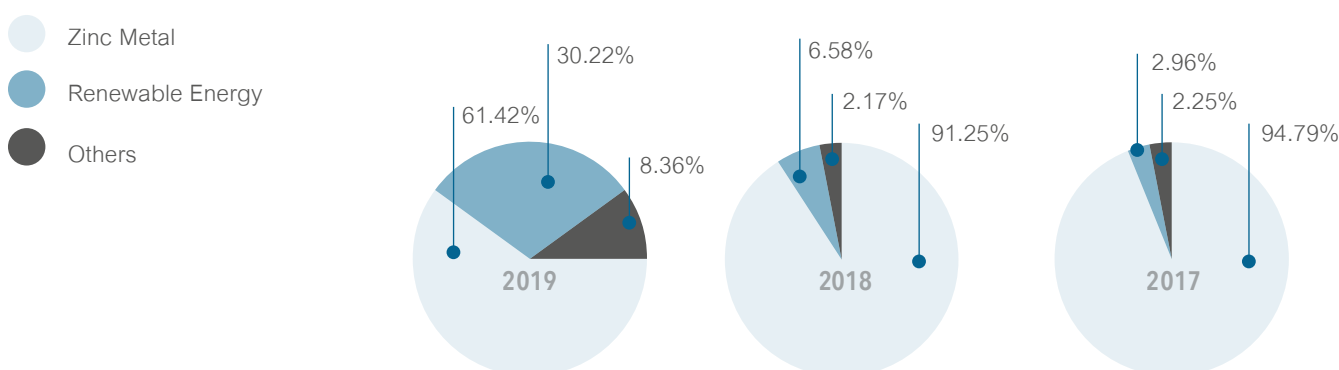
Furthermore, PDI reviewed its vision and set a new strategy and business direction that are appropriate and in line with the current situation. It opened to other new businesses in the last quarter of 2019, and this included the investment in the real estate business. The Company's Board of Directors subsequently approved the establishment of a subsidiary with a registered capital of 200 Million Baht in order to run its real estate business. Preparation has been made in terms of capital sources, procurement of the land banks in the prime area of Bangkok, and a team of personnel who are knowledgeable and experienced in the real estate business. With all this preparation, the Company's first flagship hotel will be developed and open for service in 2023. PDI has also considered investing in many target real estates in various countries around the world with geographical strategic strengths including Japan, the Great Britain and Europe.

OVERVIEW OF FINANCIAL AND COMPANY PERFORMANCE

Note: The following management review is based on a formulation of accounts which may not have been audited. The purpose of presenting the accounts in such a format is to disclose the results in a way more useful to the reader than that of the comprehensively regulated financial statements

Padaeng Industry Public Company Limited and its subsidiaries (“the Group”) reassessed its business structure to move towards Real Assets investment, targeting renewable energy and real estate businesses. To pursue its business strategy, 36 MW solar farms in Thailand have been acquired in 2016 and 2017. The revenues from renewable energy are starting to contribute a significant portion of the profits since 2018 onwards.

Subsequently, on November 6, 2018, the Board of Directors of the Company had resolved the resolution to the Company that it shall cease metals trading business at the end of the first quarter of 2019. (“Discontinued operation”). The portion of each segment and growth of revenue are as follows;



SEGMENT	2019		2018		2017	
	MILLION BAHT	% OF TOTAL REVENUES	MILLION BAHT	% OF TOTAL REVENUES	MILLION BAHT	% OF TOTAL REVENUES
Continuing Operations						
Renewable Energy	340	30.22	331	6.58	143	2.25
Others	94	8.36	109	2.17	188	2.96
Discontinued Operation						
Zinc Metal	691	61.42	4,587	91.25	6,026	94.79
Total Revenues	1,125	100.00	5,027	100.00	6,357	100.00

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS	FOR THE YEARS ENDED DECEMBER 31,					
	CONTINUING OPERATIONS		DISCONTINUED OPERATION		TOTAL	
	2019	2018	2019	2018	2019	2018
Revenues	434.15	440.30	690.85	4,586.75	1,125.00	5,027.05
Revenue from sales electricity	340.33	330.85	-	-	340.33	330.85
Revenue from sales and services	14.05	17.97	503.81	4,525.72	517.86	4,543.69
Dividend income	41.09	-	-	-	41.09	-
Other income	38.68	91.48	187.04	61.03	225.72	152.51
Expenses	(549.15)	(445.02)	(580.96)	(4,611.18)	(1,130.11)	(5,056.20)
Cost of sales electricity	(156.77)	(165.89)	-	-	(156.77)	(165.89)
Cost of sales and services	(11.19)	(11.38)	(508.06)	(4,401.74)	(519.25)	(4,413.12)
Operating and administrative expenses	(161.56)	(145.88)	(72.90)	(209.44)	(234.46)	(355.32)
Loss on short-term investment	(30.16)	(45.13)	-	-	(30.16)	(45.13)
Loss on exchange rate	(50.38)	-	-	-	(50.38)	-
Loss on impairment of investments in joint ventures	(37.87)	-	-	-	(37.87)	-
Finance costs	(101.22)	(76.74)	-	-	(101.22)	(76.74)
Share of loss of investment in joint ventures on equity method	(2.62)	(11.51)	-	-	(2.62)	(11.51)
Gain (loss) before tax	(117.62)	(16.23)	109.89	(24.43)	(7.73)	(40.66)
Income tax income (expense)	1.97	(1.10)	-	-	1.97	(1.10)
Net gain (loss) for the years	(115.65)	(17.33)	109.89	(24.43)	(5.76)	(41.76)

For the year 2019, the Group announced net loss of 5.76 MB, a decrease of 36 MB from net loss of the previous year. The main reasons for the substantial difference are as follows:

RENEWABLE ENERGY BUSINESS

The Group reached gross profit for the year 2019, an increase of 18.60 MB compared to the previous year from increased revenue and cost management by carefully set up own operational and maintenance for machines and equipment of solar farms.

Unit : Million Baht

PERFORMANCE	FOR THE YEARS ENDED DECEMBER 31,	
	2019	2018
Revenue from sales electricity	340.33	330.85
Cost of sales electricity	(156.77)	(165.89)
Gross profit	183.56	164.96
Gross profit margin (%)	53.94	49.86

During 2019, the Group recognized dividend income amounting 32.34 MB from the long-term investment - solar farms in Japan.

METALS TRADING BUSINESS

The Group reached net profit from discontinued operation in metals trading business of 109.89 MB increased by 134.32 MB from the previous year. This was due to the sale of assets that are no longer useful to follow the plan of transition of the Company. The Company cooperates with the Department of Royal Forest (“RFD”) to forestry restoration compensation after the cessation zinc operation as stipulated by law and new regulations imposed by RFD.

OPERATING AND ADMINISTRATIVE EXPENSES

The Group has operating and administrative expenses for the year 2019 of 234.46 MB, a decrease by 120.86 MB from the previous year which follow the plan of transition of the company. The Group had some realized some additional expenses from the previous year that was mainly from feasibility study of new projects.

Unit : Million Baht

OPERATING AND ADMINISTRATIVE EXPENSES	FOR THE YEARS ENDED DECEMBER 31,	
	2019	2018
Employee benefits expense	97.87	113.61
Provisions for employee benefit expense	22.78	14.72
Other expenses	113.81	226.99
Total	234.46	355.32

LOSS ON EXCHANGE RATE

For the year 2019, the Group has loss on exchange rate by 50.38 MB due to the Baht appreciation against JPY. The unrealized loss on exchange rate was mainly from revaluation foreign exchange rate in JPY of long-term investments.

STATEMENTS OF FINANCIAL POSITION ASSETS

As at December 31, 2019, total assets of the Group amounting 7,514.30 MB increased in amount of 495.39 MB or 7.06% compared to the prior year amounting 7,018.91 MB.

Change of total assets of the Group are as follows;

Unit : Million Baht

ASSETS	2019	%	2018	%
Cash and cash equivalents	949.68	12.64	709.34	10.11
Short-term and long-term investments	2,388.86	31.79	1,455.65	20.74
Trade and other current receivables	115.11	1.53	300.86	4.29
Inventories	-	-	504.63	7.19
Property, plant and equipment and intangible assets	3,414.97	45.45	3,473.69	49.49
Others	645.68	8.59	574.74	8.18
Total Assets	7,514.30	100.00	7,018.91	100.00

1. Cash and cash equivalents as at December 31, 2019, amounting 949.68 MB increased in amount of 240.34 MB or 33.88% compared to the prior year. Cash and cash equivalents of the Group consisted of cash on hand, cash at banks and highly liquid short-term investments.

2. Short-term and long-term investments as at December 31, 2019, amounting 2,388.86 MB increased in amount of 933.21 MB or 64.11% compared to the prior year.

Unit : Million Baht

DETAILS OF INVESTMENTS	2019	2018
Short-Term Investments		
Unit trust	1,590.79	210.13
Listed securities	224.57	250.03
Others	-	346.05
Long-Term Investments		
General investments and joint ventures	573.50	649.44
Total Investments	2,388.86	1,455.65

Investments of the Group consisted of unit trust, listed securities which are marketable securities, fixed deposit, Debentures and bill of exchange. The Group fully recognized allowance for diminution in value of investment according to the accounting standards. Long-term investments were general investments which invest into 13 Megawatts solar farms in Japan.

3. Trade and other current receivables as at December 31, 2019, amounting 115.11 MB significant decreased in amount of 185.75 MB or 61.74% compared to the prior year. Due to the Group cease metals trading business at the end of the first quarter of 2019.

4. Inventories as at December 31, 2019, significant decreased in amount of 504.63 MB due to the Group cease metals trading business at the end of the first quarter of 2019.

5. Property, plant and equipment and intangible assets as at December 31, 2019, amounting 3,414.97 MB decreased in amount of 58.72 MB or 1.69% compared to the prior year mainly came from depreciation and amortization expenses that is calculated on the straight-line basis over the useful life following the Group accounting policy.

6. Other assets as at December 31, 2019, amounting 645.68 MB increased in amount of 70.94 MB or 12.34% compared to the prior year from normal operating activities of the Group.

LIABILITIES

As at December 31, 2019, total liabilities of the Group amounting 2,809.71 MB increased in amount of 494.04 MB or 21.33% compared to the prior year amounting 2,315.67 MB.

Change of total liabilities of the Group are as follows;

Unit : Million Baht

LIABILITIES	2019	%	2018	%
Loans from financial institutions	1,129.63	40.20	1,277.57	55.17
Long-term debentures	1,134.13	40.36	-	-
Trade and other current payables	49.82	1.77	532.82	23.01
Provisions	263.54	9.38	287.65	12.42
Deferred tax liabilities	201.09	7.16	203.35	8.78
Others	31.50	1.13	14.28	0.62
Total Liabilities	2,809.71	100.00	2,315.67	100.00

1. Loans from financial institutions as at December 31, 2019, amounting 1,129.63 MB decreased in amount of 147.94 MB or 11.58% compared to the prior year that was long term loans of subsidiaries with financial institutions in energy business projects.

	LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS (MB)		INTEREST RATE % PER ANNUM		CONDITION TO MAINTAIN FINANCIAL RATIOS
	2019	2018	2019	2018	
ATC Enviro Co., Ltd. -repayable from June 2016 to 2029 on quarterly basis	933.60	1,032.11	THBFIX6M +3.25%	THBFIX6M +3.25%	Yes
P.P. Solar (Nong-No) Co., Ltd. -repayable from December 2013 to 2023 on quarterly basis	6.64	11.75	THBFIX6M +3.25%	THBFIX6M +3.25%	Yes
PDI Mae Ramat Co., Ltd. -repayable from March 2018 to 2027 on quarterly basis	190.88	235.80	THBFIX3M +2.5%	THBFIX3M +2.5%	Yes
Total	1,131.05	1,279.66			
Less Deferred Financing Fee	(1.42)	(2.08)			
	1,129.63	1,277.57			

As at December 31, 2019 and 2018, the subsidiaries were able to maintain certain debt covenants as stipulated in the agreements.

2. On June 28, 2019, the Company issued debentures which are holder specified, unsubordinated, secured debentures with debenture holder's representative at par value of 1,000 Baht per unit and callable which had the objective to increase the Company investment. The details are as follows:

Symbol	Term	Maturity Day	Interest Rate per Annum	Number of Units Issued	Interest Rate per Annum	Deferred Debenture Issuance Cost (MB)	Net (MB)
PDI21DA	2 years and 6 months	December 28, 2021	5.25	1,149,600	5.25	15.47	1,134.13

The Company shall maintain the Interest Bearing Debt to Equity Ratio in the consolidated financial statement as of ended of the period with ratio not exceed 3.50 : 1 the entire term.

As at December 31, 2019, the Company maintains the Interest Bearing Debt to Equity Ratio in the consolidated financial statement which was 0.48 : 1 in accordance with the conditions.

The Company has mortgaged some property and investment property as collateral for long-term debenture which has total appraised value amounting 2,021.90 MB.

3. Trade and other current payables as at December 31, 2019, amounting 49.82 MB significant decreased in amount of 483 MB or 90.65% compared to the prior year due to the Group cease metals trading business at the end of the first quarter of 2019.

4. Provisions as at December 31, 2019, amounting 263.54 MB decreased in amount of 24.11 MB or 8.38% compared to the prior year from provisions for restoration and rehabilitation expenses, provisions for cadmium legal cases.

5. Deferred tax liabilities as at December 31, 2019, amounting 201.09 MB decreased in amount of 2.26 MB or 1.11% compared to the prior year from revaluation surplus on assets.

6. Other liabilities as at December 31, 2019, amounting 31.50 MB increased in amount of 17.22 MB or 120.59% compared to the prior year from normal operating activities of the Group.

SHAREHOLDER'S EQUITY

As at December 31, 2019, shareholder's equity of the Group amounting 4,704.59 MB increased in amount of 1.35 MB or 0.03% compared to the prior year.

LIQUIDITY

CASH FLOWS FROM OPERATING ACTIVITIES

For the year ended December 31, 2019, the Group has net cash flows provided by operating activities amounting 165.31 MB compared to net cash flows provided by operating activities amounting 333.32 MB in year 2018. The significant decrease in current assets and current liabilities especially inventories and accounts payable due to the Group cease metals trading business at the end of the first quarter of 2019.

CASH FLOWS FROM INVESTING ACTIVITIES

For the year ended December 31, 2019, the Group has net cash flows used in investing activities amounting 906.50 MB compared to net cash flows used in investing activities amounting 303.57 MB in year 2018 mainly was increased the short-term investments of 1,047.11 MB.

CASH FLOWS FROM FINANCING ACTIVITIES

For the year ended December 31, 2019, the Group has net cash flows provided by financing activities amounting 981.54 MB mainly come from issuing long-term debenture amounting of 1,149.60 MB on June 28, 2019.



SUMMARY

The Group is known for its financial strength and high liquidity. As of December 31, 2019, it possessed cash and cash equivalents amounting to 949.68 MB or 12.64 percent of the Group's total assets. In addition, its current ratio was 13.49 times and the ratio of debt to shareholders' equity coming to 0.60 times.

In Q4 2019, the Group had a change in management team. Under the new guidance, the Board has given its support for the Managing Director to further expand into new business lines to accelerate growth, as renewable energy concessions are no longer available locally.

As such, the Group can expect a wider investment mandate that focuses on high quality tangible assets in the sectors of real estate and renewable energy.

In addition, the Group continuously manages down its OPEX throughout the year to minimize spending.

RISK FACTORS

RISKS OF NEW BUSINESSES

PDI aims to mitigate risks of its new business, by balancing between new projects and mergers & acquisitions. This ensures PDI can maintain acceptable revenue and profit generation to ensure a sound financial foundation for future investment growth in its two main business segments: energy and real estate. PDI will align its risk assessment for each specific business, with the investment opportunity potential and the risk appetite level for the expected return. Moreover, PDI will always manage risk to ensure the lowest impact to the surrounding environment and communities.

MAJOR RISKS FOR THE SOLAR POWER PLANTS:

PRODUCTION DISRUPTION

Solar power plants produce and sell electricity power to the one sole key customer being the Provincial Electricity Authority (PEA). The key risk is the production disruption due to the internal and external factors and may result in the unstable of the Company's income. For the external factors are PEA's electricity post and their equipment breakdown due to the unexpected event such as the disaster and accident. For the internal factors is the production disruption due to the solar power plant's equipment breakdown and the natural disaster i.e. the lightning and flood. Consequently, PDI aims to mitigate such risks by providing regular preventive maintenance plan, the efficient drainage system and the lightning protection system. However, PDI has studied the likelihood of flood in each area of solar power plants and found that low risk of the flood occurrence. Also, PDI provide the insurance to cover the natural disaster.

RISKS FROM THE UNDERPRODUCTION OF THE SOLAR POWER PLANT

Solar power plant depends crucially on solar irradiance. In recent years, Thailand and Japan faces climate variability. When the solar irradiance is low, the production of the power plants of the company could be under production. This could affect the company income. However, PDI has



studied the light intensity in each area to ensure high light intensity for the power plants in each project.

COMPLIANCE WITH APPLICABLE POLICIES, REGULATIONS AND LAWS

In the present, the Company has invested business in domestic and overseas. The proceed has to be under the government's control therefore the proceed is related to policies, regulations and laws. Thus, the Company has awareness about comply with them in order not to affect the proceed and faithfulness of the Company. The Company has followed up them intimately and has consultants who have knowledge and experiences to consider the proceed to ensure the Company is complied with the policies, regulations and laws correctly and strictly.

CURRENCY EXPOSURE (JAPANESE YEN)

PDI started investment in Japan and required Japanese Yen for purchasing business and project development in 2016. Consequently, PDI has risks in Japanese Yen exposure. This could affect gain and loss on exchange rate. However, PDI has acquired Japanese Yen loans to meet the requirement of investment in Japan to mitigate exchange rate risk. PDI also monitors exchange rate movement to set up the appropriate financial tools to prevent the risks.



2019 BOARD OF DIRECTORS AND SUB COMMITTEES

BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE AND RISK MANAGEMENT COMMITTEE

1.
ARSA
SARASIN



2.
SADAWUT
TAECHAUBOL



3.
TOMMY
TAECHAUBOL



4.
PRAPA
PURANACHOTE



5.
WUTTIPONG
JITTUNGSAKU



6.
KAREL
VINCK



7.
VINAI
VAMVANIJ



8.
ASWIN
KONGSIRI



9.
DR. KURUJIT
NAKORNTHAP



10.
DR. CHOKCHAI
AKSARANAN





1. ARSA SARASIN, 83 YEARS OLD

Position Chairman
(Authorized Director)

Education

- Honorary Doctoral Degree in Political Science (International Affair), Thammasat University, Thailand
- B.A. (Business Administration), Boston University, USA

Training at Thai Institute of Directors Association

- Role of Chairman Program (RCP), 2013
- Finance for Non-Finance Directors (FND), 2008
- Audit Committee Program (ACP), 2007
- Director Accreditation Program (DAP), 2003

Current Position in Listed Companies

- 2018 - Present Independent Director,
Bangkok Dusit Medical Services Public Company Limited
- Aug 2018 - Present Member of the Corporate Governance Committee,
Siam Makro Public Company Limited
- 2015 - Present Chairman of Board of Director/Independent Director,
Dusit Thani Public Company Limited
- 1999 - Present Chairman, Siam Makro Public Company Limited
- 1998 - Present Chairman, Padaeng Industry Public Company Limited

Other Current Position

- Nov 2018 - Present Chairman, Bualuang Foundation
- Oct 2018 - Present Chairman, The Queen's Gallery Foundation
- 2014 - Present Chairman, Mitsubishi Electric Thai Foundation
- 2013 - Present Chairman, Mitsubishi Elevator Asia Co., Ltd.
- 2005 - Present Vice Chairman, Thai Tapioca Development Institute
- 2004 - Present Chairman of Advisor, Thai-Laos Association
- 2004 - Present Chairman of the Board of Governors, Amata Spring Country Club
- 2003 - Present Director, Thai Pure Drinks Company Limited
- 1995 - Present Chairman, Amata City Company Limited
- 1993 - Present Chairman, Thai Asia Pacific Brewery Company Limited
- Dec 1988 - Present Chairman, Padaeng Zinc Foundation

Working Experience

- 2014 - 2019 Chairman, Education and Public Welfare Foundation
- 2015 - Mar 2018 Chairman of the Corporate Social Responsibility Committee for Sustainable Development, The Siam Cement Public Company Limited
- 2001 - Mar 2018 Director/Member of the Governance and Nomination Committee, Siam Cement Public Company Limited
- 2007 - Aug 2016 Independent Director, Siam Makro Public Company Limited
- 2013 - May 2016 Vice Chairman/Chairman of the Remuneration and Nominating Committee/Chairman of the Corporate Governance Committee, Charoen Pokphand Foods Public Company Limited
- 2006 - 2016 Chairman, Maesod Clean Energy Company Limited
- 2000 - 2012 His Late Majesty King Bhumibol Adulyadej's Principal Private Secretary
- 1995 - 2008 Vice Chairman of the Board of Directors/Advisor, Bangkok Bank Public Company Limited
- 1995 - 2004 Director, Vinythai Public Company Limited
- 1994 - 2004 Chairman of the Thai-Laos Association
- 1992 - 1998 Chief Executive Officer, Padaeng Industry Public Company Limited
- 1991 - 1992 The Minister of Foreign Affairs
- 1986 - 1988 Thai Ambassador to the USA
- 1982 - 1986 The Permanent Secretary of The Ministry of Foreign Affairs
- 1977 - 1980 Thai Ambassador to Belgium & Chief of Mission to the European Community

% Share Possession: None

Family Relation among the Managers: None

Date of the First Appointment: November 23, 1987



2. SADAWUT TAECHAUBOL, 67 YEARS OLD

Position Director

Acting Managing Director (Until November 12, 2019)

Executive Committee Chairman

Nomination & Remuneration Committee Member (Since November 13, 2019)
(Authorized Director)

Education

- Honorable Degree (Business Administration), Kensington University, California, USA
- Commerce Diploma, Davis School, Brighton, UK
- B.A. (Political Science), Ramkhamhaeng University, 2002

Training at Thai Institute of Directors Association

- Corporate Governance for Capital Market Intermediaries (CGI), Class 14/2016
- Director Accreditation Program (DAP), Class 66/2007

Other Training

- Advanced Master of Management Program, AMM, NIDA, Class 3/2019
- Global Business Leader Program (GBL), Class 2/2017, Lead Business Institute
- Energy Literacy for the World Program, Class 7 (TEA 7), 2016, Thailand Energy Academy
- Capital Market Academy, Class 12, 2011, The Stock Exchange of Thailand

Current Position in Listed Companies

- Nov 12, 2019 - Present Nomination & Remuneration Committee Member
Padaeng Industry Public Company Limited
- 2015 - Present Director/Executive Committee Chairman,
Padaeng Industry Public Company Limited
- 2014 - Present Chairperson/Chairperson of the Executive Board of Directors,
Country Group Holdings Public Company Limited
- 2012 - Present Director/Chairperson of the Executive Board of Directors,
MFC Asset Management Public Company Limited

Other Current Position

- Nov 23, 2017 - Present Advisor to the Minister of Labor
- 2015 - Present Director, EDP Enterprise Company Limited
- 2015 - Present Director, Asia Zone Ventures Company Limited
- 2015 - Present Director, BBT Enterprise Company Limited
- 2013 - Present Executive Directors, China Overseas Exchange Association
- 2010 - Present Chairperson, Thai Chamber of Commerce & Industry
- 2010 - Present Chairperson, Sing Sian Yee Pao Company Limited
- 2006 - Present Director of Baan Rai Taechaubol Company Limited
- 1994 - Present Chairperson, Country Group Company Limited

Working Experience

- Dec 1, 2018 - Nov 12, 2019 Acting Managing Director,
Padaeng Industry Public Company Limited
- 2010 - Sep 2017 Vice Chairman of Country Group Development Public Company Limited
- 2009 - Jan 2017 Director/Chairman of the Executive Board of Directors,
Country Group Securities Public Company Limited
- 2004 - 2013 Director of Landmark Development Group Company Limited
- 2009 - 2012 Director/Executive Director,
MFC Asset Management Public Company Limited
- 2007 - 2009 Chief Executive Officer/President,
Country Group Securities Public Company Limited

% Share Possession: None

Family Relation among the Managers: Mr. Tommy Taechaubol's father

Date of the First Appointment: November 10, 2015



3. TOMMY TAECHAUBOL, 36 YEARS OLD

Position Director

Managing Director (Since November 13, 2019)

Executive Committee Member

Nomination & Remuneration Committee Member (Until November 12, 2019)

Education

- Master of Business Administration (MBA) (with distinction), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Commerce, Finance Major (with distinction), The University of New South Wales, Australia
- Bachelor of Laws, The University of New South Wales, Australia

Training at Thai Institute of Directors Association

- Corporate Governance for Capital Market Intermediaries (CGI), Class 13/2016
- Director Accreditation Program (DAP), Class 88/2011

Other Training

- Real Estate Development RE-CU, Class 40, The Real Estate Executive Association of Chulalongkorn University

Current Position in Listed Companies

- Nov 13, 2019 - Present Managing Director, Padaeng Industry Public Company Limited
- 2015 - Present Director/Executive Committee Member, Padaeng Industry Public Company Limited
- 2014 - Present Director/Investment Committee Member/Chief Executive Officer, Country Group Holdings Public Company Limited
- 2014 - Present Advisor to the Executive Committee, MFC Asset Management Public Company Limited

Other Current Position

- 2006 - Present Director, Bann Rai Taechaubol Company Limited
- 2005 - Present Director, Country Group Company Limited

Working Experience

- 2015 - Nov 12, 2019 Nomination and Remuneration Committee Member, Padaeng Industry Public Company Limited
- 2010 - 2017 Chairman of Executive Committee, Sing Sian Yee Pao Company Limited
- 2012 - Jan 2017 Director, Country Group Securities Public Company Limited
- 2011 - 2014 First Executive Vice President (Business Development Division), MFC Asset Management Public Company Limited
- 2006 - 2011 Director, Country State Company Limited

% Share Possession: None

Family Relation among the Managers: Mr. Sadawut Taechaubol's son

Date of the First Appointment: May 7, 2015



4. PRAPA PURANACHOTE, 65 YEARS OLD

Position Director

Executive Committee Member
(Authorized Director)

Education

- Master of Business Administration (MBA), The National Institute of Development Administration (NIDA)
- Bachelor of Arts, Journalism and Mass Communication Program, Thammasat University

Training at Thai Institute of Directors Association

- Director Certification Program (DCP), Class 148/2011

Other Training

- Advanced Master of Management Program, AMM, NIDA
- Global Business Leader Program (GBL), 2017, Lead Business Institute
- Energy Literacy for the World Program, Class 6 (TEA 6), Thailand Energy Academy
- Thammasat Leadership Program (TLP 2), Thammasat University Alumni Relations Office
- Chief Executive Program, Class 14 (CMA 14), Capital Market Academy
- Advanced Certificate Course in Public Economics Management for Executives, Class 7, King Prajadhipok's Institute

Current Position in Listed Companies

- 2015 - Present Director/Executive Committee Member,
Padaeng Industry Public Company Limited

Working Experience

- 2011 - 2019 Director/Executive Director/Member of the Risk Management Committee/
Member of the Good Corporate Governance Committee/President,
MFC Asset Management Public Company Limited
- 2015 - 2018 Independent Director/Audit Committee, Ratchaburi Electricity
Generating Holding Public Company Limited
- 2004 - 2011 Senior Executive Vice President/Chief of Provident Fund Division,
Krung Thai Asset Management Public Company Limited
- 2002 - 2004 Senior Executive Vice President/Chief of Business Development &
Marketing Division, Krung Thai Asset Management Public Company Limited

% Share Possession: None

Family Relation among the Managers: None

Date of the First Appointment: June 29, 2015



5. WUTTIPONG JITTUNGSAKUL, 51 YEARS OLD

Position Director

Education

- Master's Degree, Development Economics, National Institute of Development Administration (NIDA)
- Bachelor's Degree, Accounting, Thammasat University
- Communication Arts, SukhothaiThammathirat Open University

Training at Thai Institute of Directors Association

- None

Current Position in Listed Company

- Nov 12, 2019 - Present Director, Padaeng Industry Public Company Limited

Other Current Position

- 2019 - Present Deputy Director-General of Fiscal Policy Office, Ministry of Finance

Working Experience

- 2017 - 2019 Executive Director of the Savings and Investment Policy Bureau, Fiscal Policy Office
- 2016 - 2017 Executive Director of the Macroeconomic Policy Bureau, Fiscal Policy Office
- 2015 - 2016 Executive Director of the Financial System and Financial Institutions Policy Bureau, Fiscal Policy Office
- 2013 - 2015 Senior Expert on Local Public Finance Policy Development, Bureau of Fiscal Policy, Fiscal Policy Office

% Share Possession: None

Family Relation among the Manager: None

Date of the First Appointment: November 12, 2019



6. KAREL VINCK, 81 YEARS OLD

Position Independent Director

Audit Committee Member

Education

- Master's Degree in Electrical and Mechanical Engineering, Katholieke Universiteit Leuven (KUL), Belgium
- Master of Business Administration, Cornell University, USA

Training at Thai Institute of Directors Association

- None

Current Position in Listed Company

- 2000 - Present Independent Director/Audit Committee Member, Padaeng Industry Public Company Limited

Current Position

- 2008 - Present Director, La Monnaie Opera House, Belgium
- 2008 - Present Senior Advisor, Roland Berger Consultants, Germany
- 2005 - Present Director, Tessenderlo Chemicals, Belgium

Working Experience

- 2006 - 2018 Coordinator European Commission ERTMS, for Railway Transport
- 2007 - 2016 Director, Nyrstar N.V., Belgium
- 2010 - 2013 Chairman of BAM (Antwerp Mobility Program), Belgium
- 2002 - 2005 Chief Executive Officer, NMBS/SNCB (Belgian Railways), Belgium
- 2000 - 2002 Chairman, Sibelco, Belgium
- 1995 - 2008 CEO&Chairman, Umicore, Belgium
- 1988 - 1994 CEO, Bekaert, Belgium

% Share Possession: None

Family Relation among the Managers: None

Date of the First Appointment: July 13, 2000



7. VINAI VAMVANIJ, 79 YEARS OLD

Position Independent Director

Audit Committee Chairman

Nomination and Remuneration Committee Member

(Authorized Director)

Education

- Professional Accountancy, CPA, Australia

Training at Thai Institute of Directors Association

- Boardroom Success through Financing and Investment, Class 2/2017
- Board Nomination & Compensation Program (BNCP), Class 1/2017
- The Power of Culture: From Performance Culture to Winning Culture, 2016
- Board that Make a Difference (BMD), Class 1/2016
- Advance Audit Committee Program 2013
- Creating a Strategic Direction
- DCP Refresher Course
- Audit Committee Program 2007
- Chartered Director Class 2007
- Director Certification Program (DCP), 2001
- Chairman 2000

Other Training

- Simplified Strategic Planning, Kexxel Group
- Anti-Bribery & Anti-Corruption, Deloitte Touch Tohmatsu Jaiyos Audit Co., Ltd.

Current Position in Listed Company

- 1998 - Present Independent Director/Audit Committee Chairman/Nomination & Remuneration Member, Padaeng Industry Public Company Limited

Current Position

- 2015 - Present IOD Chartered Directors, Thai Institute of Directors Association
- 2006 - Present Director, Palang Sophon Company Limited
- 2000 - Present Director, Continental Petrochemical (Thailand) Company Limited

Working Experience

- 2001 - 2011 Independent Director/Audit Committee, Christiani & Nielsen (Thai) Public Company Limited
- 2000 - 2001 Executive Director, Thonburi Automotive Assembly Plant Company Limited
- 1992 - 2000 President, Eternal Petrochemical Company Limited
- 1989 - 1997 Chief Executive Officer, Aquastar Group

% Share Possession: 0.0035

Family Relation among the Managers: None

Date of the First Appointment: November 6, 1998



8. ASWIN KONGSIRI, 74 YEARS OLD

Position Independent Director

Nomination and Remuneration Committee Chairman

Audit Committee Member

Education

- B.A. (Hons.) in Philosophy, Politics and Economics, Oxford University, England

Training in Thai Institute of Directors Association

- Chairman Forum 'Digital Transformation - A must for all companies', 2018
- Board Matters and Trends (BMT 6/2018)
- Collective Action Against Corruption Conference 1/2018
- Independent Director Forum 1/2018: Tough Boardrooms Situations - Independents Share Lessons Learned
- Audit Committee Forum 2017: The Audit Committee's Role in Compliance and Ethical Culture Oversight
- Chartered Director & Fellow Member Event 1/2017: Story Telling
- Nomination Director Event: Nomination Committee Best Practice Guideline
- Director Briefing 2/2017: Directing in the Year of the Rooster: Hot Issues and Outlook for 2017
- Chairman Forum 2016: Corporate Governance VS Corporate Performance: Duty or Choice?
- Director Certification Program (DCP), Class 11/2001
- Chairman 2000, Class 5/2001

Other Training

- Banff School of Advanced Management, Alberta, Canada
- Ernst&Young Center for Board Matters: Critical Insights for Board and Audit Committee
- CG Forum 1/2016 Ethics: Corporate Governance, The Stock Exchange of Thailand
- The National Defence Course for the Joint State-Private Sectors, Class 6, National Defence College

Current Position in Listed Companies

- 2005 - Present Independent Director/Chairman of Nominating and Corporate Governance Committee/Chairman of Risk Management Committee, Bangkok Aviation Fuel Services Public Company Limited
- 1999 - Present Independent Director/Chairman of Audit Committee, OHTL Public Company Limited (Mandarin Oriental Hotel)
- 1991 - Present Independent Director/Nomination and Remuneration Committee Chairman/Audit Committee Member, Padaeng Industry Public Company Limited
- 1994 - Present Chairman (since 2007)/Independent Director, Ch.Karnchang Public Company Limited
- 1993 - Present Independent Director/Chairman of Audit Committee, Thai Reinsurance Public Company Limited

Other Current Position

- 2010 - Present Chairman, Thai Orix Leasing Company Limited

Working Experience

- 2008 - 2018 Chairman, Ton Poh Thailand Fund
- 2011 - 2014 Member, Monetary Policy Committee, Bank of Thailand
- 2010 - 2012 Governor, The Stock Exchange of Thailand
- 2010 - 2012 Chairman, Thoresen Thai Agencies Public Company Limited
- 2001 - 2012 Vice Chairman, Electricity Generating Public Company Limited
- 2010 - 2011 Chairman, Krungthai-AXA Life Insurance Company Limited
- 2009 - 2010 Director/Executive Director, Krung Thai Bank Public Company Limited
- 2006 - 2009 Assembly Member, The National Legislative Assembly
- 2003 - 2007 Independent Director, Thai Rating and Information Service Company Limited
- 1999 - 2003 Director/Executive Director, Siam Commercial Bank Public Company Limited
- 1990 - 1998 President, the Industrial Finance Corporation of Thailand
- 1981 - 1998 Director, Padaeng Industry Public Company Limited

% Share Possession: None

Family Relation among the Managers: None

Date of the First Appointment: April 10, 1981



9. DR. KURUJIT NAKORNTHAP, 64 YEARS OLD

Position Independent Director
Executive Committee Member

Education

- Ph.D. in Petroleum Engineering, University of Oklahoma, USA
- M.S. in Petroleum Engineering, University of Oklahoma, USA
- B.S. (with Special Distinction) in Petroleum Engineering, University of Oklahoma, USA

Training at Thai Institute of Directors Association

- Collective Action Against Corruption Conference (C-Conference), Class 1/2014
- R-CF-Chairman Forum (R-CF), Class 2/2013
- Role of Compensation Committee (RCC), Class 12/2011
- Audit Committee Program (ACP), Class 32/2010
- Director Accreditation Program (DAP), Class 64/2007

Other Training

- Bhumipalung Phandin Course for Executives Class 2, 2013, Chulalongkorn University
- Systematic Problem Solving and Decision Making (SPSDM), 2012, Office of the Civil Service Commission in cooperation with ACI Consultants Co., Ltd.
- Energy Literacy for the World Class 1, 2012, Thailand Energy Academy
- Training Course for Executive Class 13, 2011-2012, Capital Market Academy
- The 2nd Training Course on Administrative Justice for Executives, 2011, Office of the Administrative Courts of Thailand
- Training Course on Leadership for Change, Class 2, 2011, Right Livelihood Foundation, Matichon Publishing Group
- Top Executive Program in Commerce and Trade (TEPCoT), Class 3, 2010, Commerce Academy, University of the Thai Chamber of Commerce
- National Defence Course Class 51, 2008-2009, National Defence College
- Civil Service Executive Program: Visionary and Moral Leadership, Class 46, 2005, Office of the Civil Service Commission
- Senior Executive Programme (SEP 60), 2006, The London Business School, United Kingdom

Current Position in Listed Companies

- 2017 - Present Independent Director, Global Power Synergy Public Company Limited
- 2016 - Present Independent Director/Executive Committee Member, Padaeng Industry Public Company Limited

Other Current Position

- 2018 - Present Executive Director (Secretary), Petroleum Institute of Thailand
- 2017 - Present Chairman, Thailand Greenhouse Gas Management Organization (Public Organization: TGO)
- 2015 - Present Member of The Council of State (Juridical Council)
- 2015 - Present Co-Chairman (Thailand), Malaysia-Thailand Joint Authority (MTJA)
- 2016 - Present Member of University Council, Khon Kaen University

Working Experience

- 2015 - 2017 Member of The National Reform Steering Assembly, Thailand
- 2014 - 2017 Chairman of the Board of Director, Thai Oil Public Company Limited
- Feb - Oct 2016 Member, National Research Council of Thailand
- Oct 2014 - Sep 2015 Member of The National Research Council of Thailand (NRCT)
- Jun - Sep 2015 Permanent Secretary, Ministry of Energy
- Oct 2014 - Jun 2015 Deputy Secretary, Ministry of Energy
- 2011 - 2015 Chairman of the Board of Directors, Ratchaburi Electricity Generating Holding Public Company Limited
- 2011 - 2014/2015 Director/Chairman of the Board of Directors, Electricity Generating Authority of Thailand
- Jul - Sep 2014 Director-General, Department of Mineral Fuels, Ministry of Energy
- 2010 - 2014 Deputy Secretary, Ministry of Energy
- 2007 - 2014 Director, Esso (Thailand) Public Company Limited
- 2008 - 2010 Director-General, Department of Mineral Fuels, Ministry of Energy

% Share Possession: None

Family Relation among the Managers: None

Date of the First Appointment: April 25, 2016



10. DR. CHOKCHAI AKSARANAN, 77 YEARS OLD

Position Independent Director
Executive Committee Member
Risk Management Committee Chairman

Education

- Ph.D. (Chemical Engineering), University of New Brunswick, Canada
- MSc. E (Chemical Engineering), University of New Brunswick, Canada
- B.Sc. (Hons) Chemical Engineering, Chulalongkorn University

Training at Thai Institute of Directors Association

- Audit Committee Program (ACP), 2008
- Director Certification Program (Refresh), 2008
- Director Accreditation Program (DAP), 2006

Other Training

- Chief Executive Program, Class 10 by Capital Market Academy (CMA), The Stock Exchange of Thailand
- National Defence College, Public-Private Sector Program, Class 311, The National Defence College, The National Defence Studies Institute, Ministry of Defence

Current Position in Listed Companies

- 2017 - Present Independent Director/Executive Committee Member/Risk Management Committee Chairman, Padaeng Industry Public Company Limited
- 2010 - Present Vice Chairman/Chairman of the Audit Committee/Independent Director, MFC Asset Management Public Company Limited

Other Current Position

- 2020 - Present Chairman, Bangkok Synthetics Company Limited
- 2011 - Present Chairman, Thai Samsung Life Insurance Public Company Limited
- 2009 - Present Chairman, Bangkok Industrial Gas Company Limited
- 2006 - Present Chairman, Thai Ethoxylate Company Limited

Working Experience in the Listed Company

- Sep 2014 - Oct 2015 Acting Chairman, MFC Asset Management Public Company Limited
- 2007 - 2010 Independent Director/Chairman of Audit Committee, PTT Exploration and Production Public Company Limited
- 2007 - 2010 Chairman of the Executive Board, Siam City Bank Public Company Limited
- 2005 - 2011 Independent Director/Chairman of Audit Committee, PTT Aromatics and Refining Public Company Limited
- 2005 - 2011 Chairman, Saha Patana Inter-Holding Public Company Limited
- 2002 - 2010 Chairman of the Executive Board, Vinythai Public Company Limited
- 1994 - 1998 Director, Krungthai Bank Public Company Limited

Working Experience in the Non-Listed Company

- 2002 - 2007 Chairman, Bangkok Commercial Asset Management Company Limited
- 1999 - 2002 Director, Asset Management Corporations
- 1996 - 1999 Board of Director, Export-Import Bank of Thailand (EXIM Bank)
- 1965 - 1974 Assistance Professor, Faculty of Science, Chulalongkorn University

Other Past Experience

- Chairman of the Federation of Thai Industries
- Chairman of the ASEAN Chamber of Commerce and Industry (ASEAN CCI)
- Member of the National Legislative Assembly
- Member of the Senate
- Member of the Constitution Drafting Assembly 2007

% Share Possession: None

Family Relation among the Managers: None

Date of the First Appointment: April 25, 2017

THE DIRECTOR WHO RETIRED IN THE YEAR 2019

1. WIMOL CHATAMEENA, 59 YEARS OLD (Until September 30, 2019)

Position Director

Education

- Master's Degree: Development Economics, National Institute of Development Administration (NIDA)
- Bachelor's Degree: Economics, Thammasat University

Training at Thai Institute of Directors Association

- Director Certification Program (DCP), Class 288/2016

Working Experience

- 2016 - Sep 30, 2019 Director, Padaeng Industry Public Company Limited
- 2016 - Sep 30, 2019 Deputy Director-General of Fiscal Policy Office, Ministry of Finance
- 2013 - 2016 Executive Director of Fiscal Policy Bureau, Fiscal Policy Office
- 2012 - 2013 Executive Director of Financial Benefit Protection System Bureau, Fiscal Policy Office
- 2011 - 2012 Executive Director of Legal Affairs Bureau, Fiscal Policy Office
- 2009 - 2011 Senior Expert on Fiscal Policy Instrument, Fiscal Policy Office

% Share Possession: None

Family Relation among the Managers: None

Date of the First Appointment: February 18, 2016

COMPANY EXECUTIVES

1.
ARSA
SARASIN



2.
SADAWUT
TAECHAUBOL



3.
TOMMY
TAECHAUBOL



4.
WEENA
SUksAWASDI
NA AYUTHAYA



5.
CHITCHAI
THAVEEPANICH



6.
MANOCH
JAROONVUTHITHAM





1. ARSA SARASIN, 83 YEARS OLD

Position Chairman
(Authorized Director)

Education

- Honorary Doctoral Degree in Political Science (International Affair), Thammasat University, Thailand
- B.A. (Business Administration), Boston University, USA

Training at Thai Institute of Directors Association

- Role of Chairman Program (RCP), 2013
- Finance for Non-Finance Directors (FND), 2008
- Audit Committee Program (ACP), 2007
- Director Accreditation Program (DAP), 2003

Current Position in Listed Companies

- 2018 - Present Independent Director,
Bangkok Dusit Medical Services Public Company Limited
- Aug 2018 - Present Member of the Corporate Governance Committee,
Siam Makro Public Company Limited
- 2015 - Present Chairman of Board of Director/Independent Director,
Dusit Thani Public Company Limited
- 1999 - Present Chairman, Siam Makro Public Company Limited
- 1998 - Present Chairman, Padaeng Industry Public Company Limited

Other Current Position

- Nov 2018 - Present Chairman, Bualuang Foundation
- Oct 2018 - Present Chairman, The Queen's Gallery Foundation
- 2014 - Present Chairman, Mitsubishi Electric Thai Foundation
- 2013 - Present Chairman, Mitsubishi Elevator Asia Co., Ltd.
- 2005 - Present Vice Chairman, Thai Tapioca Development Institute
- 2004 - Present Chairman of Advisor, Thai-Laos Association
- 2004 - Present Chairman of the Board of Governors, Amata Spring Country Club
- 2003 - Present Director, Thai Pure Drinks Company Limited
- 1995 - Present Chairman, Amata City Company Limited
- 1993 - Present Chairman, Thai Asia Pacific Brewery Company Limited
- Dec 1988 - Present Chairman, Padaeng Zinc Foundation

Working Experience

- 2014 - 2019 Chairman, Education and Public Welfare Foundation
- 2015 - Mar 2018 Chairman of the Corporate Social Responsibility Committee for Sustainable Development, The Siam Cement Public Company Limited
- 2001 - Mar 2018 Director/Member of the Governance and Nomination Committee, Siam Cement Public Company Limited
- 2007 - Aug 2016 Independent Director, Siam Makro Public Company Limited
- 2013 - May 2016 Vice Chairman/Chairman of the Remuneration and Nominating Committee/Chairman of the Corporate Governance Committee, Charoen Pokphand Foods Public Company Limited
- 2006 - 2016 Chairman, Maesod Clean Energy Company Limited
- 2000 - 2012 His Late Majesty King Bhumibol Adulyadej's Principal Private Secretary
- 1995 - 2008 Vice Chairman of the Board of Directors/Advisor, Bangkok Bank Public Company Limited
- 1995 - 2004 Director, Vinythai Public Company Limited
- 1994 - 2004 Chairman of the Thai-Laos Association
- 1992 - 1998 Chief Executive Officer, Padaeng Industry Public Company Limited
- 1991 - 1992 The Minister of Foreign Affairs
- 1986 - 1988 Thai Ambassador to the USA
- 1982 - 1986 The Permanent Secretary of The Ministry of Foreign Affairs
- 1977 - 1980 Thai Ambassador to Belgium & Chief of Mission to the European Community

% Share Possession: None

Family Relation among the Managers: None

Date of the First Appointment: November 23, 1987



2. SADAWUT TAECHAUBOL, 67 YEARS OLD

Position Director

- Acting Managing Director (Until November 12, 2019)
- Executive Committee Chairman
- Nomination & Remuneration Committee Member (Since November 13, 2019)
- (Authorized Director)

Education

- Honorable Degree (Business Administration), Kensington University, California, USA
- Commerce Diploma, Davis School, Brighton, UK
- B.A. (Political Science), Ramkhamhaeng University, 2002

Training at Thai Institute of Directors Association

- Corporate Governance for Capital Market Intermediaries (CGI), Class 14/2016
- Director Accreditation Program (DAP), Class 66/2007

Other Training

- Advanced Master of Management Program, AMM, NIDA, Class 3/2019
- Global Business Leader Program (GBL), Class 2/2017, Lead Business Institute
- Energy Literacy for the World Program, Class 7 (TEA 7), 2016, Thailand Energy Academy
- Capital Market Academy, Class 12, 2011, The Stock Exchange of Thailand

Current Position in Listed Companies

- Nov 12, 2019 - Present Nomination & Remuneration Committee Member
Padaeng Industry Public Company Limited
- 2015 - Present Director/Executive Committee Chairman,
Padaeng Industry Public Company Limited
- 2014 - Present Chairperson/Chairperson of the Executive Board of Directors,
Country Group Holdings Public Company Limited
- 2012 - Present Director/Chairperson of the Executive Board of Directors,
MFC Asset Management Public Company Limited

Other Current Position

- Nov 23, 2017 - Present Advisor to the Minister of Labor
- 2015 - Present Director, EDP Enterprise Company Limited
- 2015 - Present Director, Asia Zone Ventures Company Limited
- 2015 - Present Director, BBT Enterprise Company Limited
- 2013 - Present Executive Directors, China Overseas Exchange Association
- 2010 - Present Chairperson, Thai Chamber of Commerce & Industry
- 2010 - Present Chairperson, Sing Sian Yee Pao Company Limited
- 2006 - Present Director of Baan Rai Taechaubol Company Limited
- 1994 - Present Chairperson, Country Group Company Limited

Working Experience

- Dec 1, 2018 - Nov 12, 2019 Acting Managing Director,
Padaeng Industry Public Company Limited
- 2010 - Sep 2017 Vice Chairman of Country Group Development Public Company Limited
- 2009 - Jan 2017 Director/Chairman of the Executive Board of Directors,
Country Group Securities Public Company Limited
- 2004 - 2013 Director of Landmark Development Group Company Limited
- 2009 - 2012 Director/Executive Director,
MFC Asset Management Public Company Limited
- 2007 - 2009 Chief Executive Officer/President,
Country Group Securities Public Company Limited

% Share Possession: None

Family Relation among the Managers: Mr. Tommy Taechaubol's father

Date of the First Appointment: November 10, 2015



3. TOMMY TAECHAUBOL, 36 YEARS OLD

Position Director

Managing Director (Since November 13, 2019)

Executive Committee Member

Nomination & Remuneration Committee Member (Until November 12, 2019)

Education

- Master of Business Administration (MBA) (with distinction),
Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Commerce, Finance Major (with distinction),
The University of New South Wales, Australia
- Bachelor of Laws, The University of New South Wales, Australia

Training at Thai Institute of Directors Association

- Corporate Governance for Capital Market Intermediaries (CGI), Class 13/2016
- Director Accreditation Program (DAP), Class 88/2011

Other Training

- Real Estate Development RE-CU, Class 40, The Real Estate Executive Association of Chulalongkorn University

Current Position in Listed Companies

- Nov 13, 2019 - Present Managing Director,
Padaeng Industry Public Company Limited
- 2015 - Present Director/Executive Committee Member,
Padaeng Industry Public Company Limited
- 2014 - Present Director/Investment Committee Member/Chief Executive Officer,
Country Group Holdings Public Company Limited
- 2014 - Present Advisor to the Executive Committee,
MFC Asset Management Public Company Limited

Other Current Position

- 2006 - Present Director, Bann Rai Taechaubol Company Limited
- 2005 - Present Director, Country Group Company Limited

Working Experience

- 2015 - Nov 12, 2019 Nomination and Remuneration Committee Member,
Padaeng Industry Public Company Limited
- 2010 - 2017 Chairman of Executive Committee, Sing Sian Yee Pao Company Limited
- 2012 - Jan 2017 Director, Country Group Securities Public Company Limited
- 2011 - 2014 First Executive Vice President (Business Development Division),
MFC Asset Management Public Company Limited
- 2006 - 2011 Director, Country State Company Limited

% Share Possession: None

Family Relation among the Managers: Mr. Sadawut Taechaubol's son

Date of the First Appointment: May 7, 2015



4. WEENA SUKSAWASDI NA AYUTHAYA, 50 YEARS OLD

The person taking the highest responsibility in finance and accounting

Position Risk Management Committee Member
Executive Vice President - Finance

Education

- MBA in Finance, University of Missouri-Kansas City, USA.
- MBA in Business Administration, Assumption University, Bangkok
- Bachelor of Accountancy, Chulalongkorn University, Bangkok

Training at Thai Institute of Directors Association

- Director Certification Program (DCP), 2011
- Director Accreditation Program (DAP), 2010

Other Training

- New Transfer Pricing Law, TFRS 15 and Draft TFRS 16 Leases, Year 2018, Deloitte ToucheTohmatsu Jaiyos Audit Co., Ltd.
- Strategic Financial Leadership Program (SFLP) 2018, Thai Listed Companies Association

Current Position

- Aug 7, 2018 - Present Risk Management Committee Member, Padaeng Industry Public Company Limited
- Jul 9, 2018 - Present Executive Vice President - Finance, Padaeng Industry Public Company Limited

Working Experience

- 2012 - 2016 Associate Director, RHB Securities (Thailand) PCL
- 2009 - 2012 First Vice President, CIMBTHAI Bank PCL
- 2004 - 2009 First Vice President, CIMB Securities (Thailand) Co. Ltd.
- 2001 - 2004 Business Analyst, National Science and Technology Development Agency (NSTDA)

% Share Possession: None

Family Relation among the Managers: None

Starting date: July 9, 2018



5. CHITCHAI THAVEEPANICH, 58 YEARS OLD

Position Executive Vice President - President Office and Public Affairs

Education

- Master Degree in Business Administration, Western Michigan University, USA

Training at Thai Institute of Directors Association

- Board Nomination and Compensation Program (BNCP) No.3/2018
- Successful Formulation & Execution the Strategy (SFE), Class 25/2015
- Director Certification Program (DCP), Class 208/2015

Other Training

- HCM 2017 Conference "How to prepare leader for a VUCA World, Thai Listed Companies Association
- Thailand HR Forum 2017, Personnel Management Association of Thailand
- Advanced Communication Skills: Communicating Difficult Messages, 2016
- CSR: Global Reporting Initiative (GRI: G4), 2014
- Business Excellence Model, Belgium, 2013
- Business Communication Skill, 2013
- CSR for Corporate Sustainability, 2012

Current Position

- 2019 - Present Executive Vice President - President Office and Public Affairs, Padaeng Industry Public Company Limited
- 2012 - Present Managing Director Padaeng Properties Company Limited

Working Experience

- 2018 - 2019 Secretary to the Nomination and Remuneration Committee, Padaeng Industry Public Company Limited
- 2017 - 2019 Executive Vice President- Corporate Services Padaeng Industry Public Company Limited
- 2014 - 2017 Corporate Vice President-Human Resources, Padaeng Industry Public Company Limited
- 2013 - 2014 Vice President-Human Resources & Corporate Communication, Padaeng Industry Public Company Limited
- 2002 - 2013 Vice President - Human Resources & Corporate Administration, Padaeng Industry Public Company Limited
- 1997 - 2002 Assistant Vice President - Human Resources & Corporate Administration, Padaeng Industry Public Company Limited

% Share Possession: None

Family Relation among the Managers: None

Starting date: June 1, 1988

6. MANOCH JAROONVUTHITHAM, 54 YEARS OLD

Position Executive Vice President - Operations

Education

- Bachelor Degree of Engineering in Metallurgy, Chulalongkorn University

Training

- Advanced Communication Skills: Communicating Difficult Messages, 2016
- CSR: Global Reporting Initiative (GRI: G4), 2014
- Business Excellence Model, 2013
- Senior Executive Program 2013, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Zinc College 2010, Canada
- International Symposium on Lead and Zinc Processing, South Africa, 2008
- Training for Zinc Conversion Project, Germany, 1994

Current Position

- 2017 - Present Executive Vice President - Operations, Padaeng Industry Public Company Limited

Working Experience

- 2014 - 2017 Executive Vice President - Tak Operations, Padaeng Industry Public Company Limited
- 2008 - 2013 Vice President - Production, Padaeng Industry Public Company Limited
- 1996 - 2008 Senior Manager - Leaching & Purification, Padaeng Industry Public Company Limited

% Share Possession: None

Family Relation among the Managers: None

Starting date: June 16, 1988



EXECUTIVES WHO RESIGNED IN THE YEAR 2019

1. THANACHOTE RUNGSITIVAT, 32 YEARS OLD

(Until December 8, 2019)

Position Risk Management Committee Member
Deputy Managing Director

Education

- Master of Science (Finance), International Program, Thammasat University
- Bachelor of Economics, Monetary and Financial Economics, Thammasat University, First Class Honors and gold Medal

Training at Thai Institute of Directors Association

- Director Accreditation Program (DAP), 2017
- Corporate Governance for Capital Market Intermediaries (CGI), 2017

Certificate

- Chartered Financial Analyst (CFA)
- Financial Risk Manager (FRM)

Current Position

- Dec 9, 2019 - Present Deputy President / Chief Investment Officer,
MFC Asset Management Public Company Limited
- 2016 - Present Director, Country Group Securities Public Company Limited

Work Experience

- Aug 7, 2018 - Feb 7, 2020 Risk Management Committee Member,
Padaeng Industry Public Company Limited
- Jul 1, 2018 - 2019 Deputy Managing Director, Padaeng Industry Public Company Limited
- 2015 - Jul 1, 2018 Executive Vice President, Investment Division,
Country Group Holdings Public Company Limited.
- 2014 - 2015 First Vice President, Corporate Client Solution, Investment Banking
Group, CIMB Thai Bank Public Company Limited.
- 2010 - 2014 Vice President, Standard Chartered Bank (Thai) Public Company
Limited.

% Share Possession: None

Family Relation among the Managers: None

Starting date: July 1, 2018



REPORT ON THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Board of Directors is responsible for the financial statements of the company and its subsidiaries, which have been prepared in accordance with financial reporting standards under the Accounting Act B.E. 2543, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535. The Board considers the accounting policies pursued to be appropriate, and that they have been applied consistently with adequate disclosure of important information in the notes to the financial statements. The Company's external auditor has reviewed and audited the financial statements and expressed an unqualified opinion in the auditor's report.

The Board oversees and reviews corporate governance as well as establishes and maintains a proactive risk management system and internal control system to ensure that accounting records are accurate, complete and timely, and that the Company's assets are properly safeguarded against fraud, operational irregularities and other risks. The Board has appointed an Audit Committee consisting of independent directors to provide effective and efficient oversight of the financial statements, internal control system and internal audit. The Audit Committee's statement is reported in this Company's annual report.

In 2019, the Board is confident that the Company and its subsidiaries have provided accurate and reliable financial statements in accordance with generally accepted accounting principles and ensured the adequate disclosure of information as well as engaged qualified external and internal auditors with the highest level of independence to enhance the efficiency and effectiveness of auditing and internal control system.



(Arsa Sarasin)
Chairman
February 20, 2020

AUDIT COMMITTEE'S REPORT

DEAR SHAREHOLDERS;

At present, the Audit Committee is comprised of three Independent Directors: Mr. Vinai Vamvanij, as the Chairman, Mr. Aswin Kongsiri and Mr. Karel Vinck. The Audit Committee performed its duties as assigned by the Board of Directors in accordance with the Charter of Audit Committee as well as proposing the appointment of external auditors for the year 2020.

In 2019, the Audit Committee met 4 times with the external auditor, the internal auditor and the Management to review the consolidated and company financial statements, which were prepared in accordance with the Thai Financial Reporting Standards (TFRS) and the International Financial Reporting Standards (IFRS), so as to ensure full compliance with the laws and the regulations of the SEC and SET as well as with the generally accepted accounting principles of Thailand before submitting to the Board of Directors for approval. Additional meetings were held with the external auditor without the Management being present, so as to independently discuss the information in the financial statements.

The Audit Committee also discussed with the internal auditor and the Management to assess the Company's internal controls system. The Audit Committee is of the opinion that the Company's internal controls were deemed appropriate and without any significant weaknesses being found in their internal controls systems.

In 2019, due to the everchanging business environment, PDI has implemented changes in its business structure through entering into new businesses especially Solar Power Plants. PDI aimed at mitigating the risks of its new businesses by achieving a balance between starting up new projects and mergers & acquisitions of existing businesses. This is to ensure that PDI can maintain an acceptable revenues stream and also profit generation so as to achieve a sound financial foundation for future investments growth; as well as to mitigate any risks relating to the Solar Power Plants. However, the Risk Management Committee (RMC) has been assigned to oversee the Management in its risk analysis, assessment and management activities on a regular basis, as well as to review the risk management reports at least once every Quarter, in order to ensure that the organization has adequate and appropriate risk management measures in place.

In order to ensure that PDI has implemented effective internal controls and anti-corruption practices, in 2015, PDI declared its intent to become a member of the Private Sector Collective Action Coalition Against Corruption (CAC); whereby the Company was then certified by the CAC, on March 9, 2017, and have to recertify once every three years. The Company has become an ally of CAC in succession. Due to consistent implementation of anti-corruption, the Company has been certified on February 7, 2020.

The Audit Committee has also overseen the issue of related party transactions, so as to prevent any conflict of interest that might arise from such transactions.

In summary, during 2019, the Audit Committee has fully discharged its responsibilities as set out in the Charter of the Audit Committee, has harnessed the required knowledge and skills to deliver positive results; and possessed an adequate degree of independence in its oversight of the conduct of businesses operations by the Company and its Subsidiaries.

As such, the Audit Committee is of the opinion that the Company and its Subsidiaries have provided accurate and reliable financial statements in accordance with generally accepted accounting principles and has ensured adequate disclosures of information. In conducting connected transactions or transactions that may lead to conflicts of interest, the Company has enforced strict compliance with the SET regulations and applicable laws; as well as have fully adhered to the relevant rules and procedures relating to the conduct of its business operations. Moreover, the Company has implemented adequate and effective risk management measures and good corporate governance practices; as well as has engaged qualified external and internal auditors, with the highest level of independence, so as to enhance both the appropriateness and effectiveness of its auditing and internal control systems.

The Audit Committee has recommended to the Board of Directors to propose to the Shareholders Meeting the appointment of: Mr. Wonlop Vilaivaravit Certified Public Accountant (Thailand) No. 6797; and/or Mr. Chavala Tienpasertkij Certified Public Accountant (Thailand) No. 4301; and/or Ms. Wilasinee Krishnamra Certified Public Accountant (Thailand) No. 7098; and/or Ms. Kornthong Luangvilai Certified Public Accountant (Thailand) No. 7210 of Deloitte Touche Tohmatsu Jaiyos Audit Co.Ltd. to conduct the audit of the financial statements for the Company and its Subsidiaries for the year 2020.



(Vinai Vamvanij)
Chairman of the Audit Committee
February 20, 2020



FINANCIAL STATEMENTS

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS



TO THE SHAREHOLDERS AND BOARD OF DIRECTORS PADAENG INDUSTRY PUBLIC COMPANY LIMITED

OPINION

We have audited the consolidated financial statements of Padaeng Industry Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Padaeng Industry Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2019, and the related consolidated and separate statements of profit or loss and other comprehensive income, 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 our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Padaeng Industry Public Company Limited and its subsidiaries and of Padaeng Industry Public Company Limited as at December 31, 2019, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

BASIS FOR OPINION

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTERS	AUDIT RESPONSES
<p>Revenue recognition</p> <p>Revenue recognition is relevant to the reported performance of the Company. There is a potential to misstate the allocation of revenue between periods in order to influence reported results. There is opportunity through management override to misstate the allocation of revenue between periods in order to influence reported results. In addition, there is also the risk of error. There is therefore a risk that revenue is materially under- or over-stated.</p> <p>Accounting policy for revenue recognition was disclosed in Note 3.16 to the financial statements.</p>	<p>Key audit procedures were included:</p> <ul style="list-style-type: none">• Understanding the Company’s revenue recognition process and related internal control procedures.• Evaluating the design and implementation of the Company’s key internal controls and testing the operating effectiveness of such key internal controls on the revenue recognition.• Substantive testing consisted as follows:<ul style="list-style-type: none">- Performing test of details on a sample of sales transaction during the year and near the end of accounting periods by inspecting delivery documents, delivery terms, volumes and prices.- Performing test of details of credit notes issued after year-end.- Examining material journal entries that were posted to revenue accounts and examining with supporting evidence to ensure correctness.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises information in the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the management of the Company.

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 controls 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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we 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. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



(Wonlop Vilaivaravit)

Certified Public Accountant (Thailand)

Registration No. 6797

BANGKOK

February 20, 2020

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2019	2018	2019	2018
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4	949,667,958	709,342,477	848,759,888	496,477,112
Short-term investments	5 and 33	1,815,364,645	806,209,894	1,815,364,645	804,900,291
Trade and other current receivables	6	115,107,246	300,863,425	10,221,900	226,173,040
Current portion of long-term loan to other party	7	-	52,500,000	-	52,500,000
Inventories	8	49,091	504,634,430	-	503,344,082
Value added tax receivables		1,851,402	75,157,561	622,564	755,504
Non-current assets held for sale	9	-	632,330	-	632,330
Other current assets	10	380,655,433	347,553,618	260,568,195	347,390,688
Total current assets		3,262,695,775	2,796,893,735	2,935,537,192	2,432,173,047
NON-CURRENT ASSETS					
Deposits at financial institutions with restriction in use	18	235,600,520	71,362,312	-	-
Advances to related parties	36.3	-	-	120,039,161	457,850
Investments in subsidiaries	36.1	-	-	242,796,625	192,796,625
Investments in joint ventures	36.2	3,882,807	44,381,371	15,300,000	15,300,000
Long-term investments	11	569,620,146	605,057,701	-	-
Loans to related parties	36.3	-	-	2,069,698,513	2,131,649,899
Property, plant and equipment	12	2,427,456,944	2,443,375,433	539,533,565	549,247,033
Investment property	9	185,517,201	185,530,653	185,517,201	185,530,653
Intangible assets	13	801,989,452	844,775,628	4,388,254	2,653,793
Goodwill	14	26,482,501	26,482,501	-	-
Other non-current assets	15	1,053,871	1,048,811	97,440,616	59,531,647
Total non-current assets		4,251,603,442	4,222,014,410	3,274,713,935	3,137,167,500
TOTAL ASSETS		7,514,299,217	7,018,908,145	6,210,251,127	5,569,340,547

Notes to the financial statement form an integral part of these statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2019

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL	STATEMENTS	FINANCIAL	STATEMENTS
		2019	2018	2019	2018
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade and other current payables	17	49,816,934	532,822,574	33,186,386	510,116,940
Income tax payable		28,554	-	-	-
Current portion of long-term borrowings from financial institutions	18	148,610,160	148,610,160	-	-
Short-term borrowings from related parties	20	-	-	102,000,000	-
Current portion of provisions for restoration and rehabilitation expenses	21	8,882,500	36,099,483	8,882,500	36,099,483
Other current liabilities		34,490,354	14,269,820	34,207,341	14,256,603
Total current liabilities		241,828,502	731,802,037	178,276,227	560,473,026
NON-CURRENT LIABILITIES					
Long-term borrowings from financial institutions	18	981,021,012	1,128,961,965	-	-
Long-term debentures	19	1,134,126,513	-	1,134,126,513	-
Provisions for cadmium legal case	38	76,417,736	80,613,750	76,417,736	80,613,750
Provisions for restoration and rehabilitation expenses	21	137,237,682	135,640,570	137,237,682	135,640,570
Provisions for employee benefit	22	37,993,816	35,302,614	37,993,816	35,226,544
Deferred tax liabilities	16	201,085,883	203,345,290	92,123,883	94,383,290
Total non-current liabilities		2,567,882,642	1,583,864,189	1,477,899,630	345,864,154
TOTAL LIABILITIES		2,809,711,144	2,315,666,226	1,656,175,857	906,337,180
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
Ordinary shares 301,333,333 shares at par value of Baht 10 each	25	3,013,333,330	3,013,333,330	3,013,333,330	3,013,333,330
Issued and paid-up share capital					
Ordinary shares 226,000,100 shares of Baht 10 each, fully paid - up		2,260,001,000	2,260,001,000	2,260,001,000	2,260,001,000
Premium on share capital		602,415,900	602,415,900	602,415,900	602,415,900
Exchange differences on translating financial statement		(5,440,308)	(4,319,789)	-	-
Revaluation surplus on assets		363,592,078	373,133,009	363,592,078	373,133,009
Actuarial gain (loss) on defined benefit plan		6,949,972	(1,280,939)	6,949,972	(1,280,939)
Retained earnings					
Appropriated legal reserve		226,000,000	226,000,000	226,000,000	226,000,000
Unappropriated		1,251,069,431	1,247,292,738	1,095,116,320	1,202,734,397
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		4,704,588,073	4,703,241,919	4,554,075,270	4,663,003,367
TOTAL SHAREHOLDERS' EQUITY		4,704,588,073	4,703,241,919	4,554,075,270	4,663,003,367
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		7,514,299,217	7,018,908,145	6,210,251,127	5,569,340,547

Notes to the financial statement form an integral part of these statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL	STATEMENTS	FINANCIAL	STATEMENTS
		2019	2018	2019	2018
REVENUES					
Revenue from sales of electricity	28 and 34	340,331,848	330,849,033	-	-
Revenue from sales and services	28 and 34	14,054,881	17,973,700	-	-
Dividend income	34	41,090,251	-	8,746,256	-
Gain from sales of property, plant and equipment		-	1,598,982	-	1,598,982
Gain on exchange rate		-	41,484,552	-	31,658,206
Other income		38,678,428	48,391,879	89,638,091	96,285,883
Total revenues		434,155,408	440,298,146	98,384,347	129,543,071
EXPENSES					
Cost of sales of electricity		(156,766,127)	(165,885,085)	-	-
Cost of sales and services		(11,187,077)	(11,378,603)	-	-
Operating and administrative expenses		(161,566,976)	(145,880,247)	(153,693,811)	(131,352,389)
Loss on short-term investment		(30,157,985)	(45,133,185)	(30,157,985)	(45,133,185)
Loss on exchange rate		(50,378,667)	-	(107,770,828)	-
Loss on impairment of investments in joint ventures		(37,870,387)	-	-	-
Finance costs		(101,221,413)	(76,737,038)	(36,071,349)	-
Total expenses		(549,148,632)	(445,014,158)	(327,693,973)	(176,485,574)
Share of loss of investment					
in joint ventures on equity method	36.2	(2,628,177)	(11,512,091)	-	-
Loss before income tax income (expense)		(117,621,401)	(16,228,103)	(229,309,626)	(46,942,503)
Income tax income (expense)	16	1,965,952	(1,103,510)	2,259,407	(822,250)
Loss for the years from continuing operations		(115,655,449)	(17,331,613)	(227,050,219)	(47,764,753)
Profit (loss) for the years from discontinued operation	35	109,891,211	(24,433,089)	109,891,211	(24,433,089)
Net loss for the years		(5,764,238)	(41,764,702)	(117,159,008)	(72,197,842)
Other comprehensive income (loss)					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translating financial statements		(1,120,519)	836,147	-	-
Items that will not be reclassified subsequently to profit or loss					
Actuarial gain (loss) on defined benefit plan	22	8,230,911	(1,280,939)	8,230,911	(1,280,939)
Total comprehensive income (loss) for the years		1,346,154	(42,209,494)	(108,928,097)	(73,478,781)

Notes to the financial statement form an integral part of these statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL	STATEMENTS	FINANCIAL	STATEMENTS
		2019	2018	2019	2018
Net loss for the years attributable to:					
Owners of the Parent from continuing operations		(115,655,449)	(17,331,613)	(227,050,219)	(47,764,753)
Owners of the Parent from discontinued operation		109,891,211	(24,433,089)	109,891,211	(24,433,089)
		(5,764,238)	(41,764,702)	(117,159,008)	(72,197,842)
Non-controlling interests		-	-	-	-
		(5,764,238)	(41,764,702)	(117,159,008)	(72,197,842)
Total comprehensive income (loss) for the years attributable to:					
Owners of the Parent from continuing operations		(108,545,057)	(17,776,405)	(218,819,308)	(49,045,692)
Owners of the Parent from discontinued operation		109,891,211	(24,433,089)	109,891,211	(24,433,089)
		1,346,154	(42,209,494)	(108,928,097)	(73,478,781)
Non-controlling interests		-	-	-	-
		1,346,154	(42,209,494)	(108,928,097)	(73,478,781)
Basic earnings (loss) per share (Baht)					
Basic loss per share from continuing operations	30	(0.51)	(0.08)	(1.00)	(0.22)
Basic earnings (loss) per share from discontinued operation	30	0.49	(0.10)	0.49	(0.10)
		(0.02)	(0.18)	(0.51)	(0.32)

Notes to the financial statement form an integral part of these statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019

Notes	CONSOLIDATED FINANCIAL STATEMENTS								UNIT : BAHT
	Equity Attributable to owners of the Parent							Total shareholders' equity	
	Issued and paid-up share capital	Premium on share capital	Other component of shareholders' equity		Retained earnings		Total owners of the Parent		
			Exchange differences on translating financial statement	Revaluation surplus on assets	Actuarial gain (loss) on defined benefit plan	Appropriated legal reserve			

UNIT : BAHT

Notes to the financial statement form an integral part of these statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019

Notes		SEPARATE FINANCIAL STATEMENTS							UNIT : BAHT	
		Issued and paid-up share capital	Premium on share capital	Other component of shareholders' equity			Retained earnings			Total shareholders' equity
				Revaluation surplus on assets	Actuarial gain (loss) on defined benefit plan	Appropriated legal reserve	Unappropriated			
Balance as at January 1, 2018		2,260,000,000	602,413,600	382,918,853	-	-	226,000,000	1,604,124,855	5,075,457,308	
25	Increased ordinary shares	1,000	2,300	-	-	-	-	-	3,300	
26	Dividends paid	-	-	-	-	-	-	(338,978,460)	(338,978,460)	
	Transfer to retained earnings from surplus on assets	-	-	(9,785,844)	-	-	-	9,785,844	-	
	Total comprehensive loss	-	-	-	(1,280,939)	(1,280,939)	-	(72,197,842)	(73,478,781)	
Balance as at December 31, 2018		2,260,001,000	602,415,900	373,133,009	(1,280,939)	(1,280,939)	226,000,000	1,202,734,397	4,663,003,367	
Balance as at January 1, 2019		2,260,001,000	602,415,900	373,133,009	(1,280,939)	(1,280,939)	226,000,000	1,202,734,397	4,663,003,367	
	Transfer to retained earnings from surplus on assets	-	-	(9,540,931)	-	-	-	9,540,931	-	
	Total comprehensive loss	-	-	-	8,230,911	8,230,911	-	(117,159,008)	(108,928,097)	
Balance as at December 31, 2019		2,260,001,000	602,415,900	363,592,078	6,949,972	6,949,972	226,000,000	1,095,116,320	4,554,075,270	

Notes to the financial statement form an integral part of these statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2019	2018	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES					
Continuing operations					
Loss before income tax income (expense)		(117,621,401)	(16,228,103)	(229,309,626)	(46,942,503)
Adjustments for :					
Depreciation and amortization expenses		141,576,709	140,285,614	6,335,625	4,504,688
Unrealized loss (gain) on foreign currency		53,291,090	(8,189,309)	111,725,952	(2,874,550)
Unrealized loss on short-term investments		37,954,364	7,604,714	37,954,364	7,604,714
(Gain) loss from sales of property, plant and equipment		724,226	(1,598,982)	724,226	(1,598,982)
Loss on impairment of investments in joint ventures		37,870,387	-	-	-
Share of loss from investment in joint ventures		2,628,177	11,512,091	-	-
Employee benefits obligation		22,778,453	14,720,360	22,854,523	14,720,360
Dividend income		(41,090,251)	-	(8,746,256)	-
Finance costs		101,221,413	76,737,038	36,071,349	-
Interest income		(33,219,509)	(19,143,020)	(72,468,471)	(69,030,781)
Profit (loss) from operating activities before changes in operating assets and liabilities		206,113,658	205,700,403	(94,858,314)	(93,617,054)
(Increase) decrease in operating assets					
Trade and other current receivables		9,370,646	(76,106)	9,273,305	(4,259,961)
Inventories		(263,548)	361,800	-	-
Value added tax receivables		73,306,159	4,944,334	132,940	-
Other current assets		(50,963,480)	(24,812,088)	68,960,828	(24,741,021)
Deposits at financial institutions with restriction		(164,238,208)	18,594,033	-	-
Advance to related parties		-	-	(119,581,311)	(93,350)
Other non-current assets		28,991	196,021	(3,683,684)	2,467,837
Increase (decrease) in operating liabilities					
Trade and other current payables		(34,925,607)	(90,700,381)	(29,959,192)	(60,587,982)
Other current liabilities		(103,281)	22,093,932	(281,915)	(6,879,370)
Employee benefits obligation paid during the years		(11,856,340)	(23,993,694)	(11,856,340)	(23,993,694)
Cash received (paid) from operating activities		26,468,990	112,308,254	(181,853,683)	(211,704,595)
Cash paid for interest		(96,373,324)	(76,477,899)	(30,783,796)	-
Cash paid for corporate tax		(173,739)	(473,591)	-	-
Cash received from discontinued operations		235,384,166	297,962,543	235,384,166	297,038,979
Net cash flows provided by operating activities		165,306,093	333,319,307	22,746,687	85,334,384

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2019	2018	2019	2018
CASH FLOWS FROM INVESTING ACTIVITIES					
Continuing operations					
Cash paid from purchases of short-term investments		(1,047,109,115)	(270,136,973)	(1,048,418,718)	(268,827,370)
Cash paid for purchases of investment in subsidiary		-	-	(50,000,000)	-
Cash paid for purchases of long-term investments		-	(122,652,751)	-	-
Cash paid for loan to related parties		-	-	(79,277,100)	(124,000,000)
Cash received from loan to related parties		-	-	51,056,710	256,000,000
Cash received from loan to other party		52,500,000	52,500,000	52,500,000	52,500,000
Interest received		39,223,751	18,375,944	39,615,613	27,762,524
Cash paid for purchase of property, plant and equipment and intangible assets		(89,788,471)	(8,458,092)	(6,741,290)	(6,152,710)
Cash received from sales of property, plant and equipment		2,593,123	1,645,689	2,590,614	1,623,530
Cash received from discontinued operations		136,077,685	25,151,875	136,077,685	25,151,875
Net cash used in investing activities		(906,503,027)	(303,574,308)	(902,596,486)	(35,942,151)
CASH FLOWS FROM FINANCING ACTIVITIES					
Continuing operations					
Cash received from increased ordinary shares		-	3,300	-	3,300
Cash paid for short-term borrowings from financial institutions		-	(140,702,205)	-	-
Cash received from short-term borrowings from related parties		-	-	114,000,000	-
Cash paid for short-term borrowings from related parties		-	-	(12,000,000)	-
Cash paid for long-term borrowings from financial institutions		(148,610,160)	(153,610,160)	-	-
Cash received from long-term borrowings from financial institutions		-	277,902,900	-	-
Cash received from long-term debentures - net		1,130,146,400	-	1,130,146,400	-
Cash paid from discontinued operations		-	(338,978,460)	-	(338,978,460)
Net cash provided by (used in) financing activities		981,536,240	(355,384,625)	1,232,146,400	(338,975,160)
Effects from changes in exchange rate					
for cash and cash equivalents		(13,825)	(28,360)	(13,825)	(28,360)
Net increase (decrease) in cash and cash equivalents		240,325,481	(325,667,986)	352,282,776	(289,611,287)
Cash and cash equivalents at beginning of the years		709,342,477	1,035,010,463	496,477,112	786,088,399
Cash and cash equivalents at end of the years	4.1	949,667,958	709,342,477	848,759,888	496,477,112

See condensed notes to the financial statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

NOTES	CONTENTS	PAGE
1.	General information	74
2.	Basis for preparation and presentation of the financial statements	75
3.	Significant accounting policies	76
4.	Additional cash flow information	86
5.	Short-term investments	86
6.	Trade and other current receivables	87
7.	Loan to other party	87
8.	Inventories	87
9.	Non-current assets held for sale and investment property	88
10.	Other current assets	88
11.	Long-term investments	88
12.	Property, plant and equipment	89
13.	Intangible assets	93
14.	Goodwill	95
15.	Other non-current assets	95
16.	Deferred tax assets and liabilities and income tax expenses	96
17.	Trade and other current payables	99
18.	Long-term borrowings from financial institutions	99
19.	Long-term debentures	101
20.	Short-term borrowings from related parties	102
21.	Provisions for restoration and rehabilitation expenses	103
22.	Provisions for employee benefit	104
23.	Reserves	105
24.	Provident fund	105
25.	Share capital	106
26.	Dividends paid	106
27.	Expenses by nature	106
28.	Promotional privileges according to investment promotion act	107
29.	Bank guarantees	109
30.	Basic and diluted earnings (loss) per share	110
31.	Commitments and contingent liability	110
32.	Financial instruments	110
33.	Fair value measurements	113
34.	Operating segment information	115
35.	Discontinued operation	116
36.	Related parties transactions	116
37.	Key management compensation	121
38.	Litigation	121
39.	Reclassifications	122
40.	Event after the reporting period	122
41.	Approval for financial statements	122

1. GENERAL INFORMATION

Padaeng Industry Public Company Limited (“the Company”) was established on April 10, 1981 and has been listed on the Stock Exchange of Thailand since July 21, 1987.

The Company’s registered office is at CTI Tower, 26th - 27th floor, 191/18-25 Rachadaphisek Road, Khlong Toei District, Bangkok. The Company operates a zinc mine and a zinc smelter located in the Tak Province and a roaster plant for Calcine located in the Rayong Province since 1987. In early 2017, the Company completely stopped its conventional zinc operation due to depleted zinc at Mae Sod mine. The Company has turned into a metal trading business instead. Subsequently, on November 6, 2018, the Board of Directors meeting of the Company had resolved the resolution to cease metals trading business at the end of the first quarter of 2019 onward. It has also diversified into other business including renewable energy business and other businesses.

The operation of Company, subsidiaries and joint ventures are called “the Group”, which have detail as follows:

COMPANY’S NAME	% OWNERSHIP	RELATIONSHIP	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION
Padaeng Properties Co., Ltd.	100.00	Subsidiary	Providing property services	Thailand
PDI Materials Co., Ltd.	100.00	Indirect subsidiary	Trading of various base metals and their by-products	Thailand
PDI Eco Co., Ltd. ¹	100.00	Subsidiary	Eco-managed business	Thailand
PDI Energy Co., Ltd.	100.00	Subsidiary	Expand and diversify into renewable energy business	Thailand
Sathon Project One Co., Ltd. ²	100.00	Subsidiary	Hotel, Real estate business	Thailand
J-Solar Co., Ltd.	100.00	Indirect subsidiary	Solar energy business	Thailand
Century Asset Management KK	100.00	Indirect subsidiary	Solar energy business	Japan
PDI Asia Solar Co., Ltd.	100.00	Indirect subsidiary	Solar energy business	Thailand
PDI Mae Ramat Co., Ltd.	99.99	Indirect subsidiary	Solar energy business	Thailand
Ton Sangkasi Pte Ltd.	100.00	Subsidiary	Holding Company	Singapore
Symbior Elements Pte Ltd.	100.00	Indirect subsidiary	Holding Company	Singapore
ATC Enviro Co., Ltd.	100.00	Indirect subsidiary	Solar energy business	Thailand
P.P. Solar (Nong-No) Co., Ltd.	100.00	Indirect subsidiary	Solar energy business	Thailand
PDI-CRT Co., Ltd.	60.00	Joint ventures	Explore opportunity in waste management	Thailand
PDI Tak Eco Co., Ltd.	51.00	Joint ventures	Waste Management	Thailand

¹ On August 9, 2019, the Board of Directors’ Meeting of the Company resolved to approve the dissolution of the subsidiary. Subsequently, on September 2, 2019, the Extraordinary General Meeting of the subsidiary passed a resolution to approve the dissolution and the subsidiary already registered the dissolution with the Department of Business Development on September 13, 2019. Currently, the subsidiary is in the process of liquidation. However, such event do not have an impact to value of investment in subsidiary as at December 31, 2019.

² On December 4, 2019, the Company incorporated Sathon Project One Co., Ltd. for the subsidiary which has authorized share capital amounting Baht 200 million, 2 million shares of Baht 100 each that paid-up share capital of Baht 25 each, in the total amount of Baht 50 million.

The Group has extensive transactions and relationships with the related company. Accordingly, the financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred had the Group operated without such affiliations.

2. BASIS FOR PREPARATION AND PRESENTATION 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 (Revised 2018) "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2019 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 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 Statements (No.2) B.E. 2559" dated October 11, 2016.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies.
- 2.4 Thai Financial Reporting Standards affecting the presentation and disclosure in the current year financial statements

During the year, the Company has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any material impact on the Company's financial statements, except the following financial reporting standard:

Thai Accounting Standard No.7 (Revised 2018) "Statement of Cash Flows"

This revised accounting standard requires the disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This accounting standard requires prospective method for such amendment.

- 2.5 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has issued the Notification regarding Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretation and Thai Financial Reporting Standard Interpretation, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The Company's management will adopt such TFRSs in the preparation of the Company's financial statements when it becomes effective. The Company's management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any material impact on the financial statements of the Company in the period of initial application, except the financial reporting standards as follows:

Group of Financial Instruments Standards

Thai Accounting Standards ("TAS")

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards ("TFRS")

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Standard Interpretations ("TFRIC")

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These group of Standards make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. These Standards will supersede the Standards and Interpretations relating to the financial instruments upon its effective date.

The Company's management is in the process to assess the impact of these Financial Instruments Standards on the financial statements of the Company in the period of initial application.

Thai Financial Reporting Standards No. 16 "Leases"

This TFRS provides a comprehensive model for the identification if lease arrangements and their treatment in the financial statements of both lessees and lessors.

This TFRS will supersede the following lease Standards and Interpretations upon its effective date, which are Thai Accounting Standard No.17 "Leases", Thai Accounting Standard Interpretation No.15 "Operating Lease - Incentives", Thai Accounting Standard Interpretation No.27 "Evaluating the Substance of Transactions involving the Legal Form of a Lease" and Thai Financial Reporting Standard Interpretation No.4 "Determining whether on Arrangement contains a Lease".

For lessee accounting, there are significant changes to lease accounting in this TFRS by removing the distinction between operating and finance leases under TAS 17 and requiring a lessee to recognize a right-of-use asset and a lease liability at commencement for all leases, except for short-term- leases and leases of low value assets. However, the lessor accounting treatment continues to require a lessor to classify a lease either as an operating lease or a finance lease, using the same concept as TAS 17.

The Company's management is in the process to assess the impact of this TFRS on the financial statements of the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention expect as disclosed in the accounting policies as follows:

3.1 Cash and cash equivalents

Cash and cash equivalents include cash on hand, current deposit accounts, saving deposit accounts, time deposit with maturities not later than 3 months from acquisition date, and without commitments, call notes receivables and term promissory notes with maturities within 3 months from acquisition date and highly liquid short-term investments. This accords with the Notification issued by the Office of the Securities and Exchange Commission.

3.2 Short-term Investments

Investments in marketable securities held for trading are stated at fair value. The Group recognized gain or loss on re-measuring investments in the statements of profit or loss and other comprehensive income.

Investments in debt securities that the Group intends and is able to hold to maturity are stated at amortized cost less impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortized using the effective interest rate method over the period to maturity.

Investments in debt securities and marketable equity securities other than those securities held for trading or intended to be held to maturity, are classified as being available-for-sale investments and are stated at fair value, with any resultant

gain or loss on re-measuring investments being recognized as other component of shareholders' equity in shareholders' equity. The exception is impairment losses, which is recognized in the statements of profit or loss and other comprehensive income. When these investments are disposed, the cumulative gain or loss previously recognized directly in other component of shareholders' equity in shareholders' equity is recognized in the statements of profit or loss and other comprehensive income. Where these investments are interest-bearing, interest calculated using the effective interest method is recognized in the statements of profit or loss and other comprehensive income.

Investments in equity securities which are not marketable are stated at cost, net allowance for impairment, if any.

The fair value of marketable security is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand. The fair value of unit trusts of closed - end fund is determined from their net asset value. The fair value of debentures is calculated by using the latest bid yield as quoted by the Thai Bond Market Association.

The weighted average method is used for computation of the cost of investments in securities. The first in - first out method is used for computation of the cost of investments in derivatives.

Impairment

Loss on impairment, if any, of investments is recognized in the statements of profit or loss and other comprehensive income when the carrying amount exceeds its recoverable value.

3.3 Trade and other receivables

Trade and other 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. Bad debts are written off when incurred.

3.4 Inventories

Inventories are measured at the lower of cost and net realizable value.

Price of inventory is calculated using the weighted average method for a subsidiary and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of finished goods, cost includes an appropriate share of production overheads based on normal operating capacity, and manufactured inventories, cost is presented at actual cost per stage-of-completion.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

3.5 Investments

Investments in subsidiaries and associates

Investments in subsidiaries and associates in the separate financial statements of the Company are accounted by using the cost method, net of impairment loss, if any. Investments in associates in the consolidated financial statements are accounted by using the equity method.

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate equals or exceeds the Group's interest in that associate

(which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill or right to generate and sell electricity, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognized immediately in profit or loss in the statement of profit or loss and other comprehensive income in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss in the statement of profit or loss and other comprehensive income on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from such transactions are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognized as profit or loss in the statement of profit or loss and other comprehensive income.

If the Group disposes a partial of its holding investment, the deemed cost of the sold investment is determined using the weighted average method applied to the carrying value of the total holding of the investment.

3.6 Property, plant and equipment

Recognition and measurement

Land is stated at the revalued value while land improvement, condominium and buildings are stated at the revalued value net of accumulated depreciation and allowance for impairment, if any. Machinery, equipment, vehicle and mine restoration assets are stated at cost, net of accumulated depreciation and allowance for impairment, if any.

The land, land improvement, condominium and buildings reappraisal is performed by independent appraisers. This reappraisal is based on the market value method for land and condominium and the replacement cost method (net of accumulated depreciation) for land improvement and buildings. The increment resulting from the appraisal is recognized as part of equity as "revaluation surplus on assets". Upon disposal land, land improvement, condominium and buildings, any remaining the revaluation surplus on assets is transferred directly to retained earnings and is not taken into account when calculating the gain or loss on disposal.

Revaluation surplus on assets can neither be offset against deficit nor used for dividend distribution.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in the statement of profit or loss and other comprehensive income.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized as an expense in statement of profit or loss and other comprehensive income as incurred.

Depreciation

Depreciation is calculated on the straight line basis and recognized in statements of profit or loss to write off the cost or the revalued amount of each asset, except for land, to its residual value over the estimated useful life. The estimated useful life of assets are as follows:

	YEARS
Land improvements	5 - 20
Buildings, Condominium and Buildings improvements	5 - 50
Machinery and heavy equipment	8 - 25
Equipment, furniture and fixtures	3 - 5
Vehicles	5

No depreciation is provided on land and construction in progress.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Finance costs which occur from borrowings that specified for construction-in-progress projects and equipment installation projects will be capitalized as cost of construction in progress until the project is in ready condition as per management's intended purpose.

Mine restoration assets/residual ponds are amortized on units of production basis using the capacity volume of the residue ponds. Residual value and the estimated useful life of the assets are reviewed, and adjusted if appropriate, at the end of each reporting period.

3.7 Investment property

Investment property is the property which held to earn for rental or for capital appreciation or both, rather than for sale in the ordinary course of business or use in the production or supply of goods or services or for administrative purposes.

The Company measured investment property initially at its cost, including related transaction costs and less allowance for impairment, if any.

Depreciation is calculated by the straight-line method, based on the estimated useful life of assets. For investment property, the estimate useful live is 20 - 50 years.

3.8 Non-current assets held for sale

Non-current assets are classified as assets held for sale if their book value will be recovered principally through a sale transaction rather than through continuing use.

The group measured non-current assets held for sale by stated at the lower of book value and fair value less costs of sell. Loss from impairment will be recognized as expenses in the statement of profit or loss and other comprehensive income, if any.

3.9 Goodwill

Goodwill that arises upon the acquisition of subsidiaries is as intangible assets. The measurement of goodwill at initial recognition. Subsequent to the initial recognition, goodwill is measured at cost less allowance for impairment loss. The Group assesses an impairment of goodwill annually, without consideration of indication that such goodwill may be impaired.

3.10 Intangible assets

Intangible assets are computer software, right of using Electrical Pole and transmission line which the Group has amortized as expenses, using straight-line method over useful life with 5 years and 25 years.

Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of intangible asset, other than goodwill, from the date that they are available for use.

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets with indefinite useful lives are tested for impairment when there is an indicator that the asset may be impaired.

3.11 License for Energy Industry and its amortization

The Group recorded initial cost of License for Energy Industry which obtained from business combination at fair value as at business combination date. After initial recognition, License for Energy Industry is presented at cost less accumulated amortization and allowance for impairment, if any.

Amortization

The Group amortizes based on period of agreement for License for Energy Industry by using straight-line method for the remaining period of its subsidiaries since the date which the Group has controls over its subsidiaries.

3.12 Environmental rehabilitation, environmental risk assurance and restoration expenses

Under the terms of the Group's mining and production licenses, it is required to restore mining and production areas to their original conditions. The Group has recognized environmental rehabilitation and risk assurance provisions in respect to these costs as follows:

The Group accounts for environmental restoration and rehabilitation costs by estimating the costs of decommissioning mine properties and mine restoration assets and removal of any related assets and site restoration as part of the cost of restoration assets as at the date the obligation first arises and to the extent that it is first recognized as a provision.

Deferred environmental rehabilitation expenses and environmental risk assurance costs are amortized by the straight-line method over the useful life of mining area. Mine restoration assets are subsequently amortized on a unit-of production basis. The provisions are reviewed regularly and any changes in provisions are recognized as administrative expenses.

The corresponding restoration and rehabilitation provision, of an amount equivalent to the restoration asset created, is reviewed at the end of each reporting period. The provision is measured at the best estimate of the present value amount required to settle the present obligation at the end of the reporting period based on current legal and other requirements and technology, discounted where material using the weighted average cost of capital at the statement of financial position date with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Where there is a change in the expected restoration, rehabilitation or decommissioning costs, an adjustment is recorded against the carrying value of the provision and any related restoration asset, and the effects are recognized in the profit or loss on a prospective basis over the remaining life of the operation. Accretion expenses recognized due to unwinding of the effect of discounting of the restoration provision is included within administrative expenses in the statement of comprehensive income.

3.13 Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated. For goodwill and right to generate and sell electricity, the Group assesses an impairment annually.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized as an expense in the statement of profit or loss and other comprehensive income unless it reverses a previous revaluation credited to equity, in which case it is charged to statement of other comprehensive income.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized as an expense in the statement of profit or loss and other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.14 Employee benefits

Short-term benefits

The Group recognizes salaries, wages, bonus and social security contribution as expenses when incurred on an accrual basis.

Post-employment benefits - defined contribution plan

The Group operates a provident fund that is a defined contribution plan. The assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and the Group. Contributions to the provident fund and obligations under contribution plan are charged as an expense to the statement of comprehensive income in the period to which they relate.

Post-employment benefits - defined benefit plan

The employee benefits liabilities for severance payment as the labor law is recognized as an expense over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Group in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by actuarial technique using the Projected Unit Credit Method.

When the employee benefits are improved, the portion of the increased benefit relating to past service by employees is recognized in the statement of profit or loss and other comprehensive income on a straight-line basis over the average period until the benefits become vested.

When the actuarial assumptions are changed, the Group recognizes all actuarial gains (losses) immediately in other comprehensive income.

3.15 Income tax expenses

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized as income or expense in the statement of profit or loss and other comprehensive income except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill in the consolidated financial statements; the initial recognition of assets or liabilities in a transaction in the consolidated financial statement that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same taxation authority and the Company and subsidiaries intends to settle its current tax assets and liabilities on a net basis.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized. The Company recognizes deferred tax liabilities for all taxable temporary differences in the consolidated and separate financial statements.

3.16 Revenue and expenses

Revenue excludes value added taxes and present as net after discount.

Revenue from sales of electricity

Revenue from sales of electricity generated from solar panels includes adder and fuel adjustment charge (Ft rate) and average selling price for electricity unit over than Capacity Factor is recognized upon delivery of the electricity to the buyer. Electricity deliveries are metered during the accounting period.

Sales of goods and rendering of services

Revenue from sales and services is recognized revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Revenue will not be recognized if there is continuing management involvement with the goods or services having significant uncertainties regarding recovery of the consideration due, revenues and costs cannot be measurable and available, or there is certainly probability of sell return.

Other income

Other income is recognized on an accrual basis.

Dividend received

Dividend received is recognized on the date the Group's right to receive payments is established.

Interest income

Interest income is recognized in the statement of profit or loss and other comprehensive income on an accrual basis.

Expenses

Expenses are recognized in the statement of profit or loss and other comprehensive income on an accrual basis.

3.17 Finance costs

Finance costs comprise of interest expense on borrowings and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of profit or loss and other comprehensive income using the effective interest method.

3.18 Lease

Right-of-use assets

Right-of-use assets recognized at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term and the estimated useful lives for each of right-of-use assets.

Lease liabilities

Lease liabilities are stated at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses interest rate implicit if the interest rate implicit in the lease is readily determinable. The Group uses its incremental borrowing rate if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Group apply the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

3.19 Basic earnings (loss) per share

The calculations of basic earnings (loss) per share were based on the profit for the year attributable to equity holders divided by the weighted average number of ordinary shares held by outsiders outstanding during the year. The calculations of diluted earnings (loss) per share were based on the weighted average number of ordinary shares on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

3.20 Foreign currencies

Transactions in foreign currencies

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized as profit or loss in the statement of profit or loss and other comprehensive income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of transactions.

Foreign entities

The assets and liabilities of foreign entities are translated to Thai Baht at the foreign exchange rates ruling at the reporting date.

The revenues and expenses of foreign entities are translated to Thai Baht at rates approximating the foreign exchange rates ruling at the dates of the transactions.

Foreign exchange differences arising on translation are recognized as other comprehensive income in the statement of profit or loss and other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment.

3.21 Derivative financial instruments

Derivative financial instruments are used to manage exposure of fluctuations in foreign exchange, interest rate and product price risks arising from operational, financing and investment activities.

Such derivatives are not recognized on statement of financial position at inception, since they relate to future transactions (or underlying) which are not yet reflected in the financial statements. Gains and losses on those derivative contracts are recognized in the financial statements upon settlement of the transactions. Further details of financial instruments are disclosed in Notes 32.

The Group has no policy to speculate in or engage in the trading of any derivative financial instruments.

3.22 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of TFRS 2 (Revised 2018), leasing transactions that are within the scope of TAS 17 (Revised 2018), and measurements that have some similarities to fair value but are not fair value, such as net realizable value in TAS 2 (Revised 2018) or value in use in TAS 36 (Revised 2018).

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

3.23 Accounting estimated and source of estimation uncertainty

3.23.1 Use of management's critical judgements in applying accounting policies

The preparation of financial statements in conformity with generally accepted accounting principles requires the Group's management 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 date of the statements of financial position 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.

Critical judgments in applying accounting policies are as follows:

(1) Environmental restoration and rehabilitation costs and environmental risk assurance costs

Deferred environmental restoration and rehabilitation expenses and provision for environmental restoration and rehabilitation expenses are recognized in the statement of financial position using the present value of the management's best estimation of future cash flows to be required to settle the expenditures for rehabilitation activities.

Deferred environmental risk assurance expenses and provision for environmental risk assurance expenses are recognized in the statement of financial position using the present value of the instalments plan.

Significant judgment is required in determining the environmental restoration and rehabilitation expenses as there are many transactions and factors that will affect the ultimate liability payable to rehabilitate the mine site. Factors that will affect this liability includes future development, changes in technology, commodity price changes and changes in interest rates.

(2) Useful lives of property, plant and equipment

The Group's management reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. Details of useful lives of the property, plant and equipment are set out in Note 3.6.

(3) Impairment

The Group shall assess the assets balance with definite useful lives are tested for impairment when there is an indicator that the asset may be impaired. For the assets balance with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired, the recoverable amounts are estimated.

(4) Recognition of deferred tax assets associated with tax losses carried forward

A deferred tax asset is recognized to the extent that it is probable that it will be utilized in the future and the Company has assessed it to be probable that the Company will generate taxable income sufficient to fully utilize the tax losses that exist.

(5) Provisions for employee benefit

The present value of the provisions for employee benefit depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of such obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group's considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related obligations.

Past service cost related to the plan amendment is recognized as an expense in the income statement when the plan amendment has occurred. The management of the Group judgmentally considered that an obligation arises only when the legislation is virtually certain to be enacted as drafted. Additional details are set out in Note 22.

3.23.2 Key sources of estimation uncertainty

(1) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group uses other observable information either directly or indirectly.

Information about valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Notes 32 and 33.

(2) Calculation of recoverable amount

In the calculation of recoverable amount, the Group's management estimated the future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(3) Impairment of right to produce and sell electricity

Determining whether right to produce and sell electricity is impaired requires an estimation of the value in use of the cash-generating units to which right to produce and sell electricity has been allocated. The value in use calculation requires the Group's management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value where the actual future cash flows are less than expected, a material impairment loss may arise.

4. ADDITIONAL CASH FLOW INFORMATION

4.1 Cash and cash equivalents as at December 31, 2019 and 2018 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Cash and cheque on hand	12,565,379	423,921	92,310	150,000
Cash at banks	528,078,207	247,255,404	439,643,206	207,757,189
Highly liquid short-term investments	409,024,372	461,663,152	409,024,372	288,569,923
Total	949,667,958	709,342,477	848,759,888	496,477,112

Unit : Baht

As at December 31, 2019 and 2018, the average interest rates on cash at banks and highly liquid short-term investments are in the range of 0.10% - 3.10% per annum and 0.10% - 3.20% per annum, respectively.

4.2 Non-cash transactions are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Transferred building, machinery and heavy equipment, equipment, furniture to non-current assets held for sale	2,755	-	2,755	-
Transferred investment property to non-current assets held for sale	13,452	-	13,452	-
Transferred inventories to equipment	1,504,805	-	-	-
Transferred non-current assets held for sale to investment property	-	184,571,820	-	184,571,820

Unit : Baht

5. SHORT - TERM INVESTMENTS

Short-term investments represented investment in debt securities and the deposit in a private fund which invest in trading of derivatives, unit trust and listed securities (see Note 33).

6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, 2019 and 2018 consisted of:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Trade receivables - other companies	22,908,709	235,749,197	-	210,372,978
Other receivables - other companies	8,763,143	12,632,853	1,122,516	6,648,262
Other receivables - related companies	6,726,555	6,726,555	6,726,555	7,326,555
Accrued income	20,465,268	17,849,589	-	-
Accrued dividend income	31,245,431	-	-	-
Pre paid expenses	22,933,387	26,068,872	1,589,965	1,019,794
Others	2,064,753	1,836,359	782,864	805,451
Total	115,107,246	300,863,425	10,221,900	226,173,040

Outstanding trade receivables as at December 31, 2019 and 2018 separated by aging analysis as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Up to 3 months	22,908,709	235,749,197	-	210,372,978
Total	22,908,709	235,749,197	-	210,372,978

As at December 31, 2019, trade and other current receivables significantly decreased because the Company had discontinued its operation in zinc metals trading business. (see Note 35)

7. LOAN TO OTHER PARTY

On September 9, 2011, the Company entered into loan agreement with Maesod Clean Energy Co., Ltd. which was Joint Venture. The Company had provided loan to Maesod Clean Energy Co., Ltd. of Baht 105 million in October 2011. The Company was eligible to convert this loan into equity of such joint venture. On February 16, 2017, the Company entered into Share Purchase Agreement with MP Energy Co., Ltd. to sell all shares of Maesod Clean Energy Co., Ltd. In addition, the Company has made the addendum to loan agreement with Maesod Clean Energy Co., Ltd. in the same day. For the outstanding loan of Baht 105 million, the first payment was settled and received on February 16, 2018 of Baht 52.50 million. Subsequently, on February 15, 2019, the Company has fully received such loan of Baht 52.50 million.

8. INVENTORIES

Inventories as at December 31, 2019 and 2018 consisted of:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Spare parts and consumables	49,091	41,548,464	-	40,258,116
Goods in transit	-	353,507,687	-	353,507,687
Finished goods	-	149,836,395	-	149,836,395
<u>Less</u> Allowance for obsolete inventories	-	(40,258,116)	-	(40,258,116)
Total	49,091	504,634,430	-	503,344,082

As at December 31, 2019, inventories significantly decreased because the Company had discontinued its operation in zinc metals trading business. (see Note 35)

9. NON-CURRENT ASSETS HELD FOR SALE AND INVESTMENT PROPERTY

Non-current assets held for sale as at December 31, 2019 and 2018 consisted of:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Cost	-	334,135,887	-	334,135,887
Less Accumulated depreciation	-	(333,503,557)	-	(333,503,557)
Total	-	632,330	-	632,330

Unit : Baht

On April 10, 2018, the Company entered into a contract to sell some obsoleted assets including demolishing for Rayong Plant with one contractor. Contract value is Baht 64 million. The Company recognized profit from demolishing amount of Baht 41.77 million for the year ended December 31, 2019 and Baht 21.24 million for the year ended December 31, 2018.

Subsequently, on September 30, 2018, one year after recognized them as non-current assets held for sale, the Company has not been able to procure the potential buyers for land and buildings in Tak and Rayong provinces. Therefore, the Company reclassified them as investment property in amount of Baht 184.57 million. As a result, investment property as at December 31, 2019 and 2018 in the consolidated and separate financial statements are Baht 185.52 million and Baht 185.53 million, respectively.

As at December 31, 2019, the Company has mortgaged investment property as collateral for long-term debentures which has net book value by Baht 184.56 million (see Note 19) (as at December 31, 2018 : Nil)

10. OTHER CURRENT ASSETS

Other current assets as at December 31, 2019 and 2018 consisted of:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Deposits	380,560,543	347,059,594	260,560,543	347,059,594
Others	94,890	494,024	7,652	331,094
Total	380,655,433	347,553,618	260,568,195	347,390,688

Unit : Baht

11. LONG-TERM INVESTMENTS

PDI Asia Solar Co., Ltd. ("PDI Asia Solar"), a subsidiary of PDI Energy Co., Ltd., has entered into the Tokumei Kumiai Agreement ("TK Agreement") dated April 28, 2016 as a TK investor to provide contribution funding equal to 97% of total investment to Green Brilliant Godo Kaisha ("GBGK") who invest into 13 Megawatts solar farms in Japan. PDI Asia Solar entered into a local independent property management contract to control assets and monitor the return of the investment.

As at December 31, 2019 and 2018, total contributed amounts are Baht 555.88 million and Baht 590.46 million, respectively.

Whereas J-Solar Co., Ltd. ("J-Solar"), a subsidiary of PDI Energy Co., Ltd., has entered into the Equity Interest Transfer Agreement dated April 22, 2016 to invest in Century Asset Management Kabushiki Kaisha ("CKK") in Japan. CKK has further invested in 3% GBGK shares or JPY 51 million as a non-executive member.

As at December 31, 2019 and 2018, total long-term investment amounts are Baht 13.74 million and Baht 14.60 million, respectively. The control shares were transferred from CKK to ISH Radiant Solar to comply with the related regulations in Japan.

For the year ended December 31, 2019, the Group recognized dividend income from other long-term investment in GBGK in consolidated financial statements amounting JPY 114.76 million or Baht 32.34 million.

12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, 2019 and 2018 consisted of:

As at December 31, 2019

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS				
	Balance as at January 1, 2019	Addition	(Disposal)	Transfer in/ (out)	Balance as at December 31, 2019
Cost					
Land and Land improvements					
Original cost	341,752,107	79,636,039	-	-	421,388,146
Appraised value	251,859,955	-	-	-	251,859,955
Buildings, Condominium and Buildings improvements					
Original cost	73,324,642	4,878,000	-	-	78,202,642
Appraised value	232,611,790	-	-	-	232,611,790
Machinery and heavy equipment	7,605,653,289	4,232,184	(5,044,874,372)	-	2,565,011,101
Equipment, furniture and fixtures	462,497,929	109,246	(216,031,748)	-	246,575,427
Vehicles	122,795,557	-	(48,512,452)	-	74,283,105
Building and machinery under constructions	900,000	574,517	-	-	1,474,517
Mine restoration assets	175,348,496	-	-	-	175,348,496
Total cost	9,266,743,765	89,429,986	(5,309,418,572)	-	4,046,755,179
Accumulated depreciation					
Land improvements					
Original cost	(93,809,494)	(796,943)	-	-	(94,606,437)
Buildings, Condominium and Buildings improvements					
Original cost	(64,047,848)	(6,133,163)	-	-	(70,181,011)
Appraised value	(14,311,400)	(9,540,931)	-	-	(23,852,331)
Machinery and heavy equipment	(5,693,584,005)	(84,885,644)	4,911,054,614	-	(867,415,035)
Equipment, furniture and fixtures	(451,862,057)	(451,251)	215,020,277	-	(237,293,031)
Vehicles	(117,612,588)	(585,756)	45,715,017	-	(72,483,327)
Mine restoration assets	(175,348,496)	-	-	-	(175,348,496)
Total Accumulated depreciation	(6,610,575,888)	(102,393,688)	5,171,789,908	-	(1,541,179,668)
Accumulated provision for impairment	(212,792,444)	-	134,673,877	-	(78,118,567)
Total Property, plant and equipment	2,443,375,433				2,427,456,944

As at December 31, 2018

Unit : Baht

CONSOLIDATED FINANCIAL STATEMENTS					
	Balance as at January 1, 2018	Addition	(Disposal)	Transfer in/ (out)	Balance as at December 31, 2018
Cost					
Land and Land improvements					
Original cost	341,768,646	-	(16,539)	-	341,752,107
Appraised value	252,104,866	-	(244,911)	-	251,859,955
Buildings, Condominium and Buildings improvements					
Original cost	73,089,610	235,032	-	-	73,324,642
Appraised value	232,611,790	-	-	-	232,611,790
Machinery and heavy equipment	7,605,781,156	975,079	(1,258,867)	155,921	7,605,653,289
Equipment, furniture and fixtures	472,485,775	135,796	(10,123,642)	-	462,497,929
Vehicles	131,809,247	3,575,475	(12,589,165)	-	122,795,557
Building and machinery under constructions	178,544	900,000	(22,623)	(155,921)	900,000
Mine restoration assets	175,348,496	-	-	-	175,348,496
Total cost	9,285,178,130	5,821,382	(24,255,747)	-	9,266,743,765
Accumulated depreciation					
Land improvements					
Original cost	(93,022,399)	(787,095)	-	-	(93,809,494)
Buildings, Condominium and Buildings improvements					
Original cost	(58,247,507)	(5,800,341)	-	-	(64,047,848)
Appraised value	(4,770,467)	(9,540,933)	-	-	(14,311,400)
Machinery and heavy equipment	(5,609,782,830)	(84,123,732)	322,557	-	(5,693,584,005)
Equipment, furniture and fixtures	(460,415,325)	(1,435,863)	9,989,131	-	(451,862,057)
Vehicles	(130,004,634)	(197,107)	12,589,153	-	(117,612,588)
Mine restoration assets	(175,348,496)	-	-	-	(175,348,496)
Total Accumulated depreciation	(6,531,591,658)	(101,885,071)	22,900,841	-	(6,610,575,888)
Accumulated provision for impairment	(212,893,608)	-	101,164	-	(212,792,444)
Total Property, plant and equipment	2,540,692,864				2,443,375,433
Depreciation for the years ended December 31,					
2019				Baht	102,393,688
2018				Baht	101,885,071

As at December 31, 2019

Unit : Baht

	SEPARATE FINANCIAL STATEMENTS				
	Balance as at January 1, 2019	Addition	(Disposal)	Transfer in/ (out)	Balance as at December 31, 2019
Cost					
Land and Land improvement					
Original cost	34,297,430	-	-	-	34,297,430
Appraised value	251,859,955	-	-	-	251,859,955
Buildings, Condominium and Buildings improvements					
Original cost	12,414,966	4,878,000	-	-	17,292,966
Appraised value	232,611,790	-	-	-	232,611,790
Machinery and heavy equipment	5,688,032,271	-	(5,044,824,282)	-	643,207,989
Equipment, furniture and fixtures	413,996,070	-	(216,031,748)	-	197,964,322
Vehicles	106,639,652	-	(48,512,452)	-	58,127,200
Mine restoration assets	175,348,496	-	-	-	175,348,496
Total cost	6,915,200,630	4,878,000	(5,309,368,482)	-	1,610,710,148
Accumulated depreciation					
Buildings, Condominium and Buildings improvements					
Original cost	(1,522,245)	(1,354,096)	-	-	(2,876,341)
Appraised value	(14,311,400)	(9,540,931)	-	-	(23,852,331)
Machinery and heavy equipment	(5,456,065,807)	-	4,911,041,084	-	(545,024,723)
Equipment, furniture and fixtures	(404,330,348)	(240,289)	215,020,277	-	(189,550,360)
Vehicles	(101,582,857)	(537,925)	45,715,017	-	(56,405,765)
Mine restoration assets	(175,348,496)	-	-	-	(175,348,496)
Total Accumulated depreciation	(6,153,161,153)	(11,673,241)	5,171,776,378	-	(993,058,016)
Accumulated provision for impairment	(212,792,444)	-	134,673,877	-	(78,118,567)
Total Property, plant and equipment	549,247,033				539,533,565

As at December 31, 2018

Unit : Baht

	SEPARATE FINANCIAL STATEMENTS				Balance as at December 31, 2018
	Balance as at January 1, 2018	Addition	(Disposal)	Transfer in/ (out)	
Cost					
Land and Land improvement					
Original cost	34,313,969	-	(16,539)	-	34,297,430
Appraised value	252,104,866	-	(244,911)	-	251,859,955
Buildings and Condominium					
Original cost	12,414,966	-	-	-	12,414,966
Appraised value	232,611,790	-	-	-	232,611,790
Machinery and heavy equipment	5,688,243,486	-	(211,215)	-	5,688,032,271
Equipment, furniture and fixtures	423,918,512	96,600	(10,019,042)	-	413,996,070
Vehicles	115,809,418	3,419,400	(12,589,166)	-	106,639,652
Building and machinery under constructions	462	-	(462)	-	-
Mine restoration assets	175,348,496	-	-	-	175,348,496
Total cost	6,934,765,965	3,516,000	(23,081,335)	-	6,915,200,630
Accumulated depreciation					
Buildings and Condominium					
Original cost	(493,521)	(1,028,724)	-	-	(1,522,245)
Appraised value	(4,770,467)	(9,540,933)	-	-	(14,311,400)
Machinery and heavy equipment	(5,456,231,233)	-	165,426	-	(5,456,065,807)
Equipment, furniture and fixtures	(413,624,965)	(622,957)	9,917,574	-	(404,330,348)
Vehicles	(114,069,203)	(102,806)	12,589,152	-	(101,582,857)
Mine restoration assets	(175,348,496)	-	-	-	(175,348,496)
Total Accumulated depreciation	(6,164,537,885)	(11,295,420)	22,672,152	-	(6,153,161,153)
Accumulated provision for impairment	(212,893,608)	-	101,164	-	(212,792,444)
Total Property, plant and equipment	557,334,472				549,247,033
Depreciation for the years ended December 31,					
2019				Baht	11,673,241
2018				Baht	11,295,420

In August 2019, a subsidiary acquired land for operating in Japan in amount of Baht 79.25 million.

The Company and the Group has mortgaged property as collateral as at December 31, 2019 and 2018 consisted of:

Unit : Million Baht

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
Carrying amount			
	2019	2018	Collateral property
Collateral for long-term debentures			
Padaeng Industry Public Company Limited	371.39	-	Land and buildings (see Note 19)
Collateral for long-term borrowings from financial institutions			
ATC Enviro Company Limited	1,432.68	1,483.18	Land, building and power plants (see Note 18)
P.P. Solar (Nong-No) Company Limited	64.77	70.06	Land and factory (see Note 18)
PDI Mae Ramat Company Limited	272.91	283.97	Land leasing right, building and power plants (see Note 18)

Provision for asset impairment

Asset impairment charges represent a write-down in the book value of assets which exceed their estimated recoverable amount based on a review of each asset's fair value less costs to sell and value in use.

Changes in impairment provision movement are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
As at January 1,	212,792,444	212,893,608	212,792,444	212,893,608
Reversal during the years	(134,673,877)	(101,164)	(134,673,877)	(101,164)
As at December 31,	78,118,567	212,792,444	78,118,567	212,792,444

Unit : Baht

On September 16, 2019, the Company entered into a contract to sell unused plant, machine and equipment including demolishing and restoration for Tak Plant with one contractor. The contract value is Baht 132.08 million. The Company recognized gain from sale of plant and equipment in amount of Baht 132.06 million for the year ended December 31, 2019.

13. INTANGIBLE ASSETS

Intangible assets as at December 31, 2019 and 2018 consisted of:

As at December 31, 2019

	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at January 1, 2019	Addition	(Disposal)	Balance as at December 31, 2019
Cost				
Software Computer	40,495,108	-	-	44,995,108
Right of using Electrical Pole and transmission line	4,534,894	-	-	4,534,894
License for Energy Industry	912,646,792	-	-	912,646,792
Software computer under installation	2,636,710	1,863,290	-	-
Total cost	960,313,504	1,863,290	-	962,176,794
Accumulated depreciation				
Software Computer	(40,478,024)	(128,829)	-	(40,606,853)
Right of using Electrical Pole and transmission line	(910,955)	(181,396)	-	(1,092,351)
License for Energy Industry	(74,148,897)	(44,339,241)	-	(118,488,138)
Total accumulated amortization	(115,537,876)	(44,649,466)	-	(160,187,342)
Total	844,775,628			801,989,452

Unit : Baht

As at December 31, 2018

Unit : Baht

CONSOLIDATED FINANCIAL STATEMENTS					
	Balance as at January 1, 2018	Addition	(Disposal)	Transfer in/(out)	Balance as at December 31, 2018
Cost					
Software Computer	40,495,108	-	-	-	40,495,108
Right of using Electrical Pole and transmission line	4,534,894	-	-	-	4,534,894
License for Energy Industry	912,646,792	-	-	-	912,646,792
Software computer under installation	-	2,636,710	-	-	2,636,710
Total cost	957,676,794	2,636,710	-	-	960,313,504
Accumulated depreciation					
Software Computer	(39,742,145)	(735,879)	-	-	(40,478,024)
Right of using Electrical Pole and transmission line	(729,559)	(181,396)	-	-	(910,955)
License for Energy Industry	(29,809,653)	(44,339,244)	-	-	(74,148,897)
Total accumulated amortization	(70,281,357)	(45,256,519)	-	-	(115,537,876)
Total	887,395,437				844,775,628
Amortization for the years ended December 31,					
2019				Baht	44,649,466
2018				Baht	45,256,519

As at December 31, 2019

Unit : Baht

	SEPARATE FINANCIAL STATEMENTS				
	Balance as at January 1, 2019	Addition	(Disposal)	Transfer in/(out)	Balance as at December 31, 2019
Cost					
Software Computer	37,123,459	-	-	4,500,000	41,623,459
Software computer under installation	2,636,710	1,863,290	-	(4,500,000)	-
Total cost	39,760,169	1,863,290	-	-	41,623,459
Accumulated depreciation					
Software Computer	(37,106,376)	(128,829)	-	-	(37,235,205)
Total accumulated amortization	(37,106,376)	(128,829)	-	-	(37,235,205)
Total	2,653,793				4,388,254

As at December 31, 2018

Unit : Baht

	SEPARATE FINANCIAL STATEMENTS				Balance as at December 31, 2018
	Balance as at January 1, 2018	Addition	(Disposal)	Transfer in/(out)	
Cost					
Software Computer	37,123,459	-	-	-	37,123,459
Software computer under installation	-	2,636,710	-	-	2,636,710
Total cost	37,123,459	2,636,710	-	-	39,760,169
Accumulated depreciation					
Software Computer	(37,041,132)	(65,244)	-	-	(37,106,376)
Total accumulated amortization	(37,041,132)	(65,244)	-	-	(37,106,376)
Total	82,327				2,653,793
Amortization for the years ended December 31,					
2019				Baht	128,829
2018				Baht	65,244

As at December 31, 2019 and 2018, in the consolidated financial statements, the significant intangible assets-net in amount of Baht 611.30 million and Baht 646.01 million respectively, represented the value of Power Purchase Agreements from the acquisition of Symbior group on September 15, 2017 and incurred from the acquisition of PDI Mae Ramat Co., Ltd. in December 2016 in amount of Baht 182.86 million and Baht 192.48 million, respectively.

14. GOODWILL

Goodwill as at December 31, 2019 and 2018 consisted of:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS	
	2019	2018
Cost	26,482,501	26,482,501
<u>Less</u> Allowance for impairment	-	-
Total	26,482,501	26,482,501

15. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, 2019 and 2018 consisted of:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Interest receivable - related companies	-	-	96,716,303	58,812,334
Other	1,053,871	1,048,811	724,313	719,313
Total	1,053,871	1,048,811	97,440,616	59,531,647

16. DEFERRED TAX ASSETS AND LIABILITIES AND INCOME TAX INCOME (EXPENSES)

Deferred tax assets and liabilities as at December 31, 2019 and 2018 consisted of:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Deferred tax assets	-	-	-	-
Deferred tax liabilities	(201,085,883)	(203,345,290)	(92,123,883)	(94,383,290)

Movements of deferred tax assets and liabilities during the years are as follows :

As at December 31, 2019

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at January 1, 2019	Increase	Decrease	Balance as at December 31, 2019
Deferred tax liabilities				
Fair value adjustment of subsidiaries' assets regarding business acquisition	(108,962,000)	-	-	(108,962,000)
Revaluation surplus on assets	(94,165,056)	-	2,041,173	(92,123,883)
Others	(218,234)	-	218,234	-
Total	(203,345,290)	-	2,259,407	(201,085,883)

As at December 31, 2018

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at January 1, 2018	Increase	Decrease	Balance as at December 31, 2018
Deferred tax liabilities				
Fair value adjustment of subsidiaries' assets regarding business acquisition	(108,962,000)	-	-	(108,962,000)
Revaluation surplus on assets	(96,073,242)	-	1,908,186	(94,165,056)
Others	(218,234)	-	-	(218,234)
Total	(205,253,476)	-	1,908,186	(203,345,290)

As at December 31, 2019

Unit : Baht

SEPARATE FINANCIAL STATEMENTS			
	Balance as at January 1, 2019	Increase Decrease	Balance as at December 31, 2019
Deferred tax liabilities			
Revaluation surplus on assets	(94,165,056)	-	2,041,173
Others	(218,234)	-	218,234
Total	(94,383,290)	-	2,259,407
			(92,123,883)

As at December 31, 2018

Unit : Baht

SEPARATE FINANCIAL STATEMENTS			
	Balance as at January 1, 2018	Increase Decrease	Balance as at December 31, 2018
Deferred tax liabilities			
Revaluation surplus on assets	(96,073,242)	-	1,908,186
Others	(218,234)	-	-
Total	(96,291,476)	-	1,908,186
			(94,383,290)

Deferred income tax assets are recognized for tax loss and carry forward only to the extent that realization of the related tax benefit through the future taxable profits is probable. The Company has no any unrecognized tax losses to carry forward against future taxable income.

As at December 31, 2019 and 2018, there is no deferred tax assets presented in the consolidated statement of financial position and separate statement of financial position because there is no probable future taxable income which the temporary differences can be utilized.

Income tax income (expenses)

Income tax expenses recognized in statements of profit or loss and other comprehensive income for the years ended December 31, 2019 and 2018 were as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Current tax expense				
Current year	(293,455)	(281,260)	-	-
Adjustment for prior years	-	(2,730,436)	-	(2,730,436)
	(293,455)	(3,011,696)	-	(2,730,436)
Deferred tax income (expenses)				
Movements in temporary differences	2,259,407	1,908,186	2,259,407	1,908,186
Total tax income (expenses)	1,965,952	(1,103,510)	2,259,407	(822,250)

Reconciliation of effective tax rate

Unit : Baht

CONSOLIDATED FINANCIAL STATEMENTS				
2019		2018		
Rate (%)	Amount	Rate (%)	Amount	
Loss before income tax income (expenses) from continuing operations	117,621,401		16,228,103	
(Profit) loss before income tax income (expenses) from discontinued operation	(109,891,211)		24,433,089	
Loss before income tax income (expenses)	7,730,190		40,661,192	
<u>Less</u> Benefits from Promotional Privileges	148,268,898		118,863,214	
Loss before income tax expense - net	155,999,088		159,524,406	
Income tax using applicable tax rate	20.00 31,199,818	20.00	31,904,881	
Adjustment in respect of prior year	-		(2,730,436)	
Effects of net loss not recognized as deferred tax assets	(43,974,345)		(39,282,365)	
Deferred tax relating to origination and reversal of temporary differences	2,259,407		1,908,186	
Tax effect of income and expenses that are not taxable and not deductible for tax purposes	12,481,072		7,096,224	
Income tax income (expenses)	1.26 1,965,952	(0.69)	(1,103,510)	

Unit : Baht

SEPARATE FINANCIAL STATEMENTS				
2019		2018		
Rate (%)	Amount	Rate (%)	Amount	
Loss before income tax income (expenses) from continuing operations	229,309,626		46,942,503	
(Profit) loss before income tax income (expenses) from discontinued operation	(109,891,211)		24,433,089	
Loss before income tax income (expenses) - net	119,418,415		71,375,592	
Income tax using applicable tax rate	20.00 23,883,683	20.00	14,275,118	
Adjustment in respect of prior year	-		(2,730,436)	
Effects of net loss not recognized as deferred tax assets	(26,955,345)		(21,301,430)	
Deferred tax relating to origination and reversal of temporary differences	2,259,407		1,908,186	
Tax effect of income and expenses that are not taxable and not deductible for tax purposes	3,071,662		7,026,312	
Income tax income (expenses)	1.89 2,259,407	(1.15)	(822,250)	

17. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, 2019 and 2018 consisted of:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Trade accounts payables - others	1,341,499	449,495,982	-	448,278,802
Other payables - others	9,351,805	8,908,037	8,816,272	7,899,541
Other payable - related parties	11,601,016	85,695	11,607,346	103,775
Accrued expenses	21,121,913	23,797,360	12,290,963	11,575,890
Others	6,400,701	50,535,500	471,805	42,258,932
Total	49,816,934	532,822,574	33,186,386	510,116,940

As at December 31, 2019, trade and other current payables significantly decreased because the Company had discontinued its operation in zinc metals trading business. (see Note 35)

18. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Long-term borrowings from financial institutions as at December 31, 2019 and 2018 consisted of:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS				
	Long-term borrowings from financial institutions		Interest rate % Per annum		Condition to maintain financial ratios
	2019	2018	2019	2018	
ATC Enviro Co., Ltd.					
-repayable from June 2016 to 2029 on quarterly basis	933,599,500	1,032,106,300	THBFIX 6M +3.25%	THBFIX 6M +3.25%	Yes
P.P. Solar (Nong-No) Co., Ltd.					
-repayable from December 2013 to 2023 on quarterly basis	6,564,000	11,753,760	THBFIX6M +3.25%	THBFIX6M +3.25%	Yes
PDI Mae Ramat Co., Ltd.					
-repayable from March 2018 to 2027 on quarterly basis	190,882,800	235,796,400	THBFIX 3M +2.5%	THBFIX 3M +2.5%	Yes
Total	1,131,046,300	1,279,656,460			
<u>Less</u> Deferred financing fee	(1,415,128)	(2,084,335)			
	1,129,631,172	1,277,572,125			
<u>Less</u> Current portion of long-term borrowings	(148,610,160)	(148,610,160)			
	981,021,012	1,128,961,965			

Reconciliation of liabilities arising from financing activities for the years ended December 31, 2019 and 2018 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
As at January 1,	1,277,572,125	1,152,556,620	-	-
Cash flow				
Increases	-	277,902,900	-	-
Payment	(148,610,160)	(153,610,160)	-	-
Total cash flow	(148,610,160)	124,292,740	-	-
Non-cash flow				
Amortization of deferred financing fee	669,207	722,765	-	-
Total non-cash flow	669,207	722,765	-	-
Ending balance for the years	1,129,631,172	1,277,572,125	-	-

Unit : Baht

Financing arrangement available from financial institutions as at December 31, 2019 and 2018 consisted of:

Financing arrangement available	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Bank overdrafts	40,000,000	40,000,000	40,000,000	40,000,000
Loans	800,000,000	1,200,000,000	800,000,000	1,200,000,000
Bank guarantees	338,660,000	910,116,000	335,620,000	907,076,000
Total	1,178,660,000	2,150,116,000	1,175,620,000	2,147,076,000

Unit : Baht

Unit : Million Baht

Deposits at financial institutions
with restriction in use

CONSOLIDATED FINANCIAL STATEMENTS

	2019	2018	Guaranteed property	Contract for hedging interest rate
ATC Enviro Co., Ltd	173.43	36.66	The pledge of its shares held by the shareholders, mortgage of the land, building and power plants (see Note 12) as well as the power purchase agreement with the Provincial Electricity Authority and certain other contracts of project under the condition of credit facilities agreement granted by the financial institutions.	Contract for hedging interest rate from floating rate to be fixed rate set at 75% of the remaining principal amount which the fixed rate is at 5.70% per annum.
P.P. Solar (Nong-No) Co., Ltd	18.08	10.09	The mortgage of the land and factory (see Note 12).	-
PDI Mae Ramat Co., Ltd	44.09	24.61	The pledge of its shares held by the shareholders, the mortgage of land leasing right, building and power plants as well as the power purchase agreement with the Provincial Electricity Authority and certain other contracts of project under the condition of credit facilities agreement granted by the financial institution. The loan agreement has been entered in May 2017 and the loan amount of Baht 280.71 million was drawdown on February 12, 2018 (see Note 12).	Contract for hedging interest rate from floating rate to be fixed rate set at 60% of the remaining principal amount which the fixed rate is at 4.55% per annum.
Total	235.60	71.36		

Such loan agreements stipulate certain covenants such as maintenance of a net debt to equity ratio and the maintenance of debt service coverage ratio.

As at December 31, 2019 and 2018, the subsidiaries were able to maintain certain debt covenants as stipulated in the agreements.

19. LONG-TERM DEBENTURES

On June 28, 2019, the Company issued debentures which are holder specified, unsubordinated, secured debentures with debenture holder's representative at par value of Baht 1,000 per unit and callable which had the objective to increase the Company investment. The details are as follows:

Unit : Baht

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

As at December 31, 2019								
Symbol	Term	Maturity day	Interest rate per annum	Number of units issue	Total value	Deferred debenture issuance cost	Net	Fair value
PDI21DA	2 years and 6 months	December 28, 2021	5.25	1,149,600	1,149,600,000	15,473,487	1,134,126,513	1,158,546,233

Reconciliation of liabilities arising from financing activities for the years ended December 31, 2019 and 2018 consisted of:

		Unit : Baht	
		CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
		2019	2018
As at January 1,		-	-
Cash flow			
Increases		1,130,146,400	-
Total cash flow		1,130,146,400	-
Non-cash flow			
Amortization of deferred debenture issuance cost		3,980,113	-
Total non-cash flow		3,980,113	-
Ending balance for the years		1,134,126,513	-

The Company shall maintain the Interest Bearing Debt to Equity Ratio in the consolidated financial statement as of ended of the period with ratio not exceed 3.50 : 1 the entire term.

As at December 31, 2019, the Company maintains the the Interest Bearing Debt to Equity Ratio in the consolidated financial statement which was 0.48 : 1 in accordance with the conditions. (as at December 31, 2018 : Nil)

The Company has mortgaged some property and investment property as collateral for long-term debentures which has total appraised value amounting Baht 2,021.90 million. (see Note 9 and 12)

20. SHORT-TERM BORROWINGS FROM RELATED PARTIES

Short-term borrowings from related parties as at December 31, 2019 are promissory notes payable on call, carrying interest rates at 1.00% per annum and no collateral.

Reconciliation of liabilities arising from financing activities for the years ended December 31, 2019 and 2018 consisted of:

		Unit : Baht	
		SEPARATE FINANCIAL STATEMENTS	
		2019	2018
As at January 1,		-	-
Cash flow			
Increases		114,000,000	-
Payment		(12,000,000)	-
Total cash flow		102,000,000	-
Ending balance for the years		102,000,000	-

21. PROVISIONS FOR RESTORATION AND REHABILITATION EXPENSES

Provisions for restoration and rehabilitation expenses as at December 31, 2019 and 2018 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
As at January 1,	171,740,053	154,102,208	171,740,053	154,102,208
Accretion expense during the years	16,323,124	53,567,319	16,323,124	53,567,319
Reversal of provisions	-	(180,025)	-	(180,025)
Amounts utilized	(41,942,995)	(35,749,449)	(41,942,995)	(35,749,449)
Ending balance for the years	146,120,182	171,740,053	146,120,182	171,740,053
<u>Less</u> Current portion of provisions				
restoration and rehabilitation				
expenses	(8,882,500)	(36,099,483)	(8,882,500)	(36,099,483)
Provisions for restoration and				
rehabilitation expenses	137,237,682	135,640,570	137,237,682	135,640,570

Unit : Baht

The provision for restoration and rehabilitation costs represent amounts provided for 1) the estimated costs of restoration of cadmium and residue ponds in Tak and 2) rehabilitation and environmental risk assurance of the mined area in the Mae Sod in accordance with the government regulations and the Company's commitments. The estimated costs of decommissioning mine properties and residual ponds including removing any related assets and site restoration are included in the cost of restoration and rehabilitation assets as at the date the obligation first arises in conjunction with a related liability recognized in the same amount. This restoration asset is subsequently amortized on a unit-of-production basis. For environmental rehabilitation and environmental risk assurance assets, they are subsequently amortized on a straight-line basis. Accretion expense is recognized to reflect the change in present value of the liability.

The Company obtained the Forestry Land Permit ("Permit") from the Royal Forestry Department ("RFD") for mining operations since 1982. Each permission period of such Permits is valid for maximum 10 years and can renew after each expiration period. Referring to the conditions of Permit, the Company is required to reforest and maintain planted forest area equivalent to 3 times of the granted land area within the period of Permit or when notified by the provincial office or RFD. In case the Company fails to execute reforestation, the Company shall make payment to the RFD at the rate specified by the RFD. The regulations have been revised regularly since the first permitting. The Company already paid compensation of reforestation when receiving the first Permit and its renewal on the same area. The Company remains convinced that it complied with the regulations correctly.

Due to the mine closure, the Company is in the process of relinquishing the land to the RFD. However, the Company has been informed by the RFD to pay an additional compensation equivalent to 3 times of the granted area on the same permitted land. The Company is in the process to verify if these claims are legitimate. Such impact of the compensation was estimated approximately Baht 62 million.

Subsequently, the Company obtained letter from RFD to pay the compensation of reforestation at National Reserve Forest in Tak in amount of Baht 40.78 million. The Company has fully paid the compensation on August 14, 2019.

22. PROVISIONS FOR EMPLOYEE BENEFIT

Provisions for employee benefit in the statements of financial position as at December 31, 2019 and 2018 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Provisions for employee benefit as at January 1,	35,302,614	43,295,009	35,226,544	43,218,939
Included in profit or loss:				
Past service cost	8,905,197	-	8,905,197	-
Current service cost	13,072,680	11,482,233	13,148,750	11,482,233
Interest cost	800,576	3,238,127	800,576	3,238,127
Provisions for employee benefit (Paid)	(11,856,340)	(23,993,694)	(11,856,340)	(23,993,694)
Included in other comprehensive income:				
Actuarial (gain) loss on defined benefit plan	(8,230,911)	1,280,939	(8,230,911)	1,280,939
Provisions for employee benefit as at				
December 31,	37,993,816	35,302,614	37,993,816	35,226,544

The result of change in significant assumptions that affect the present value of the post-employment benefit obligations as at December 31, 2019 and 2018 are summarized below:

	CONSOLIDATED FINANCIAL		SEPARATE FINANCIAL	
	STATEMENTS		STATEMENTS	
	2019		2018	
	Increase 1%	Decrease 1%	Increase 0.5%	Decrease 0.5%
Discount rate	(1,821,623)	2,068,149	(1,256,045)	1,343,002
Salary increase rate	2,018,396	(1,814,449)	1,447,677	(1,364,333)
Turnover rate	(1,896,902)	396,112	(1,456,783)	1,552,429

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit Method at the end of the report period, which is the same as that applied in calculating the post-employment benefit obligations liability recognized in the statement of financial position.

Provisions for employee benefit in the statements of financial position as at December 31, 2019 and 2018 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Post - employment benefit plan				
Present value of obligations	37,993,816	35,302,614	37,993,816	35,226,544
Provisions for employee benefit - recognized				
in statement of financial position	37,993,816	35,302,614	37,993,816	35,226,544

The Labor Protection Act (No. 7) B.E. 2562 has been announced in the Royal Gazette on April 5, 2019. This Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty 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. The Company has recognized the effect of such amendment as an expense of Baht 7.21 million in the income statement for the year ended December 31, 2018.

The principal assumptions used in determining provision for retirement benefit on an actuarial basis as at December 31, 2019 and 2018 (expressed as weighted averages) are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Discount rate (%)	2.23	2.81	2.23	2.81
Salary increase rate (%)	3.00	5.00	3.00	5.00
Turnover rate (%)	0-12	0-13	0-12	0-13

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase rate and turnover rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

23. RESERVES

Other components of equity comprise:

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit less the accumulated losses brought forward, if any, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered capital. The legal reserve is not available for dividend distribution.

Revaluation surplus on assets

The land, land improvement, condominium and buildings reappraisal is performed by independent appraisers. The increment resulting from the appraisal is recognized as part of equity as "revaluation surplus on assets".

24. PROVIDENT FUND

On June 27, 1990 the Company and its subsidiaries set up a provident fund for those employees who elected to participate. The contributions from the employees are deducted from their monthly salaries, and the Company and its subsidiaries matches the individuals' contributions. At the present, the provident fund is managed by Kasikorn Asset Management Company Limited, authorized financial institution in accordance with the Provident Fund Act B.E. 2530 (1987).

For the years ended December 31, 2019 and 2018, the Company and its subsidiaries has contributed approximately Baht 5.07 million and Baht 6.66 million, respectively, in consolidated financial statements.

25. SHARE CAPITAL

On April 24, 2018, the Annual General Shareholders' Meeting for the year 2017 passed resolutions to increase of the registered capital of the Company from Baht 2,260,000,000 to be Baht 3,013,333,330 by issuing newly 75,333,333 ordinary shares with the par value of Baht 10 per share for offer of warrants to purchase newly issued ordinary shares of the Company no.1 (PDI-W1) to the existing shareholders at the ratio of 3 ordinary shares to 1 unit of warrants with the offering price at zero Baht. The exercise ratio of warrant is 1 unit for 1 ordinary share with the exercise price of Baht 33. The Company has sold warrants on June 27, 2018.

Type of Securities	Date of Issue of Warrants	Exercise Price (Baht per share)	Exercise Ratio	Number of ordinary shares reserved to accommodate for exercise of warrants (Share)	Number of Offering Warrants (Unit)	Maturity date Warrants	Exercise period
PDI-W1	May 15, 2018	33	1:1	75,333,333	75,333,333	May 15, 2021	15 th of November and 15 th of May

On November 15, 2018, the existing shareholder subscribed for new ordinary shares 100 units as the warrant ratio 1.00 : 1.00 share at the price of Baht 33 per share, totalling Baht 3,300. As a result, the company had issued and paid-up share capital increased by Baht 1,000 from Baht 2,260,000,000 to Baht 2,260,001,000. The Company has already registered such issued and paid-up share capital with the Ministry of Commerce on November 30, 2018.

26. DIVIDENDS PAID

On April 24, 2018, the Annual General Meeting of Shareholders passed a resolution to pay a dividend from operations of Baht 1.50 per share, in the total amount of Baht 338.98 million. The Company paid the dividend on May 21, 2018.

27. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2019 and 2018 consists of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Movement in inventories	1,241,257	361,800	-	-
Inventories, raw materials, spare parts and consumables used	18,881,525	29,738,754	-	-
Employee benefits expense	93,142,116	87,154,711	86,777,021	86,613,511
Utility expenses	11,475,738	15,525,419	1,892,794	1,653,926
Depreciation and amortization expenses	141,576,709	140,285,614	6,335,625	4,504,688
Other operating expenses	181,609,874	95,210,822	196,617,184	83,713,449
Finance costs	101,221,413	76,737,038	36,071,349	-

Unit : Baht

28. PROMOTIONAL PRIVILEGES ACCORDING TO INVESTMENT PROMOTION ACT

The Subsidiaries have been granted certain rights and privileges as a promoted industry under the Industrial Investment Promotion Act of B.E. 2520, as follows:

PDI Mae Ramat Co., Ltd.			
Promotional Privileges No./ Dated	Effective date	Activities	Major rights and conditions
No. 2011(1)/2556 Dated July 16, 2013	March 19, 2013	Electricity from solar energy sector 7.1 Public utilities and basic services	(a) Exemption from payment of import duty and tax on machinery approved by the Board of Investment. (b) Exemption from corporate income tax for the profit earned under promotional privileges, defined time of 8 years from the date operating income is first derived. (c) If the operating loss is incurred the period of exemption corporate income tax, the Company shall be granted permission to deduct such annual loss from net income of subsequent period that exempted from corporate income tax for a period not exceeding 5 years from the date of the expiration of that period. (d) Exemption the dividend from the operation to be promoted which exempt the income tax expense as (b) include in the corporate income tax through period has been promoted. (e) A 50% reduction in the normal income tax rate on the net profit derived from certain operations for a period of 5 years, commencing from the expiry date in (b) above; and (f) Double deduction of transportation expenses, electricity expenses and water expenses for a period of 10 years from the date on which the income is first derived from such operations. (g) Be allowed to deduct investments in the installation or construction of facilities, 25% of the investment apart from normal depreciation.

ATC Enviro Co., Ltd.			
Promotional Privileges No./ Dated	Effective date	Activities	Major rights and conditions
58-2350-1-00-1-0 Dated October 20, 2015	September 8, 2015	Electricity from solar energy sector 7.1.1.2 : Production of electricity and steam from renewable energy except biomass	(a) Exemption from payment of import duty and tax on machinery approved by the Board of Investment.
58-2351-1-00-1-0 Dated October 20, 2015	September 14, 2015		(b) Exemption from corporate income tax for the profit earned under promotional privileges, defined time of 8 years from the date operating income is first derived.
58-2352-1-00-1-0 Dated October 20, 2015	September 14, 2015		(c) If the operating loss is incurred the period of exemption corporate income tax, the Company shall be granted permission to deduct such annual loss from net income of subsequent period that exempted from corporate income tax for a period not exceeding 5 years from the date of the expiration of that period.
58-2353-1-00-1-0 Dated October 20, 2015	September 8, 2015		(d) Exemption the dividend from the operation to be promoted which exempt the income tax expense as (b) include in the corporate income tax through period has been promoted.
58-2354-1-00-1-0 Dated October 20, 2015	September 8, 2015		(e) Be allowed to transfer cash to aboard as foreign currency.

P.P. Solar (Nong-No) Co., Ltd.			
Promotional Privileges No./ Dated	Effective date	Activities	Major rights and conditions
1416(1)/2555 Dated April 4, 2012	February 27, 2012	Electricity from solar energy sector 7.1 Public utilities and basic services	<ul style="list-style-type: none"> (a) Exemption from payment of import duty and tax on machinery approved by the Board of Investment. (b) Exemption from corporate income tax for the profit earned under promotional privileges, defined time of 8 years from the date operating income is first derived. The exemption of corporate income tax must not over Baht 398.20 million. Thus, this will be varied by the investment excluding actual cost of land and working capital at the opening date under privilege project. (c) If the operating loss is incurred the period of exemption corporate income tax, the Company shall be granted permission to deduct such annual loss from net income of subsequent period that exempted from corporate income tax for a period not exceeding 5 years from the date of the expiration of that period. (d) Exemption the dividend from the operation to be promoted which exempt the income tax expense as (b) include in the corporate income tax through period has been promoted. (e) A 50% reduction in the normal income tax rate on the net profit derived from certain operations for a period of 5 years, commencing from the expiry date in (b) above; and (f) Double deduction of transportation expenses, electricity expenses and water expenses for a period of 10 years from the date on which the income is first derived from such operations. (g) Be allowed to deduct investments in the installation or construction of facilities, 25% of the investment apart from normal depreciation. (h) Be allowed to transfer cash to aboard as foreign currency.

As promoted companies, the subsidiaries must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenues from promoted and non-promoted businesses for the years ended December 31, 2019 and 2018 are summarized as follows:

Unit : Baht

CONSOLIDATED FINANCIAL STATEMENTS						
	2019			2018		
	Promoted businesses	Non-promoted businesses	Total	Promoted businesses	Non-promoted businesses	Total
Revenue recognition at a point in time						
Revenue from sales of electricity	275,311,969	-	275,311,969	269,076,434	-	269,076,434
Revenue from government granted - adder	65,019,879	-	65,019,879	61,772,599	-	61,772,599
Revenue recognition at over time						
Revenue from sales and services	-	14,054,881		-	17,973,700	17,973,700
Other income	-	79,768,679	79,768,679	-	91,475,413	91,475,413
Total revenues	340,331,848	93,823,560	434,155,408	330,849,033	109,449,113	440,298,146

Unit : Baht

SEPARATE FINANCIAL STATEMENTS						
	2019			2018		
	Promoted businesses	Non-promoted businesses	Total	Promoted businesses	Non-promoted businesses	Total
Other income	-	98,384,347	98,384,347	-	129,543,071	129,543,071
Total revenues	-	98,384,347	98,384,347	-	129,543,071	129,543,071

29. BANK GUARANTEES

The Group has given letters of guarantee in the ordinary course of business issued by banks as at December 31, 2019 and 2018 consists of:

Unit : Million

Guarantees	Currency	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2019	2018	2019	2018
Electricity	Baht	13.17	251.83	13.13	251.79
Zinc metal	United States Dollar	-	0.53	-	0.53
Other	Baht	6.69	7.11	3.69	4.11

30. BASIC AND DILUTED EARNINGS (LOSS) PER SHARE

The calculations of basic and diluted earnings (loss) per share for the years ended December 31, 2019 and 2018 were based on the income (loss) for the years attributable to ordinary shareholders of the Company and the number of weighted ordinary shares which held by shareholders as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Basic loss per share from continuing operations				
Loss attributable to owners of the Company from continuing operations (Million Baht)	(116)	(17)	(227)	(48)
Weighted average number of ordinary shares (Million shares)	226	226	226	226
Basic loss per share (Baht)	(0.51)	(0.08)	(1.00)	(0.22)
Basic earnings (loss) per share from discontinued operation				
Earnings (loss) attributable to owners of the Company from discontinued operations (Million Baht)	110	(24)	110	(24)
Weighted average number of ordinary shares (Million shares)	226	226	226	226
Basic earnings (loss) per share (Baht)	0.49	(0.10)	0.49	(0.10)

31. COMMITMENTS AND CONTINGENT LIABILITIES

Minimum lease payments as at December 31, 2019 and 2018 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Not later than 1 year	1,391,276	1,869,085	1,391,276	877,479
Later than 1 year but not later than 5 years	1,325,632	5,403,014	1,325,632	1,436,590
Later than 5 years	-	15,617,795	-	-
Total	2,716,908	22,889,894	2,716,908	2,314,069

Unit : Baht

On April 19, 2019, a subsidiary has entered into purchase and sale land agreement at Tak province. The contract value is Baht 10.5 million which is currently processing of land ownership transfer.

32. FINANCIAL INSTRUMENTS

Financial Risk Management Policies

The Group is exposed to normal business risks from changes in interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or use derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital Management

The Board of Directors' policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Interest Rate Risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group is primarily exposed to interest rate risk from its borrowings. The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

Credit Risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. As a general rule, the Company has a credit risk management policy of obtaining credit insurance or collateral from the customers before commencing trade. The collateral may include bank guarantees or cash guarantees. The management does not expect that there is significant loss from uncollectable customers.

32.1 Forward exchange contracts

The Company entered into forward exchange contracts to reduce foreign exchange exposure. As at December 31, 2018, the outstanding forward exchange contracts are summarized as follows: (as at December 31, 2019 : Nil)

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS							
As at December 31, 2018							
Agreement	Currency	Notional amount (Million)	Deliverable Period	Deliverable amount (Million Baht)	Net fair value profit (loss) (Million Baht)	Fair value hierarchy	Valuation techniques and key inputs
Purchase	USD	12.03	January - February 2019	394.76	(3.47)	2	Discounted cash flow ¹
Sell	USD	6.57	January - February 2019	213.65	1.59	2	Discounted cash flow ¹

¹ The estimated future cash flows is from foreign currency exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

32.2 Forward zinc contracts

The Company entered into forward zinc contracts with a financial institution to reduce fluctuation of zinc's index exposure relating to London Metal Exchange. As at December 31, 2018, the outstanding forward zinc contracts are summarized as follows: (as at December 31, 2019 : Nil)

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS						
As at December 31, 2018						
Agreement	Zinc (Metricton)	Effective date	Currency	Net fair value Profit (loss) (Million)	Fair value hierarchy	Valuation techniques and key inputs
Purchase	1,550	January-February 2019	USD	(0.04)	2	Discounted cash flow ²
Sell	2,600	January-February 2019	USD	0.13	2	Discounted cash flow ²

²The estimated future cash flows is from zinc price (from observable price index of London Metal Exchange at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

32.3 Interest rate swap contracts

The Company's subsidiaries entered into interest rate swap contracts to reduce interest rate exposure. The outstanding interest rate swap contracts as at December 31, 2019 and 2018, are summarized as follows:

CONSOLIDATED FINANCIAL STATEMENTS							
As at December 31, 2019							
Related agreement	Contract balance amount (Million Baht)	Duration of transaction	Interest rate Per Loan agreement	Interest rate per Swap agreement	Fair value Gain (loss) (Million Baht)	Fair value hierarchy	Valuation techniques and key inputs
Long-term borrowings from financial institutions	114.53	March 8, 2018 to March 31, 2025	THBFIX3M +2.50%	4.55%	(2.18)	2	Discounted cash flow ³
Long-term borrowings from financial institutions	698.59	January 31, 2016 to December 31, 2021	THBFIX6M +3.25%	5.70%	(16.03)	2	Discounted cash flow ³

CONSOLIDATED FINANCIAL STATEMENTS							
As at December 31, 2018							
Related agreement	Contract balance amount (Million Baht)	Duration of transaction	Interest rate Per Loan agreement	Interest rate per Swap agreement	Fair value Gain (loss) (Million Baht)	Fair value hierarchy	Valuation techniques and key inputs
Long-term borrowings from financial institutions	141.48	March 8, 2018 to March 31, 2025	THBFIX3M +2.50%	4.55%	(0.51)	2	Discounted cash flow ³
Long-term borrowings from financial institutions	772.30	January 31, 2016 to December 31, 2021	THBFIX6M +3.25%	5.70%	(11.81)	2	Discounted cash flow ³

³ The estimated future cash flows is from interest exchange rates (from observable interest exchange rates at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the market risk of various products.

33. FAIR VALUE MEASUREMENTS

Certain financial assets and liabilities of the Group and the Company are measured at fair value as at December 31, 2019 and 2018. The following table gives information about how the fair values of these financial assets and liabilities are determined.

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS						
Financial assets and liabilities	Fair value		Carrying amount		Fair value hierarchy	Valuation techniques and key inputs
	2019	2018	2019	2018		
Financial assets						
Short-term investments						
Listed securities	224.57	204.29	224.57	204.29	1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand.
Listed securities (Foreign)	-	45.74	-	45.74	1	Latest bid prices of the last working day of the reporting period as quoted in an active market.
Unit trust	1,590.79	210.13	1,590.79	210.13	2	Net asset values of the last working day of the reporting period.
Debt Instrument	-	176.05	-	176.05	2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association.
Fixed deposit	-	100.00	-	100.00	3	The carrying amount is approximate their fair values due to the relatively short-term maturity.
Bill of exchange	-	70.00	-	70.00	3	The carrying amount is approximate their fair values due to the relatively short-term maturity.
Total	1,815.36	806.21	1,815.36	806.21		
Financial liabilities						
Current portion of long-term borrowings from financial institutions	148.61	148.61	148.61	148.61	3	Fair value of long-term borrowings from financial institutions bearing fixed interest rate are determined by discounted cash flows method.
Long-term borrowings from financial institutions	981.02	1,128.96	981.02	1,128.96	3	Future cash flows are discounted using cost of debts of the Group. For long-term borrowings from financial institutions with floating interest rate, the fair values approximate their carrying values.
Long-term debentures	1,158.55	-	1,134.13	-	2	Latest close prices of the last working day of the Bond Market Association Thailand.

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

SEPARATE FINANCIAL STATEMENTS						
Financial assets and liabilities	Fair value		Carrying amount		Fair value hierarchy	Valuation techniques and key inputs
	2019	2018	2019	2018		
Financial assets						
Short-term investments						
Listed securities	224.57	204.29	224.57	204.29	1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand.
Listed securities (Foreign)	-	45.74	-	45.74	1	Latest bid prices of the last working day of the reporting period as quoted in an active market.
Unit trust	1,590.79	208.82	1,590.79	208.82	2	Net asset values of the last working day of the reporting period.
Debt Instrument	-	176.05	-	176.05	2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association.
Fixed deposit	-	100.00	-	100.00	3	The carrying amount is approximate their fair values due to the relatively short-term maturity.
Bill of exchange	-	70.00	-	70.00	3	The carrying amount is approximate their fair values due to the relatively short-term maturity.
Total	1,815.36	804.90	1,815.36	804.90		
Financial liabilities						
Short-term borrowings from related parties	102.00	-	102.00	-	3	Fair value of short-term borrowings from related parties bearing fixed interest rate are determined by discounted cash flows method. Future cash flows are discounted using cost of debts of the Group. For short-term borrowings from related parties with floating interest rate, the fair values approximate their carrying values.
Long-term debentures	1,158.55	-	1,134.13	-	2	Latest close prices of the last working day of the Bond Market Association Thailand.

Valuation technique for financial assets and liabilities not measured at fair value of the Group and the Company are as follows:

Cash and cash equivalents, trade and other current receivables, loan to other party, value added tax receivables, other current assets, trade and other current payables, and other current liabilities stated in the statements of financial position approximate their fair values due to the relatively short-term maturity of these financial instruments.

Long-term investments, deposits at financial institutions with restriction in use, advances to related parties, advances to joint ventures, loans to related parties and other non-current assets had not significantly different from the carrying values stated in the statements of financial position.

34. OPERATING SEGMENT INFORMATION

Segment information is presented in respect of the Group's business segments. The primary format in segment information report is based on the type of products. The Management analyse and review the internal management report which reported the performance of the Group as a whole in order to assess performance and allocate resources. The performance assessment of the reportable segment is based on a measure of revenue, cost of goods sold, gross margin and earnings before financial cost, income tax, depreciation and amortization. The following is financial information relating to this operating segment:

Operating segment, based on business segments, in the consolidated financial statements for the years ended December 31, 2019 and 2018 are as follows:

Unit : Thousand Baht					
CONSOLIDATED FINANCIAL STATEMENTS					
	Renewable Energy		Others		Total
	2019	2018	2019	2018	
Revenue from sales electricity	340,332	330,849	-	-	340,332
Revenues from sales and services	-	-	14,055	17,974	14,055
Dividend income	32,344	-	8,746	-	41,090
Other income	1,593	1,716	37,085	89,759	38,678
Total revenue	374,269	332,565	59,886	107,733	434,155
Total expenses					(549,148)
Share of loss of investment in joint ventures on equity method					(2,628)
Loss before income tax					(117,621)
Income tax income (expense)					1,966
Loss for the years from continuing operations					(115,655)
Profit (loss) for the years from discontinued operation					109,891
Net loss for the years					(5,764)

Operating segment, based on business segments, in the consolidated financial statements as at December 31, 2019 and 2018 are as follows:

Unit : Thousand Baht					
CONSOLIDATED FINANCIAL STATEMENTS					
	Renewable Energy		Others		Total
	2019	2018	2019	2018	
Total assets for reportable segments	3,524,124	3,663,247	3,990,175	3,355,661	7,514,299
Total liabilities for reportable segments	1,254,180	1,407,025	1,555,531	908,641	2,809,711

35. DISCONTINUED OPERATION

During 2018, the Board of Directors' Meeting of Padaeng Industry Public Company Limited had resolved the resolution to cease Zinc metals trading business at the end of the first quarter of 2019 onward. As a result, the Group and the Company had discontinued operation in zinc metals trading business.

The Group has presented the operating result of discontinued segment and those companies as "Loss for the periods from discontinued operation" in the consolidated and separate statements of profit or loss and other comprehensive income.

The details of discontinued operation for the years ended December 31, 2019 and 2018 are as follows:

		Unit : Baht	
		CONSOLIDATED AND SEPARATE	
		FINANCIAL STATEMENTS	
		2019	2018
Revenues from sales and services		503,808,070	4,525,724,118
Gain from sales of property, plant and equipment		174,361,985	24,771,578
Gain (loss) on exchangerate		4,445,957	(19,234,031)
Other income		8,244,705	55,490,499
Cost of sales and services		(508,062,848)	(4,401,744,603)
Selling expenses		(1,863,657)	(25,224,688)
Operating and administrative expenses		(71,043,001)	(184,215,962)
Profit (Loss) from discontinued operation		109,891,211	(24,433,089)

36. RELATED PARTIES TRANSACTIONS

The Company, subsidiaries and joint ventures are called "the Group", which have detail as follows:

36.1 Investments in subsidiaries as at December 31, 2019 and 2018 are as follows:

		Unit : Baht			
		As at December 31, 2019			
		Consolidate financial statements	Separate financial statements		
		Equity	Paid-up capital	% ownership investment	Cost
Padaeng Properties Co., Ltd		-	80,00,000	100	80,000,000
PDI Eco Co., Ltd. (see Note 1)		-	12,500,000	100	12,499,925
PDI Energy Co., Ltd.		-	100,050,000	100	100,050,000
Ton Sangkasi Pte Ltd.		-	246,700	100	246,700
Sathon Project One Co., Ltd. (see Note 1)		-	50,000,000	100	50,000,000
Total		-			242,796,625

		Unit : Baht			
		As at December 31, 2018			
		Consolidated financial statements	Separate financial statements		
		Equity	Paid-up capital	% ownership investment	Cost
Padaeng Properties Co., Ltd		-	80,00,000	100	80,000,000
PDI Eco Co., Ltd. (see Note 1)		-	12,500,000	100	12,499,925
PDI Energy Co., Ltd.		-	100,050,000	100	100,050,000
Ton Sangkasi Pte Ltd.		-	246,700	100	246,700
Sathon Project One Co., Ltd. (see Note 1)		-	-	-	-
Total		-			192,796,625

36.2 Investments in joint ventures as at December 31, 2019 and 2018 are as follows:

		Unit : Baht			
		As at December 31, 2019			
	Consolidated financial statements	Separate financial statements			As at December 31, 2018
		Equity	Paid-up capital	% ownership investment	
PDI-CRT Co., Ltd.	37,870,387	89,000,000	60	-	37,870,386
PDI Tak Eco Co., Ltd.	3,882,807	30,000,000	51	15,300,000	6,510,985
Less Allowance for impairment	(37,870,387)			-	-
Total	3,882,807			15,300,000	44,381,371

		Unit : Baht	
		CONSOLIDATED FINANCIAL STATEMENTS	
		2019	2018
As at January 1,		44,381,371	55,893,462
Share of loss profit from operation of joint ventures		(2,628,177)	(11,512,091)
Allowance for impairment of investment		(37,870,387)	-
Ending balance for the years		3,882,807	44,381,371

36.3 Significant transactions and balances

Related parties are those parties linked to the Group by common shareholders or directors. Transactions with related parties are conducted at the pricing policy based on the normal course of business conditions.

Significant transactions with related parties for the years ended December 31, 2019 and 2018 are as follows:

		Unit : Baht			
		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
Relationship		2019	2018	2019	2018
Sales of goods and services					
Padaeng Properties Co., Ltd.	Subsidiary	-	-	2,040,000	2,040,000
PDI Materials Co., Ltd.	Indirect subsidiary	-	-	600,000	600,000
PDI Mae Ramat Co., Ltd.	Indirect subsidiary	-	-	2,400,000	2,400,000
ATC Enviro Co., Ltd.	Indirect subsidiary	-	-	6,000,000	6,000,000
P.P. Solar (Nong-No) Co., Ltd.	Indirect subsidiary	-	-	1,200,000	1,200,000
PDI Tak Eco Co., Ltd.	Joint ventures	-	1,537,500	-	1,537,500
PDI-CRT Co., Ltd.	Joint ventures	-	7,996,500	-	7,996,500
Total		-	9,534,000	12,240,000	21,774,000

Unit : Baht

	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2019	2018	2019	2018
Gain from sales of plant and equipment					
Triton Engineering and Construction Public Company Limited (Formerly Strega Public Company Limited)	Related party	132,077,686	-	132,077,686	-
Other income					
Triton Engineering and Construction Public Company Limited (Formerly Strega Public Company Limited)	Related party	9,346	-	9,346	-
Interest income					
PDI Energy Co., Ltd.	Subsidiary	-	-	1,638,207	2,188,910
Ton Sangkasi Co., Ltd.	Subsidiary	-	-	32,751,788	30,751,647
PDI Asia Solar Co., Ltd.	Indirect subsidiary	-	-	6,683,813	6,466,388
J-Solar Co., Ltd.	Indirect subsidiary	-	-	329,298	-
Country Group Securities Public Company Limited	Related by common director	8,462,241	8,252,549	7,140,867	7,134,551
Total		8,462,241	8,252,549	48,543,973	46,541,496
Purchases of goods and services fee					
Padaeng Properties Co., Ltd.	Subsidiary	-	-	906,634	872,587
MFC Asset Management Public Company Limited	Related by common director	950,565	1,053,434	950,565	1,053,434
Total		950,565	1,053,434	1,857,199	1,926,021
Finance costs					
Padaeng Properties Co., Ltd.	Subsidiary	-	-	213,699	-
PDI Eco Co., Ltd.	Subsidiary	-	-	64,767	-
PDI Materials Co., Ltd.	Indirect subsidiary	-	-	367,562	-
Country Group Securities Public Company Limited	Related by common director	2,086,216	-	2,086,216	-
Total		2,086,216	-	2,732,244	-

Significant balances with related parties as at December 31, 2019 and 2018 are as follows:

		Unit : Baht			
	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2019	2018	2019	2018
Cash and cash equivalents					
Country Group Securities Public Company Limited	Related by common director	409,024,371	379,663,152	409,024,371	288,569,923
Short-term investments					
Country Group Securities Public Company Limited	Related by common director	-	70,000,000	-	70,000,000
MFC Asset Management Public Company Limited	Related by common director	561,282,133	176,007,109	561,282,133	176,007,109
Total		561,282,133	246,007,109	561,282,133	246,007,109
Other receivables- related parties					
PDI Materials Co., Ltd.	Indirect subsidiary	-	-	-	600,000
PDI-CRT Co., Ltd.	Joint ventures	6,726,555	6,726,555	6,726,555	6,726,555
Total		6,726,555	6,726,555	6,726,555	7,326,555
Advances to related parties					
PDI Eco Co., Ltd.	Subsidiary	-	-	-	307,795
PDI Energy Co., Ltd.	Subsidiary	-	-	-	93,350
Sathon Project One Co., Ltd.	Subsidiary	-	-	120,039,161	-
J-Solar Co., Ltd.	Indirect subsidiary	-	-	-	56,705
Total		-	-	120,039,161	457,850
Loans to related parties					
PDI Energy Co., Ltd.	Subsidiary	-	-	149,332,114	200,332,114
Ton Sangkasi Co., Ltd. ¹	Subsidiary	-	-	1,176,089,299	1,266,261,075
PDI Asia Solar Co., Ltd.	Indirect subsidiary	-	-	665,000,000	665,056,710
J-Solar Co., Ltd.	Indirect subsidiary	-	-	79,277,100	-
Total		-	-	2,069,698,513	2,131,649,899
Interest receivable					
PDI Energy Co., Ltd.	Subsidiary	-	-	8,681,993	7,043,786
Ton Sangkasi Co., Ltd.	Subsidiary	-	-	66,070,277	36,817,626
PDI Asia Solar Co., Ltd.	Indirect subsidiary	-	-	21,634,735	14,950,922
J-Solar Co., Ltd.	Indirect subsidiary	-	-	329,298	-
Country Group Securities Public Company Limited	Related by common directors	1,335,062	1,028,053	1,335,062	898,782
Total		1,335,062	1,028,053	98,051,365	59,711,116

Unit : Baht

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	Relationship	2019	2018	2019	2018
Other payables-related parties					
Padaeng Properties Co., Ltd.	Subsidiary	-	-	6,330	18,080
Country Group Securities Public Company Limited	Related by common directors	11,601,016	-	11,601,016	-
MFC Asset Management Public Company Limited	Related by common directors	-	85,695	-	85,695
Total		11,601,016	85,695	11,607,346	103,775
Advances from related parties					
J-Solar Co., Ltd.	Indirect subsidiary	-	-	31,754	-
Short-term borrowings from related parties					
Padaeng Properties Co., Ltd.	Subsidiary	-	-	37,500,000	-
PDI Materials Co., Ltd.	Indirect subsidiary	-	-	64,500,000	-
Total		-	-	102,000,000	-
Accrued interest expenses					
Padaeng Properties Co., Ltd.	Subsidiary	-	-	213,699	-
PDI Material Co., Ltd.	Indirect subsidiary	-	-	367,562	-
Total		-	-	581,261	-
Other current liabilities					
Triton Engineering and Construction Public Company Limited (Formerly Strega Public Company Limited)	Related party	20,232,654	-	20,232,654	-

¹ As at December 31, 2019 and 2018, the Company has loan to Ton Sangkasi Pte. Ltd. in amount of USD 39.10 million and recognized unrealized loss on foreign currency in statements of profit or loss in separate financial statement for years ended December 31, 2019 and 2018 in amount of Baht 90.25 million and Baht 9.01 million, respectively.

37. KEY MANAGEMENT COMPENSATION

Benefit expenses to management of the Group both monetary and non-monetary were presented as part of “Employee benefit expenses”.

Management benefit expenses for the years ended December 31, 2019 and 2018 consisted of:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Short - term employee benefits	32,489,055	45,126,245	32,489,055	45,126,245
Post - employee benefits and termination benefits	2,436,260	12,759,342	2,436,260	12,759,342
Total	34,925,315	57,885,587	34,925,315	57,885,587

Unit : Baht

38. LITIGATION

As at December 31, 2019 and 2018, the Company has 2 outstanding litigation cases and 4 outstanding litigation cases, respectively, which have been under the court consideration. The Company, together with another defendant had been filed by a group of villagers (“plaintiffs”) in the Mae Tao basin, Mae Sod District, Tak Province for all cases with the same accusation that cadmium contamination in the area was caused by the mining operations of both defendants. The plaintiffs initially claimed the compensation at Baht 2,159 million and Baht 3,223 million, respectively.

Management of the Company considered that the Company’s environmental measurement is complied with the regulations and requirements of the authorities. The Company recognized provision for such compensation which the Company expected to pay for all litigation cases included interest at the rate 7.5 percent per annum from the date of complains in the total amount of Baht 76.42 million and Baht 80.61 million in the statement of financial position as at December 31, 2019 and 2018. Detail of litigation cases are as follows:

Final Legal Cases

38.1 Case No. 9/2553

On February 28, 2014, the Bangkok South Civil Court ruled judgment in the same manner above, which its original claim is Baht 228 million as damage compensation. The First Court ordered both defendants to pay compensation at the total amount of Baht 2.48 million. The Company is responsible for Baht 1.24 million.

On July 12, 2016, the Appeal Court ruled judgment both defendants pay compensation at the amount of Baht 1.09 million.

The Company appealed its judgment to the Supreme Court which the Supreme Court already accepted a dika appeal of the Company. As requested for a stay of execution the Company also paid Baht 1.89 million by cashier cheque with court to guarantee performance of the Company upon judgment of the Appeal Court.

Subsequently, on June 6, 2019, the Bangkok South Civil Court has read to the Parties the judgment to confirm the judgment of the Appeal Court paying the compensation to plaintiffs in total amount of Baht 1.09 million together with the interest at 7.5% per year calculated after the date of filling the case. Furthermore, the Company already paid the court in the amount of Baht 1.89 million since December 2017.

38.2 Case No. 64/2552

The original claim amount of this case is Baht 836 million. On September 29, 2014, the Bangkok South Civil Court ordered the both defendants to pay compensation to the plaintiffs who hold the Cadmium patient’s card issued by the Mae Sod Hospital at the total amount of Baht 8.20 million which shall be shared equally by both defendants. The Company is responsible for Baht 4.10 million.

The Company appealed its judgment to the Appeal Court. Subsequently, on November 24, 2016, the Appeal Court rendered the judgment ordering both defendants to pay compensation to plaintiffs with the same amount ruled by the judgment of First Court.

On February 25, 2019, the Company filed statement of case for claim dismissal to the Appeal Court at the Bangkok South Civil Court for paying the compensation to plaintiffs in total amount of Baht 7.21 million together with the interest at 7.5% per year since January 20, 2009 until fulfilled. The Company has fully paid the compensation to plaintiffs in February 2019.

Pending Legal Cases

38.3 Case No. 63/2552

The original claim amount of this case is Baht 1,095 million. On May 27, 2015, the Bangkok South Civil Court ordered both defendants to pay compensation to the plaintiffs who hold the Cadmium patient's card issued by the Mae Sod Hospital at the total amount of Baht 4.12 million which shall be shared equally by both defendants.

The Company appealed its judgment to the Appeal Court. Subsequently, on April 18, 2017, the judgment of Appeal Court also ruled the both defendants to pay compensation by increasing the amount of compensation into Baht 36.60 million. The Company is responsible for Baht 18.30 million. This case is currently under the processes of submitting dika appeal of the Company.

38.4 Case No. 65/2552

The original claim amount of this case is Baht 1,064 million. On December 22, 2016, the Bangkok South Civil Court ruled judgment in the same manner above and ordered both defendants to pay compensation at the total amount of Baht 99 million. The Company is responsible for Baht 49.50 million. The Company appealed its judgment to the Appeal Court on May 19, 2017. This case is currently pending for the Appeal Court proceeding.

39. RECLASSIFICATIONS

Certain reclassifications have been made in the financial statements for the year ended December 31, 2018, to conform to the classification used in current year's financial statements. Such reclassifications have no effect to previously reported assets, liabilities, net profit, total comprehensive income and shareholders' equity. The reclassifications are as follows:

	CONSOLIDATED STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
	As at December 31, 2018			As at December 31, 2018		
	Previous presentation	Reclassifications	Current presentation	Previous presentation	Reclassifications	Current presentation
<u>Statements of financial position</u>						
Cash and cash equivalents	886,659,189	(177,316,712)	709,342,477	672,484,221	(176,007,109)	496,477,112
Short-term investments	628,893,182	177,316,712	806,209,894	628,893,182	176,007,109	804,900,291

40. EVENT AFTER THE REPORTING PERIOD

On February 3, 2020, a subsidiary issued promissory notes payable on call by Baht 485 million, carrying interest rates at 1.00% to the Company. Subsequently, on February 6, 2020, such a subsidiary has purchased land and buildings amounting Baht 600 million from a third party for its operation.

41. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issuing by the authorized directors of the Company on February 20, 2020.



MANAGEMENT AND CORPORATE GOVERNANCE

SECURITIES AND SHAREHOLDERS INFORMATION

NUMBER OF REGISTERED CAPITAL AND PAID-UP CAPITAL

The Company's registered is 3,013,333,330 Baht divided into 301,333,333 ordinary shares at par value per share 10 Baht and the paid-up capital amounts to 2,260,001,000 Baht divided into 226,000,100 ordinary shares at 10 Baht per share.

SHAREHOLDERS

a) First 10 Major Shareholders of Padaeng Industry Public Company Limited as of March 18, 2020 which is the latest closing date of the share register book, are as follows:

NO. / NAME	NO. OF SHARES	% OF TOTAL SHARES
1. Country Group Holdings Public Company Limited	56,499,900	25.000
2. Ministry of Finance	31,200,000	13.805
3. LGT BANK (SINGAPORE) LTD	9,309,500	4.119
4. Mr. Supachai Veerabornpong	4,562,300	2.019
5. Thai NVDR Company Limited	4,442,793	1.966
6. Mr. Thawat Tantimeth	3,524,300	1.559
7. Bangkok Bank Public Company Limited	3,301,070	1.461
8. Mr. Kiat Srichomkwan	3,023,000	1.338
9. Mrs. Sukanya Tongpan	2,302,500	1.019
10. Mr. Nurak Mahatana-arnont	2,133,400	0.944
11. Other	105,701,337	46.770

b) Major Shareholders

NO. / NAME	NO. OF SHARES	% OF TOTAL SHARES
1. Country Group Holdings Public Company Limited	56,499,900	25.000
2. Ministry of Finance	31,200,000	13.805

c) Minor Shareholders (Free Float)

As of March 19, 2019, the Minor Shareholders (Free Float) of the Company are amount of 6,363 persons or 61.19%.

THE ISSUANCES OF OTHER SECURITIES

1. Warrants to purchase the newly issued ordinary shares of Padaeng Industry Public Company Limited No. 1 (“PDI-W1”)

In 2018, the Company Ordinary General has issued and allotted the Warrants to purchase the newly issued ordinary shares of Padaeng Industry Public Company No. 1 (“PDI-W1”). They amounted not to exceeding 75,333,333 units to the original shareholders according to the ratio of shares held without considering their value. The rate of transactions was three ordinary shares to one unit of warrants, with PDI-W1 numbering at 75,333,333 units. The Company thus issued new shares to increase capital in order to support the exercising of the warrants to purchase 75,333,333 ordinary shares at the par value of 10 Baht per share, totaling 753,333,330 Baht. The details of the warrants are set out as follows:

IMPORTANT INFORMATION OF WARRANTS

TYPE OF WARRANTS	In named certificate and transferable
NUMBER OF WARRANTS ISSUED AND OFFERED	Not exceeding 75,333,333 units
NUMBER OF UNDERLYING SHARES	Not exceeding 75,333,333 shares (at the par value of 10 Baht per share) representing 33.33% of the total paid-up shares of company in the amount of 226,000,000 shares
ALLOCATION METHODS	Allocate to the existing shareholders at the ratio of 3 existing ordinary shares for 1 unit of Warrant. Any fraction of shares shall be disregarded. The determination the date on which the recorded shareholder is entitled to rights to allotment new warrants to purchase ordinary shares of the Company (PDI-W1) to be on May 3, 2018 (Record Date)
OFFERING PRICE PER UNIT	0 Baht (zero)
TERM OF THE WARRANTS	3 years from the date of issue of Warrants
ISSUE AND OFFERING DATE	May 15, 2018
EXERCISE RATIO	1 unit of warrant has the rights to purchase 1 new ordinary share (except for any adjustment of rights)
EXERCISE PRICE	33 Baht per share (at the par value of 10 Baht per share) (except for any adjustment of rights)

EXERCISE PERIOD	On the 15 th Day of every May and November of each calendar year throughout the term of Warrants. The first Exercise Date shall be on November 15, 2018. The last Exercise Date shall be the date of the end of three years from the issuance date which will be on May 14, 2021. In the case where any exercise date is not a Business day, such exercise date shall be the Business Day prior to that date. In addition, the notification of intention of the last exercise must be not less than 15 days prior to such exercise date
WARRANTS MATURITY DATE	3 years from the Issue date
REGISTRAR	Thailand Securities Depository Company Limited
THE SECONDARY MARKET FOR THE WARRANTS	The Company shall apply to list the warrants on the Stock Exchange of Thailand
SECONDARY MARKET FOR THE ORDINARY SHARES FROM THE EXERCISE OF WARRANTS	The Company shall list the ordinary shares from the exercise of the warrants on the Stock Exchange of Thailand
OTHER CONDITIONS	The Board of Directors and/or the Authorized Directors and/or their designated person (s) shall be empowered to determine criteria, conditions, and other details related to the Warrants including the issuing date of the Warrants, entering into, negotiation, agreement and execution of any relevant documents and agreements, executing any evidence necessary and related to the allotment of the Warrants and perform any other necessary actions related to the Warrants including the issuance and offering, listing the Warrants and the reserved ordinary shares from the exercise of Warrants on the Stock Exchange of Thailand as well as contacting, submitting and proceeding such applications for approval and necessary documents to government agencies or relevant authorities.

PDI-W1 was listed for trading in the Stock Exchange of Thailand on June 27, 2018. On November 15, 2018, the first exercise date, there was the Warrant Holder exercise the right under the PDI-W1 at 100 units of Warrants which equaled to 100 ordinary shares (at the par value of 10 Baht per share).

In 2019, The exercise dates were on May 15, 2019 and on November 15, 2019 respectively, but no one exercised the right under the PDI-W1. The next exercise date will be May 15, 2020.

2. Secured debentures of Padaeng Industry Public Company Limited No. 1/2019, maturing in 2021, in which the issuer has the right to redeem the debentures before the maturity date.

In 2019 Annual General Meeting on April 25, 2019, the shareholders have approved the issuance and offering of the debentures not exceeding 2,000,000,000 Baht or a similar amount in other currencies. The Company has offered debentures in the amount of 1,149.60 million Baht with the details as follows;

IMPORTANT INFORMATION OF DEBENTURES

TYPE OF DEBENTURES	Debentures with specified holder name Unsubordinated, secured, and with debenture holders' representatives
AMOUNT AND VALUE NOT YET REDEEMED	1,149.60 Million Baht
TENOR OF DEBENTURES	2 years and 6 months
INTEREST RATE	Fixed 5.25 percent per year
TRUST RATING	The debenture issuer has received a credit rating of "BBB-" stable trend by TRIS Rating Co., Ltd. on February 8, 2019.
ISSUING DATE	September 28, 2019
MATURITY DATE	December 28, 2021
GUARANTEE	With collateral, the debenture issuer will enter into a contract to guarantee various assets considered as a guarantee for repayment of both principal and interest according to the debentures. In this regard, the enforcement of debt repayment from the insured property will be in accordance with the rules specified in the security contract and other regulations of rights terms and the debenture issuer certifies that the property will be mortgaged to the debenture holders' representative within 7 (seven) days from the closing date of the debenture offering. The mortgaged assets are land together with buildings that are owned by Padaeng Industry Public Company Limited, totaling 2,021,895,825 Baht.
EARLY REDEMPTION	The debenture issuer has the right to redeem or repay the principal in whole or in part (whether at one time or multiple times) before the date of the redemption of the debentures with the date that the issuer can redeem the date, September 28, 2019 onwards.
DEBENTURE HOLDER REPRESENTATIVE	Country Group Securities Public Company Limited

POLICY FOR PAYMENT OF DIVIDEND

According to the laws, the Company must allocate at least 5 percent (%) of its annual net profit as legal reserve, less accumulated losses brought forward (if any) until the legal reserve reaches an amount of not less than 10 percent (%) of its registered capital. In this regard, the Company's legal reserve had reached the amount required by laws.

According to the dividend payment policy, the Company will normally pay dividends up to 50% of profits after corporate income taxes, unless the Board determines that the near future cash needs of the Company justify reserving part of the profit to cover those needs.

From the Company's Results for the Year 2018, the Company recorded the net loss of 72.20 Million Baht for the year 2018 which has significantly decreased from the year 2017, the net profit of which was 867.94 Million Baht. As such, the Board of Directors is of the opinion that the omission of dividend payment for the Year 2018.

There is no fixed dividend payment policy for subsidiaries. However, subsidiaries will generally follow the policy of the Company.

DIVIDEND PAYMENT RECORD FOR THE YEAR 2014-2018

YEAR	2018	2017	2016	2015	2014
Net (Loss) profit per share (Baht)	(0.32)	3.84	1.60	(0.28)	2.05
Dividend payment per share (Baht)	None	1.50	1.00	0.20	0.40
Proportion of dividend from net profit (%)	None	39.06	62.67	N.A*	19.49

Remark: *Not applicable since it is paid from the retained earnings of the Company

MANAGEMENT

BOARD OF DIRECTORS

As of 31 December 2019, there are 10 directors in the Board of Directors which consists of 5 independent directors, 8 non-executive directors, and 2 executive directors. Independent directors account for 50% of the Board membership. The Board set up four sub-committees, namely, the Executive Committee (5 members), the Audit Committee (3 members), Nomination and Remuneration Committee (3 members) and Risk Management Committee (6 members).



THE DUTIES AND RESPONSIBILITIES OF THE COMPANY'S BOARD OF DIRECTORS INCLUDE:

1. Manage Company operations and supervise its management according to the laws, the Company's Articles of Association and Objectives as well as the resolutions of the Shareholders' meetings of the Company. It must perform duties with integrity and must safeguard interests of shareholders. The Board also complies with rules and regulations of the Regulatory authorities e.g. the Stock Exchange of Thailand (SET), the Office of the Securities and Exchange Commission (SEC), and the Capital Market Supervisory Board, which was established according to the Securities and Exchange Act.
2. The Board of Directors makes sure that the Company's business operations are in compliance with the Corporate Governance Code, the Company's Code of Conduct and Anti-Corruption Policy.
3. Propose the level of dividend to be paid to the shareholders.
4. Determine the level of compensation or bonus to be awarded to officers, employees or other staff working for the Company (permanent or temporary), excluding pension benefits or other remuneration paid to directors.
5. Review the Company's strategic action plan and assess the Company's operations as suggested by the Executive Committee.

In carrying out its duties and responsibilities, the Board of Directors may assign the Managing Director, any or several directors or any other person(s), to take actions on its behalf and under the Articles of Association of the Company.

THE DUTIES AND RESPONSIBILITIES OF CHAIRMAN

Roles and responsibilities of the Chairman of the Board (the Chairman) are as followed:

1. By oneself or assign a delegate, calls the meetings of the Board of Directors with meeting notices sent at least seven days prior to the meeting date so that the Directors may have adequate time to study, review, and make proper decisions;
2. Jointly with Managing Director, defines the agenda of each meeting;
3. Ensures the efficiency of each meeting by allocating enough time for the executives to present information, encouraging and allowing Directors' queries and expression of free views, controlling the issues under discussion, and summarizing the meeting's resolutions;
4. Plays a key role in encouraging the Board of Directors' conformance to corporate governance principles, including identifying themselves, refraining from voting, and leaving the meeting in case of having conflicts of interest in any agenda;
5. Informs the Board of Directors all significant matters;
6. Encourages the Board of Directors to attend Shareholders' meetings and presides over such meetings to ensure the meeting efficiency and address shareholders' queries;
7. Encourages the Board of Directors to perform their duties under the scope of authority given by laws, and the corporate governance.

THE DUTIES AND RESPONSIBILITIES OF MANAGING DIRECTOR

Managing Director Roles and Responsibilities assigned by the Board of Directors to conduct the Company business under the approved plans and budgets with rigor and integrity, while protecting the best interests of the Company and its shareholders, Managing Director must not be engaged in any conflicts of interest with the Company and Subsidiaries. His roles and responsibilities consist of the following:

1. Prepares and proposes to the Board of Directors short-term and long-term business plans, including the Company's strategic imperatives;
2. Prepares and provides to the Board of Directors information relevant to the Company business and activities, as well as other information needed;
3. Manages the Company business and activities under the approved plans and budgets, as well as business strategies;
4. Structures and manages the organization under guidelines given by the Board of Directors;
5. Fine-tune the Company's vision, mission, and strategic imperatives;
6. Executes all other tasks assigned by the Board of Directors;
7. Delegates authority and/or assigns others to act on his or her behalf, or both, under the rules, terms, principles, and orders given by the Board of Directors or the Company, or both;
8. Prepares and presents the significant Company business performance and activity reports as well as other reports required by the Board of Directors;
9. Represents the Company in external contacts.



BOARD SELF-ASSESSMENT

The Board of Directors annually engages in self-assessment by way of using the SET's assessment form (*"the Self-Assessment of the Board of Directors as a whole" form*). Such Assessment Form is consistent with the Statement of Corporate Governance Principles and the duties and responsibilities of the Board of Directors.

OBJECTIVES

1. To serve as a framework for reviewing the Board of Directors' performance in compliance with the Corporate Governance Policies and/or Good Practice.
2. To develop the Board of Directors' performance to be in accordance with the Company's policies.
3. To identify issues and obstacles that the Board of Directors faced over the past year.
4. To help increase the operational effectiveness of the Board of Directors.



BOARD SELF-ASSESSMENT PROCEDURE

The procedure of the Self Assessment of the Board of Directors as a whole are as follows;

1. The Board of Directors annually engages in self-assessment by way of using assessment form specified by the regulatory authorities.
2. Every year, Company Secretary submits the Board Self-Assessment Form to the Board by December.
3. The Board of Directors annually complete the Assessment and return to Company Secretary by the end of December.
4. Company Secretary concludes the Assessment and distributes the results to the Board of Directors for acknowledgement, improvement and further planning.

THE CRITERIA OF THE ASSESSMENT

The following criteria are included in the Assessment:

1. Board Structure and Qualifications
2. The Board Meetings
3. The Duties and Responsibilities of the Board of Directors
4. Others

MEETING OF THE BOARD OF DIRECTORS

The Board of Directors regularly meets every 3 months according to the meeting schedule which is notified in advance and may call additional dedicated meetings. Clear agenda and follow-up topics are prepared prior to each meeting. The Company Secretary sends out an invitation letter and relevant documents to Board members at least 5 working days prior to the meetings, enabling sufficient time for review.

As of December 31, 2019 The Company's Board of Directors is composed of 10 members. During 2019, the Board of Directors met 5 times with records of attendance as follows:

DIRECTORS	POSITION	MEETING	
		NO. OF MEETING	ATTENDANCE
1. Mr. Arsa Sarasin (Authorized director)	• Chairman	5	4
2. Mr. Sadawut Taechaubol ¹⁾ (Authorized director)	• Director • Executive Committee Chairman • Nomination & Remuneration Committee Member	5	5
3. Mr. Tommy Taechaubol ²⁾ (Authorized director)	• Managing Director • Director • Executive Committee Member	5	4
4. Ms. Prapa Puranachote (Authorized director)	• Director • Executive Committee Member	5	1
5. Ms. Wimol Chatameena ³⁾	• Director	4	2
6. Mr. Wuttipong Jittungsakul ⁴⁾	• Director	-	-
7. Mr. Karel Vinck	• Independent Director • Audit Committee Member	5	4
8. Mr. Vinai Vamvanij (Authorized director)	• Independent Director • Audit Committee Chairman • Nomination & Remuneration Committee Member	5	5
9. Mr. Aswin Kongsiri	• Independent Director • Nomination & Remuneration Committee Chairman • Audit Committee Member	5	5
10. Dr. Kurujit Nakornthap	• Independent Director • Executive Committee Member	5	4
11. Dr. Chokchai Aksaranan	• Independent Director • Risk Management Committee Chairman • Executive Committee Member	5	5

Remark: ¹⁾ Mr. Sadawut Taechaubol has resigned from the position of Acting Managing Director and has been appointed as the Nomination and Remuneration Committee Member effective since November 13, 2019.

²⁾ Mr. Tommy Taechaubol has been appointed as Managing Director since November 13, 2019.

³⁾ Ms. Wimol Chatameena has resigned from the Company since October 1, 2019.

⁴⁾ Mr. Wuttipong Jittungsakul has been appointed as the director of the Company since November 12, 2019.



AUTHORIZED DIRECTORS

The names and number of directors who are authorized to sign on behalf of the Company are Mr. Arsa Sarasin, Mr. Sadawut Taechaubol, Mr. Vinai Vamvanij, Ms. Prapa Puranachote, and Mr. Tommy Taechaubol where Mr. Arsa Sarasin or Mr. Sadawut Taechaubol jointly signed with one of the remaining four directors, totaling two directors, with the Company's seal affixed.

BOARD APPROVAL AUTHORITY

The Board of Directors has the authority to approve various matters of the Company in accordance with the scope of duties prescribed by law, Company regulations, Charter for the Board of Directors and the resolution of the shareholders' meeting. Including with the determination and review the vision, operational strategy, master plan of operations, risk management policy, annual budget plan and business operation plan, medium-term business plan, defining the desired goal of the results of operations, monitoring and evaluation of operations to be in accordance with the plan and taking care of capital expenditure and operating expenses.

EXECUTIVES

NAME	POSITION
1. Mr. Arsa Sarasin	Chairman
2. Mr. Tommy Taechaubol ¹⁾	Managing Director
3. Mrs. Weena Suksawasdi Na Ayuthaya	Executive Vice President - Finance
4. Mr. Chitchai Thaveepanich	Executive Vice President - President Office and Public Affairs
5. Mr. Manoch Jaroenvuthitham	Executive Vice President

Remark: ¹⁾ Mr. Tommy Taechaubol has been appointed as Managing Director, effective since November 13, 2019.

VESTED INTEREST DISCLOSURE BY THE BOARD AND SHAREHOLDING INFORMATION

To comply with the Capital market Supervisory Board's Announcement, Tor Jor 2/2009, regarding the report on vested interests of Directors, executives, and related parties, the Company sets a policy for the Directors, executives, and the top four managerial positions counting from Managing Director, and equivalent positions to the above managerial position, including, the Vice Presidents in Finance and Accounting Department; they are required to report their vested interest when taking office for the first time and when there is a change by sending to the company secretary to collect. Along with making a copy to send to the Chairman of the Audit Committee Chairman for inspection and overseeing conflicts of interest. Such information is only used within the Company.

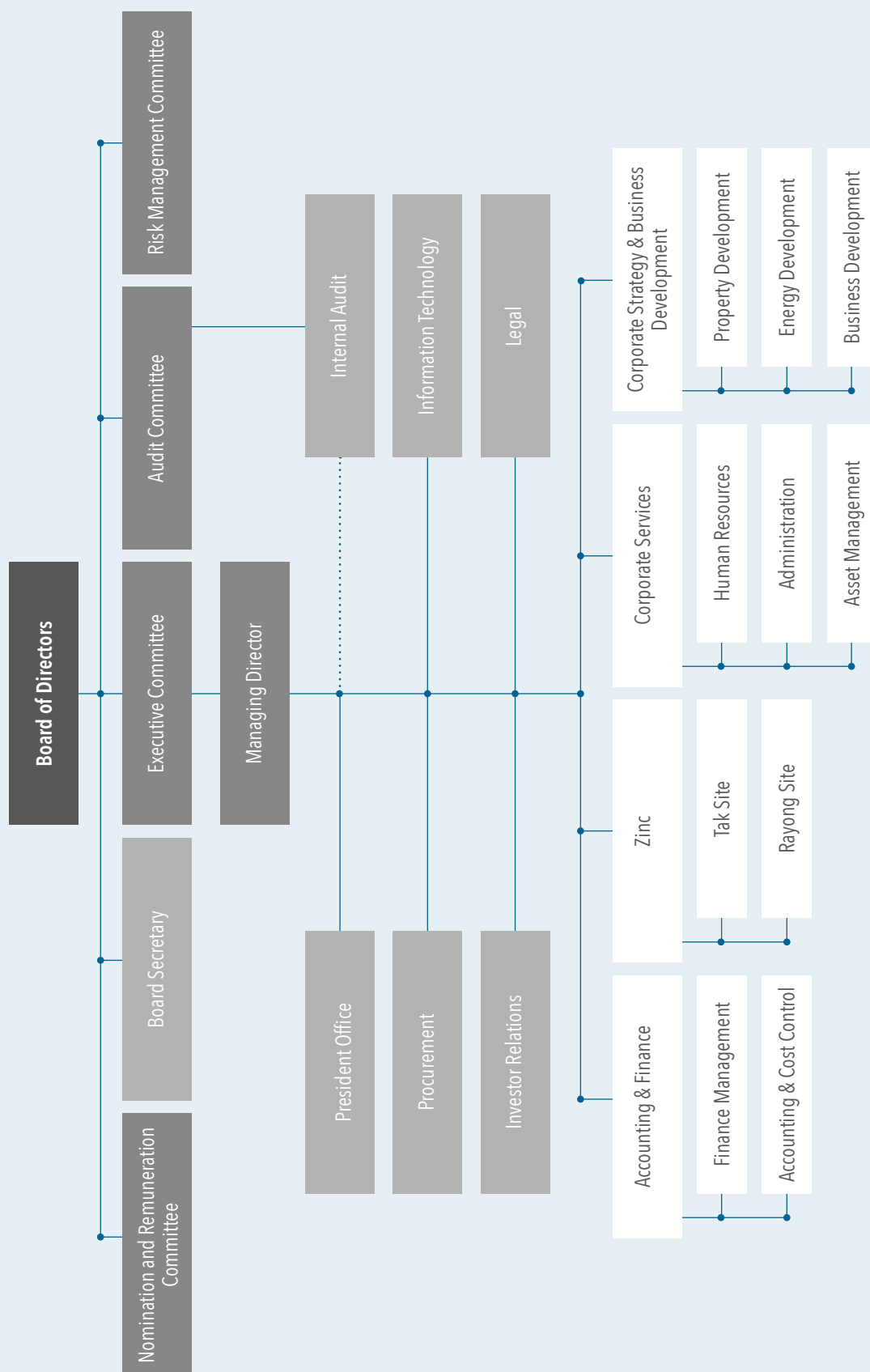
Under section 59 of the Securities and Exchange Act, the Company required the Directors, executives, and the top four managerial positions counting from Managing Director, and equivalent positions to the above managerial position, including, the Vice Presidents in Finance and Accounting Department to report their shareholding information upon taking position and after share buying, selling or transferring within three working days to the SEC. At each Board Meeting, Directors are required to inform their shareholding information including that for the executives to the Board. The Company discloses 2019 shareholding report of Directors and the executives in the Shareholding Report Section of the 2019 Annual Report.

SHAREHOLDINGS OF THE BOARD OF DIRECTORS AND EXECUTIVES AS OF DECEMBER 31, 2019

Unit: Share

NAME	DECEMBER 31, 2019		DECEMBER 31, 2018		CHANGE +(-)
	OWN	SPOUSE/ MINOR CHILD	OWN	SPOUSE/ MINOR CHILD	
1. Mr. Arsa Sarasin	-	-	-	-	-
2. Mr. Sadawut Taechaubol	-	-	-	-	-
3. Mr. Tommy Taechaubol	-	-	-	-	-
4. Ms. Prapa Puranachote	-	-	-	-	-
5. Mr. Wuttipong Jittungsakul	-	-	-	-	-
6. Mr. Karel Vinck	-	-	-	-	-
7. Mr. Vinai Vamvanij	8,000	-	8,000	-	-
8. Mr. Aswin Kongsiri	-	-	-	-	-
9. Dr. Kurujit Nakornthap	-	-	-	-	-
10. Dr. Chokchai Aksaranan	-	-	-	-	-
11. Mrs. Weena Suksawasdi Na Ayuthaya	-	-	-	-	-
12. Mr. Chitchai Thaveepanich	-	-	-	-	-
13. Mr. Manoch Jaroenvuthitham	-	-	-	-	-

ORGANIZATION CHART PADAENG INDUSTRY PUBLIC COMPANY LIMITED



THE COMPANY SECRETARY AND THE PERSON SUPERVISING ACCOUNTING (CHIEF ACCOUNTANT)

THE COMPANY SECRETARY

To comply with Articles 89/15 and 89/16 under the Securities and Exchange Act B.E. 2535 (including its amendment), the Board of Directors' Meeting No. 05-2017 on November 6, 2017 appointed Ms. Suthathip Pilasarom, Manager-Board Secretary, as the Company Secretary since January 1, 2018. This person is considered qualified with capabilities, possesses many years of useful experiences, successfully participated in trainings and seminars including related courses required and being able to carry out the duties of the Company Secretary so that the Company adheres to related laws and Good Corporate Governance regulations. Her profile is as follows;



MS. SUTHATHIP PILASAROM, 34 YEARS OLD

Position Company Secretary
Member and Secretary to the Risk Management Committee
Board Secretary
Executive Committee Secretary
Nomination & Remuneration Committee Secretary
Manager-Board Secretary

Education

- Barrister-at-Law, The Thai Bar under The Royal Patronage
- Bachelor of Laws (Business Law), Chulalongkorn University

Training/ Seminar Accomplishment

To help Company Secretary carries out the Board supporting roles effectively according to the regulatory bodies' rules and regulations as well as to elevate the professional performance and the corporate governance standard, therefore the Company supports Company Secretary to attend the trainings and seminars as follows;

Thai Institute of Directors Association (IOD)

- Board Reporting Program, 2018
- Effective Minutes Taking, 2017

Thai Listed Company Association

- Advances for Corporate Secretaries, 2017
- Fundamentals for Corporate Secretaries, 2016

SEC and/or SET

- Smart Disclosure Program (SDP)
- SET Link
- Preparation for the regulation related to "C" (Caution) sign
- Preparation for the new CG Code
- Preliminary to Corporate Sustainability (P01)
- Data Protection for Business: Road to GDPR Standard

Thai Investor Association

- AGM Checklist Project

Other Training

- Certification Course in “Advanced Intellectual Property Law”, The Thai Bar Association, 2019
- Legal Advisor on Business and Investment (BOI, Industrial Estate, Eastern Special Development Zone) Class No. 1, Lawyers Council of Thailand, 2019
- Continuing Education Series for Legal Practitioners No. 1: Introduction to Blockchain and Digital Assets and related legal issues
- CG Code Workshop (for Company Secretary) Year 2018, PricewaterhouseCoopers ABAS Limited
- Advanced Legal Studies on Securities and Exchange Law, Lawyers Council of Thailand, 2017
- Micro MBA Chula, Chulalongkorn Business School, 2017
- Mergers & Acquisitions Workshop, 2017
- Finance for Non-Financial Manager, NIDA, 2016
- Notarial Services Attorney Certificate, Lawyers Council of Thailand, 2013
- Lawyer License, Lawyers Council of Thailand, 2007

Current position

2019 - Present	Member and Secretary to the Risk Management Committee, Padaeng Industry Public Company Limited
2019 - Present	Nomination & Remuneration Committee Secretary, Padaeng Industry Public Company Limited
2018 - Present	Company Secretary, Padaeng Industry Public Company Limited
2018 - Present	Board Secretary, Padaeng Industry Public Company Limited
2018 - Present	Executive Committee Secretary, Padaeng Industry Public Company Limited
2017 - Present	Manager - Board Secretary, Padaeng Industry Public Company Limited

Other position

2016 - Present	Board Secretary, PDI Tak Eco Company Limited
----------------	--

Working experience

2014 - 2017	Assistant Manager - Legal, Padaeng Industry Public Company Limited
-------------	--

% Share Possession: None

Family Relation among the Managers: None

Date of the First Appointment: January 1, 2018

SCOPE OF DUTIES AND RESPONSIBILITIES OF THE COMPANY SECRETARY

The Board of Directors has appointed Ms. Suthathip Pilasarom as Company Secretary, whose duties and responsibilities are as stipulated in the Securities and Exchange Act B.E. 2535 (including its amendment) and related laws and regulations.

1. Organizing meetings for the Board of Directors and Shareholders according to the laws and Company's Articles of Association and ensuring compliance with the meetings' resolutions.
2. Being responsible for disclosing the Company's information in line with the SET's and SEC's regulations and other regulatory bodies.
3. Advise and support the performance of directors and the management under the law and relevant regulations.
4. Prepare and maintain key documents required by laws e.g. including the Board roster, meeting notices, minutes of the Board meetings and shareholders' meetings.
5. Coordinate between the Chairman, Managing Director and Directors with management team, which includes coordination between the Company and its shareholders.
6. Encourage the directors, management team, and employees to conform to Corporate Governance.
7. Perform other duties as required by SEC, the Capital Market Supervisory Board and SET.
8. Other lawful tasks and Board-assigned tasks.

CONTACT INFORMATION

Company Secretary

Board Secretary Division

Padaeng Industry Public Company Limited

Tel: +66 2 695 9499 Fax: +66 2 695 9495 E-mail: Comsec@padaeng.co.th

THE PERSON SUPERVISING ACCOUNTING (CHIEF ACCOUNTANT)

Mr. Boonsong Sumnuk, Senior Manager-Accounting is the accountant with the qualifications and conditions of being an accountant in accordance with the rules prescribed in the Notification of the Department of Business Development with the following qualifications and experiences;

MR. BOONGSONG SUMNUK, 39 YEARS OLD

Position Senior Manager - Finance



Education

- Kasetsart University, Bachelor of Accountancy

Training at Thai Institute of Directors Association

- None

Other Training

- Chief Financial Officer Certification Program No. 20, Federation of Accounting Professions
- Strategic Financial Leadership Program (SFLP) 2017, Thai Listed Companies Association
- IFRS 9 and IFRS 16 in Practice, KPMG
- Thai Tax and VAT Compliance, Deloitte Touche Tohmatsu Consulting Co., Ltd.
- Transfer Pricing Documentation, Dharmniti Seminar and Training Co., Ltd.
- Promotional Privileges according to Investment Promotion Act - BOI
- Custom Tax for accountant

Number of hours of accounting training in 2019: 9.30 hours

Current Position

- 2019 - Present Director, Sathon Project One Company Limited
- 2018 - Present Senior Manager - Finance, Padaeng Industry Public Company Limited

Working Experience

- 2016 - 2018 Accounting and Finance Manager, Country Group Holdings Public Company Limited
- 2012 - 2015 Accounting and Finance Manager, UOB Kay-Hian Securities (Thailand) Public Company Limited
- 2004 - 2011 Assistant Audit Manager, Deloitte Touche Tohmatsu Jaiyos Co., Ltd.

% Share Possession: None

Family Relation among the Managers: None

Date of the First Appointment: June 1, 2018

REMUNERATIONS FOR DIRECTORS AND EXECUTIVES

REMUNERATION FOR COMPANY DIRECTORS

Remuneration of the Board, subcommittees and top executives are reviewed by the Nomination and Remuneration Committee prior submitting to the Board and approved in the Shareholders' meeting.

Remuneration for Company directors has been approved in the 2019 Annual General Meeting of Shareholders on April 25, 2019. The details are as follows;

BOARD OF DIRECTORS AND SUB-COMMITTEES	RETAINING FEE			MEETING FEE			BONUS			OTHERS
	CHAIRMAN	MEMBER	EXECUTIVE DIRECTOR	CHAIRMAN	MEMBER	EXECUTIVE DIRECTOR	CHAIRMAN	MEMBER	EXECUTIVE DIRECTOR	
Board of Directors	200,000 Baht/ Year/ Director	200,000 Baht/ Year/ Director	No	25,000 Baht/ Meeting	20,000 Baht/ Meeting	No	1% of the dividends distributed to the shareholders, to be divided among the Non-Executive Directors. (on the pro rata basis)			None
Audit Committee	200,000 Baht/ Year/ Director	200,000 Baht/ Year/ Director	None	-	-	-	-	-	-	-
Executive Committee	-	-	-	25,000 Baht/ Meeting	20,000 Baht/ Meeting	No	-	-	-	-
Nomination and Remuneration Committee	-	-	-	25,000 Baht/ Meeting	20,000 Baht/ Meeting	No	-	-	-	-
Risk Management Committee	-	-	-	25,000 Baht/ Meeting	20,000 Baht/ Meeting	No	-	-	-	-

Remark: ¹⁾ For Non-Executive Directors only.

²⁾ Other Benefits: None

³⁾ Shall be proposed in the 2020 Annual General Meeting of Shareholders for consideration and approval.

1) REMUNERATION FOR COMPANY DIRECTORS - IN THE FORM OF CASH:

In the year 2019 the Company paid a total of 3,852,173.91 Baht to 10 Directors, 5 Executive Committee Members, 3 Audit Committee Members and 3 Nomination and Remuneration Committee Members and 6 Risk Management Committee as director's fees, director's remuneration and director's bonus. The details are as follows;

Unit: Baht

NAME/ POSITION	ANNUAL REMUNERATION FEE		MEETING FEE				DIRECTOR BONUS FOR 2019 ¹⁾	TOTAL REMUNERA- TION ³⁾
	DIRECTOR	AUDIT COMMITTEE	DIRECTOR	EXECUTIVE COMMITTEE	NOMINATION & REMUNERATION COMMITTEE	RISK MANAGEMENT COMMITTEE		
1. Mr. Arsa Sarasin • Chairman	-	-	-	-	-	-	-	- ²⁾
2. Mr. Sadawut Taechaubol • Director • Acting Managing Director (Until November 12, 2019) • Executive Committee Chairman • Nomination and Remuneration Committee Member (Since November 13, 2019)	26,630.43	-	-	25,000.00	-	-	-	51,630.43
3. Mr. Tommy Taechaubol • Director • Managing Director (Since November 13, 2019) • Executive Committee Member • Nomination and Remuneration Committee Member (Until November 12, 2019)	173,369.57	-	80,000.00	220,000.00	40,000.00	-	-	513,369.57
4. Ms. Prapa Puranachote • Director • Executive Committee Member	200,000.00	-	20,000.00	160,000.00	-	-	-	380,000.00
5. Ms. Wimol Chatameena • Director (Until September 30, 2019)	150,000.00	-	40,000.00	-	-	-	-	190,000.00
6. Mr. Wuttipong Jittungsakul • Director (Since November 12, 2019)	27,173.91	-	-	-	-	-	-	27,173.91
7. Mr. Karel Vinck • Independent Director • Audit Committee Member	200,000.00	200,000.00	80,000.00	-	-	-	-	480,000.00
8. Mr. Vinai Vamvanij • Independent Director • Audit Committee Chairman • Nomination and Remuneration Committee Member	200,000.00	200,000.00	100,000.00	-	40,000.00	-	-	540,000.00

Note: ¹⁾ No Director Bonus in the Year 2019.

²⁾ Executive Director's bonus is included in the Company bonus paid to the executives.

³⁾ No remuneration payment for the executive directors.

Unit: Baht

NAME/ POSITION	ANNUAL REMUNERATION FEE		MEETING FEE				DIRECTOR BONUS FOR 2019 ¹⁾	TOTAL REMUNERA- TION ³⁾
	DIRECTOR	AUDIT COMMITTEE	DIRECTOR	EXECUTIVE COMMITTEE	NOMINATION & REMUNERATION COMMITTEE	RISK MANAGEMENT COMMITTEE		
9. Mr. Aswin Kongsiri • Independent Director • Nomination and Remuneration Committee Chairman • Audit Committee Member	200,000.00	200,000.00	100,000.00	-	50,000.00	-	-	550,000.00
10. Dr. Kurujit Nakornthap • Independent Director • Executive Committee Member	200,000.00	-	80,000.00	200,000.00	-	-	-	480,000.00
11. Dr. Chokchai Aksaranan • Independent Director • Executive Committee Member • Risk Management Committee Chairman	200,000.00	-	100,000.00	240,000.00	-	100,000.00	-	640,000.00
TOTAL							-	3,852,173.91

Note: ¹⁾ No Director Bonus in the Year 2019.
²⁾ Executive Director's bonus is included in the Company bonus paid to the executives.
³⁾ No remuneration payment for the executive directors.

2) REMUNERATION FOR COMPANY DIRECTORS - OTHER BENEFITS:

- None -

REMUNERATION OF TOP EXECUTIVES

Remuneration of executive directors and top executives is aligned with the principles and policies of the Board of Directors and corresponds with overall company and individual performance.

1) Remuneration for executive directors and top executives - in the Form of Cash:

The Company paid a total of 38 Million Baht to the 7 executives in the year 2019, as salaries and bonuses.

2) Remuneration for executive directors and top executives - in other forms:

Apart from salaries and bonuses, the Company has paid other forms of compensation which divided into short-term benefits, post-employment benefits, others long benefits and termination benefits, in total amount of 3 Million Baht.

The Company contributed to employees' provident fund savings, as a percentage of salary and period of time enrolled in the fund, ranging from 5 to 10%.

Remarks:

- Short-Term Benefits include up-country allowance, car allowance, house rental allowance, social security contribution, workmen's compensation fund, health and life insurance premium, expense for medical treatment (OPD), annual health check-up, uniform and airline ticket for foreigner (including taxes).
- Post-Employment Benefits include the provident fund and compensation for remaining annual leave.
- Others Long Benefits include award for 10 years and 20 years working period.
- Termination Benefits include severance pay and financial assistant.

CORPORATE GOVERNANCE



CORPORATE GOVERNANCE POLICY

PDI applies “Corporate Governance Code for listed companies 2017” by the Securities and Exchange Commission, Thailand to the company’s business for the confidence of our employees, our investors and all stakeholders involved in our operations and business endeavors. Our Audit Committee, by means of the “Internal Audit Department”, supervises financial statements, internal control and practices of good corporate governance to ensure compliance with our vision, values and policies. PDI has also endorsed a Code of Conduct including an Anti-corruption Policy to which all executives and employees are assumed to comply with, in conducting business and business related affairs. We have installed a Nomination and Remuneration Committee to supervise the process of director nominations and to recommend fair and reasonable annual remuneration for the Board of Directors, the subcommittees and the top executives. To ensure efficient and productive business operations, an Executive Committee has also been established to oversee our strategic plan, prior to giving recommendations to the Board of Directors. Furthermore, a Risk management committee has been appointed by the Board of Directors with the risk management objectives for mitigating risk that might impact the company performance, financial security, environment & community and image & reputation, to be in line with the risk appetite level and assure the Company accomplishes its objectives.

SUB COMMITTEES

(1) The structure of the Board of Directors consists of four Sub Committees as follows:

1. The Audit Committee

The Audit Committee was first established on December 22, 1998. At present it consists of three directors:

NO. / NAME	TITLE
1. Mr. Vinai Vamvanij	Chairman
2. Mr. Aswin Kongsiri	Member
3. Mr. Karel Vinck	Member
Ms. Nitcha Kornpaphawee	Secretary to the Audit Committee

In 2019, the committee held four meetings in order to perform its duties as stipulated in the Audit Committee Charter, and the proceedings from each meeting were reported to the Board of Directors. Additionally, there was non-management meeting between the committee members and the external auditors.

The Scope of Authority of the Audit Committee

1. The audit committee shall have the authority to request any information it sees relevant to its activities from the director or any managers of the company.
2. The audit committee may seek independent professional advice as it considers necessary.
3. The audit committee will have no executive powers with regards to its findings and recommendations.

Duties and Responsibilities of the Audit Committee

1. To review the Company's financial reporting process to ensure that it is accurate and adequate.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
6. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (a) Opinion on the accuracy, completeness and creditability of the Company's financial report.
 - (b) Opinion on the adequacy of the Company's internal control system.
 - (c) Opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business.
 - (d) Opinion on the suitability of an auditor.
 - (e) Opinion on the transactions that may lead to conflicts of interests.

- (f) The number of the audit committee meetings, and the attendance of such meetings by each committee member.
 - (g) Opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.
 - (h) Other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
7. To monitor the risk management process.
 8. To monitor compliance with Anti-Corruption Policy and review reported concerns about fraud or corruption.
 9. To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.
 10. Report any matter to the board that the audit committee considers appropriate.

2. The Executive Committee

The Executive Committee was established on November 10, 2015 and at present consists of five members:

NO. / NAME	TITLE
1. Mr. Sadawut Taechaubol	Chairman of the Executive Committee
2. Mr. Tommy Taechaubol	Member
3. Ms. Prapa Puranachote	Member
4. Dr. Chokchai Aksaranan	Member
5. Dr. Kurujit Nakornthap	Member
Ms. Suthathip Pilasaron	Secretary to the Executive Committee

Authority and Responsibilities

The Committee shall have, and may exercise, the powers of the Board in the management and direction of the business and affairs of the Company in between full meetings of the Board, as determined by the Board, in line with the Company's certificate of incorporation or by-laws, each as amended and in line with applicable law or regulations.

The Committee shall maintain minutes of meetings and activities. It shall provide the Board a summary of the matters discussed and decisions taken at each meeting. The Committee minutes shall be presented to the Board at the next Board meeting for acknowledgement and approval.

The Committee shall have the authority to obtain advice and assistance from internal or external legal, accounting or any other advisors and to approve the fees and other retention terms related to any such external counsel, consultants or advisors.

The Committee may form and delegate authority to subcommittees when appropriate.

The Committee shall annually review its own performance.

In 2019 the committee held twelve meetings and reported to the Board of Directors.

3. The Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) was established on February 25, 2005 and at present consists of three members:

NO. / NAME	TITLE
1. Mr. Aswin Kongsiri	Chairman, Independent Director
2. Mr. Sadawut Taechaubol	Member, Director
3. Mr. Vinai Vamvanij	Member, Independent Director
Ms. Suthathip Pilasarom	Secretary to the Nomination and Remuneration Committee

In 2019 the committee held two meetings and reported to the Board of Directors.

The Scope of Authority of the Nomination and Remuneration Committee

1. To set the criteria and process of nominating board members and top executives.
2. To set the process to review and assess the performance of the board and top executives.
3. To recommend new nominees to the Board to fill positions made vacant by directors who complete their terms or resign.
4. To review and recommend to the Board on the hiring of advisers to the Board as it deems necessary.
5. To review for the Board the succession plan of the Company's top executives.
6. To recommend fair and reasonable annual remuneration for the Board, the subcommittees, and the top executives.

4. The Risk Management Committee

The Risk Management Committee was established on August 7, 2018 and at present consists of five members:

NO. / NAME	TITLE
1. Dr. Chokchai Aksaranan	Chairman of Risk Management Committee
2. Mr. Tommy Taechaubol	Member
3. Ms. Weena Suksawasdi Na Ayuthaya	Member
4. Mr. Boonsong Sumnuk	Member
5. Ms. Suthathip Pilasarom	Member & Secretary to the Risk Management Committee

In 2019, the committee held four meetings in order to perform its duties as stipulated in the Risk Management Committee Charter, and the proceedings from each meeting were reported to the Board of Directors.

Membership

The risk management committee will be composed of the member at least 5 members which 1 director would be a chairperson and the members shall be the directors or executives or the persons who have knowledge and skill in risk management and internal control.

Risk Management Committee Authority

1. To regulate and support risk management process to be in line with strategy and business goal including the current situation.
2. The risk management committee shall have the authority to request any information it sees relevant to risk assessment from the risk owners or of the management of the company.
3. The risk management committee may seek the risk management team as it considers necessary.

Duties and Responsibilities

1. Presenting the risk management committee charter and risk management framework to the Board of Directors for approval.
2. Consider risk assessment criteria and risk response plan to cope with the key risks to be in line with the risk appetite level and report the results of Risk Management to the Board of Directors.
3. Supervise the management to analyze, assess and manage the risk regularly.
4. Review the risk management report to ensure that the organization has sufficient and appropriate risk management systems in place.
5. Having the risk management committee secretary to coordinate and review that the company has appropriate risk management system to identify risk, assess risk and set the action plan for mitigating risk to be in line with the risk appetite level properly.
6. The risk management committee should meet at least 1 time each quarter to review Risk Management report and follow up the progress of any improvements.
7. To disclose Risk Management report in the Company's annual report.

The Attendance of the Directors on the Subcommittees

DIRECTORS (ATTENDANCE/NO. OF THE MEETING)	AUDIT COMMITTEE	EXECUTIVE COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE	RISK MANAGEMENT COMMITTEE	AGM
1. Mr. Arsa Sarasin	-	-	-	-	1/1
2. Mr. Sadawut Tachaubol ¹⁾	-	12/12	-	-	1/1
3. Mr. Tommy Tachaubol ²⁾		11/12	2/2		1/1
4. Ms. Prapa Puranachote	-	8/12	-	-	0/1
5. Ms. Wimol Chatameena ³⁾	-	-	-	-	0/1
6. Mr. Wuttipong Jittungsakul ⁴⁾	-	-	-	-	-
7. Mr. Karel Vinck	3/4	-	-	-	0/1
8. Mr. Vinai Vamvanij	4/4	-	2/2	-	1/1
9. Mr. Aswin Kongsiri	4/4	-	2/2	-	0/1
10. Dr. Kurujit Nakornthap	-	10/12	-	-	1/1
11. Dr. Chokchai Aksaranan	-	12/12	-	4/4	1/1

Remark: 1)Mr. Sadawut Taechaubol has resigned from the position of Acting Managing Director on November 13, 2019 and has been appointed as the Nomination and Remuneration Committee Member on November 12, 2019.

2)Mr. Tommy Taechaubol has been appointed as Managing Director on November 13, 2019.

3)Ms. Wimol Chatameena has resigned from the director of the Company on October 1, 2019.

4)Mr. Wuttipong Jittungsakul has been appointed as the director of the Company on November 12, 2019.

(2) Mr. Vinai Vamvanij is chairman of the Audit Committee. He has knowledge and experience reviewing financial statements of Companies. His background on financial statement reviews are as follows:

YEAR	POSITION	COMPANY
1967-1968	Senior Auditor	PriceWaterhouse&Co., Chartered Accountants
1963-1966	Audit & Accounting Clerk	R.J. Oehr & Church, Chartered Accountants Melbourne, Australia

The Selection and the Appointment of Company Directors and Executives

(1) Independent Director

The Nomination and Remuneration Committee will consider from the list of candidates and nominate persons with proper qualification and experiences that can beneficial to the Company.

Qualification of Company Independent Directors

1. Holding shares not exceeding five percent of the paid-up capital of the Company, affiliated company, associated company or related company, inclusive of the shares held by any related persons.
2. Not taking part in the management of the Company, affiliated company, associated company, related company or majority shareholders of the Company. Not being an employee, staff member or advisor who receives a regular salary from the Company, affiliated company, associated company, related company or majority shareholders of the Company.
3. Having no direct or indirect benefit or interest in finance and management of the Company, affiliated company, associated company or majority shareholders of the Company. Having no benefit or interest of the said nature during the period of one year before his appointment as a director except where the Board of Directors has carefully considered that such previous benefit or interest does not affect the performance of duties and the giving of independent opinions.
4. Not being a related person or close relative of any management member or majority shareholder of the Company.
5. Not being appointed as a representative to safeguard the interests of the Company's directors, majority shareholders of the Company or those who are related to the Company's majority shareholders.
6. Being capable of performing duties, giving opinions, or reporting the results of performance of work according to the duties delegated by the Board of Directors free and clear of the management or the majority shareholders of the Company, including related persons or close relatives of the said persons.

(2) The Selection of Company Directors and Executives

Nomination and Appointment of the Board Nomination Criteria

In selecting and considering an appropriate Director candidate, The Company invited minor and major shareholders to nominate a candidate, The Directors must be fully qualified with the Public Company Limited Act and in compliance with PDI's regulations, in which PDI will not bring diversity factors such as gender, race, ethnicity, country of origin or nationality as Directors' qualification restrictions. PDI also values independence of the Directors, their conflict of interest, and their expertise. PDI developed Board Skill Matrix in accordance with the

Board Diversity Policy to create a wide range of expertise in line with PDI's strategic directions. PDI also searched and selected qualified Directors the IOD Chartered Directors. must be considered by Nomination and Remuneration Committee and approve by the Board of Directors.

The NRC, consisting of two independent directors and one director, is responsible for the selection of a qualified person, not subject to the prohibitive characteristics under the law for nomination, to the Board of Directors prior to submitting for final election in the "Annual General Shareholders' Meeting (AGM)".

The Company has also allowed the shareholders to submit names of qualified candidates to be nominated for selection as PDI Board of Directors in advance of the annual general shareholders' meeting through the Company's website. The Company also refers to the list of qualified candidates released by the Thai Institute of Directors (IOD).

The Selection of Directors by the Annual General Shareholders' Meeting

The appointment of a director requires a majority vote from the eligible voting shareholders present at the annual general shareholders' meeting. Voting shall be casted according to the following guidelines:

1. Each shareholder shall have one vote for each share.
2. Each shareholder must exercise all the votes he has under item (1) to elect one or several persons to be directors, but cannot divide his votes to any person particularly.
3. The candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be elected as directors equivalent to the number of directors who are to be elected.
4. If there is a tie in the last to be elected and this exceeds the said number of directors, the presiding Chairman shall have an additional casting vote.

In the case of a vacancy on the Board of Directors prior to the expiration of the term of office due to death, resignation, or for reasons other than by rotation, the Board of Directors shall elect any person who is qualified and not subject to the prohibitive characteristics under the law as the substitute director at the subsequent Board of Directors meeting, unless the remaining term of office of the said director is less than two (2) months.

The aforesaid substitute director shall retain his office only for the remaining term of office of the director whom he replaces. The resolution of the Board on this matter must receive no less than three-fourths ($\frac{3}{4}$) of the votes from the remaining directors.

At present, of all the Company's directors, five are independent directors and two are executive directors.

(3) Succession of Top Management Positions

PDI's Board of Directors has created a succession plan for the management level and the important positions in the main lines of work. This plan is based on the person's knowledge and understanding of the company and its businesses, experience, performance, competency, potential, and readiness. Preparation has been made to equip these successors with the knowledge and skills required for each position so that they can continue the work in case the Managing Director or any top executives cannot perform their duties as a result of their retirement, resignation, transfer, etc.

Apart from the required qualifications and experience in the concerned field, the successors must learn from rotating to other related units. They must also improve their management skills, personality, and cooperation with others in line with PDI's values and corporate culture. Furthermore, they must attend additional necessary courses to prepare themselves for future work in a higher position so that the transfer of work will be smooth and continuous.

Supervision the Operations of Subsidiary and Affiliated Companies

In the case of a subsidiary company, executives of the Company will be appointed as directors, in proportion of no less than half of the total number of directors, to supervise operations of the subsidiary company so that the subsidiary's activities are under Company policy.

In the case of an affiliated company, executives of the Company will be appointed as members to the Board of Directors, in proportion to the number of shares held by the Company. As a representative of the Company, the director(s) will receive policy mandates from the Company for the control or supervision of the operations of the affiliated company.

Controlling the Use of Internal Information

The Company has awareness about necessary use of internal or confidential information in both equality and the rightness. Based on this statement, the company has operated as following;

1. Established "Protection of Information and Assets" in "Code of Conduct" that the Company gives the book to all employees.
2. Established "Personal Non-Disclosure" that specified the employees about prohibition that they must not disclose or misuse the internal or confidential information.
3. Established policies and guidelines to prevent executives and related persons from using internal company information for personal gains. Before the announcement of company results, internal data. Directors, executives, and employees at all levels are forbidden from using internal data containing crucial information that would have a significant impact on the stock price and has not yet been declared to the public or the Stock Exchange of Thailand for trading to the advantage of self or others. Furthermore, in 2017 the Company has established a policy such that aforementioned parties are to avoid or refrain from trading the Company's stock for two (2) weeks prior to the last day as required by the Stock Exchange of Thailand to submit financial statements and for 24 hours after the release of the financial statements to SET. (Blackout Period).

Auditor's Fee

1. Audit Fee

The Company and its subsidiaries have paid audit fees to audit companies, individual auditors or other businesses relating to the auditors and auditing companies during the previous fiscal year totaling 2,700,000 Baht.

In this regard, the audit companies, individual auditors do not have any relationships or interests involving the management, or major shareholders, including their related persons.

	(Baht)	
	2019	2018
Audit Fee of the Company and Subsidiaries	2,700,000	3,500,000

2. Non-Audit Fee

The Company and its subsidiaries have a general policy not to hire individual auditors or other businesses relating to its auditor for non-audit services.

Applying of the Corporate Governance Code 2017

The Board of Directors is committed to run the business by adhering to the good corporate governance principles for listed companies to ensure transparency, efficiency and responsibility to all stakeholders. The Board considered and reviewed the implementation of “the CG Code 2017 by SEC” to the company’s business in the Board meeting No.05-2019 on November 12, 2019. For unapplied sub-principles were recorded in the Board resolution and will follow up for improvement or find alternative practices to fulfil the intended outcomes of the principles and sub-principles later.

Matters that have not yet been implemented

1. Independent directors can serve for no longer than nine consecutive years.
Justification: The Company has not set a policy that the independent directors shall serve on the Board for no longer than nine consecutive years from the date of their first appointment. In case the terms of such independent director(s) shall be longer than nine years, the Board of Directors has acknowledged and will consider the extension based on the necessity. By the Company’s nature of business, it needs directors with specialized competencies. Given the independence and efficiency of director’s performance, these independent directors may be extended their terms longer than nine years.
2. Quorum of the Board meeting at the time of voting to be at least two-thirds of the total number of directors
Justification: Quorum of the Board meeting of the Company is not less than half of the total number of directors as per the Company’s Article of Association. The Company has not yet set up a policy of two-thirds of the total number of the directors for the quorum of the board meeting at the time of voting.
3. Policy on restriction on number of companies and number of terms of director.
Justification: The Company has not set the policy for its directors to serve as director in other listed companies at no more than 5 companies without exception. In order to prevent the disadvantage of the appointment of directors who are capable and experience with the company, which is an important factor for success in corporate governance. All directors currently serve as director of no more than 5 listed companies.
4. The Board of Directors should arrange for the evaluation of every sub-committee. By revealing the process and criteria for evaluation.
Justification: The Board of Directors has been approved from Board of Directors which has considered various features such as knowledge, abilities and experiences (in accordance to company’s regulation, regulation from Stock Exchange of Thailand and Securities and Exchange Commission. Each director has practice according to company’s regulation and charters strictly. Therefore, ensuring that the work of each committee is in accordance with the principles of good corporate governance.
5. The Board of Directors should arrange for an individual performance evaluation by disclosing the process and criteria for assessment.
Justification: The Board of Directors has considered various fields such as knowledge, abilities and experiences in accordance to rules of company and regulation from The Stock Exchange of Thailand and Securities and Exchange Commission. Each director has practice according to company’s regulation. Therefore, ensuring that the work of each committee is in accordance with the principles of good corporate governance although there is no evaluation of the performance of the entire individually.

Compliance with Good Corporate Governance Principles

1. Rights of Shareholders

The Company considers each shareholder equally and stipulates procedures for the shareholders meeting accordingly the law and in compliance with the guidelines of the Stock Exchange of Thailand.

In 2019 the Company organized an annual shareholders' meeting on April 25, 2019 at Jasmine City Hotel, Bangkok. An invitation letter with agenda of the meeting and related documents were sent to the shareholders for information not less than 7 days prior to the meeting. Topics included the views of the Board of Directors and the review of minutes of the previous meeting. As such allowing shareholders ample time and opportunity to review and consider the topics. The Company accommodated shareholders in a convenient location with appropriately sized meeting space. Shareholder proxies were permitted in the event they were unable to attend the meeting. The Company also posted the information regarding shareholders meeting on the Company's website and shareholders were invited to submit questions related to the Company operations through the website, prior to the meeting.

During the 2019 annual shareholders' meeting, a total of six directors attended, including the Chairman of the Board of Director, Chairman of the Executive Committee, Chairman of the Audit Committee and Chairman of the Risk Management Committee. The Chairman of the meeting allowed equal opportunity for all shareholders to question, comment, and submitted suggestions regarding Company operations. Prominent opinions were recorded in the minutes of the meeting.

For institutional investors, the Company facilitated the AGM registration process by contacting institutional investors to coordinate in the preparation of proxy forms prior to the date of AGM.

In addition to the annual shareholders' meeting, the Company will call additional shareholders' meetings, if necessary, in the event of specific emerging topics,

which are pertinent to the shareholders' interests or relate to laws or regulations that require the shareholders' approval.

2. Equitable Treatment of Shareholders

The Company treats all shareholders equally and stipulates procedures for the shareholders meeting in accordance to the law and in compliance with guidelines of the Stock Exchange of Thailand. Each shareholder has one vote for each share. Shareholders can send a proxy on their behalf in the event that they are unable to attend.

To prevent conflicts of interest and misuse of inside information for personal gain, the Board of Directors investigates any occasion which may lead to a dispute and has established a policy and guidelines to prevent executives and related persons from using internal company information for personal gains. Company holdings by directors and executives are assessed to screen any use of inside information for gains by executives. In addition, the company has set a policy that directors, executives, and employees at all levels are avoid or refrain from trading in the securities of the Company during the two (2) weeks prior to the last day as required by the Stock Exchange of Thailand to submit financial statements and for 24 hours after the release of the financial statement to SET (Blackout Period).

In case of related parties' transactions, the Audit Committee is responsible for reviewing the related transactions to ensure that no conflict of interest will occur in order to maximize the overall company's benefits. The Company discloses all necessary information together with Directors' opinion to the public according to SET regulation.

The Company has established a channel, through the company's website, to allow shareholders to submit names of qualified candidates to be nominated as board members and to propose an agenda for, and in advance of, the annual general shareholders' meeting.

3. Role of Stakeholders

PDI's mission

The Company's vision is to be a leader in developing, driving and growing sustainable businesses in Southeast Asia.

Driven by innovation and balanced concerns,
we maximize added value for our clients,
with respect to our people, our ecosystems and the environment.
We support the communities in which we operate
and give the best possible return to our shareholders.

Commitment to Customers

The Company maximizes added value for its clients by delivering quality products/services and on-time, committed to ethical trade practices and fair competition as well as strictly adhered to the relevant laws.

Commitment to Employees

The Company respects to its people by providing fair wages and benefits according to the company's performance, job security, career opportunity, personal training & development and safe workplace.

Commitment to Public and Community

The Company conducts its business with trading partners fairly and equally as well as be responsible for creditors. Providing accurate and timely information and participates in developing the quality of life within communities where we operate. Also, operating business safely and protect the environment extremely.

Commitment to Business Competitors

The Company complied with the rules of fair competition and treated business competitors fairly under the Competition Law Framework. The Company refrained from dishonesty or improperly seeking confidential information on business competitors. In addition, the Company refrained from defaming business competitors through slander. Additionally, the Company refrained from involving in any activities that may lead to set the limitation or reduction of business competition.

Commitment to Creditor

The Company conducts its business with fairness and objectivity for both parties without giving or receiving bribes or other advantages to or from people or companies for doing or seeking to do business with PDI and any conflict of interest transactions.

The Company is in compliance with all agreements and conditions that mutually signed from both parties. In case of non-compliance, default or postpone payment due to force majeure or unexpected event. The company will inform the vendor or creditor in advance for finding the solution mutually.

Commitment to Shareholders

The Company respects the rights of its major and minor shareholders equally. In alignment with PDI's vision. The Company commits to provide fair returns on short-term and long-term investments, create business growth and also manage with transparency.

Capital Management

The Company's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

More details of Commitment to stakeholders can be found in “the Sustainability Report section.”

4. Disclosure and Transparency

The Company manages its business with honesty, ethical conduct, and responsibility concerning all stakeholders: customers, employees, shareholders and the general public. The Company issued a Code of Conduct, which gives guidelines for work and employee behavior. All employees use this as a guide for their daily work, along with the influence and inspiration of the vision of the Company.

The Company ensures that important information, both financial and non-financial, as specified in relevant regulations of the SET, is disclosed correctly, accurately, on a timely and transparent basis. In addition to this, the financial report, the annual statement (Form 56-1), and the annual report are available on the PDI website.

The Board of Directors has also called for the disclosure of company information in an accurate, complete, transparent, and widespread manner. As such, all financial information, as well as general information about the Company that might impact the value of company, is readily available. Shareholders and other interested parties can access any such information through the various Stock Exchange of Thailand media outlets or directly from the Company’s website. A specific investor relations function has been established and existing and potential investors can obtain information by contacting the Company directly at Tel: 66(0)2695-9409 or at www.padaeng.com or e-mail inquiries to the Investor Relations Manager at ir@padaeng.co.th.

The Company recognizes the importance of internal control systems at managerial and operational levels, and has created an authority manual for reference. An independent internal audit department, reporting directly to the Audit Committee, organizes various internal checks and conducts audits as needed.

The Company announced its desire to become an ally of CAC (Private Sector Collective Action Coalition against Corruption). The Company was certified by CAC on March 9, 2017 and have to recertify once every three years. The Company has become an ally of CAC in succession. Due to consistent implementation of anti-corruption, the Company has been certified on February 7, 2020.

The Company has dedicated an open channel for receiving complaints regarding corporate governance, the Code of Conduct and Anti-Corruption policy. This can be done through the secretariat of the Audit Committee or the Chairman of the Audit Committee using the following email: cg@padaeng.co.th. All information received will be treated as confidential and properly investigated in a timely manner.

5. Responsibilities of the Board

The PDI Board of Directors is responsible for acting in compliance with the by-laws, objectives, and guidelines of the Company, as well as the resolutions of the shareholders’ meeting, with honesty and prudence and in the best interest of the Company. In addition to this, the Board of Directors also makes contributions towards establishing the vision, mission, strategy, objectives, business plans and the budget of the Company. The Board ensures that the management team conducts operations in accordance with the Company’s business plan, in order to add value to its business and ensure sustainability for its shareholders.

Balance of Authority for Non-Executive Directors

The Company’s Board of Directors consists of qualified directors with a broad realm of experience, totaling ten members at the end of 2019 as follows:

1. Executive Directors : 2 directors
2. Non-Executive Directors: 8 directors;
 - 2.1 Directors major shareholders: 3 directors
 - Country Group Holdings Public Company Limited holds 2 seats
 - Ministry of Finance holds 1 seat
 - 2.2 Independent directors : 5 independent directors; 3 of which are Audit Committee members.

Aggregation or Segregation of Positions

The function of the Chairman of the Board of Directors and the Managing Director (MD) are separated to ensure a clear distinction between responsibilities in policy making and managing daily operations. The Company has clearly defined the authority and responsibilities of management at every level.

Board Self-Assessment

The Board of Directors annually engages in self-assessment, which enables all board members to consider their overall performance and resolve any potential problems or issues. This serves as a tool for reviewing performance, as well as a way to identify issues and obstacles that each director faced over the past year. It also helps increase the operational effectiveness of the Board. At present, the performance assessment of the Board is conducted using an overall performance method. To facilitate this, the Company has developed an assessment form consistent with the Statement of Corporate Governance Principles and the duties and responsibilities stated in the Board of Directors Charter. In 2019, the results of the self-assessment will be distributed to all board members for acknowledgment and self-improvement in 2020.

MD's Performance Appraisal

The Company conducts MD's performance appraisal annually for reviewing performance and identify issues and obstacles that faced over the past year. It also helps increase the operational effectiveness of MD. At present, this performance appraisal is carried out by The Nomination and Remuneration Committee (NRC) and reported to the Board of Director for acknowledgement.

Orientation for New Directors and Director Participation in Seminars

The Board of Directors secretary division is responsible for preparing general information and briefing newly elected directors on the actions and procedures of the Company to ensure that they are updated on all Company operations, as well as the SEC and SET regulations and requirements. Site visits will also be available for new directors who would like to have a more in-depth knowledge of Company operations.

In order to keep the directors currently informed on new rules, regulations, and requirements, they are encouraged to attend refresher courses and seminars organized by the Thai Institute of Directors and other relevant organizations.

In 2019, directors and executives of the Company who participated in such courses are listed below :

NAME	POSITION	COURSE
1. Ms.Nitcha Kornpaphawee	Internal Auditor	1. Corruption Risk & Control: Technical Update (CRC), 2019

Policies and Practices of Non-Infringement of Intellectual Properties and Copyrights

The Company established the "Code of Conduct:Protection of Information and Assets", in which all employees must comply with all related laws. PDI employees, stakeholders, and other business partners are obligated to ensure that company information and assets are used as wisely and effectively as possible, and that they are not wasted or used for the benefit of any individual. They also refer to technologies, technical knowledge, copyrighted documents, intellectual property and confidential business information. The use of PDI assets for purposes not directly related to the Company's business is prohibited without authorization, while refraining from exploiting these for personal gains without the owners' prior approval or without giving them due compensation. The company has a policy not to commit software piracy. Or absolutely use illegal software and let all employees use the software that the company procured only legal. The Company fully complied with this policy.

ANTI-CORRUPTION

PDI remains committed to its anti-corruption policy statement announced early 2015. “PDI is committed to conducting all of its business in an honest and ethical way. The Company has adopted a zero-tolerance approach to bribery and corruption to comply with its good governance principle and to achieve sustainable development. In 2016, the Audit Committee Charter has been revised in order to clearly specify the committee’s objectives, roles and responsibilities for due conformance.



TRAINING

PDI conducted training and handed out manuals on Code of conduct and anti-corruption policy to the Board of Directors, management and staff. The company also provided an orientation program to the intake process for new employees to make them understand PDI Code of conduct and anti-corruption policy, PDI also communicates these measures through our intranet and website for clearer understanding.

WHISTLE-BLOWING AND INVESTIGATION PROCESS

PDI has created complaint channels together with a response process, with the aim that all employees will work together to ensure compliance with these measures as corporate governance. To ask questions regarding business ethics or to file a complaint against alleged violations of PDI Code of conduct or anti-corruption policy, individuals can contact Internal Audit unit or Audit Committee through Secretary of the Audit Committee at e-mail: cg@padaeng.co.th

All complaint submissions are treated equally, transparently, attentively, fairly and are considered by proper investigation committee and within reasonable time frames. Confidentiality is guaranteed, and those who file complaints are duly protected against retribution before or after the investigation to be in line with the protection of employee policy. The Company is committed to ensuring that no employee will suffer demotion, penalty or other adverse consequences for making a complaint report or refusing to pay bribes even if such refusal may result in the company losing business. The investigation result will be reported to related persons within 30 days after receiving the complaint letter, depending on the case.

In 2019, no complaint against alleged violations of PDI Code of conduct or anti-corruption policy.



VIOLATIONS AND PUNISHMENT

Deliberate non-compliance with Code of conduct and the Anti-Corruption policy will not be tolerated and may, in accordance with relevant legislation, lead to internal disciplinary actions, dismissal or even criminal prosecution. Each case will be reviewed objectively in full recognition of the circumstances.

INTERNAL ANTI-CORRUPTION RISK ASSESSMENT

In addition, PDI staged risk assessments for internal corruption practices and developed anti-corruption measures in line with the assessed risks for the management and employees to comply with.

PDI's Internal Audit Department audited the work processes with the assessed risks and examined the appropriateness of the internal control system and the effectiveness of the anti-corruption measures. This helped strongly to ensure that our employees strictly complied with the measures, and to establish sufficient internal control to protect the company from fraud & corruption.

COMMUNICATION

PDI publicly discloses information about Code of conduct and the anti-corruption policy to public and community by posting on the Company's website.

PDI communicates to all vendors, suppliers, contractors, agents and intermediaries at the outset of every business relationship with the Company and as appropriate thereafter in order to make them clearly understand of the Company's standpoint.

PDI encourages every person it deals with to adhere to similar standards of the anti-corruption or become an ally of the Private Sector Collective Action Coalition against Corruption (CAC) as we are.

PRIVATE SECTOR COLLECTIVE ACTION COALITION AGAINST CORRUPTION OR CAC

In 2015, PDI announced its desire to become an ally of CAC (Private Sector Collective Action Coalition against Corruption). The Company was certified by CAC on March 9, 2017 and have to recertify once every three years. The Company has become an ally of CAC in succession. Due to consistent implementation of anti-corruption, the Company has been given on March 18, 2020. Furthermore, PDI has supported and joined the campaign "No Gift Policy" of CAC by posting on Company website and internal communication i.e. the banner for e-mail signature for convincing employees at all levels to not accept or give a gift or entertainment to or from anyone during festival time to prevent and avoid bribery.

INTERNAL CONTROL AND RISK MANAGEMENT



INTERNAL CONTROL

At PDI internal control is a crucial process for achieving our goals and objectives. In this respect, the Audit Committee is tasked with supervising the Internal Audit Office and ensuring that it works independently, with the utmost integrity, and under proper ethics as defined in the Internal Audit charter. The latter clearly prescribes the mission, scope of work, authority, duty, and responsibility; as well as the operating and auditing guidelines. The Audit Committee is also responsible for ensuring a strict and appropriate assessment and review of the internal control systems, the internal audit activities, and risk management in order to mitigate significant risk to be in line with risk appetite level for assurance and helping an organization accomplish its objectives.

At Board meeting no.05 - 2019, the Audit Committee presented the Board to review the internal control - self assessment. In conclusion, the Board is confident that PDI deploys an adequate system of internal control and also has appropriate risk management system in place.

INTERNAL AUDITOR:

At present, Ms. Nitcha Kornpaphawee is an internal auditor of the Internal Audit Department and the Secretary of the Audit Committee and reports directly to the Audit Committee. Including regular consultation with auditors, consultants and legal and accounting experts. The Audit Committee will have a meeting with the auditor without the management being present at least once a year to request advises from the auditors in various matters.

RISK MANAGEMENT

RISK MANAGEMENT COMMITTEE'S REPORT

The Risk Management Committee has been appointed by the Board of Directors with the risk management objectives for mitigating risk that might impact the company performance, financial security, environment & community and image & reputation, to be in line with the risk appetite level and assure the company accomplishes its objectives as follows:

- Strategic - The organization's mission is supported and driven by strategy properly.
- Operations - The operations are efficient and effective.
- Reporting - Financial and non-financial reports are accuracy and reliable.
- Compliance - The organization comply with all applicable laws and regulations.

The Risk Management Committee has been appointed by the Board of Directors on August 7, 2018 and consists of five members which 1 director would be a chairperson and the members shall be the directors or executives or the persons who have knowledge and skill in risk management and internal control.

In 2019, the committee held three meetings in order to perform its duties as stipulated in the Risk Management Committee Charter, and the proceedings from each meeting were reported to the Executive Committee and Board of Directors as follows:

1. Presenting the Risk Management Committee charter and risk management framework to the Board of Directors for approval.
2. Consider risk assessment criteria and risk response plan to cope with the key risks to be
3. in line with the risk appetite level and report the results of risk management to the Board of Directors.
4. Supervise the management to analyze, assess and manage the risk regularly.
5. Review the risk management report to ensure that the organization has sufficient and appropriate risk management systems in place.
6. The Risk Management Committee shall meet at least 1 time each quarter to review risk management report and follow up the progress of any improvements.

In summary, during 2019, the Risk Management Committee has fully discharged its responsibilities as set out in the Charter of the Risk Management Committee, has harnessed the required knowledge, skill and experience sufficiently in analysis of business risk and risk management systematically, prudently and competently to the best of their ability for the highest benefit of the company and the stakeholders.



(Dr. Chokchai Aksaranan)

Chairman of the Risk Management Committee

RELATED PARTIES TRANSACTIONS



THE COMPANY'S POLICY ON RELATED PARTIES' TRANSACTIONS IS AS FOLLOWS:

- Directors and the Executives should inform the Company of a relationship or Connected-Transaction related to the business that may create a conflict of interest.
- Directors and the Executives should avoid performing any Connected-Transaction that may cause a conflict of interest with the Company or its subsidiary.
- The Company shall disclose information concerning transactions that may cause a conflict of interest or Connected-Transaction in accordance with regulations specified by the Stock Exchange of Thailand, the Capital Market Advisory Board, and the Securities and Exchange Commission.

Apart from this, the company shall review transactions to verify whether the price can be referred to as a market price or not, and whether a trade condition is specified within normal business parameters, compared to a third party, in order to maximize the benefit for the Company. The verification results will be presented to the Audit Committee and the board of directors for acknowledgement and approval. If the Audit Committee finds that the performance is not in accordance with the policy, the Audit Committee shall inform the board of directors to cooperate in finding a resolution immediately.

Details can be found in note 36 of the 2019 financial statements.

SEC CONTENTS IN ACCORDANCE WITH FORM 56-2

Accordance with the form of Annual Report for a security-issuing company (56-2) issued under notification of the Capital Market Supervisory Board No.Tor Chor.44/2013 regarding Rules, Condition and Procedures for Disclosure of Information Relating to Financial Status and Operating Result of Issuing Company. (Effective on January 1, 2014)

	Page		Page
1. COMPANY BUSINESS		8. CORPORATE GOVERNANCE	
1.1 Company History, Type of Business, Corporate Policy, Mission, Vision, Objective, Goals, and Strategy	4-7, 14	8.1 Corporate Governance Policy	142
1.2 Change and Major Development	9-11	8.2 Sub-Committee of Directors	143-147
1.3 Overall Business Operations of the Company	8	8.3 Nomination of Directors and Executives	147-148
		8.4 Corporate Governance for Operating	149
		8.5 Supervision of Inside Information Use	149
		8.6 Auditor Fee	149
		8.7 SET's Code of Best Practices	150-154
2. BUSINESS DESCRIPTION		9. CORPORATE SOCIAL AND RESPONSIBILITIES	16-29
2.1 Income Structure	12		
2.2 Product and Services (in last year)	27-29	10. INTERNAL CONTROL AND RISK MANAGEMENT	157-158
2.3 Market and Competition	27-29		
2.4 Supply of Products or Services	25	11. RELATED PARTY TRANSACTION	159
3. RISK FACTORS	37		
4. GENERAL INFORMATION AND OTHER IMPORTANT INFORMATION		12. FINANCIAL SUMMARY KEY FIGURES	12
4.1 General information	161	Key Summary Data of Financial Statements During the Recent 3 Years	
4.2 Other Important Information	161		
4.3 Company's Securities	125-127	13. MANAGEMENT DISCUSSION AND ANALYSIS: MD&A	30-36
5. SHAREHOLDER	124		
6. DIVIDEND POLICY	128	14. FINANCIAL STATEMENTS	60-122
7. MANAGEMENT STRUCTURE			
7.1 Directors	38-49		
7.2 Executives	50-56		
7.3 Company Secretary	136		
7.4 Remuneration of Directors and Executives	139-141		
7.5 Personnel	21		

For more information, the investor shall study the Company's information from the Annual Registration Statement (Form 56-1) at www.sec.or.th and www.padaeng.com

GENERAL INFORMATION

COMPANY NAME :

Padaeng Industry Public Company Limited

SYMBOL :

PDI

REGISTRATION NUMBER :

0107537000467

BUSINESS TYPE :

Investment in Energy and Real Estate

REGISTERED CAPITAL :

Paid-up capital of 2,260,001,000 Baht divided into 226,000,100 ordinary shares at a par value of 10 Baht each

HEAD OFFICE :

CTI Tower, 26th-27th Floor, 191/18-25 Ratchadaphisek Road, Khlong Toei, Bangkok 10110, Thailand

Telephone : +66 (0) 2695-9499

Fax : +66 (0) 2695-9495

E-mail : info@padaeng.co.th

www.padaeng.com

INVESTOR RELATIONS :

Telephone : +66 (0) 2695-9409

Fax : +66 (0) 2695-9495

E-mail : ir@padaeng.co.th

BOARD SECRETARY :

Telephone : +66 (0) 2695-9414

Fax : +66 (0) 2695-9495

E-mail : boardsec@padaeng.co.th

COMPLAINT :

Telephone : +66 (0) 2695-9332

Fax : +66 (0) 2695-9495

E-mail : cg@padaeng.co.th

OTHER REFERENCES

Registrar :

Thailand Securities Depository Company Limited

93 Ratchadaphisek Road, Dindaeng,

Bangkok 10400, Thailand

Telephone : +66 (0) 2009 9000

Fax : +66 (0) 2009-9991

SET Contact Center: +66 (0) 2009-9999

www.set.or.th/tsd

E-mail: SETContactCenter@set.or.th

Auditor :

Mr. Wonlop Vilaivaravit

Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

11/1 South Sathorn Road, Yannawa, Sathorn,

Bangkok 10120, Thailand

Telephone : +66 (0) 2034-0000

Fax : +66 (0) 2034-0100

www.deloitte.com

Debenture Registrar

For "The guaranteed debentures of Padaeng Industry Public Company Limited No. 1/2019, maturing in 2021, in which the issuer has the right to redeem the debentures before the maturity date"

Debenture registrar is Siam Commercial Bank Public Company Limited

Head office is located on 9 Ratchadapisek Road., Jatujak, Bangkok 10900 Thailand Tel. +66 (0) 2544-1000 www.scb.co.th

Debenture Holder Representative

For "The guaranteed debentures of Padaeng Industry Public Company Limited No. 1/2019, maturing in 2021, in which the issuer has the right to redeem the debentures before the maturity date"

Debenture holder representative is Country Group Securities Public Company Limited

Head office is located on Level 3 Sindhorn Tower and Level 18, 20 Sindhorn Tower 3, 132 Wireless Road, Lumpini, Pathumwan, Bangkok, Thailand 10330

Telephone : +66 (0) 2205-7000

Fax : +66 (0) 2205-7171

www.cgsec.co.th

Legal Advisor :

- None -

Advisor or Contractor under Management Agreement :

- None -

MEMBERSHIPS

- Thai Listed Companies Association
- Thai Institute of Directors Association



PADAENG INDUSTRY PUBLIC COMPANY LIMITED

CTI Tower, 26th-27th Floor 191/18-25 Ratchadaphisek Road, Khlong Toei, Bangkok 10110, Thailand

Tel: +66 (0) 2695 9499 Fax: +66 (0) 2695 9495

Info@padaeng.co.th www.padaeng.com