



บริษัท อีเทอร์นัล เอนเนอจี้ จำกัด (มหาชน)

ETERNAL ENERGY PUBLIC COMPANY LIMITED

รายงานประจำปี 2563

Annual Report 2020

CONTENTS

- Vision mission	2
- Financial Summary	3
- Chairman Message	4
- Business Overview	5
- Nature of Business	11
- Risk Factors	16
- General Information and Other Information	20
- Shareholders and Dividend Policy	22
- Board of Directors	24
- Report of the Audit Committee	34
- Report of the Executive Committee	36
- Report of the Nomination, Remuneration and Corporate Governance Committee	37
- Report of the Risk Management Committee	39
- Management Structure	40
- Corporate Governance	52
- Corporate Social Responsibility (CSR)	82
- Internal control and Risk Management	91
- Connected Transactions	94
- Management Discussion and Analysis (MD&A)	97
- Report of the Board relating to Responsibility for Financial Statements	106
- Report of Certified Public Accountant	107
- Financial Statements	112
- Notes to Financial Statements	118

Vision & Mission

1

Vision

To be leading clean energy Company.

2

Mission

- To produce clean, quality energy by adopting the philosophy of sufficiency economy for clean energy development and economic growth.
- To be environmentally friendly together with the development of clean energy for the good quality of life of the people.
- Adherence to the principles of good governance and sustainable growth.
- Satisfying customers with regard to the quality of products and services.
- Focus on cooperation good relationship with suppliers to improve product and service quality.
- Development of talented staff, Good ethics, and commit against all kinds of corruption.

3

Strategies

- To create a clean energy business to meet the country's energy policy. Create a cost advantage to create a reasonable return for the organization.
- Seeking and pioneering investment in environmentally friendly clean energy and any other business that can generate revenue for the Company.

4

Goal

The leading efficient in producing clean energy and effectively in its usage.

Financial Summary

(Unit: Baht)

Statement of Financial Position	2020	2019	2018	2017
Current assets	62,617,699	83,204,548	106,067,918	8,619,532
Non-current assets	1,551,840,919	1,562,947,734	1,419,679,216	1,381,483,222
Total assets	1,614,458,618	1,646,152,282	1,525,747,134	1,390,102,754
Total current liabilities	161,393,104	133,574,328	106,708,459	27,862,849
Non-current liabilities	2,701,799	3,035,116	3,754,000	3,301,095
Total liabilities	164,094,903	136,609,444	110,462,459	31,163,944
Total shareholders' equity	1,450,363,715	1,509,542,838	1,415,284,675	1,358,938,810
Performance				
Revenue from sales and services	3,045,093	3,363,684	5,144,719	3,466,526
Total income	5,444,660	5,695,757	15,996,736	6,347,464
Cost of sales and selling expenses	41,466	78,131	39,772	69,682
Administrative expenses	38,954,540	42,916,323	41,327,076	43,806,577
Executive compensation	11,423,280	11,766,190	11,917,120	12,183,250
Total cost	(50,377,820)	(54,682,513)	(53,244,196)	(55,989,827)
Share of profit (loss) from investments in associates	50,466,504	143,264,537	95,881,979	96,046,886
Income tax expense	503,363	243,582	1,897,118	250,000
Net profit (loss) for the year	4,988,515	93,956,068	56,345,865	46,084,841
Earnings (loss) per share (Baht)	0.0018	0.0338	0.0203	0.0166
Book value per share (Baht)	0.522	0.543	0.509	0.489

Important Financial Ratios				
Liquidity Ratio	2020	2019	2018	2017
Liquidity rate (times)	0.39	0.62	0.99	0.31
Quick liquidity rate (times)	0.35	0.58	0.94	0.11
Cash flow rate (times)	(0.15)	(0.21)	1.04	(1.58)
Accounts receivable turnover (times)	sold in cash			
Average collection time (days)				
Inventory turnover ratio (times)	Inventory turnover ratio (times) Inventories consist only of goods during planting.			
Average selling time (days)				
Profitability Ratio				
Gross profit margin (%)	98.64	97.68	99.23	97.99
Operating profit margin* (%)	(1,555.76)	(1,528.00)	(935.70)	(1,517.17)
Other profit margin (%)	970.97	2,515.29	599.38	1,513.15
Cash to profit ratio (%)	46.45	48.08	(145.60)	43.81
Net profit margin (%)	91.62	1,649.58	352.23	726.04
Return on equity (%)	0.34	6.42	4.06	3.45
Efficiency Ratio				
Return on assets (%)	0.306	5.920	3.860	3.410
Return on fixed assets (%)	1.19	69.58	40.99	14.59
Asset rotation rate (times)	0.003	0.004	0.011	0.005
Financial Policy Ratio				
Debt to equity ratio (times)	0.11	0.09	0.08	0.02
Interest payment ratio (times)	433.28	-	166.57	-
Commitment ability payment ratio (times)	(0.979)	(0.911)	0.911	(0.857)

*The operating profit margin is calculated from gross profit, deducting selling expenses. Management and remuneration for executives

Message from the Chairman



Dear Shareholders

The Board of Directors, executives and employees has operated according to the vision of being a quality clean energy company, together with giving importance to the environment for the sustainability of growth. We adhere to the principles of good governance, business ethics, and against all forms of corruption.

The Group has been operating cautiously due to the coronavirus disease (COVID-19) epidemic, the Group's operating results in 2020 reported a net profit of 4.99 million baht, a decrease of 88.97 million baht, or 94.69 per cent, with profit sharing from associates of 50.48 million, a decrease of 92.80 million baht, or 64.77 per cent from the year 2019, as a result of the associated company has stopped production according to the scheduled maintenance plan every 3 years for three months in the third quarter, resulted to electricity sales dropped together with the unrealized foreign exchange loss due to the baht depreciation during the first nine months of 2020. We are looking forward to a full efficiency and increase revenue from electricity and steam sales in 2021.

The Board of Directors, Executives, and all employees would like to thank all shareholders and stakeholders for their continuous support.

A handwritten signature in blue ink, belonging to Professor Emeritus Dr. Borwornsak Uwanno.

(Professor Emeritus Dr. Borwornsak Uwanno)
Chairman of the Board

Policy and business overview

Eternal Energy Public Company Limited, formerly known as Sea Horse Company Limited, was established in 1987. The head office is located in Songkhla with an initial registered capital of 30 million baht, with the objective of operating seafood businesses, export frozen seafood and canned seafood.

In January 1992, it was listed on the Stock Exchange of Thailand. It was registered as a public company on July 29, 1993 and changed its name to Seahorse Public Company Limited with a registered capital of 180 million baht. In September 2006, the registered capital was increased to 2,780 million baht due to the new shareholders, holding 93.52% of the total shares purpose to expand the business into clean energy and renewable energy, ethanol production, to mix with gasoline to be ethanol for cars, and terminate the seafood business since October 6, 2009. Therefore, the remain business is renewable energy business.

On August 31, 2009, the shareholders approved the Company to construct an ethanol production plant from tapioca chip as raw material. The Company name has changed to Eternal Energy Public Company Limited and its head office moved from Songkhla to Bangkok on October 16, 2009. On February 14, 2011, the shareholders approve the Company to hire a construction contractor for ethanol plant, production capacity of 650,000 liters/day. Later on, on 26 April 2017, the shareholders approved the Company to terminate the investment project in ethanol plant due to unfavorable investment conditions, there is a risk of future losses. Together with the approval of the dissolution of the subsidiary, Eternal Energy and Electricity Company Limited which was set up to produce and sell electricity from by-products of ethanol production. The Company still focuses on investing in clean energy business.

On November 28, 2014, it was approved by the shareholders' meeting to invest in ordinary shares of SSUT Company Limited in the proportion of 40 percent of paid-up capital, which operates a small power plant and steam from natural gas in Bangpoo Cogeneration Project Block 1 and Block 2, generating a maximum power of 240 megawatts and steam of 60 tons per hour. first part in the proportion of 25 percent on 30 December 2014. The power plant has already started commercial business since December 2016. Therefore, SSUT Company Limited has been associated company.

At present, the group of Eternal Energy Public Company Limited consists of subsidiaries, namely Boon Anek Company Limited and indirect subsidiary, Charoenporn Energy Company Limited, both companies operate agricultural businesses, grow cassava, and rent real estate, and an associated company - SSUT Company Limited operates electricity and steam production from natural gas The business model is considered a holding company with an agribusiness in subsidiaries and Eternal Energy Public Company operates investment in other companies.

Operating policies of the Group

The former business objective of the Company was producing clean energy of 99.5% pure ethanal derived from cassava lines, distributing to oil producers for their gasohol production. In 2017, however, the Company has terminated the ethanal production, but the objective of producing clean energy remained. Therefore, the Company had invested in the electricity and steam business from natural gas as raw materials

in an associated company - SSUT Company Limited, which is a clean energy business since 2014. In addition, the Company also has been seeking investment opportunities in environmental-friendly clean energy business in order to meet the country's energy policy following the Company's strategy.

The Board of Directors is committed to conducting the business with the vision, mission, strategy and goals which the last revision has been reviewed at the Board meeting on 25th February, 2020 as follows:

- | | |
|-----------------|---|
| <u>Vision</u> | <ul style="list-style-type: none">• Is a leading clean energy production Company. |
| <u>Mission</u> | <ul style="list-style-type: none">• Produce quality clean energy following the sufficiency economy philosophy, applying the concept to deliver clean energy supporting economic growth• Keep the environment clean together with producing clean energy for people's good quality of life• Adhere to the principles of good governance and create profits for sustainable growth.• Create satisfaction to all customer groups by delivering quality of products and services with integrity• Promote collaboration and good relations with partners to improve quality of products and services.• Develop human resources to be competent, good ethics and adhering to anti-corruption in all forms. |
| <u>Strategy</u> | <ul style="list-style-type: none">• Focus on creating a clean energy business in response to the country's energy policy by focusing on creating cost advantages in order to generate returns in the right proportion to the organization.• Seek and pioneer investment in clean, environmentally friendly energy business. and any other business that can generate revenue for the Company |
| <u>Goal</u> | <ul style="list-style-type: none">• to become a national leading company in producing clean energy with high efficiency |

Business Objectives and Long-term Objectives

The Company has been seeking for new business opportunities in producing electricity from alternative clean energy sources in replacement of the core business in Boon Anek that is disappearing from transferring all the common shares to the buyers following the purchase contract. The new business shall be sustainable, generating constant income to the Company in the long run. In 2019, however, the Company is in the process of finding the opportunities, negotiating investment deals. The new business shall be operated with advanced technology to cope with the fast-changing development.

Major changes and developments in the past 3 years (2018-2020)

After the Company shareholder approval to cancel the ethanol production plant investment project on April 26, 2017, the Company continued to seek investment in other clean energy businesses. The Company had an obligation to find sources of funds to pay for the 15 percent remaining shares of SSUT to the seller, Com-Link Company Limited.

On November 5, 2018, the Company's board of directors have approved the Company to sell 5,399,998 shares or 100 percent of registered capital of the subsidiary company - Boon Anek to Sub Sombat Mai Company Limited which is a non-connected person at a price that is not lower than the book value of the Company as of September 30, 2018. The selling price was 514.59 million Baht, and the Company has received a deposit of Baht 50 million Baht. The transfer of shares was previously scheduled to be processed in December 2019 under the condition that the Company has the rights to not transfer the shares to the buyers in case the share transferring causes the Company to be disqualified as a listed company, or to become a Cash Company. In such circumstance, the transfer of shares shall be rescheduled to one year later, or until the transfer becomes viable. Currently, the Company is still under the process of finding a new business in substitution of Boon Anek. The buyer agreed to postpone the share transfer for 1 year, or December 31, 2020.

In 2020, the Company is still unable to find a new clean energy business to replace the business in Boon Anek Co., Ltd. due to the COVID-19 outbreak to the world. The ongoing negotiations and business development must be delayed. Therefore, the buyer has agreed to extend the time for the transfer of ordinary shares of Boon Anek Co., Ltd. for another one year until December 31, 2021.

Shareholding Structure

Company	Business type	Registered capital	Shareholding and voting rights (percent)
1. Eternal Energy Public Company Limited	Invest in clean energy production business	2,780 million baht (fully paid)	100
2. Boon Anek Company Limited (Subsidiary)	Agricultural business Planting tapioca and other energy crops and Renting real estate	540 million baht (fully paid)	100
3. Charoenporn Energy Company Limited (Indirect subsidiary)	Agricultural business Planting tapioca and other energy crops and Renting real estate	380 million baht (fully paid)	Boon Anek Co., Ltd. Is 100% shareholding
4. SSUT Company Limited (Associated company)	Electricity and Steam production (Cogeneration)	2,919 million baht (fully paid)	The Company holds 25% of shares As of Dec 31, 2020

The Company and subsidiaries operations are as follows:

1. Eternal Energy Public Company Limited

The Company invests in the power plant and steam business in an associated company - SSUT Company Limited by purchasing 40 % of the registered capital from the seller, Com-Link Company Limited, which has been paid in 25% proportion and still pay another 15%.

2. Boon Anek Company Limited (Boon Anek)

Boon Anek is a subsidiary and core company in which the Company holds 100 percent of registered shares. Its business is to operate agricultural business, grow cassava, and rent land. Boon Anek operates a project with farmers in Nakhon Ratchasima and Chaiyaphum provinces, by allowing farmers to cultivate cassava in the Company's land, while the Company manages in selecting farmers, provide knowledge and training, take care and facilitate until bringing the products to sell and share the benefits with the company according to the mutual agreement. The project has started since 2011. The main objective of the project is for farmers to learn how to grow properly and academically. This will affect the enhancement of production efficiency, increase productivity per rai, lower production costs, earn more income than ever and have their own savings.

3. Charoenporn Energy Company Limited (Charoenporn Energy)

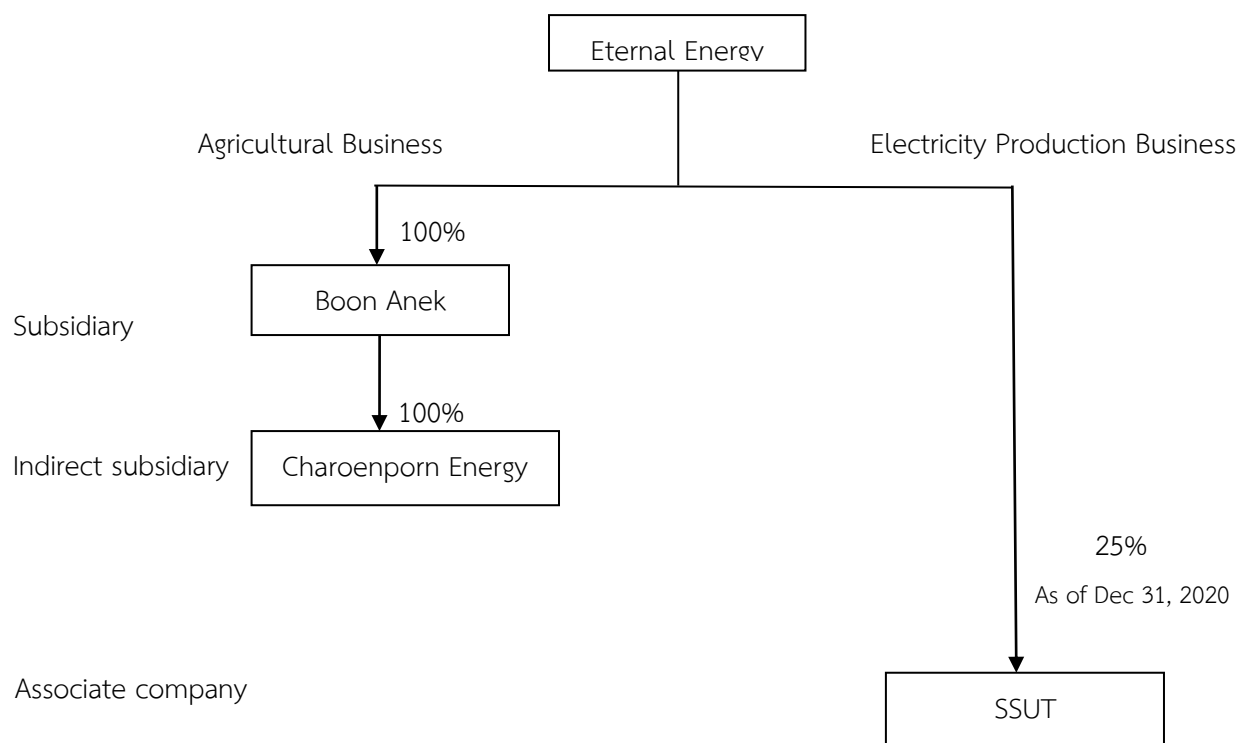
Charoenporn Energy is an indirect subsidiary which Boon Anek holds 100 percent of registered shares. Its business is the same as Boon Anek to operate agriculture, grow cassava, and renting land In Nakhon Ratchasima and Chaiyaphum Province, the mutual memorandum agreement with the farmers which is the same as Boon Anek.

4. SSUT Company Limited (SSUT)

An associate company, which operates the electricity and steam generating in the cogeneration system, with a total production capacity of 240 MW, divided into Block 1 and Block 2, with a capacity of 120 MW per block and a production of steam 60 tons per hour, using natural gas as the main energy. The project is located in the Bangpoo Industrial Estate. Samut Prakan Province. The commercial operations for both blocks have started since December 2016 by supplying 180 MW of generated electricity to the Electricity Generating Authority of Thailand under a 25-year power purchase agreement. The rest of the electricity of 60 MW and steam of 60 tons/hour are sold to industrial customers in Bangpoo Industrial Estate under a long-term purchase agreement.

As at December 31, 2020, Eternal Energy Public Company Limited holds 25 percent of the SSUT registered capital. The Company has to pay an additional 15 percent, totally 40 percent of the total share capital for Com-Link Company Limited.

Shareholding Structure



List of SSUT shareholders as at December 31, 2020

List of Shareholders	Shareholding (%)	Number of shares
1. Eternal Energy Public Company Limited	25	7,297,500
2. Com-Link Company Limited	15	4,378,500
3. TAC Energy Company Limited	40	11,676,000
4. Thatsiri Company Limited	20	5,838,000
Total	100	29,190,000

List of SSUT Board of Directors as at December 31, 2020

1. Mr. Siritaj	Rojanapruk	Director / Chairman
2. Mrs. Thitiporn	Rattanapian	Director
3. Mr. Miyoshi	Kamiya	Director
4. Miss Kwansirintr	Rojanapruk	Director
5. Mr. Yuth	Chinsupakkul	Director
6. Mr. Arrak	Rasboriharn	Director
7. Mr. Wachara	Atchakalalux	Director
8. Mr. Thira	Ratanawit	Director
9. Mr. Surachai	Suksriwong	Director
10. Mr. Tomonori	Ichikuro	Director

As of December 31, 2020, Mr.Siritaj Rojanapruk, Executive Chairman of the SSUT Company Limited is a major shareholder in Eternal Energy Public Company Limited and is a shareholder in Com-Link Company Limited.

Relationship with the business group of major shareholders

As of December 31, 2020, the major shareholder of the Eternal Energy Public Company Limited group, Com-Link Company Limited, holding a 22.88 percent shareholding. The Company and subsidiaries do not have any relationship related to Com-Link business.

Nature of Business

Revenue structure

The main revenues of the Company and its subsidiaries in 2020 consisted of:

- Income from profit sharing (loss) in electricity and steam generating business – recognized from 25% share of profit from investments in associated company-SSUT, in the amount of 50.47 million baht, or 90.26% of total revenue. It decreases from the year 2019, 96.18% of total income, due to the lower operating results from the shutdown of the two power plants for a period of 3 months in the third quarter according to 3-year maintenance plan.
- Revenue from sales of agricultural products – The sales of fresh cassava by a subsidiary company in a joint project to grow cassava with farmers in the amount of 3.05 million baht, or 5.45 percent of the total income. It decreases from 2019 and 2018 in the amount of 3.36 million baht and 5.14 million baht, or 2.26% and 4.60% of total income due to the decrease of average selling price per kilogram in 2020 and the number of products, together with a lot of rain at the end of the rainy season, the farmers must cultivate their produce earlier. Therefore, the quality of starch in tapioca root is not perfect. The selling price has been reduced. In addition, the demand for cassava in both domestic and international market declines following the economic recession.
- Other income - Amounting 2.40 million baht, or 4.29% of total income, mainly from the interest from financial institutions and the sale of raw water on land at Pang Thongchai District, Nakhon Ratchasima Province of the subsidiary company, Charoenporn Energy.

Million Baht

Business group / product	Operated by	Share holding (%)	2020	%	2019	%	2018	%	2017	%
Agricultural, growing cassava	Boon Anek Co., Ltd. and Charoenporn Energy Co., Ltd.	100	3.05	5.45	3.36	2.26	5.14	4.60	3.47	3.39
Electricity and steam	SSUT Co., Ltd.	25	50.47	90.26	143.26	96.18	95.88	85.70	96.05	93.80
Other income	Eternal Energy Public Co., Ltd., Boon Anek Co., Ltd., Charoenporn Energy Co., Ltd.	100	2.40	4.29	2.33	1.56	10.85	9.70	2.88	2.81
Total			55.91	100	148.95	100	111.88	100	102.40	100

1. Agricultural Business - Cassava Plantation

Product characteristics

Cassava is an important economic crop of Thailand. It can be used in all parts, from the top of the leaf to the root, used as food for humans and animals, can be processed into products in the industry as well as energy crops.

The cassava plantation business was originally intended to prepare as raw materials for the ethanol production project from 2011. The Company via subsidiaries, Boon Anek and Charoenporn Energy has collaboration project with cassava farmers in the area of Khong District, Bua Yai District, Pak Thong Chai District, Nakhon Ratchasima Province and Sub Yai District, Chaiyaphum Province. The subsidiaries provided lands for plantation to the growers without charges, carefully selected growers, gave advice and coordinate with growers, including share the benefits according to the mutual agreement. The growers, did the growing task from preparing the growing stem and other necessary tools. The subsidiaries also have received a collaboration from Agriculture Faculty, Kasetsart University in knowledge sharing, useful advices for growing the plants successfully, resulting in higher yields with lower cost of growing, resulting more savings that is in line with the Company's strategy.

Business restrictions

There are no factors that affect the limitations of business operations.

Marketing and Competition

Fresh cassava is sold to the cassava yard operators and tapioca starch factories. The cassava farmers in the project and the Company have distributed the products for sale to the cassava yard operators and tapioca starch factories nearby. Each year, the price of the product is volatile. The major factors come from the drought, flooding, the increased and decreased number of growers.

In 2017, the price that farmers received was lower than the price set by the Thai Tapioca Trade Association. The average price to the Company was 1.63 Baht per kilogram, due to the increase in the number of growers and the flooding and rain volume that caused water logged in some areas, forcing farmers to harvest the cassava for sale too early before they would turn rotten. Those immature cassava contained less starch than mature ones, resulting in lower price than it should be.

In 2018, the Ministry of Commerce has restructured the cassava business in terms of production and marketing, resulting in constant rise of cassava price. The price of cassava to the Company was 2.94 Baht per kilogram.

In 2019, the price of the cassava, in turn, constantly dropped as more growers turned to growing cassava as the price was high in 2018, causing the shortage of quality cassava stem. In conjunction with the many months of drought, cassava couldn't grow well, containing less starch, resulting in lower price of 2.25 Baht per kilogram.

In 2020, since there is a lot of rain during August – October, the farmers have to harvest the product that has not yet grown fully for sale. In addition, the international demand declines. Therefore, the selling price is lower than expectation. The average selling price was 2.12 baht per kilogram.

There is no competition due to the cassava yard operators and tapioca starch factory bought all the products at the market price.

Product sourcing

Cassava growers prepare cassava stem themselves. They cut the trunk aged 8-12 months into 20-25 centimeters long with at least 5-7 each. The stems must be fresh that is cut no more than 15 days, no wound and no bug infection that must be cleaned by dipping the stem into mixed medicinal liquid for 5 minutes before growing. The farmers in the project try not to take the cassava stem from other areas due to the fear of the epidemic problem.

In 2020, the Company provide Company's lands to 417 farmers consisting of 370 farmers in Nakhon Ratchasima Province and 47 farmers in Chaiyaphum Province. The harvest land area is 2,118.50 rai. The average selling price is 2.12 baht per kilogram, which is decreased from 2019 due to natural disasters: the heavy rains in August – October and some lowland areas flooded with water. Therefore, the farmers have to harvest before the products rot and damage. In addition, in 2020, the situation of exporting cassava declines in accordance with the global economy, therefore the prices fall.

Hygiene and Environment Care

The Company focuses on environment care and hygiene of the community in every process i.e preparing soil, promoting less use of chemical products by encouraging farmers to use organic fertilizers instead. In case of pest, the Company would encourage the farmers to check the crops more frequent. If a farmer finds mealy bug, the Company would suggest the farmer to cut it off, put it in a bag and get it exposed to the sun to kill the bug instead of burning. For fertilizing, the Company would recommend organic fertilizers by spraying it at dawn so that the stem would be strong enough to fight with the natural threats. And after the harvest, farmers shall plough up and over for decomposition and reuse as organic fertilizers.

Satisfaction Survey

In 2020, the Company has done a satisfaction survey on the farmers joined the program in Nakornratchasima. Out of 400 sample sizes, the satisfaction rate was 98.37 percent which is more than the year of 2019, having the rate of 97.74. The Company has taken this survey to review and improve its operations.

2. Electricity and Steam Industry

Product characteristics

As the government has a policy to allow the private sector to participate in the provision of electricity generation services through the electricity supplier in order to directly generate electricity for EGAT. The Associate company - SSUT is one of the projects under the power development plan of Thailand, 2007-2021, is a small power producer (SPP) that produces electricity and heat with a high-performance cogeneration model. Using natural gas as fuel, which is a clean fuel for producing both electricity and heat that are useful simultaneously. A waste heat can be utilized to help save a

lot of fuel compared to the production of electricity and heat separately. It is one of the clean energy development and efficiency in using according to government policy. It is a highly efficient system, able to meet the needs of many types of industrial plants that require both electricity and steam for their production.

Business restrictions

SSUT has been granted the promotional certificate no. 2019 (2) / 2013 and 2020 (2) / 2013 since 26 December 2012 from the Board of Investment for its business of power generation and steam production, type 7.1 utility and basic services the benefits are as follows:

1. Permission to bring foreigners who are craftsmen or specialists, spouses, and their dependents into the kingdom according to the number and duration of stay in the kingdom as the BOI considers appropriate.
2. Allowed foreign craftsman or expert according to 1, working only on the position that the BOI has approved throughout the period as permitted to stay in the kingdom.
3. Exemption from import duty on machinery as approved by the BOI.
4. Exemption from corporate income tax for net profit derived from the promoted business, not exceeding 100 percent of the investment, excluding land and working capital, with a period of 8 years from the date of earning income. In the event of a loss of business during the corporate income tax exemption period, the Company will be allowed to deduct the annual loss incurred during that period to deduct from the net profit that occurs after the period of corporate income tax exemption, with a period not exceeding 5 years from the date of expiration of that period by choosing to deduct from the net profit of any year or more than one year.
5. Exemption of dividends payment from promoted businesses to be calculated for income tax for a period of time of exemption from corporate income tax.

Marketing and Competition

The total electricity production of SSUT is 240 megawatts (MW) consisting of 2 blocks, 120 MW each. The total steam production is 60 tons per hour. The electricity and steam distribution plan is as follows: On 25 July 2013, SSUT signed the Power Purchase Agreement (PPA) in Block 1 and Block 2, 90 MW each with 180 megawatt for 25 years from the date of commercial operation date (COD) with the Electricity Generating Authority of Thailand (EGAT), which is the sole state-owned buyer due to it is a necessary utility system through the transmission system and distribution system. The power plant has started supplying electricity in December 2016. Contracted sale price per MW is determined in accordance with EGAT's pricing model for small power plants (SPP), payment in the form of capacity payment and fuel saving according to the specified in the contract.

The remaining electricity, at 30 MW in each block totaling 60 MW, and 60 tons of steam / hour, are sold directly to industrial customers in Bangpoo Industrial Estate under long-term purchase agreements. In

the past, Bangpoo Industrial Estate had the competitor, which was the electricity plant that operated with the 120 megawatts capacity, expired in August 2020. Therefore, for the sale of electricity and steam to operators in 2020, there were a total of 16 electricity clients, increased by 2 from 2019. The revenue went up 16.68 percent and there was a total of 9 steam clients, increased by 1. The total revenue from steam increased by 28.53 percent. The 2020 revenue distribution from selling electricity to EGAT and compare to the revenue from selling electricity and steam to industrial customers in Bangpoo Industrial Estate was 82:18.

Product sourcing

Raw material - natural gas

SSUT Power Plant uses natural gas as main raw material and is the main cost, accounting for 73.82 percent of the production cost. SSUT has entered into a natural gas purchase agreement on December 4, 2012 with PTT Public Company Limited, the only distributor of the country by sending through the pipeline system.

In 2020, the average price of natural gas is 10 percent lower than the price in 2019. The price of natural gas continually declines all over the year.

Environmental Impact Assessment (EIA)

Environmental Impact Assessment Report (EIA) of the production process of SSUT Power Plant has received approval from the Office of Natural Resources and Environmental Policy and Planning since April 11, 2013. There is no leftover raw material to be handled in order to avoid polluting the environment, such as choosing machines with low pollution technology, using the steam other than the sale derived from the electricity generation from gas turbines, for generation, and reuse the treated wastewater in the production process to reduce the emissions to the outside that will have negative effects on the environment and also reduce the use of tap water, etc.

Power plant project has no legal dispute or in the process of legal action related to the environment or any environmental regulations.

Risk Factors

The Company recognizes and prioritizes business risk management in order to manage its sustainable growth. In 2020, the Company has considered significant risks that could affect the Company's business and the investment of the shareholders as follows.

1) Risk from the operation of the power plant

SSUT Power Plant has started commercial operation since December 2016. After the power plant has been completed, SSUT has a short- and long-term maintenance plan for the machine in order to keep the machine in good condition, efficiently, and do not cause the risk of daily mechanical problems. SSUT has implemented risk prevention by contracting the long-term service agreement with Siemens Company Limited, which specializes in gas turbines, has experience in operation and maintenance of a combined thermal power plant, which will monitor the use of various devices in the gas turbine according to the maintenance plan, including training for employees. During July - September 2020, both blocks of power plants have been rotated and stopped producing electricity according to the scheduled maintenance plan which will be held every 3 years.

SSUT still needs an efficient production and maintenance plan, including quality personnel that can reduce the operational risks. In addition, SSUT has 3 types of insurance, those are

- Machinery Breakdown, to cover property damage including machinery and equipment, - Business Interruption, to prevent damage from disruption of operations, and
- Third-Party Liability, to prevent damage to third parties or outside the project.

2) Risks from Natural Gas Suppliers

Natural gas is the main fuel of SSUT power plant in which the only distributor is PTT Public Company Limited, delivery by gas pipeline. Most of PTT natural gas are from domestic sources and also imports from neighboring, Myanmar. It is risky if there are few sellers if PTT has problems getting natural gas from its production or pipeline transportation system. The cost of purchasing fuel is more than 70 percent of the cost of sales. Therefore, to prevent the risk SSUT has entered into a natural gas purchase agreement with PTT Public Company Limited since December 2, 2012. The essence of the natural gas purchase agreement is as follows:

Gas purchase conditions

The amount of gas the buyer is obliged to receive. Otherwise, the gas is to be paid for by the amount of gas in the contract year from PTT, which must not less than 85 percent of net ACQ (Net Annual Contract Quantity).

Gas trading volume

Contract Buyers must purchase at least 85% of net ACQ from PTT each year due to the tie-up required to generate electricity for EGAT is 14.08 million cubic feet per day

Term of Agreement

The period starts from the date of signing this contract to the day before commencement of commercial gas. The gas used for commercial purposes is 25 years from the date of commencement of commercial gas. Renewal of the contract must be 1 year in advance.

Termination

- The concessionaire or producer no longer sends gas to PTT.
- Damage to the hose or pipe system that PTT cannot process the gas delivered for more than consecutive months.
- Buyer does not buy gas for 60 consecutive days without notice and without any reason, PTT has the right to terminate the contract.

In addition, the change, the increase / decrease of gas prices will indirectly affect electricity prices and steam prices in the same direction as well. That is, if the gas price increases, the cost of electricity sold to the Electricity Generating Authority of Thailand and the contract steam generated to customers in the industrial estate will increase as well. On the other hand, if the cost of gas decreases, it will reduce the electricity and steam costs under the contract as well.

3) Risk of selling electricity and steam to industrial customers in Bangpoo Industrial Estate

SSUT plans to sell the remaining 60 MW of electricity, and 60 tons per hour of steam to industrial customers in Bangpoo Industrial Estate. But after the power purchase agreements with the industrial estate had been made, if they encounter problems according to the economic situation and the direction of the customer industry. This is the risk for the Company revenue and return on investment.

In 2020, the ratio of electricity and steam sold to these group of customers and the ratio of electricity sold to EGAT is 18: 82. These industries operate in a variety of industries and locate in Bangpoo Industrial Estate for a period of time. This reduces the risk that they will not buy electricity due to economic problems and/or move production bases according to the customer's industrial direction. The location of the power plant is still in Bangpoo Industrial Estate which is close to various industries. The reduction in electricity cost per unit of electricity sold in accordance with MEA's announcement can help reduce this risk. If SSUT loses some customer, SSUT expects to find a replacement. As for the existing power plants, that have been operating for over 20 years have expired their contracts with EGAT in August 2020, the Company gets customers from the old power plant, resulted the increase of the electricity and steam sales. The contracted electric power volume increased by 20.40 megawatts and the contracted steam volume increased by 17.60 tons / hour.

However, if SSUT has inefficient maintenance plans which may result in the inability to deliver electricity or steam according to the amount agreed under the contract. There may be a risk that customers to cancel the contract if such damage has a serious impact on the business operation of customers

4) Risk from exchange rate fluctuations

SSUT has foreign currency transactions for financing and operations such as bank deposits, loans, interest payments, construction payments, and purchase of machinery in foreign currency with exchange rate fluctuations. As at December 31, 2020, there was a foreign currency loan which was the main item of foreign currency transaction amount of USD 78.66 million. The fluctuation of the exchange rate will have an indirect effect on the foreign currency debt value at the time of repayment of principal. If the baht exchange rate against the USD depreciates, it will increase the debt value. SSUT has risk management by entering into a forward contract, which requires payment of principal every 6 months and interest every 3 months.

5) Risk from changes in interest rates

SSUT has long-term loans with financial institutions and has outstanding balance as at December 31, 2020, amounting to 6,729.95 million baht, resulting in high interest expenses. Therefore, if the interest rate increases, it will directly affect the financial cost. SSUT oversees the interest rate swap from floating interest rates to fixed interest rates, if there is an increase in interest rates or on the other hand, if the interest rate decreases, it can be adjusted from a fixed interest rate to a floating rate to reduce the risk from interest rates. At present, if there is an increase in the interest rate, the effect is very small.

6) Risks from changes in the law, rules, regulations and regulations related to the electricity business operations

Currently, SSUT operation is under the law, strict rules and regulations of the government throughout the contract period. If there are changes of laws, rules and regulations, it would have a direct impact on the operation.

7) Risk from the Company relies on its main revenue from associated company - SSUT

The Company realizes the revenue dependence on the profit sharing proportionate to 25% investment in the SSUT which has been in commercial operation since December 2016. The operating results have always been profitable. Therefore, the Company has the revenue share and profit-sharing ratio compared with the total income from 2017 - 2020 to 93.80, 85.70, 96.18 and 90.26 percent, respectively. The Company has carefully considered investments in SSUT power plants, especially the risk factor and various risk management as mentioned in number 1 - 6 above.

In 2020, SSUT's main revenue from electricity sales to the Electricity Generating Authority of Thailand (EGAT) has decreased as a result of the power plant shutdown in accordance with the 3- year maintenance plan from July to September. However, the volume of electricity and steam sales in Bangpoo Industrial Estate have increased due to the increase in new customers in Bangpoo Industrial Estate, and the competing power plants ceasing the production since August 2020. For the debt, SSUT has gradually made the repayment in accordance with the terms of the agreement. As a result, the amount of interest is reduced.

SSUT is committed to conducting business strictly pursuant to relating laws and regulations. If there is a violation of the rules, regulations and laws, it will affect operations. In addition, SSUT considers that the regulations and laws of the environment, and the safety and health of employees are important as well.

The Company believes that operations in various fields of SSUT are strong, resulting in receiving a profit sharing continually.

8) Risk in financing to pay for the outstanding portion of SSUT shares 15 percent, Part 2

According to the Company entering into the SSUT share purchase agreement from Com-Link Co., Ltd. in the proportion of 40 percent of the registered capital, which the Company has paid for 25 percent of the shares (15 percent remain unpaid), the Company has tried to find the funds to pay for the unpaid share price such as trying to find a new business, selling the ordinary shares in subsidiaries according to the resolution the board of directors dated November 5, 2018 resolving to sell all ordinary shares of the subsidiary, Boon Anek Company Limited and Charoenporn Energy Co., Ltd. to Supsombat Mai Co., Ltd., which is an unrelated person at the book value of the Company's financial statements as of September 30, 2018 in the amount of 514.59 million baht. Prior to the transfer of shares, the Company has to find the core business to replace the agricultural business in the subsidiaries. In 2019-2020 the Company is still in the negotiation process and the development in new business. In addition, the Company also has entered into negotiation for seeking the term loans from financial institutions.

Under the SSUT share purchase agreement with Com-Link Co., Ltd., the parties agree on the terms of share sale part 2 of 15% that the Company has the right to cancel the share part 2 purchase by, in written, notifying Com-Link Company Limited in advance. In this respect, the seller agrees not to and waives the right to claim, sue or take any action in order for the Company to perform this contract or be liable for any damages.

9) Investment risk in new projects

In 2020, the Company is in the process of seeking a new investment project in the clean energy business to be the core business in the subsidiary, Boon Anek, before the transfer of all Boon Anek's ordinary shares to the purchaser under the purchase agreement. The Company focuses on quality clean energy business, efficiency and effectiveness in use, not creating problems for the environment, being able to generate good and stable returns for the Company in the long term, and resulting in the benefit for shareholders. Therefore, the Company has carefully considered the investment projects, from seeking investment opportunities to obtaining investment approval, which the Executive Committee and the Risk Management Committee will do the risk assessment and risk management measures prior to the consideration and approval of the Board of Directors.

The attempt to seek new investment projects in 2020 to replace Boon Anek businesses has been postponed due to the global COVID-19 outbreak. The study, negotiations, communications and development have been postponed. In this regard, the Company has an agreement with the purchaser of all Boon Anek's ordinary shares to delay the transfer of shares for a period of one year. The Purchaser agrees to extend the share transfer period for one year until December 31, 2021. Therefore, the Company can still operate in subsidiaries as usual.

General Information

Company Name	Eternal Energy Public Company Limited
Head office	888 I Tower 8 th Floor, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok 10900, Thailand
Business Type	Investment in clean energy business
Registration Number	0107536000790 (Old No. PCL 153)
Telephone	(02) 554-8000
Fax	(02) 554-8001
Website	www.eternalenergy.co.th
Email	investment@eternalenergy.co.th
Fully paid-up common shares	2,780 million shares
Par value	1 Baht
Paid-up Registered Capital	2,780 million Baht

Subsidiary

Company Name:	Boon Anek Company Limited
Address	888 I Tower 8 th Floor, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok 10900, Thailand
Business	Agriculture and rent out real estates
Telephone	(02) 554-8000
Fax	(02) 554-8001
Website	www.eternalenergy.co.th
Email	investment@eternalenergy.co.th
Fully paid-up common shares	5.40 million shares
Par value	100 Baht
Paid-up Registered Capital	540 million Baht (Eternal Energy PCL. Holds 100 percent share)

Indirect Subsidiary

Company Name:	Charoenporn Energy Company Limited
Address	888 I Tower 8 th Floor, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok 10900, Thailand
Business Type	Agriculture and rent out real estates
Telephone	(02) 554-8000
Fax	(02) 554-8001
Website	www.eternalenergy.co.th

Email	investment@eternalenergy.co.th
Fully paid-up common shares	38 million shares
Par value	10 Baht
Paid-up Registered Capital	380 million Baht
	(Boon Anek holds 100 percent share)

Associate Company

Company Name:	SSUT Company Limited
Address	888 I Tower 9 th Floor, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok 10900, Thailand
Business Type	Generate and operate an electricity and steam (small power plant)
Telephone	(02) 554-9222
Fax	(02) 554-9111
Website	www.ssut.co.th
Fully paid-up common shares	29,190,000 shares
Par value	100 Baht
Paid-up Registered Capital	2,919 million Baht
	(Eternal Energy PCL. Holds 25 percent share)

Name, location, office telephone number and fax number of other references.

Securities Registrar	Thailand Securities Depository Company Limited (TSD) The Stock Exchange of Thailand Building, 93 Ratchadapisek Road, Dindaeng, Bangkok 10400, Thailand Tel. (02) 009-9000, (02) 009-9999 Fax. (02) 009-9991
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Auditor	Miss Kannika Wipanurat Certified Public Accountant Registration No. 7305 Karin Audit Company Limited 72 CAT Telecom Building, 24th Floor, Charoenkrung Road Bang Rak, Bangkok 10500 Phone: (02) 105-4661 Fax: (02) 026-3760
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Other Important Information	-None-
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Investors can acquire the Company's information from the Disclosure Report concerning additional information (Form 56-1) as shown in www.sec.or.th or the Company's website at www.eternalenergy.co.th

Shareholders and Dividend Policy

Company Securities

Company registered capital is 2,780 million Baht, the paid up is 2,780 million Baht. All are common shares of 2,780 million shares with the par value of 1 Baht per share.

Shareholders

List of top 10 Major Shareholders including related persons as of the share registration record date on March 12, 2021.

No.	Shareholders	Number of shares	%
1.	Mr. Siritaj Rojanapruk and family	695,879,200	25.03
	Mr. Siritaj Rojanapruk	694,126,900	24.97
	Ms. Kwansirintr Rojanapruk	1,600,000	0.06
	Mr. Pitt Rattanapian	122,300	0.00
	Mrs. Thitiporn Rattanapian	30,000	0.00
2.	Com-Link Co., Ltd.	636,099,800	22.88
3.	UBS AG SINGAPORE BRANCH	510,000,000	18.35
4.	Mr. Chun Chern	60,200,000	2.16
5.	BSC So In Co., Ltd.	33,510,900	1.20
6.	Mr. Surachai Suksriwong and family	45,448,100	1.63
	Mr. Surachai Suksriwong	30,855,600	1.11
	Mr. Narong Suksriwong	14,592,500	0.52
7.	Mrs. Naipaporn Rungsirattana Wong	30,000,000	1.08
8.	Mrs. Namjai Itthi-Panichpong	29,404,000	1.06
9.	Mr. Somyos Mahathanakorn	21,890,000	0.79
10.	Mr. Somsakul Asavacharoenthavorn	20,300,000	0.73
	Sub Total	2,066,387,200	74.91
11.	Other shareholders	713,612,800	25.09
	Total	2,780,000,000	100.00

- Mr. Siritaj Rojanapruk is a major shareholder of the Company.
- There is no cross-shareholding in the group of Companies and there is no pyramid shareholding in the group of Companies.

Board Share holding

Two Company directors do not hold shares in aggregate more than 25 percent of the issued shares of the Company as follows:

1. Ms. Kwansirintr Rojanapruk holds 1,600,000 shares, or 0.06 percent.
 2. Mr. Surachai Suksriwong holds 30,855,600 shares, or 1.11 percent.
- Total 32,455,600 shares, or 1.17 percent

Minority Shareholding (Free Float)

As of March 12, 2021, the shareholding proportion of the minority shareholders (Free Float) of the Company according to the calculation of the Stock Exchange of Thailand is 32.11%.

Holding Company

The Company operates a business of holding shares in other companies (Holding Company) with a subsidiary - Boon Anek Co., Ltd., a core company in which Eternal Energy Public Company Limited holds 100% of shares, operating the cultivation of cassava and other energy crops, and the real estate leasing.

Issuance of other Securities

-None-

Dividend Policy

The dividend policy is no more than 40% of the net profit after deducting the legal reserve. The payment of dividends must be approved by the shareholders' meeting. Dividend payment takes into account other factors such as operating results, financial position, liquidity, business expansion, and other factors related to the management of the Company. If the Company still has an accumulated loss, the Company cannot pay dividends.

Dividend Policy of Subsidiaries and Associates

The Company is a holding company, holding 100% of shares in a subsidiary - Boon Anek Co., Ltd., which operates its main business. At present, the Company has not yet determined the dividend payment policy of the subsidiary to be paid to the Company.

The Company has investments in an associated company - SSUT Co., Ltd., for which SSUT has not yet determined a dividend payment policy. SSUT still has a loan agreement with the financial institutions. The loan agreement must be fulfilled first, so that the creditor bank would allow SSUT to pay the dividends.

Board of Directors



Professor Emeritus Dr. Borwornsak Uwanno

Chairman of the Board / Independent Director

Age 66 Years

Education

- Doctorate Degree in Public Law (mention tres bien), universities de Paris 10 (Nanterre), France
- Postgraduate Administrative Law Universities de Paris II, France
- Postgraduate Public Law (mention bien), Universities de Paris 10 (Nanterre), France
- Barrister at Law, The Thai Bar under the Royal Patronage
- Bachelor of Law (First Honor), Chulalongkorn University
- National Defense College (NDC), Class 4111
- Capital Market Academy Leadership Program, Class 8, Capital Market Academy (CMA)
- The Programme of Senior Executives on Justice Administration, Batch 15, College of Justice Office of the Judiciary, Court of Justice
- The Rule of Law and Democracy Course, Class 4, College of Constitutional Court
- Top Executive in the Energy Education Program, Class 9, Thailand Energy Academy

Directorship at EE from 7 November 2007; 13 years and 5 months

Training Courses from IOD DAP/ 2004

Number of EE Shareholding -None-

Family relationship between directors and management -None-

Crime records in the past 10 years -None-

Work Experiences

1995	Dean of Faculty of Law, Chulalongkorn University
2002	Professor Emeritus, Faculty of Law, Chulalongkorn University
2003 - 2006	Secretary General of the Cabinet
2003 - 2014	Member of the Board, Bank of Thailand
2006 - 2014	Secretary General (3 Terms), King Prajadhipok's Institute
2007 - 2019	Independent Director, Glow Energy Public Company Limited
2014 - 2015	Chairman of the Constitution Drafting Committee (CDC)
2014 - 2015	First Vice Chairman, National Reform Council
2007 - Present	Royal Academy, Faculty of law, Thammasat University and Politics, Office of the Royal Society
2014 - Present	Committee Chairman of the Council of State No.13, Office of the Council of State

2017 - Present	Chairman of the Legal Reform Committee
Present	Legal Development Committee – Office of the Council of State
Present	Member of the Council Office, Silpakorn University
Present	Member of the Council Office, Chiangmai University
Present	Member of the Council Office, King Prajadhipok's Institute
Present	Public Sector Audit and Evaluation Committee – Office of the National Anti - Corruption Commission
Present	Chairman of Songkhla Rajabhat University
Present	Chairman of Bunditpatanasilpa Institute

Director / Management position in other listed company (2)

2014 - Present	Chairman, General Engineering Public Company Limited
2016 - Present	Chairman / Independent Director, Namyong Terminal Public Company Limited

Director / Management position in non-listed company -None-



Miss Kwansirintr Rojanapruk

Managing Director / Authorized Director / Executive Committee Chairman

Age 34 Years

Education - Master of Science in Management, School of Economics, Finance, and Management
University of Bristol, United Kingdom.

- Bachelor of Communication Arts in Advertising (Second Class Honors), Chulalongkorn University

Directorship at EE February 26, 2020

Training Courses from IOD DAP 171/2020

Number of EE Shareholding 1,600,000 shares (or 0.06 percent) as of December 31, 2020

Family relationship between directors and management -None-

Crime records in the past 10 years -None-

Work Experiences

2012 - Present Executive Assistant, Hi-Tech Network Company Limited

2014 - 2016 General Manager, Asset Growth Fund

Director / Management position in other listed company -None-

Director / Management position in non-listed company (7)

2012 – Present Director, Power Agricultural Industrial Co., Ltd.

2015 - Present Vice Chairman and Project Director, Bricks and Dreams Property Co., Ltd.

2015 – Present Managing Director, Sahasamakkee Service Co., Ltd.

2019 - Present Director, Rak Thai Technology Business Administration Co., Ltd.

2020 - Present Director, Boon Anek Company Limited

2020 - Present Director, Charoenporn Energy Company Limited

2020 - Present Director, SSUT Company Limited



Mr. Surachai Suksriwong

Authorized Director / Director / Nomination, Remuneration, and
Corporate Governance Committee Member

Age 55 Years

Education

- Master of Laws (LL.M.), The American University, U.S.A.
- International Trade and Banking, Washington College of Law,
The American University, Washington D.C., U.S.A.
- Bachelor of Law, Thammasat University

Number of Years of Directorship at EE from 7 November 2007: 13 years 5 months

Training Courses from IOD -None-

Number of EE Shareholding 30,855,600 shares (1.11%) as of December 31, 2020

Family relationship between directors and management -None-

Crime records in the past 10 years -None-

Work Experiences

2006 - 2019 Director, Trinity Wattana Company Limited

2013 - Present Advisor, Hi-Tech Network Company Limited

Director / Management position in other listed company (-)

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Director / Management position in non-listed company (3)

2012 - Present Director, Suksriwong Company Limited

2015 - Present Director, NaNa Hotel Company Limited

2017 - Present Director, SSUT Company Limited



Mr. Apivut Thongkam

Independent Director

Age 59 Years

Education

- Master of Law
- Bachelor of Law, Ramkhamhaeng University
- Barrister at Law, The Thai Bar under the Royal Patronage
- Master of International Law (LL.M.), The American University, Washington D.C., U.S.A.
- Master of Comparative Law (M.C.J), Howard University, Washington D.C., U.S.A.
- Certificate in Intellectual Property, World Intellectual Property Organization, Switzerland
- Certificate in Trend and Problem of Computer Crime, School of Criminal Justice, University of Michigan
- Diploma of National Defense College, The Joint State - Private Sector (Diploma, National Defense College, The National Defense Course (Class 54), Diploma of National Defense College, The Joint State - Private Sector Course (Class 24) National Defense College, National Defense Studies Institute

Directorship at EE from November 14, 2016; 4 years and 5 months

Training Courses from IOD DCP 89/2007, CDC 1/2007 and 3/2008

Number of EE Shareholding -None-

Family relationship between directors and management -None-

Crime records in the past 10 years -None-

Work Experiences

2007 – 2010	Expert member of the Committee for Foreign Business Operation according to Foreign Business Operation Act 1999 (B.E. 2542)
2008 – 2013	Former Special Professor, Master of Business Administration, Management in SMEs Program, Ramkhamhaeng University
2009	Information Technology and Communication Committee of Parliament
2009	Subcommittee for Information Technology and Communication System of the New Parliament
2010	Subcommittee of Committee on Monetary, Finance, Banking and Financial Institutions, Senate
2011 – 2013	Honorary Advisory to Committee on Energy, House of Representatives
2011 – 2014	Appeal Board of Social Security Office, Ministry of Labor
2012 – 2013	Extraordinary Committee for Trademark Bill, Secretariat of the House of Representatives
2013	Chairman of the Audit Committee, Kritsadamahanakorn Public Company Limited
2014	Audit Committee, Mill Con Steel Public Company Limited
2015 - 2017	Vice chairman, News Network Corporation Public Company Limited

2016 - 2018	Chief Executive Officer / Vice Chairman / Director, AQ Estate Public Company Limited
2018 - Present	General and Legal Consultancy, AQ Estate Public Company Limited

Director / Management position in other listed company (1)

2018 - Present	Independent Director / Chairman of the Audit Committee, Nation Multimedia Group Public Company Limited
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Director / Management position in non-listed company (2)

2003 - Present	Executive Director, FBLP Legal Company Limited
2020 - Present	Director, Thai Consumer Distribution Center Company Limited



Mr. Thira Ratanavit

Director / Risk Management Committee Chairman

Age 76 Years

Education

- Master Degree of Architecture, Oklahoma State University, U.S.A.
- Bachelor of Architecture, Chulalongkorn University

Directorship at EE from August 9, 2016: 4 years and 8 months

Training Courses from IOD DCP 110/2008

Number of EE Shareholding -None-

Family relationship between directors and management -None-

Crime records in the past 10 years -None-

Work Experiences

2003 – 2005	Deputy Governor of the State Railway of Thailand
2005 - Present	Advisor, Com-Link Company Limited
2008 - 2009	Director/ Risk Management Committee / Corporate Governance Committee, Metropolitan Waterworks Authority
2008 - 2011	Managing Director, Boon Anek-Anan Company Limited
2011 - 2014	Advisor / Rail Transport Subcommittee, The National Legislative Assembly
2012 - 2016	Director, Pornpin Palang Company Limited
2014 - 2016	Committee, Land Use and City Planning, The National Legislative Assembly

Director / Management position in other listed company -None-

Director / Management position in non-listed company (3)

2017 - Present	Director, SSUT Company Limited
2017 – Present	Director, Boon Anek Company Limited
2017 - Present	Director, Charoenporn Energy Company Limited



Dr. Thanachai Thirapatanawong

Independent Director / Chairman of the Audit Committee

Age 76 Years

Education

- Honorary Doctoral Degree in Marketing, Chiangrai Rajabhat University
- Honorary Doctoral Degree in General Business Administration, South East Asia University
- Honorary Doctorate General Management Rajabhat Mahasarakham University
- Honorary Doctorate of Theology, Mahamakutrajavidyalaya University
- Doctor of Philosophy, Public Administration, Walai Alongkorn Rajabhat University
- M.A. (Political Science), Ramkhamhaeng University
- B.A. (Political Science), Ramkhamhaeng University

Directorship at EE from 26 April 2011: 10 years

Training Courses from IOD DCP 45/2004, Chairman 2000/2004

Number of EE Shareholding -None-

Family relationship between directors and management -None-

Crime records in the past 10 years -None-

Work Experiences

1987 - 2012	Executive Chairman, Nation Multi-Media Group Public Company Limited
1999 - 2012	Chairman, Nation Ekmund Edutainment Company Limited
2002 - 2012	Chairman and Audit Committee Chairman, Modernform Group Public Company Limited
2016 - 2017	Executive Chairman, News Network Multimedia Co., Ltd/ Thansettakij Multimedia Co., Ltd/ Spring News Group. Chairman, SE-Education Plc.

Director / Management position in other listed company -None-

Director / Management position in non-listed company (4)

1980 - Present	Honorary President, The Majestic Creek Country Club Company Limited
2002 - Present	Honorary President, Media Expertise International (Thailand) Company Limited
2013 - Present	Honorary Chairman, Myanmar Business Today, Yangon
2018 - Present	Honorary Chairman, Jaya Food and Beverage Company Limited



Mr. Nivat Changariyavong

Independent Director/ Audit Committee Member/ Nomination,
Remuneration, and Corporate Governance Committee Chairman

Age 78 Years

Education

- Honorary Doctorate Degree in Business Administration, Chiangrai Rajabhat University
- Diploma, Assumption Commercial College (ACC)

Number of Years of Directorship at EE from 3 December 2010: 10 years, 4 months

Training Courses from IOD DAP36/2005

Number of EE Shareholding -None-

Family relationship between directors and management -None-

Crime records in the past 10 years -None-

Work Experiences

1997 – 2014 Director - Nation Multi-Media Group Public Company Limited

Director / Management position in other listed company -None-

Director / Management position in non-listed company (6)

1985 - Present	President, Green Siam Company Limited
1989 - Present	Director, Evergreen International Hotel Property (Bangkok) Company Limited
1990 - Present	Director, Evergreen International Holding (Thailand) Company Limited
1991 - Present	Director, Evergreen Container Terminal (Thailand) Company Limited
2001 - Present	Executive Chairman, Evergreen Shipping Agency (Thailand) Company Limited
2003 - Present	Director, Evergreen Logistic (Thailand) Company Limited



Dr. Wetang Phuangsap

Independent Director /Audit Committee Member/Nomination,
Remuneration and Corporate Governance Committee Member

Age 53 Years

Education

- Ph.D. (Economics), Cornell University, U.S.A.
- MA (Economics), The American University, U.S.A.
- B. Eng. (Civil Engineering), Chulalongkorn University

Directorship at EE from 3 December 2010: 10 years, 4 months

Training Courses from IOD DAP/2005, DCP/2008

Number of EE Shareholding -None-

Family relationship between directors and management -None-

Crime records in the past 10 years -None-

Work Experiences

2006 - 2011	Chairman of the Audit Committee, Bangkok First Securities Public Company Limited
2009 - 2011	Director, NEP Real Estate Industry Public Company Limited
2009 - 2012	Director of Capital Flow Policy Division, Fiscal Policy Office, Ministry of Finance
2011 - 2016	Councilor, Nation University
2014 - 2016	Audit Committee, Nanyang Terminal Public Company Limited
2013 - 2017	Senior Economist, Fiscal Policy Office, Ministry of Finance
2017 - Present	Executive Director, Strategy and Planning Division, Ministry of Digital Economy and Society

Director / Management position in other listed company (1)

2011 - Present	Audit Committee, RHB (Thailand) Public Company Limited
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Director / Management position in non-listed company -None-

Report of the Audit Committee

Dear Shareholders

The Audit Committee is appointed by the Board of Directors to supervise the operations of the Company to be transparent and fair, trustworthy among shareholders, investors, and stakeholders. There are 3 members, all of them are independent directors, those are

- | | |
|----------------------------------|--------------------------|
| 1. Dr. Thanachai Thirapatanawong | Audit Committee Chairman |
| 2. Mr. Nivat Changariyavong | Audit Committee Member |
| 3. Dr. Wetang Phuangsup | Audit Committee Member |
| Mrs. Rummanee Chanwittayapong | Secretary |

The Audit Committee has performed its duties and responsibilities assigned by the Board of Directors, and as prescribed in the Audit Committee Charter which aligned with the regulations of the Stock Exchange of Thailand (SET) and stipulated with all the rules of the Securities and Exchange Commission (SEC) and regularly reported the committee's meeting resolutions to the Board of Directors. In 2020, the Audit Committee held 4 meetings, with the management, the Chairman and member of the Risk Management Committee, the internal auditor and the external auditor. Summary of the Audit Committee's Activities in 2020 were:

1. Financial statements

Reviewed the quarterly and annual financial statements for 2020 with the external auditors and the Management. To ensure the accuracy and completeness of the financial statements and significant adjustments which affected the financial statements, the financial statements complied with the generally accepted accounting principles, and the information disclosed in the financial statements was adequate, accurate, reliable, and complied with the governing laws and regulations. The meeting with internal auditors and auditors was held without management for discussion regarding the audit plan, internal control system, complaints, and fraud, independence in the performance of duties, the opinions of the auditors focusing on presenting additional information of the auditor in the audit matter report.

2. The internal control system –

Reviewed the adequacy and appropriateness of the internal control system for the year 2020 to ensure that the Company has an appropriate internal control system that is efficient and effective for the Company to achieve its objectives and goals by considering the report of the internal and external auditor. Audit Committee opines that the Company has good internal control system and being sufficient for the operation, which results in the efficiency and effectiveness.

3. Legal compliance

Reviewed with the Management to ensure that the Company's activities were conducted in compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission and relevant laws. Audit Committee opines that the Company has the internal control system that make the activities to follow the law efficiently.

4. Connected transactions and conflicts of interest

Review the connected transactions or any transactions that may cause conflicts of interest. The agreement to enter into the transaction is reasonable, highly beneficial to the business operations, and transparent, and disclose information correctly and completely.

5. Risk management

Review and monitor the sufficiency of the internal control system, risk management, policy compliance with the Company's risk management policies and guidelines with the Risk Management Committee and the Management Department, including the review of the effectiveness of risk management from the operational reports of the responsible management departments, and the audit results of internal auditors and auditors. This makes it possible to believe that the company has managed its risks to an acceptable level.

6. Good corporate governance

Review, assess, and give opinion on good corporate governance practices and Company business conduct, including anti-corruption policy and proposed to the Nomination, Remuneration, and Corporate Governance Committee for further improvement.

7. The Audit Committee Charter

Annual review the Audit Committee Charter to ensure that its assigned duties were achieved and its duties and responsibilities aligned with the Stock Exchange of Thailand best practice and appropriated for the Company's business.

8. The appointment of the internal auditor

Review the qualifications and assess the last year performance of the internal audit, Porama Consultant Company Limited in accordance with the annual audit plan. It is appropriate to appoint Porama Consultant Company Limited to be internal auditor for the Company and subsidiaries and to appoint Ms. Narumon Khunthong as the Head of Internal Auditor, and proposed to the Board of Director meeting.

9. The appointment of the external auditor

Review the last year performance of the external auditor from Karin Audit Company Limited and find that its auditors are independent, expertise in auditing, appropriate experience, satisfactory performance, that should be propose to the board and shareholders' meeting for approval to appoint Karin Audit Company Limited to be Company and subsidiaries auditor for the year 2021. The audit fees proposed of 1,235,000 Baht, the same amount for the year 2020.

In summary, in 2020, the Audit Committee performed its duties as specified in the charter with prudence and independence. As well as with good cooperation from the board of directors, the management, the auditor and the internal auditor. Its opinion is that the Company has maintained good corporate governance, sufficient internal control systems, appropriate risk management, accurate and reliable financial reporting, and full compliance with the laws, rules and regulations relevant to the Company's operation.



(Dr. Thanachai Thirapatanawong)

Audit Committee Chairman

Report of the Executive Committee

To shareholders

The Board of Directors appoints the Executive Committee, as of December 31, 2020. It consists of 3 authorized directors, the tenure is as the same as director tenure which may be re-appointed from the shareholders' meeting for another term. The names are:

1. Ms. Kwansirintr Rojanapruk	Executive Committee Chairman
2. Mr. Surachai Suksriwong	Executive Director Member
3. Mr. Thira Ratanavit	Executive Director Member
Mrs. Rummanee Chanwittayapong	Secretary

The Executive Committee has performed duties for the Company and its subsidiaries in accordance with the policies, directions, strategies, and goals assigned by the Board of Directors. In 2020, the meeting held quarterly. All directors attended the meeting to consider important matters of the Company and its subsidiaries, summarized as follows:

1. Oversee business operations in accordance with the specified policies and plans such as the Company and its subsidiaries performance, financial management, investment, accounting, financial reporting to ensure compliance with financial reporting standards and relevant laws, internal control of departments, risk management, human resource management, compliance with the good corporate governance policy and business ethics, etc. and report the Company's performance to the board quarterly.
2. Consider and approve payments in the Company's business as specified by the Board of Directors.
3. Supervise the internal control and risk management in various departments
4. Propose to the board of directors for new projects that are suitable for investment.
5. Review the vision, mission, strategy, goal, organization structure and annual budget for the board of directors' approval.
6. Annually review the charter and the self – assessment performance.

The Executive Committee is determined to perform its duties correctly, transparently and in accordance with the charter by adhering to the principles of good corporate governance. The annual performance has been reported to the board.



(Ms. Kwansirintr Rojanapruk)

Executive Chairman

Report of the Nomination, Remuneration and Corporate Governance Committee (Nomination Committee)

To shareholders

Nomination, Remuneration and Corporate Governance Committee appointed by the Board of Directors, consists of 2 independent directors and 1 authorized director, totaling 3 persons. Chairman of the Nomination Committee is an independent director. The names are:

- | | | |
|-----------------|-----------------------------|-------------------------------|
| 1. Mr. Nivat | Changariyavong | Nomination Committee Chairman |
| 2. Mr. Surachai | Suksriwong | Nomination Committee Member |
| 3. Dr. Wetang | Phuangsup | Nomination Committee Member |
| | Mrs. Thanyathorn Chonlavorn | Secretary. |

The Nomination Committee has performed all duties as assigned by the Board of Directors. Determined to perform duties with transparency and in accordance with the rules prescribed under the principles of good corporate governance. Ensure that the Company has complied with the good corporate governance policy and business ethics in order to support the Company's operations to be efficient and sustainable, gaining trustworthy to the stakeholders for the Company best benefit. In 2020, there were 2 meetings held. All members attended every meeting. The duties can be summarized as follows.

Recruitment

- Review the rules and procedures for the selection of directors to replace those who are due to retire by rotation, to propose to the board for the agreement before proposing to the shareholders' meeting by considering the composition of the Board as specified by the Company, i.e. knowledge, capability, and experience (Board Skill). Matrix) that is suitable for the Company's business strategy and technological progress that will change in the future, including the number of other listed companies not more than 5 companies, in which that person holds the position and having conflicts of interest.
- Select and nominate a person to be a director to replace the director who completed their term in year 2020 by allowing the shareholders to propose the names of suitable persons to be directors in advance of the shareholders' meeting for a period of not less than three months. After the expiration, it turns out that there is no nominating any person to the Company. Therefore, the Nomination Committee recommended the names of the same directors who completed their terms to the Board, those were Mr. Thanachai Trirapatanawong, Mr. Thira Ratanavit and Mr. Apivut Thongkam to be directors for another term. Their qualifications are qualified in accordance with the Company's business strategy. The board has agreed to the recommendation and presented to the shareholders' meeting for re-appointment. The shareholders' meeting has approved as proposed.

Director Remuneration

- Review the remuneration structure, composition and other benefits of the directors.
- Consider the remuneration of the board of directors and sub-committees at a reasonable rate in accordance with the duties and responsibilities, economic conditions, and Company's performance together with the survey in other company in the same industry which have similar size of business, and propose to the Board of Directors for consideration and propose to the shareholders' meeting to maintain the director remuneration and components at the same rate. The shareholders' meeting has approved as proposed.

Corporate Governance

- Promote the performance of the board of directors, executives and employees of the Company in accordance with the good corporate governance policy and business ethics, i.e., providing training for additional knowledge on various Company policies, such as the corporate governance policy, business ethics, anti-corruption policy, policies and measures for supervising the use of insider information for securities trading, policies to protect the environment, etc., and to communicate to partners as a guideline for conducting business that is transparent, honest, in accordance with related laws.
- Promote, support, and provide opportunities for small shareholders to take part in proposing shareholders' meeting agendas and proposing suitable candidates to be appointed as directors in advance for a period of not less than three months before the shareholders' meeting in accordance with the rules specified by the Company.
- Evaluate and review the implementation of the principles of good governance and business ethics for improvement.
- Arrange for an evaluation and review of the compliance with the good corporate governance principles and the Company's business ethics for consideration and improvement.
- Organize annual self-assessment of the board and sub-committee by group, individual director and sub-committee member. The annual assessment of the Executive Chairman has been reported to the Chairman of the Board.
- Self-assessment, it appeared that duties had been done according to the charter.
- Reviewing the Nomination Committee Charter to be update in accordance with the Company business context and with the regulations of the regulatory agency.
- Prepare the annual operation report to the board at least once a year.

The performance has been already reported to the Board of Directors.



(Mr. Nivat Changariyavong)

Nomination, Remuneration, and
Corporate Governance Committee Chairman

Report of the Risk Management Committee

To Shareholders

The Risk Management Committee is appointed by the Board of Directors, comprised of 1 director to be the Chairman of the Risk Management Committee and 2 other members selected from executives and/or any expert, totally 3 members. They have performed their duties independently in overseeing the Company and its subsidiaries risk management according to the scope of duties and responsibilities as specified in the charter and as assigned by the board. The names are:

- | | |
|---------------------------------|------------------------------------|
| 1. Mr. Thira Ratanavit | Risk Management Committee Chairman |
| 2. Mr. Thirapong Tangthirasunan | Risk Management Committee Member |
| 3. Mrs. Thanyathorn Chonlavorn | Risk Management Committee Member |
| Mr. Somchai Boonratprapan | Secretary |

In 2020, there was 1 meeting in which all directors attended the meeting, and 4 meetings with the Audit Committee quarterly. The performance can be summarized as follows

1. Review and revise risk management policy and the annual risk management framework of the organization to be suitable, flexible, in line with the goals, Company's strategy under the current situation that is volatile, by considering the level of acceptable risk along with the administrative suggestion and preventative measures, and present to the Board of Directors for approval.

2. Monitoring and evaluation of the implementation of various risk management frameworks of the organization in order to be able to handle uncertain situations. Comment, suggestions on risk management guidelines and preventive measures to be in the framework specified, and consistent with the business conditions.

3. Assess the risk of corruption occurring in various systems covering the entire organization, while considering appropriate preventive measures.

4. Meeting with the audit committee to set guidelines on important issues of risk management and internal control in order to maximize benefits in overseeing the operations to be complete.

5. Reviewing the performance of duties and review the appropriateness of the charter to be suitable for the risk management of the organization.

6. Report the performance to the Board of Directors at least once a year.

The performance in 2020 has already been reported to the Board of Directors.



(Mr. Thira Ratanavit)

Risk Management Committee Chairman

1. Board of Directors

The Board of Directors is appointed by the shareholders' meeting, as of December 31, 2020 consisting of 8 directors (7 male and 1 female), with no prohibited qualifications. There is no history of criminal offenses in relation to property committed by fraud. There is no record of transactions that may cause conflicts of interest with the Company. The number of directors is in accordance with the Company articles of association that require the Company to have at least 5 directors, the Company has a policy to have no more than 12 directors, and not less than half of the total number of directors must have residence in Thailand in order to comply with Section 67 of the Public Company Limited Act BE 2535.

In 2020, there are 8 directors (7 male and 1 female). There are 1 executive director and 7 non-executive directors who are able to comment on the work of the management independently. There are 5 independent directors, or 62.5 percent of total directors, which are more than half of the total number of directors. The term of office is 3 years. The Board of Directors Meeting held on 12 February 2016, resolved to determine the term of office of independent directors for not more than 3 consecutive terms or 9 years.

The Company has a policy that the composition of the board is diverse, consisting of people with various knowledge and capabilities. There are a variety of qualifications in terms of skills, experience and specific competencies that are sufficient to perform their duties efficiently for maximum benefits to the Company such as business administration, commercial, law, economics, political science, finance, engineering architecture, and logistic, etc. There is 1 non-executive director with knowledge and experience in the core business of the Company. In addition, each director has leadership, vision, and independence in decision making for the best benefit of the Company and the shareholders as a whole, and able to devote sufficient time for the Company to perform duties. It also has a role in determining the operating policy of the Company together with the management for operation, planning, monetary policy, risk management, supervise, evaluate the performance, etc. The Chairman of the Board is an independent director and is not the same person as Executive Chairman. They have different duties and responsibilities.

The board also consider the effectiveness of the performance of the directors to ensure that the directors are able to devote their time for their tasks sufficiently. The board, thereby, has set the policy limiting each director not to take position in more than 5 listed companies. The board has abided to the policy, so far none of them has taken positions in more than 5 companies.

The Board of Directors has clearly defined the term of office of directors in the Company's regulations and in the corporate governance policy. At each annual general meeting of the Company directors shall retire from office one-third of the number of directors. If the number of directors cannot be divided into three parts, the number nearest to one-third shall be applied. In this regard, the director who is in the position for the longest time shall be removed from the position. If the agreement cannot be made, the raffle method should apply. The retired director can be re-elected.

The management structure of the Company consists of Board of Directors and 4 Sub-Committees, namely the Audit Committee, Nomination, Remuneration, and Corporate Governance Committee, Risk Management Committee, and Executive Committee. The Executive Chairman is the top executive.

List of the Board of Directors and the position as of 31 December 2020 are as follows:

1. Professor Emeritus Dr.Borwornsak Uwanno	Chairman of the Board / Independent Director
2. Ms. Kwansirintr Rojanapruk	Executive Chairman
3. Dr. Thanachai Thirapatanawong	Independent Director / the Audit Committee Chairman
4. Mr. Nivat Changariyavong	Independent Director/Audit Committee Member/ Nomination, Renumeration and Corporate Governance Committee Chairman
5. Dr. Wetang Phuangsup	Independent Director / Audit Committee Member/ Nomination, Renumeration and Corporate Governance Committee Member
6. Mr. Thira Ratanavit	Director / Risk Management Chairman / Executive Director Member
7. Mr. Surachai Suksriwong	Director / Nomination, Renumeration and Corporate Governance Committee Member/ Executive Director
8. Mr. Apivut Thongkam	Independent Director

Authorized director

The authorized directors of the Company appointed by the Board that Ms. Kwansirintr Rojanapruk jointly sign with Mr. Surachai Suksriwong or Mr. Thira Ratanavit with the Company seal affixed.

Roles and Responsibilities of the Board of Directors

In addition to the duties as specified in the Securities and Exchange Act BE 2535, the Board has additional duties as follows:

1. Determine the objectives and main goals of the business for sustainability, strategies, operational policies, allocate important resources to achieve objectives and goals, including monitoring the implementation of the specified strategies to be implemented, and supervising the performance reports.
2. Supervise the business to be competitive, conduct business with ethics, respect the rights and have responsibility to shareholders and stakeholders by contributing to society benefit and reduce environmental impact.
3. Ensure that all directors and executives perform their duties with responsibly and care and honest to the organization, and to comply with laws, regulations and resolutions of the shareholders' meeting.
4. Clearly assign duties and responsibilities of the Executive Chairman and the management, including to ensure that their duties are performed as signed.

5. Determine and review the Board structure both in terms of size, composition, proportion of appropriate independent directors, select the appropriate person, in which the Board can make independent decisions, supervise the recruitment and selection of directors with transparent and clear processes in order to obtain a board member that is qualified as specified, with the structure and compensation that are appropriate to the responsibility.
6. Supervising all directors to be responsible for performing their duties and allocating sufficient time. Ensuring that each director has knowledge and understanding about roles and duties, nature of business and laws relating to business operations, as well as encouraging all directors to regularly enhance skills and knowledge for the performance of their duties.
7. Supervise a framework and mechanism for overseeing the policies and operations of subsidiaries and other businesses that the Company has invested significantly at the appropriate level for each business.
8. Provide an annual performance assessment of the Board of Directors, Sub-committees and individual directors, the evaluation results will be used for further duties development.
9. Ensuring that the operations of the Board of Directors are completed, can access to necessary information. To appoint Company Secretary who has the necessary knowledge and experience to support the operations of the board.
10. Understand the structure and relationship of shareholders that may affect the management and operations of the Company.
11. Monitor the administration and development of personnel to have appropriate knowledge, skills, experience, and motivation.
12. Focusing and supporting business value for the business while creating benefits for customers or related parties, and having society and environment responsibility.
13. Monitor and supervise the management to conduct business with social and environmental responsibility, reflected in the action plan to ensure that all departments of the organization are in line with the objectives, main goals and Company strategy.
14. Supervising the management to allocate and manage resources efficiently and effectively.
15. Supervise and manage Company information technology that is consistent with the needs of the Company.
16. Supervise to ensure that the Company has a risk management system and internal control that will achieve the objectives effectively, and complying with the relevant laws and standards.
17. Establish an Audit Committee that can perform duties efficiently and independently.
18. Monitor, supervise and manage potential conflicts of interest that may occur between the Company and the management, the board or shareholders, including the prevention of improper use of Company information, opportunities, and transactions with connected person in an inappropriate manner.
19. Supervise the establishment of clear anti-corruption policies and practices and communicate at all levels of the organization and to outsiders, including supervising a mechanism for receiving complaints and taking actions in the case of clues.
20. Responsible for ensuring that the financial reporting system and disclosure of important information accurate, adequate, timely, in accordance with relevant rules, standards and guidelines.

21. Monitor and ensure the adequacy of financial liquidity and debt repayment ability when the business faces financial problems or is likely to experience problems. The board should be confident that the Company has a plan to solve the problem, or there are other mechanisms that can solve financial problems, under consideration of the rights of stakeholders.
22. Supervise the management to have the unit or person responsible for investor relations to communicate with shareholders and other stakeholders such as investors, analysts, to be equitable and timely, and to promote the use of information technology for information dissemination.
23. Support participation and communication with shareholders. To Ensure that shareholders participate in making important decisions. To ensure that the proceeding on the shareholders' meeting are orderly, transparent, effective and allowing the shareholders to exercise their rights. To supervising the disclosure of the meeting resolutions, and to propose the minutes of the shareholders meeting accurately and completely.

Matters that require approval by the Shareholders' Meeting

According to the Company's Articles of Association. The Board has the authority to make decision and to oversee the operation of the Company except for the following matters that the Board must obtain approval from the shareholders' meeting prior to the operation.

1. Subject to the law requiring resolution of the shareholders' meeting.
2. Connected transactions and the acquisition or disposition of major assets of the Company as prescribed by the law and the Capital Market Supervisory Board.
3. Sale or transfer of the entire business or some important parts.
4. Acquisition of private or other public companies.
5. The amendment or termination of the lease contract as a whole or part of the business, to assign any person to manage the Company business or merger with other persons for the purpose of profit sharing.
6. Amendment of Company Memorandum of Association or Articles of Association.
7. The increase or decrease of the Company registered capital.
8. Company dissolution.
9. Debenture issuance.
10. Merger with other companies.

Matters to be proposed for approval by the Board

1. Matters related to Company policy.
2. Subject to significant changes to the Company business.
3. Subject to comply with the law by the Board.
4. Project that the Executive Committee deems appropriate to be proposed for approval.
5. The amount exceeding the authorization of the Executive Committee Chairman.

Approval Authority of the Board of Directors

According to the Company's corporate governance, the Board is responsible for approving or giving feedbacks on the following matters;

1. Policy, direction and strategy of the business to be relevant to the economy and competition, objectives, action plan, business plan, and annual budget of the Company and its subsidiary.
2. Improvement, change and amend the organization structure.
3. Opening account, closing account and assigning signatories together with the conditions to sign.
4. The use of funds that is exceed the approved budget.
5. Buying and selling assets, taking over business, entering joint venture that investment value exceeds Executive Chairman authority.
6. Engaging in any contracts not related to day-to-day operations, or important contracts related to the operation.
7. Related-party transactions between the Company and its subsidiaries, and connected persons according to the regulation of the Office of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), and related laws.
8. Paying interim dividend
9. Change of policy and significant practices on accounting, risk management, and internal control.
10. Hiring managing director, top management.
11. Assigning or changing the approval authorities of the executive committee chairman.
12. Proposing of the appointment of directors, and appointing directors authorized to sign on behalf of the Company.
13. Assigning authorities to the executive chairman and/or any director including the change in assigning authorities that must not violate the regulation of the Office of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), and related laws.
14. Appointing and determine roles and responsibilities of sub-committees.
15. Appointing director in subsidiaries and associated company according to the shares proportion of the Company, including appointing directors authorized to sign on behalf of the subsidiaries.

Roles and Responsibilities of the Chairman of the Board

1. Supervise the organization's policies, goals, vision and strategies Including supervising, monitoring and ensuring that the performance of the Board of Directors is effective and achieve the objectives and main goals of the organization.
2. Ensuring that all directors participate in promoting an ethical corporate culture and good corporate governance.
3. Acted as the Chairman of the meeting both in the Board meeting and at the shareholders meeting in a smooth manner, allocate sufficient time for executives to present information and encourage all directors to participate in discussions of important issues, they are able to express opinions freely and with careful consideration.
4. To approve the agenda of the Board meeting and of the shareholders' meeting by consulting with the Executive Chairman to ensure that important matters are included in the agenda.
5. Create a good relationship between the executive directors, non-executive directors, and between the Board and management.

6. Supervise the management activities, provide advice and consultation without participation in regular daily administration.
7. Give advice to the Nominating Committee in recruiting new directors.
8. Providing advice for succession planning.
9. Being a press release to third parties such as shareholders, investors, media, government agencies and other related agencies.

Roles and Responsibilities of the Managing Director/Executive Committee Chairman

1. Manage and supervise the Company operations related to the general administration in accordance with the objectives, policies, rules and Company regulations.
2. To propose business investment plans to the Executive Committee and the Board of Directors for approval.
3. To act on behalf of the Company within the scope approved by the Board.
4. Perform any tasks assigned by the Board resolution and / or the shareholders' meeting resolutions.
5. To develop effective strategies for business survival and prosperous.
6. Understand all work processes, shows vision and assigns the subordinates to implement.
7. Establish organizational culture.
8. Realize the value and importance to employees at all levels. The Human Resources Department is to be responsible for implementing.
9. To be fairness in solving employees' conflicts.
10. Monitor the behavior of members in the organization in order to restructure.
11. Understanding Financial Accounting that will help to understand the systematic status of the Company assets.
12. To be role model to people in the organization.

Authorization to the Executive Committee Chairman

The Board of Directors meeting on February 25, 2020 resolved to empower Ms. Kwansirintr Rojanapruk, Managing Director and the Executive Committee Chairman to act on behalf of the Company within the amount of 10 MB. If the amount exceeds 10 MB. but not exceeding 25 MB. The Executive Committee shall consider and approve the transaction. If the amount exceeds 25 MB, the Board shall consider and approve of such transaction.

Board Meeting

1. The Board meeting will be scheduled in advance throughout the year in order that all directors should allocate time to attend the meeting. The Chairman may call special meeting as necessary. The Executive Chairman and executive director are jointly arranging the meeting agenda and propose to the Chairman for approval to ensure that the important agenda has been included.
2. The Company Secretary is responsible to deliver meeting notice with agenda item specified together with sufficient relevant documents attached for the directors to study the information before the meeting at least 5 business days prior to the meeting date, except the case of urgent that may be

submitted later. The Company Secretary has the duty to prepare minutes of the Board meeting with complete significant items present to the Board at the next meeting to certify. The minutes of the meeting and documents attached are systematic kept for future use.

3. At Board Meetings, Directors must attend the meeting regularly. There must be at least half of the directors attending the meeting to complete the quorum. All directors must attend not less than 75 percent of the total number of Board meetings held. In the resolution, the majority of the directors attending the meeting should be present and the number of directors must be at least 2/3 of the total number of directors. The director who has conflict of interest must not attend the meeting or vote.
4. Directors can propose matters for the Board of Directors to consider as additional meeting agendas through the Company Secretary, and may request additional information necessary from the management through the Company Secretary. If necessary, the Board may provide independent opinions from the external consultant or professional at a Company expense. The number of meeting, at least once a quarter. At present, number of directors is appropriate for the duties and the nature of Company's business.
5. In conducting the meeting, the Chairman will allocate time for the management to present the matter. The discussions and opinions of the directors are fully and independent discussed and carefully considered. In the event that any director has a conflict of interest with the matter related to the matter being considered, such directors must not participate in consideration or vote.
6. The Board encourages the attendance of the manager in order to provide additional information that they are directly responsible for, and it is the opportunity for the Board to know them and useful for the succession plan.
7. The non-executive directors may arrange their meeting once a year without management team attending the meeting to discuss issues of their concerns.
8. The Company Secretary is responsible for preparing the minutes of the meeting, proposing to the Board of Directors to certify in the first agenda of the next Board meeting. The Chairman of the Board shall certify the accuracy. However, the director can request for further amendments and comments for the correctness and completeness. The minutes of the meeting will be kept at the office of the Company Secretary together with supporting documents for the meeting agenda for convenience in reference-searching.

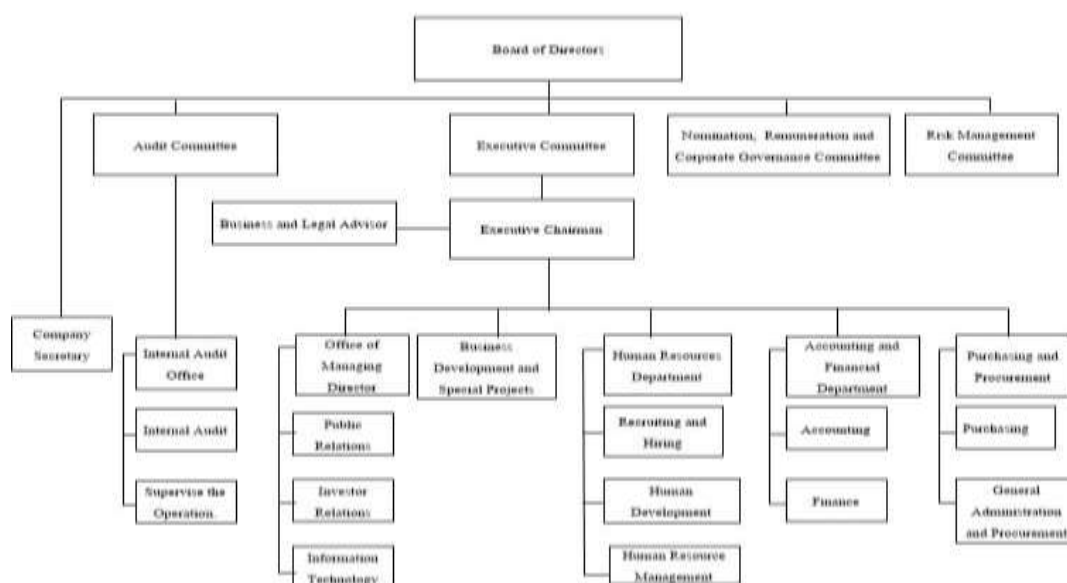
In 2020, the Company held 6 Board meetings (2 out of 6 are online Board meetings due to Covid-19 epidemic). Every director attended the meeting not less than 75 percent of the all meetings. There is one Annual General Meeting of Shareholders. Every director attended the AGM. There is one meeting of non-executive directors without management, to discuss about the issue that is in the interest. The detail of attendance of meeting of directors is as follows:

List	Position	Board		Non-executive (1)	Share holder (1)
		(6)	%		
1. Professor Emeritus Dr.Borwornsak Uwanno	Chairman of the Board / Independent Director	6/6	100	1	1
2. Ms. Kwansirintr Rojanapruk	Executive Committee Chairman/ Authorized Director	5/5	100	-	1
3. Dr. Thanachai Thirapatanawong	Independent Director / Chairman of the Audit Committee	6/6	100	1	1
4. Mr. Nivat Changariyavong	Independent Director/ Audit Committee Member/ Nomination, Remuneration, and Corporate Governance Committee Chairman	4/4	100	1	1
5. Dr. Wetang Phuangsup	Independent Director /Audit Committee Member/Nomination, Remuneration and Corporate Governance Committee Member	6/6	100	1	1
6. Mr. Surachai Suksriwong	Authorized Director / Executive Director Committee Member / Nomination, Remuneration, and Corporate Governance Committee Member	6/6	100	1	1
7. Mr. Vorajate Indamra	Authorized Director / Executive Director	6/6	100	-	1
8. Mr. Thira Ratanavit	Director / Risk Management Committee Chairman / Executive Committee Member	5/6	83	1	1
9. Mr. Apivut Thongkam	Independent Director	5/6	83	1	1
9. Mr. Siritaj Rojanapruk*	Executive Committee Chairman	1/1	100	-	1

Remark: Mr. Siritaj Rojanapruk, the executive committee chairman has resigned from the position of director effective from February 26, 2020. The board of director appoint Ms. Kwansirintr Rojanapruk to be the replacement director, holding this position equal to the remaining period of Mr. Siritaj Rojanapruk.

2. Management

Eternal Energy Plc. - Organization Structure as of December 31, 2020



Name and Position of the Executives

Definitions “Executive” of the Securities and Exchange Commission means manager or the first four managers from the President (Ms. Kwansirintr Rojanapruk), who is equivalent to the fourth level of management. As of December 31, 2020, the Company has executives and positions as follows:

- 1) Mrs. Thanyathorn Chonlavoron Human Resources Manager / Company Secretary / Compliance
- 2) Mrs. Vilailak Vikitsreth Purchasing and Procurement Manager / Acting Agricultural Project Manager
- 3) Mrs. Rumanee Charnwittayapong Finance Manager/ Acting Accounting and Finance Manager

On February 25, 2020, the board of director appoints Ms. Kwansirintr Rojanapruk to be the director, managing director (as top management position), and executive committee chairman. All three managers are responsible for managing more than one department.

Mrs. Thanyathorn Chonlavoron, as Human Resources Director, Company Secretary, is also in charge of Investor Relation, Compliance, and Nomination Committee Secretary.

Mrs. Vilailak Vikitsreth, as Procurement Director, is also in charge of agriculture and land rental of the subsidiaries.

Mrs. Rumanee Charnwittayapong, as Finance Manager, also acting Accounting and Finance Director. Other responsibilities are secretary to Audit Committee and secretary to Executive Committees, overseeing Internal Audit, which the Company has hired Porama Consultant Co.,Ltd. as the Internal Audit, supervised by Audit Committees.

Advisor

Mr. Siritaj Rojanapruk has been appointed by the Board of Directors as an advisor to the Board of Directors from February 26, 2020.

Mr. Thiraphong Tangthirasunan is the advisor to the Executive Chairman on agribusiness. The Board of Directors has appointed him to be member of the Risk Management Committee. He is neither director nor executive.

3. Company Secretary

The Board of Director has appointed Mrs.Thanyathorn Chonlavorn to be Company Secretary since November 12, 2017 to perform duties as prescribed in Section 89/15 and Section 89/16 of the Securities and Exchange Act (No.4). BE 2551, effective on August 31, 2008. The Company Secretary serves the Board with responsibility, caution, and honesty, including comply with the laws, objectives, regulations of the Company, the Board and Shareholders' meeting resolutions, and also oversaw the investor relations and compliance division.

4. Remuneration for directors and executives

(1) Monetary remuneration of each director

The Company has set clear and transparent remuneration policy for directors by considering the suitability and in accordance with the obligations and responsibilities of each director, financial status of the Company, and compare with other companies in the same industry. The remuneration will be at the level of motivation to retain knowledgeable directors with the quality of performing duties for the Company. The Nomination, Remuneration, and Corporate Governance Committee is responsible for reviewing the remuneration of directors every year for the Board of Directors agreement and propose to the shareholders' meeting for approval. The remuneration for senior management is approved by the Board of Directors.

Remuneration for directors consists of

1. Regular remuneration is the monthly remuneration of the Chairman.
2. Meeting allowance is the remuneration for directors and sub-committee members attending the meeting.
3. Bonuses is the annual special compensation. At present, such compensation has not yet been considered for submission to the Board of Directors for shareholders to consider approving due to the Company still has operating results of accumulated losses.

On July 31, 2020, the Annual General Meeting of Shareholders approved the remuneration of directors at the same rate as the year 2019, as proposed by the Nomination Committee to the Board of Directors agreement and proposed to the shareholders' meeting for approval. Details are as follows:

Compensation		Chairman	Director
Board of Directors	1. Monthly remuneration	1,200,000 baht per year	-
	2. Meeting fees per time	30,000 baht	20,000 baht
	3. Bonus	none	none
Audit Committee	Meeting fee per time	25,000 baht	20,000 baht
Risk Management Committee, Executive Committee, and Nomination, Remuneration, and Corporate Governance Committee			
	Meeting fee per time	20,000 baht But not more than 100,000 baht per year	15,000 baht But not more than 75,000 baht per year

Remuneration for directors and sub-committees in the year 2020

List of directors	Position	(Baht)				Monthly (Baht)	Total (Baht)
		Board (4 times) (Baht)	Audit Committee (4 times) (Baht)	Nomination Committee (3 times) (Baht)	Risk Management Committee (2 times) (Baht)		
1. Professor Emeritus Dr.Borwornsak Uwanno	Chairman of the Board	120,000	-	-	-	1,200,000	1,320,000
2. Mr. Siritaj Rojanapruk	Director and Executive Chairman	20,000	-	-	-	-	20,000
3. Dr. Thanachai Thirapatanawong	Independent Director and Chairman of the Audit Committee	80,000	100,000	-	-	-	180,000
4. Mr. Nivat Changariyavong	Independent Director/Audit Committee /Chairman of the Nomination Committee	80,000	80,000	40,000	-	-	200,000
5. Dr. Wetang Phuangsup	Independent Director/ Audit Committee Nomination Committee	80,000	80,000	30,000	-	-	190,000
6. Mr. Surachai Suksriwong	Director/ Executive Director/ Nomination Committee	80,000	-	30,000	-	-	110,000
7. Ms. Kwansirintr Rojanapruk	Managing Director/ Executive Chairman	60,000	-	-	-	-	60,000
8. Mr. Thira Ratanavit	Director/ Executive director	60,000	-	-	20,000	-	80,000
9. Mr. Apivut Thongkam	Independent Director	60,000	-	-	-	-	60,000
Total		640,000	260,000	100,000	20,000	1,200,000	2,220,000
10. Mr. Thiraphong Tangtheeranunan (Not being a director)	Risk Management Committee / Advisor to the Executive Chairman	-	-	-	15,000	-	15,000
11. Mrs. Thanyathorn Chonlavora	Risk Management Committee / Company Secretary (Not being a director)	-	-	-	15,000	-	15,000
Total		640,000	260,000	100,000	50,000	1,200,000	2,250,000

(2) Total remuneration of executive directors and executives

In 2020, a managing director is appointed. The Board of Directors has determined the remuneration for the Managing Director and the Advisor to the Board.

The Company pays compensation that includes salary, bonus and social security. The total amount is 9,191,180 baht, as follows:

1. Monthly remuneration of the Executive Directors - Managing Director / Chairman of the Executive Committee is from the Company only (not from subsidiaries).

Salary	3,200,000 baht
Bonus	308,000 baht
Social Security	4,350 baht
Total	3,512,350 baht

2. Remuneration for 3 executive level employees

Salary	4,302,720	baht
Bonus	358,560	baht
Social Security	17,550	baht
Total	4,678,830	baht

3. Monthly Remuneration of the Advisor to the Board of Directors

Total salary	1,000,000	baht
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(3) Other compensation - none -

5. Personnel

The Company has a policy of fair compensation for its employees, including building stability in the profession and providing welfare according to the law, such as social security, annual health check-up, financial assistance for the cremation of the deceased parents of the employees.

As of December 31, 2020, the Company has a total of 8 employees. The Company paid compensation in 2020 for a total of 12,687,513 Baht (including resigned employees) comprised of salary, bonus and social security. For the subsidiary, there are 2 employees. The Company has paid remuneration in the same manner for a total of 405,653 Baht.

The Company has not set up Provident Fund due to the minimal number of employees.

Employee Development

The Company has a policy to promote knowledge in job duties and knowledge to all employees at all levels in order to have knowledge and expertise and to improve the operation to be up to date. The Company encourages employees to fully utilize their knowledge and abilities, and have the opportunity to advance in career.

Training and education may be held within the Company and/or used the services of external training institutes as appropriate for the training courses. In 2020, due to the COVID-19 outbreak situation, employees have been trained on-line. Trainings are from Federation of Accounting Professions, Department of Environmental Quality Promotion, Stock Exchange of Thailand, and Department of Business Development. Employees and executives are trained to increase their knowledge in various fields, e.g. in the area of internal control such as the financial reporting on the preparation of cash flow statements in accordance with the correct financial reporting standards, the important changes in TFRS, the development of accounting and tax knowledge, the accounting information, the financial statement analysis, the deferred income tax, the management accounting for planning and decision making, and the information disclosure for performance analysis, etc. In terms of promoting environmental quality, such as the Royal Project of environment, the initiative project PM 2.5, the green office, the change in weather, the solid waste management in the community, the wastewater treatment system, etc.

Employees received training for 4 people, duration of 45 hours.

- labor disputes

The Company does not have any labor disputes during the past 3 years.

The Board of Directors recognizes the importance of conducting business by adhering to the principles of good corporate governance. Adhere to conducting business with honesty, transparency, fairness, and being a good role model in compliance with corporate governance principles and business ethics continuously. The Company has established a corporate governance policy and business ethics manual in writing since 2009, which has been reviewed, revised, and periodically continuously for appropriateness in accordance with the guidelines of the Stock Exchange of Thailand, including the criteria under the Corporate Governance Survey of Listed Companies of the Thai Institute of Directors Association. The Audit Committee evaluates the performance. The Nomination Committee is reviewed annually and presented to the Board of Directors for approval for implementation and acknowledge to all directors, advisors, executives and employees to understand, sign and accept the Principles of Good Corporate Governance and strictly comply with the Company's Code of Business Conduct. The Board of Directors has reviewed and revised the policy every year. The last revision has been made on February 25, 2020. The Board has reviewed the adoption of good corporate governance principles in accordance with the CG Code to be used appropriately in corporate governance according to the business context of the Company in order to create sustainable value for the Company. The Company's good corporate governance practices in 2019 are summarized as follows.

1. Responsibilities of the Board of Directors to shareholders

1.1 Shareholders 'rights - Shareholders' meeting arrangement

The Board of Directors recognizes the importance of the rights of shareholders, the basic rights of the shareholders are equally provided for in the Company Articles of Association and relevant law such as trading, or transferring shares, share of profit, to receive sufficient information of the business, right to attend the shareholders' meeting, rights to propose the agenda for the AGM and the nomination of persons to be elected as directors of the Company in advance, rights to appoint other persons to attend the meeting and vote on behalf, rights to express opinions in the meeting independently and making decisions on important matters of the Company such as approving annual financial statements, rights to approve the annual net profit allocation and dividend payments, rights to vote for appointment or removal of directors individually, rights to vote to determine the annual remuneration of directors, rights to vote for the appointment and determination of annual audit fees, rights to vote in various important businesses, rights to receive a share in the profit of the business and dividend payment, rights to express opinions and ask questions at the shareholders' meeting, and rights to receive sufficient and timely information, etc.

In addition to the basic rights stated above, the Company will encourage all shareholders, especially minority shareholders, foreign shareholders, and institutional shareholders to exercise their rights. The Company will not take any actions that violate or deprive the rights of shareholders, but will encourage shareholders to exercise their rights to make decisions on significant changes. The Company pays close attention to the disclosure of accurate, completed, timely, and transparent information to

shareholders. The disclosure of important information is disclosed via the information dissemination system of the Stock Exchange of Thailand and on the Company website for the shareholders to receive information thoroughly.

According to the Securities and Exchange Act BE 2535 and the Public Company Limited Act BE 2535, the Board of Directors of the Company shall hold an annual general meeting of shareholders once a year within 4 months from the end of the accounting period. In this regard, the Board of Directors may call an extraordinary meeting of shareholders at any time as it deems appropriate, and if there is no less than ten percent of the total number of shareholders, requesting an additional meeting of shareholders by specifying the subject and reason for the request. The Board of Directors will arrange a meeting as requested by the shareholders within 45 days from the date of receipt the letter from the shareholders.

In 2020, there was an Annual General Meeting of Shareholders held on July 31, 2020. The location of the meeting was in a convenient location for shareholders to travel, at I Tower Building, 16th Floor, 888 Vibhavadi Rangsit Road, Chatuchak Subdistrict, Chatuchak District, Bangkok. 10900. This meeting has been postponed from the original schedule on April 25, 2020 and changed the meeting place from Asia Hotel Room Kingthong, No. 249 Phaya Thai Road, Ratchathewi District, Bangkok 10400 due to the epidemic situation of the Covid-19 virus that was still violent at that time. The Chairman of the Board of Directors has acted as the Chairman of the meeting. All 8 directors attended to answer questions and listen to suggestions from the attending shareholders. Attendees include Company Executives, Company Secretary, Assistant Secretary, Secretary to the Audit Committee, Advisor, Company's Auditor. The Company has arranged independent persons, namely, Ms. Panida Vichitsarat, representative from Karin Audit Company Limited, to review the registration of shareholders and vote counting in the meeting to witness the transparency, complying with laws and the Company's regulations. The Chairman of the meeting asked a voluntary shareholder to witness the vote counting, but no shareholder presented himself as a joint witness.

The Board of Directors has taken steps to facilitate and promote the rights of shareholders as follows:

Before the meeting date - The Company sent the notice of meeting invitation to the shareholders, specifying the date, time, venue of the meeting, map of the meeting venue, details of the meeting agenda as well as explaining the facts and reasons of the Board of Directors completely and adequately according to the law, regulations of the Stock Exchange of Thailand, and the Company together with the proxy form attached to the invitation letter for the shareholders to send the representative to attend the meeting including the Company Articles of Association in relation to the shareholders' meeting by sending to Thailand Securities Depository Company Limited to be delivered to the shareholders so that the shareholders can consider not less 21 days in advance of the meeting while allowing shareholders to submit questions about the meeting agenda 2 days in advance of the meeting date by sending questions via various channels such as electronic mail or on the Company website or by fax to the Company Secretary as specified in the invitation letter. The details of the meeting agenda together with the reasons and opinions of the directors sufficiently and clearly to allow shareholders to make decisions on voting in various agendas. Each agenda item will clearly state that It

is an offer for acknowledgment or approval or to consider, and disclosed on the Company's website at www.eternalenergy.co.th more than 30 days in advance, both in Thai and English before the meeting date so that shareholders can access information easily and quickly which is the same information that the Company will send to shareholders in the form of documents, and also announced in the daily newspaper the notice of the general meeting of shareholders for at least 3 consecutive days and at least 3 days before the meeting date.

Attending the shareholders' meeting, the Company has provided details of the necessary documents that shareholders must bring in order to maintain the rights to attend the meeting. In case the shareholders are not able to attend the meeting, the Company has facilitated by attaching the proxy form as specified by the Ministry of Commerce, and the list of two independent directors for shareholders to nominate as an alternative to shareholders who wish to appoint other persons to attend the meeting on their behalf and vote on their behalf in each agenda.

Meeting day The Company provided the opportunity for shareholders to register to attend the meeting 2 hours before the meeting and facilitated the shareholders before the meeting, such as preparing the venue and reception staff, arranging the appropriate number of registration officers to check the documents of the shareholders attending the meeting and register by the barcode system that represents the registration number of each shareholder in the registration form and the proxy form so that the registration process is convenient and fast.

Before the Meeting, the Chairman of the Board of Directors, who is the Chairman of the meeting, assigned the Assistant Company Secretary to clarify important information to the shareholders such as number of shareholders on the closing date, March 13, 2019, to allow the minority shareholders to propose the agenda and to nominate persons to be elected as directors in advance, opportunity for shareholders to submit questions about the agenda in advance, using the barcode system, stamp duty is provided for the proxy form to register to attend the meeting, rules for voting and counting of votes, voting for individual directors, and the details of the vote results, the voting and vote counting were openly, the Company will count 1 share to 1 vote and hold a majority vote as a resolution except the case of a resolution requiring a vote of not less than two-thirds or not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote in accordance with the Company's regulations and laws.

The Chairman of the meeting conducted the meeting by notifying the quorum that there were 56 shareholders attending the meeting in person and by proxy, totaling 1,829,292,402 shares or 65.80 percent of all outstanding shares, constituting a quorum, which Article 34 of the Company's Articles of Association requires shareholders to attend the meeting in person or by proxy, not less than 25 shareholders, and must have at least one-third (or 33.33 percent) of the total number of outstanding shares. The introduction of witness and the opportunity for shareholders to present themselves as co-witnesses in order to review the registration and vote counting. Then, the Chairman of the meeting conducted the meeting according to the agenda specified.

During the meeting, the Chairman of the meeting gave an opportunity for all shareholders to have equal rights in expressing opinions and asking questions related to the Company independently by allocating sufficient time and assigned the relevant directors to clarify and provide information to shareholders completely. In addition, shareholders who attended the meeting after the meeting started, they had the right to vote or vote on the agenda being considered and not yet voted on.

Disclosure of meeting resolutions - The Company informed the resolution of the shareholders' meeting via the information dissemination system of the Stock Exchange of Thailand within the specified time of the stock exchange, and on the Company website.

After the meeting The Company has prepared the minutes of the Annual General Meeting of Shareholders completely, submitted to the Stock Exchange of Thailand within 14 days from the date of the meeting, and posted on the Company website. The minutes of the shareholders' meeting have recorded important information accurately, completely and appropriately, including the names of all directors, executives and auditor attending the meeting, clarification of important matters before the meeting, such as the voting procedure and voting results display, the opportunity for shareholders to ask questions or give opinions, meeting resolutions, voting results for each agenda clearly whether shareholders agreed, disagreed or abstained, recorded of questions and answers from shareholders and proxies.

1.2 Equitable Treatment of Shareholders

The Company gives importance to the equitable treatment of shareholders by taking into account the rights of shareholders and treating every shareholder fairly and equally, regardless of being a major shareholder or not, individual person, institutional shareholder, Thai or foreign shareholder. In 2020, the Company has carried out the following activities:

Before the 2020 Annual General Meeting of Shareholders - the Company provided an opportunity for minority shareholders to propose matters that they consider beneficial to the Company for consideration as an additional agenda for the Annual General Meeting of Shareholders including nominating qualified persons according to the Company's requirements to be considered for election as a director at the same general meeting of shareholders. The Company has announced the criteria about the rights and methods of offering through the information dissemination system of the Stock Exchange of Thailand including disclosing on the Company website www.eternalenergy.co.th. The Company will notify the result of the consideration together with the reasons for the shareholders. The shareholders can propose agenda and names of candidates to the Company Secretary or via electronic mail at supaporn@eternalenergy.co.th or by fax no. 02-554-8001, not less than 3 months from 27 September 2019 - 31 December 2019. The criteria include the qualifications of the shareholders who are proposing the agenda in advance and/or nominating the qualified candidate to be considered as a director, procedures for proposing agenda and/or name of person, criteria for consideration of non-agenda items, information for consideration of qualifications and consent of nominees, screening and consideration procedures, etc. However, it turned out that there was no shareholder proposed a matter to be included in the agenda, and no nomination of a candidate to be considered for the election of directors in the shareholders' meeting in 2020.

The Company has published the notice of the shareholders' meeting, which is scheduled for meeting, agenda and opinion of the board of directors, along with supporting documents to the Stock Exchange of Thailand and published on the Company's website at least 30 days before the date of the meeting of shareholders.

Meeting process - The Company provides a transparent shareholder meeting process and effective according to the Company's regulation. Voting is in accordance with the order of the agenda specified such as the approval of individual director, approval of the directors' remuneration, including the appointment of auditors and approval of the auditor' remuneration as specified in the notice of the meeting without adding the agenda that does not have advance notice from the executive shareholder.

Proxy - Shareholders who are not be able to attend the meeting, they can authorize any independent director or Chairman or Executive Chairman or any person attending the meeting and vote on their behalf. The general proxy forms, Form A and Form B are the forms that defines the items that are to be appointed by the proxy. The Company encourages proxy to use form B, which the shareholders can determine the voting direction. Stamp duty is available at the registration desk in case the proxy does not bring one.

Vote Casting - casting ballots were used in every agenda that requires resolution for transparency and can be checked. To allow the counting process to proceed efficiently, the Chairman of the meeting will ask the meeting whether any shareholders or proxies disagree or abstain, to vote, voters must raise their hands and vote on the voting ballots with signature. The Company will collect ballots only if shareholders who disagree or abstain from voting. The shareholders and proxies who agree, to vote and sign. The Company will collect all the agreed ballots at the end of the meeting.

In the agenda of election of directors, the Company gives shareholders an opportunity to exercise the rights to appoint directors on an individual basis. The Company will collect ballots from all shareholders and proxies attending the meeting including collecting these ballots in order to be able to review later and complying with the best practices in organizing the shareholders' meeting of the Securities and Exchange Commission. For the speed of counting voting results and meetings, the Company provided the counting by barcode system. The Chairman will inform the voting results of each agenda to the meeting after the voting has been completed for each agenda. In the event that some agenda items may take more time to count than usual, the Chairman of the meeting may request that the meeting proceed to consider the next agenda. When the vote counting is completed, the voting results will be reported to the meeting immediately.

According to the Company's regulations, the vote counting of 1 share is equal to 1 vote. In the future, the Company may consider determining the method of cumulative voting for the election of directors as the board of directors deems appropriate.

Meeting minutes - The minutes of the meeting are completely recorded, which contains important information such as the resolution of the meeting and the voting results are divided into the number of votes that agree, disagree, and abstain in each agenda, questions from shareholders,

statement of the Board of Directors, and comments of the meeting. The minutes of the meeting was sent to the Stock Exchange of Thailand within the period required by law

After the shareholders' meeting, the questions and suggestions from shareholders are considered by the Board for further action.

Supervision of the use of internal information

In order to prevent directors and executives from using insider information that is not yet publicly disclosed or other information that may affect the stock price of the Company. The Company requires directors and executives including spouses or people who live together as husband and wife and children who are underage, have the duty to prepare and disclose the report of any changes in securities holdings of the Company every time they are traded, transferred or accept the transfer of the Company's securities to the Securities and Exchange Commission (SEC) and sending a copy of the report to the company secretary on the same day in accordance with Section 59 of the Securities and Exchange Act 1992, within 3 days. If there is no name in the list of directors and executives with the SEC office, the report shall be done within 7 days. Furthermore, the Company prohibits the directors, executives, and employees of the Company and subsidiaries from trading the Company's securities at least 1 month before the financial statements are disclosed and 24 hours after the financial statements are disclosed. Moreover, it is prohibited to use Company's inside information that is significant to a change in Company's stock price or investment decisions and is not yet disclosed to investors at large which he has learned in the position for buying or selling or offering for the benefit of oneself or others, or to disclose such facts in order to allow others to do so for the benefit of oneself or not.

If there is a violation, the Company is considered a disciplinary offense according to Company regulations, and there may be civil action other than criminal proceeding according to The Securities and Exchange Act.

Conflict of interest of directors

The Board of Directors requires the directors to report any conflicts of interest related to the agenda to be considered and the interested directors will refrain from participating in the meeting for consideration.

2. Taking into account the role of stakeholders

2.1 Policy on treatment of stakeholders

The Company has a policy to focus on the rights of all groups of stakeholders whether the internal stakeholders are shareholders, Board of Directors, employees of the Company and subsidiaries, and external stakeholders, such as customers, partners, competitors, creditors, government agencies and other relevant agencies, as well as the community, society and the overall environment. The Board of Directors will perform duties to supervise the Company's operations to ensure transparency, fair to all stakeholders by issuing regulations, rules, policies or actions by studying the advantages and disadvantages, protect the rights of the direct and indirect interest parties with fairness. The Company Listen to comments or suggestions from direct stakeholders and other stakeholders. If there is any

important issue that is necessary to provide a hearing process, the process is equal, transparent and thoroughly for participation in that matter.

The Company has established Code of Business Conduct guidelines in writing for directors, executives, advisors and employees at all levels to strictly as follow.

1. To Shareholders - The Company respects the fundamental rights of shareholders and treats all shareholders equally.

- Perform duties with integrity as well as deciding to take any action with care, prudence and fairness to major and minor shareholders for the best benefit of the shareholders as a whole.
- Report the operation result, financial status, accounting and other reports on a regular and complete basis.
- Notify all shareholders equally about the future trends of the organization, both positive and negative. Do not seek benefits for yourself and others using any information which has not yet been disclosed to the public and does not take any action that may cause conflicts of interest with the organization.

2. To Customers - The Company is committed to continuously improving its services in order to provide the best quality output and have the best standards for customers' satisfaction as follows:

- Comply with contracts, agreements or conditions with customers. Committed to create satisfaction and confidence for customers.
- Disclose complete and accurate information about the service. Maintain customers' confidential information, do not call or accept any benefits, or being dishonest to customers.
- Arrange the customer service system to be able to complain of dissatisfaction.

3. To employees - The Company has a policy for employees and pay compensation to employees fairly appropriating to their responsibility, and can compete with other companies in the industry as follows:

- Strictly comply with labor laws and regulations.
- Provide appropriate remuneration based on knowledge, ability, responsibility and performance of each employee, comparable to other leading companies.
- Appointment and transfer, rewarding and punishment of employees must be done fairly, honesty, and based on knowledge, competency and suitability, including actions or the practice of that employee.
- Treat employees with fairness and justice. Take care and give priority to the employee development by providing opportunities for employees thoroughly and consistently.
- Maintain a safe working environment for the safety of life, health, physical and property of the employees.
- Promote employee participation in determining work directions and problem solving.
- Listen to comments and suggestions from all levels of employees equally and equitably.
- Treat employees on the basis of human dignity, and respect for personal rights.

4. To partners - The Company attaches great importance to the selection of suitable suppliers. The selection process and treatment of partners are equal, fair, systematic and transparent, including on the basis of fair compensation to both parties. The Company realizes the importance of having an ethical and professional business partner. No violations of environmental and labor laws Including promoting

and supporting customers to fight against corruption. The Company has arranged the procurement process as follows:

- Set the criteria for selecting partners.
- There is competition on the information received equally. There is no barrier to any partner to enter the business competition. Arrange the contract form that is suitable and the same standard.
- Provide a follow-up management system to ensure compliance with the contract. There is an internal control system that prevents fraud and misconduct in every step of the procurement process.
- Ensure punctuality of payments to partners according to agreed payment terms.
- There is no policy for directors and / or employees to receive any benefits personally from partners.
- Arrange for the evaluation of partners on an annual basis, and report the evaluation results with suggestions or improvement of product quality and service continuously, and allow partners to contact the management to report complain if found to have been treated unfairly.
- Adhere to the policy of treating creditors with discipline and transparency under fair conditions for both parties.

5. To competitors - The Company has a policy to treat competitors without infringing on their secrets or fraudulently knowing their trade secrets as follows:

- Encourage employees to collect, share and use information about competitors. The employees must comply with the law and ethics.
- Comply with international principles, do not violate or know the trade secrets of competitors by fraudulent means.
- Protect the Company information that is not publicly disclosed and must protect the competitor's non-public information as well.

6 . To creditors - The Company has the fair practice according to conditions and is responsible for creditors scheduled repayments terms, commitment to trade and financial institution creditors in accordance with the terms of contract. If there is any reason that the contract cannot be performed, the Company will notify creditors to mutually resolve the problems as follows:

- Strictly complying with creditors' contracts or agreements.
- Manage the business to ensure creditors' confidence in financial status and ability to pay back.
- Disclose accurate and complete financial information to creditors regularly.

7 . To society and communities - The Company realizes and operates business with responsibility towards the community, society and environment in terms of safety, quality of life and conservation of natural resources in the area surrounding the workplace. Guidelines are as follows:

- To be a good citizen model by conducting activities for social, community and environmental development in various forms.
- Cooperating and strictly comply with the spirit of law and related regulations.
- Promote all levels of employees to bear in mind of social and environmental responsibilities.

- Giving importance to participate and create good relationships between Companies and society on the basis of accuracy, transparency, fairness in order to create knowledge and lead to sustainable social development.

2.2 Human Rights Policy

The committee attaches great importance to and respects human rights, have a policy to treat labor with fairness and equality, do not discriminate on race, religion, sex, skin color, and language, do not use child labor, and against sexual harassment. The Company requires executives and employees to comply with human rights principles as part of the operations. Guidelines are as follows:

- Do not support direct or indirect discrimination regardless of race, color, sex, sexual orientation, age, disability, religion, illegal political view or any other opinions. In addition, the Company requires executives and employees to comply with human rights principles as part of the operation and does not support activities that violate any human rights principles.
- The equitability in employment opportunities, security and career advancement, as well as to ensure that employees have knowledge and essential expertise for their tasks, and have the opportunity to develop their skills to be in line with future business trend.
- Respect personal dignity, privacy and the rights of individuals who have interacted with during their duties, and not taking any action or encourage any violation or abuse of human rights.
- Provide benefits and welfare that employees should receive from the Company.
- Support employees' health, safety and security to promote good hygiene, safe working environment, control of various threats to prevent accidents and diseases.
- Provide complaint procedures and settle the complaint appropriately and fairly.
- Any violation of disciplinary regulations, it must be conducted for investigation. The Company will investigate the disciplinary offenders only by the Investigation Committee to ensure fairness.

2.3 Policy on community and environment

The Company is aware of the environment impact caused by the Company's business operations. The Company has policies and commitment to reduce environment the impact as follows:

- Comply with relevant laws and regulations.
- Prevent and control environmental impacts from business operations.
- Promote the use of resources economically and efficiently in all work processes.
- Regularly review and improve environmental performance.
- Provide training and acknowledge the policy to personnel at all levels in the organization in order to understand the responsibility towards environmental protection.

The Company' measures and practices are as follows.

- Business operation - the Company takes into account the environmental protection and safety management standards. Support the purchase of products or services that are considered safe,

environmentally friendly and energy conservation. Exchange knowledge and experience with other agencies in order to improve operational and environmental management.

- The Company is focused on clean energy business and friendly to the environment. The Company has invested in associate-SSUT which operates the cogeneration power plant from natural gas which is a clean energy power plant. The production process in the power plant project and the waste materials of the factory will not affect the environment.
- Company's cassava planting project with the farmers in Nakhon Ratchasima and Chaiyaphum province which has been operated for 8 years, focusing on environment protection as stipulated by the Company, such as the use of organic fertilizer, pesticides, and harvest management in order to prevent waste, bad smell for the community, sanitation, and environment.
- Promote efficiency of energy saving - the managers have encouraged employees to perform strictly on resource usages and to acknowledge them by providing appropriate information regarding environment conservation such as reducing electricity consumption, tap water and using office equipment economically.
- The Company has policies and guidelines in accordance with the laws and regulations related to occupational health, safety and hygiene in the workplace, such as providing a monthly spray to eliminate insects, mosquitoes, termites, rats and ants. There is regular cleaning in the workplace and surrounding areas, and organize the annual fire drill, etc.

In 2020, there is no accident in the workplace and from the performance of duty. The average number of sick days is equal to 0.64 day/year.

2.4 Intellectual Property Policy

The Company recognizes the ownership and intellectual property rights of others. The Company has a policy to prohibit all types of intellectual property infringement. The Company does not allow employees to use illegal software. Therefore, in any business of the Company relating to the intellectual property of another person, it must obtain the consent of the owner or the person having the intellectual property rights of another person, unless such action is contrary to the normal exploitation of the intellectual property of others and not affect the legitimate rights of the other person's intellectual property and does not prejudice to the statutory rights in the intellectual property rights of others. The Company has the following guidelines.

- Comply with the laws related to the intellectual property of Thailand.
- Maintain and protect the intellectual property rights of the company, including respect and not infringement on the intellectual property rights of other persons.
- The intellectual property and confidential information of the company, business partners and stakeholders are not used to be reproduced, modified or used in any way for personal or other benefit without permission.
- Report to the supervisor whenever any action that violates intellectual property or it could lead to a violation of intellectual property.

2.5 Anti-corruption and Corruption Policy

The Company gives importance to conducting business with morality by adhering to the principles of honesty, transparency and accountability, responsibility and care to the stakeholders for society and environment under the principles of good corporate governance and Company business ethics. The Board of Directors has approved the preparation "Anti-Corruption Policy" by requiring directors, executives and employees at all levels of the Company and subsidiaries to strictly comply with the anti-corruption policy, and business ethics without conducting any behavior that it is a bribe, or bribe the interested person directly or indirectly in order to obtain benefits in the wrong way of his or her own or other related persons, which must be treated with caution in matters that are at high risk of corruption in giving or receiving gifts and entertainment, sponsoring, donations for charity, political assistance, business relationship and procurement and personnel management processes, which is consistent with the guidelines of the Thai Private Sector Collective Action Coalition Against Corruption (CAC). The Company has published anti-corruption measures on the Company's website, sending the document to all directors, executives, employees and related persons for acknowledgement. Each year, the Company provides training to executives, employees, related parties, as well as new director and new employees for mutual understandings, promoting correct standard of working, transparency and sustainable growth. As the result, the employees all understood and strictly followed the guidelines.

Anti-corruption Practices and Guidelines

The Company has constantly monitored practices following anti-corruption, also reviewed the standard practices guidelines to be in line with the policy, rules and related laws. In this regard, the Company and the subsidiary have followed the Thailand law of anti-corruption as follows;

1. Giving or receiving gifts and holding reception – The companies have no policy on giving or receiving gifts in any forms with business partners, excepting for giving or receiving gifts and holding reception conventionally in order to maintain good relationship with the partners without expecting for special services or other reciprocations that are conflict with business ethics. For example;
 - Not to request any objects or any other favors from people whose responsibilities or business are connected with the companies
 - Not to request any objects or any other favors from people whose responsibilities or business are connected with the companies, excepts for traditional occasions, and each objects or favor received must not exceeds 10,000 THB in value. In case the object or the favor exceeds 10,000 Baht, I t could be received when necessary in order to maintain good relations between parties, and the receiver must report to his/her supervisor, and deliver it to the related department for the business use within 7 days. However, receiving the object or favor must not unethically influence his/her business decision making.
 - Receiving objects or other favors from business activities between organizations, or as a relationship between the organization, one must report to his/her supervisor and deliver it to a related department for business use within 7 days
 - Holding reception is acceptable, but with appropriate cost

2. Sponsorship refers to money paid to or received from customers, business partners or business partners reasonably with its objective of maintaining business relationship, also in the right occasions. Basic requirements are as follows;
 - Must be true, transparent, with evidence for accounting process
 - Must be done on behalf of the company
 - Must be disbursed with clear objective
 - Must follow the Company's procedures
3. Charity Donations refers to giving or receiving money that;
 - Must be transparent and legitimate. Must be affirmed that the charity or subsidy must not be the mean of bribery
 - Must be done on behalf of the Company
 - Must follow the Company's procedures
 - Making charity on behalf of oneself is acceptable, but that must not relate to or not suspectable that it's a fraud for one's benefits
4. Political Supporting refers to giving out money, objects, other favors, or providing spaces to facilitate political activities, politicians, or related persons. The Company has been absolutely neutral to politics, supporting legitimate actions, democracy, and no policy on supporting any political party directly or indirectly, whereby;
 - Exercise one's own rights as a good citizen according to the Thai constitution and other related laws
 - Not to involve in any activities that could lead to a misunderstanding that the Company has taken parts or supported any particular political party
 - Not to share any Company's asset to support a particular political party
5. Business relations and procurement – The Company prohibits giving or accepting bribes in all types of business operations by;
 - Follow the Company's procedures
 - Must be transparent and verifiable
 - In selecting business partners, one must take the following concerns into account; value for money, quality, price, and the partner's characteristics.
6. Human Resourcing Process the Company's human resourcing process emphasizes on anti-corruption whereby its practices range from recruiting, evaluating performance, providing training, promoting, remunerating. Each supervisor in all levels must communicate and make understanding with their subordinates.

At the annual staff meeting, in addition to emphasizing the various operating policies of the company, there will be a training in anti-corruption policy compliance every time, along with a test of understanding.

Whistle Blowing Policy or Complaints

The Company encourages employees and related persons to blow the whistle on corruption activities to Audit Committees Chairman for investigation, via company's website www.eternalenergy.co.th or phone number 02-554-8014 (Company's Secretary) or fax number 02-554-8001, or mail at 888 I tower building, 8th floor, Vibhavadeerungsit Rd. Chatujal, Bangkok 10900

Confidential Information Protection Policy

The Company protects those complainants and honest information givers, and appoint executives to investigate all information reported, keeping all the information, complaints and document provided by complainants and information givers confidential.

Violating the Policy

In case the directors, executives and employees do not follow this policy, they shall be punished according to the Company's rules, depending on the facts and circumstances. And if the corruption is illegal, the doer shall be punished by law. The Company has no policy to demote, punish or give negative outcome to those employees who refuse corruption.

Roles and Responsibilities

The Board of Directors – Approve policy, support anti-corruption activities

Executive Committees and The Management – communicate to the Company's personnel and related persons about the policy and cooperate with Audit Committees in investigate according to the report

Audit Committee – to review and update the appropriateness of the policy, take the complaints from the stakeholders that witness the corruption activities, and report the investigation result to the board meeting quarterly.

Internal Audit – evaluate risk of corruption arisen from internal audit system

Risk Management Committee – evaluate risks from corruption in each working process, and consider appropriate preventive measures.

Risk Appraisal

The Company has required every departments to assess corruption risk and identify its management policy. The executive team would follow up and report risk status to the Risk Management Committees and the board regularly. The Internal Audit will evaluate the effectiveness of all related internal control measures related to the prevention of corruption to the Audit Committees quarterly. From 2016, the Company has not received a complaint or whistle-blowing about corruption via specified channels.

The Company has done self-assessment on anti-corruption procedures following Private Sector Collective Action Coalition against Corruption (CAC), and submitted to the CAC committees for review since 2016

In 2020, during employee meeting, the Company has informed all employees about fraud and corruption activities, such as guidelines of practices, high-risk matters that one must be careful on

corruption, restrictions, acceptable actions, required documents, whistle blowing, and punishments on violations.

2.6 Policy on the acquisition or disposal of securities

Acquisition or disposition of securities of directors and executives of the Company must be honest and strictly comply with the regulations of the Stock Exchange of Thailand. The Company has specified the guidelines for the acquisition or disposal of the Company's securities, which are clearly stated in the policies and measures to supervise the use of internal information in securities trading and in the Company business ethics for the directors and employees to abide.

2.7 Compliance with relevant laws and regulations

The Board of Directors recognizes the importance and adheres to the principles of the Securities and Exchange Act and, relevant laws. In 2019, there were no cases of violations of labor laws, employment, consumers, trade and environmental competition.

2.8 Complaints

The Company provides opportunities for all internal and external stakeholders to report clues or complaints to the Board of Directors regarding inappropriate actions, illegal or unethical behavior, inaccurate financial reports or the internal control system that is defective or acts that may cause doubt as being a corruption. The stakeholders can inform the Chairman of the Audit Committee to present to the Audit Committee to determine the fact-finding process. The Company has a policy to protect whistleblowers, to set up protection measures for whistleblowers not to be violated. The Audit Committee considers and reports to the Board of Directors for consideration as the Board deems appropriate. In addition, complaints can be sent directly to the directors, or internal auditor, or on the Company website: www.eternalenergy.co.th, or via electronic mail: tida@eternalenergy.co.th, or by phone number 02-554-8012 (Company Secretary), or by fax at 02-554-8001, or by mail : Address 888, I Tower Building, 8th Floor, Vibhavadi Rangsit Road, Chatuchak Subdistrict, Chatuchak District, Bangkok 10900. The Company will appoint an executive to check and track every clue that is reported. The information, complaints and documents of the complainant and the information provider are kept confidential.

In 2020, there were no clues or complaints about illegal or unethical conduct, infringement, inaccurate financial reports, corruption or any defective internal control system.

Self-Assessment of the Board of Directors and Sub-Committees

The Board of Directors arranges for self-assessment of the entire Board of Directors, directors individually, the entire sub-committees, and individual sub-committee members regularly once a year within December with the purpose for consideration of joint performance, review the problems and obstacles in the past year for improvement, and for good corporate governance. The criteria and process for evaluation for the year 2020 are:

1. The Board of Directors approved the use of the evaluation form, which is to be used in accordance with the guidelines of the Stock Exchange of Thailand which was prepared and updated in February 2015.

2. The Board assigned the Nomination, Remuneration and Corporate Governance Committee to be responsible for conducting the evaluation.

3. There are 4 types of evaluation: Board of Director by group, individual director, sub-committees by group, and individual member.

4. There are 6 topics for Board in group assessment:

- Structure and qualifications of the Board
- Roles and responsibilities of the Board
- Board meeting
- Roles and responsibilities
- Relationship with management
- Self-development of directors and executives

5. There are 3 evaluation topics for individual director, sub-committees, and subcommittee member.

- Structure and qualifications of the Board
- Board meetings
- Roles and responsibilities of the committees.

6. The Company Secretary collects the evaluation form and calculates the evaluation results, the average score of every category, and the average score in percentage. The score ranges are as follows;

85 –100%	=	Excellent
75 – 85%	=	Excellent
65 – 75%	=	Good
50 – 65%	=	Fair
Less than 50%	=	Underperformed

The annual self-assessment results of 2020 from 8 directors are:

(1) Board of Directors in group - the average score of all categories is excellent, and the overall average score of 99.06 percent

(2) Individual Director - the average score of all categories is excellent, and the average score of 100 percent

(3) 3 Sub-committees in group

- Audit Committee - the average score of all categories is excellent, and the overall average score of 97.92 percent
- Nomination, Remuneration, and Corporate Governance Committee - the average score of all categories is excellent, and the average score of 97.22 percent
- Risk Management Committee - the average score of all categories is excellent, and the overall average score of 100 percent

(4) 5 Sub-committee members individually - the average score of all categories is excellent, and the average score of 100 percent

Evaluation of the performance of the Executive Chairman - the Board of Directors has assigned the Chairman of the Nomination, Remuneration, and Corporate Governance Committee to appraise once a year, and report directly to the Chairman of the Board.

In addition, all sub-committees also review their performance according to the Charter for improvement and development of operations. The results of operations in 2019 have already presented to the Board of Directors.

Evaluation of compliance with corporate governance policies and business ethics of the Company is evaluated by Chairman of the Audit Committee. Then, the Chairman of the Nomination Committee is to review and report to the Board of Directors meeting for consideration. The corporate governance survey under CGR project by the IOD in 2020, it appears that the Company received a very good average score.

Development of Directors and Executives

The Board of Directors attaches importance to participating in training courses and seminars related to the development of knowledge and competency in performing duties of directors. Most directors had attended training courses with the Thai Institute of Directors Association (IOD). The Company policies are:

- Allowing the directors to attend the training on the roles and duties of being a director, and corporate governance from IOD. In 2020, one director, Ms. Kwansirintr Rojanapruk, Managing Director, attended the Director Accreditation Program (DAP).
- Allowing directors to receive training on the roles and duties of being a director, corporate governance practices from external agencies. In 2019, no directors attended.
- Allowing directors and executives to continuously receive training related to the Company's business.
- Have an Executive Development Plan, whereby the Executive Chairman reports on the Company performance during the year.

New Director Orientation In 2020 - Chairman of the Board and Company Secretary has arranged the orientation for Ms. Kwansirintr Rojanapruk, to introduce the Company's business policy, shareholder capital structure, performance, company information, roles and responsibilities of directors, annual report, corporate governance policy, code of business ethics, anti-corruption policy, insider trading policy, and other policies prior to the first board meeting.

3. Disclosure and transparency

The Board of Directors attaches importance and oversees the disclosure of information to the public and stakeholders with accuracy, completeness, timeliness, transparency through easy access to information equally and reliably both in Thai and English through the SET Portal of the Stock Exchange

of Thailand and on the Company's website for shareholders, investors, the public or other stakeholders to study, and to be confident in the transparent operation of the Company.

Disclosure of information in the annual registration statement and the annual report of the Company are as follows:

- 1) The Business - consists of policies and business overview, nature of business, risk factors, assets used in business operations, legal dispute, general information and other important information.
- 2) Management and Corporate Governance - consists of securities information and shareholders, organizational structure and management, corporate governance, corporate social responsibility, internal control and risk management, and related transactions.
- 3) Financial status and operating results - consists of the report of the Board of Directors' responsibility for financial reports, important financial information, financial statement, management discussion and financial analysis (MD&A).
- 4) Certification of data accuracy - consists of details about directors, executives, controlling persons and Company secretary, directors of subsidiaries, Head of Internal Audit and Head of Compliance Unit, and property appraisal.

Information published on the Company's website, such as

- | | |
|---------------------------------|--|
| - Performance data | - Quarterly and yearly financial statements along with management discussion analysis of the current and previous year performance |
| - Information about the project | - Clarify the progress of project development |
| - Information about the meeting | - Granting rights to minority shareholders to propose agenda and nominate persons for selection as Directors, significant Resolution of the Board of Directors' Meeting, Resolution of the shareholders' meeting, Invitation to the Annual General Meeting and Extraordinary General Meeting of Shareholders |
| - Information about the Company | - Vision, Mission, Strategy, Company Articles of Association, memorandum, Organizational Structure, Board of Directors and Executives, Corporate Governance Policy, Code of Business Conduct for Directors and Employees, Investor Relations, Ethics, Anti-corruption Policy, Environmental Policy, Risk management Policy including various risk management methods, Form 56-1 and Annual Reports, Shareholding structure both directly and indirectly, Company and Subsidiaries and Associates, Major shareholders both directly and indirectly who hold shares from 5 percent of the total paid-up shares and have voting rights, Board Charter, and matters that need to be approved by the Board of Directors, Sub-committee Charter, |

Complaint channels, and Responsible person, Company Secretary, Phone number and email.

Investor Relations

The board has arranged the investor relations unit under supervision of Company Secretary with the responsibility to provide appropriate and useful information to shareholders, investors, securities analysts, mass media and related parties with equitability. The Chairman, Executive Chairman and Directors are parts of the investor relations activities in providing information and answer to the questions themselves, and it is to know the need and the interested matters of the shareholders and the investors. Normally, the investors contact with the IR via telephone, fax and e-mail. The group of investors may request a Company visit.

In 2020, the Company did not provide Company Visit for various analysts and investors. The Company has notified the progress of important events of the Company to the SET. Analyst and investors have directly communicated with the Company Secretary at 888 I Tower Building, fl. 8 Vibhavadi Rangsit Road, Chatuchak Subdistrict, Chatuchak District, Bangkok 10900 or by telephone (02)554-8000 / (02) 554-8014 or by fax (02) 554-8001 or via electronic mail: tida@eternalenergy.co.th. In addition, the Company is in the process of new business negotiations and not ready to give details to the investors and the media.

Investor Relations Ethics

The Board has approved the Investor Relations Code to be guideline for investor relations such as disclosing important and necessary information, internal data maintenance, disclose of information equally and fairly, and perform duties with honesty. The code is to review every year and published on the Company's website.

Code of Business Conduct

The Board of Directors has prepared a code of business conduct for directors, executives and employees as a guideline for conducting business and adhering to practices to ensure transparency, honesty, morality, ethics, taking into account stakeholders and the Company's benefits, in promoting the good corporate governance of the Company in the development and sustainable growth. The Board of Directors regularly reviews the suitability of the business code, and published the business code on the Company's website. www.eternalenergy.co.th

The principle is divided into the following topics

1. Ethics for all stakeholders including
 - Non-involvement in human rights violations
 - Business operations under environmental standards
 - Non-infringement of intellectual property
 - Anti-corruption
2. Code of Conduct for Sub-Committees, Advisors and Executives to perform their duties with honesty, carefulness and prudence for the best interest of the Company and all related parties

3. Employee ethics - There are practices that employees have to comply with various groups such as to customer, related persons, society, among employees, the Company including conflicts of interest, receiving or giving anything or other benefits, and political rights.
4. To ensure all levels of managers are responsible to oversee all subordinates' activities are strictly comply with the code of conduct.
5. The complaint requires the Company Secretary to be a recipient of complaints about the violation or non-compliance with the code of conduct with the process of receiving complaints, process upon receiving complaints, to evaluate, consider each step and method that is appropriate. In addition, the Company has provided channels for reporting information to the Chairman of the Audit Committee via the Company's website: www.eternalenergy.co.th about employee misconduct, inappropriate internal control system, by sending letter or e-mail, or post. The Company will provide fairness and protect the complainant who provided the information in good faith, and will appoint an executive to investigate by keeping the complaint information and documents confidential.
6. Discipline - employees who violate will be subject to disciplinary action according to the Company regulations. Unethical actions may be punished by law if such action is illegal.

Sub-committee

The Board of Directors has appointed competent directors as sub-committees to assist in the study and scrutiny of important issues that require close supervision in each aspect. The Board of Directors approves the Charter. The list of subcommittees for the year 2019 consists of the Audit Committee, Executive Committee, Nomination, Remuneration and Corporate Governance Committee and Risk Management Committee. The composition and scope of duties are as follows:

1. Audit Committee

Composition - consists of three independent directors, one of them must be a knowledgeable person who has fully understand and experience in accounting or finance or audit work.

Term of office - the term in the office is the same as board member term, will be retired from the from the office by rotation at the AGM, and eligible for re-appointed, they will hold the position of no more than 3 consecutive terms or 9 years.

The names of the Audit Committee as at 31 December 2020 are as follows:

- | | | |
|------------------|------------------|---------------------------------|
| 1. Dr. Thanachai | Thirapatanawong | Chairman of the Audit Committee |
| 2. Mr. Nivat | Charangariyavong | Audit Committee Member |
| 3. Dr. Wetang | Phuangsup | Audit Committee Member |

The secretary is Mrs. Rummanee Chanwittayapong

*Dr. Wetang Phuangsup is a member of the Audit Committee with knowledge, understanding in accounting and finance, and has sufficient experience to review the reliability of the financial statements. Currently, he serves as the Director of Strategy and Planning Division, Ministry of Digital Economy and Society. He also served as Executive the Audit Committee Chairman at BFIT Securities

Public Company Limited from 2006 – 2011 (5 years) and Audit Committee at RHB Securities (Thailand)
Public Company Limited for 9 years from 2011 – present.

Duties and Responsibilities

1. To review the audit process, internal control system, and risk management system under general accepted internal control standard.
2. To advise the management in improving work process or work system for the efficient work system and minimize risks in order to ensure the accurate and adequate financial report.
3. To advise board on corporate good governance policies, including monitor, evaluate, and report of corporate good governance practices.
4. To review the company performance in compliance with the company policies, laws, rules, regulations, and related laws.
5. To review and coordinate with the external auditor for the Company financial reporting to ensure accuracy and adequate disclosure under generally accepted accounting standard.
6. To select and nominate, re-elected, and terminate an independent external auditor of the Company, including recommendation of remuneration by taking account with the credibility, adequacy of resources and volume of auditor assignments of that audit firm, as well as experience of personnel assigned to audit the Company accounts.
7. To review the disclosure of information of the Company in case that there is a connected transaction or transaction that may lead to conflict of interest so as to ensure the accurateness and completeness.
8. To fix and approve of the scope and annual internal audit plan, the change of the audit plan, and to review report of the internal auditor, including to be responsible for the development and review of the effectiveness of the risk management and internal control systems.
9. To seek independent opinion from any other professional counsel for legal or accounting matters when it is deemed necessary as approved by the board at the Company expense.
10. To select and make recommendation to the board for internal auditor appointment, termination, and to fix the remuneration.
11. Annually evaluate the internal auditor's performance.
12. To examine any transaction which is in doubt of significant impact to the Company performance, or conflict of interest transaction that may affect the Company performance.
13. To review the revision of the anti-corruption policy.
14. To fix the audit process for fact finding when there is any complaint from both internal and external stakeholders to the Audit Committee of any wrong doing that violate law, code of conduct, incorrect financial report or improper internal control or corruption that related to employee, and to fix the protection measure for the complaint, and report to the board for consideration.

15. Any other duty related to the Audit Committee as assigned by the board.

In 2020, there were 4 meetings. All directors and Risk Management Chairman attended the meeting, and having a meeting with the auditor without management to discuss and exchange views on operation-related, a total of 5 times. There is an annual self-assessment of performance, and has reported to the Board of Directors.

2. Executive Committee

Composition – The Executive Committee members have been appointed from the authorized directors who are authorized to sign on behalf of the Company. As of December 31, 2020, there were 3 members. The Executive Chairman has been appointed by the Board of Directors, to be responsible for the Company business on behalf of the Board in accordance with the direction, policies, goals and strategies set by the Board. Executive Directors are also appointed as directors in subsidiaries and is the authorized director of the Company and subsidiaries to oversee the subsidiaries management tasks to be efficient.

Term of office is the same as director term and may be re-appointed

The names of the Executive Committee as at 31 December 2020 are as follows:

- | | | |
|----|----------------------------|------------------------------|
| 1. | Ms. Kwansirintr Rojanapruk | Executive Committee Chairman |
| 2. | Mr. Thira Ratanavit | Executive Director Member |
| 3. | Mr. Surachai Suksriwong | Executive Director Member |

The secretary is Mrs. Rummanee Chanwittayapong

Duties and Responsibilities

1. To supervise, provide recommendation for the Company policies, goals, business plans, business strategies, and annual budget for the executives and to report the Company and subsidiary operation results to the Board quarterly.
2. To ensure the efficiency of Company and subsidiary performance and compliance with the policies and plans as approved by the Board.
3. Consider and approve the payment order as determined by the Board.
4. To approve depreciation of the Company's assets
5. To approve selling of non-performing assets
6. To approve the investment expenses, borrowing or obtain credit facilities from financial institutions, lending as well as providing financial assistant to subsidiaries in normal business in an amount not exceeding 25 million baht per transaction as well as a guarantor for the Company and subsidiaries normal business operation.
7. Consider and approve the appointment, selection, hiring, dismissal, transfer, promotion, salary adjustment or annual salary adjustments and other rewards Including expenses and facilities for the Company and subsidiaries employees at all levels as appropriate. To authorize the person to act on behalf of the Company to sign the relevant employment contract.
8. Approve the payment as assigned by the board of director.

9. Propose the organizational structure and effective management of the Company and its subsidiaries to the Board.
10. Manage the Company and subsidiaries' operation, except for the matters stipulated by the Company regulations that must seek Board approval and issues that the Board has specifically designated.
11. Propose to the Board to approve the appointment of Company representatives to be directors in subsidiaries and associate for the efficient management and get the maximum benefit.
12. Supervise and approve matters relating to the operation of the Company and may appoint or assign or authorize any person to act on behalf of the Executive Committee as appropriate.
13. Executive Committee Chairman is able to call the Executive Committee meeting and/or determine the rules and regulations of the meeting as it deems appropriate.
14. Take actions on urgent matters that may cause damage to the Company
15. Perform other tasks as assigned by the Board of Directors.

The Executive Committee held meetings quarterly to discuss the business operations of the Company as appropriate. Annual performance review and Charter revision has been proposed to the Board of Directors for approval.

3. Nomination, Remuneration and Corporate Governance Committee (Nomination Committee)

Composition - consists of three directors, two independent directors and one non-executive director. Chairman of the Nominating Committee is independent director, to consider the policy and nomination criteria and to fix the directors' remuneration, with transparent and independent to perform their duties. Non-Independent Director is non-executive directors to prevent any conflict of interest. The Chairman of the Board is not a member of the Nomination Committee.

Term of office is the same as board member, will be retired from the office by rotation at the Annual General Meeting and eligible for re-appointed. They will hold the position of no more than 3 consecutive terms or 9 years.

Names of the Nomination Committee as of December 31, 2020 are as follows:

- | | | |
|-----------------|----------------|-------------------------------|
| 1. Mr. Nivat | Changariyawong | Nomination Committee Chairman |
| 2. Mr. Surachai | Suksriwong | Nomination Committee Member |
| 3. Dr. Wetang | Phuangsup | Nomination Committee Member |

The secretary is Mrs. Thanyathorn Chonlavorn

Duties and Responsibilities

1. Selection

- Consider the appropriateness of the Board of Directors structure in regard to the number of appropriate directors, types, qualifications for each director in skills, experience and specific capabilities related to the Company business and in accordance with the Company's business strategy.
- Consider the criteria and procedures for the nomination of directors to be appropriate with the specific characteristics of the organization, such as criteria for considering the former directors to propose to be re-elected, criteria for announcing the appointment of director, criteria for

shareholders to propose names of candidates, criteria for the nomination by the director. The criteria and procedures for nomination of directors are disclosed in the annual report, and on the Company website.

- Recruiting, selecting and proposing people according to the nomination process, and propose to Board of Directors for the agreement before proposing to the shareholders' meeting for appointment.
- Consider the qualifications of independent directors to be appropriate for the specific characteristics of the Company. Independence must at least comply with the rules set by the Capital Market Supervisory Board.
- Prepare the development plan for directors and new directors to understand the business, roles and duties of directors, and important developments such as industry conditions, rules or laws related to the Company business, and provide orientation and documents to new directors for the benefit of the directors' duties.
- Create a succession plan to prepare for the event that high-level executives are unable to perform their duties so that the Company management can be continued.

2. Remuneration

- Consider the form and criteria for payment of remuneration for the Board of Directors and Sub-Committees that suitable for their duties and responsibilities in line with the Company operating results as well as considering the payment information of other companies that are in the same industry, and propose to the Board of Directors for the agreement before proposing to the shareholders' meeting for approval. Senior management compensation is approved by the Board of Directors. The compensation models are:
 - (1) Retainer fees such as monthly compensation, annual remuneration
 - (2) Compensation based on the performance of the Company (Incentive) such as the profits of the Company.
 - (3) Attendance Fee

3. Corporate Governance

- Determine guidelines and criteria to be used for the annual self-assessment of the performance of the Board of Directors by group, and individual director, sub-committees by group, and individual member and report the results to the Board of Directors at least once a year including disclose of principles, criteria, procedures, and overall evaluation in annual report Assess the performance of the Executive Chairman and present to the Chairman.
- Review corporate governance policy and business ethics annually and propose to the Board of Directors for consideration.

4. Provide comments and suggestions on hiring external consultant to assist in to assist in performing duties in accordance with the charter effectively by the Company expenses.

5. Other tasks assigned by the Board of Directors.

In 2020, there were 2 meetings. All members attended every meeting. Charter has been revised, and has already reported its performance to the Board of Directors.

4. Risk Management Committee

Composition - consists of one director, and assigned to be is Risk Management Committee Chairman and the other two members are selected from the executive and/or professional total of 3 persons.

Term of Office - Equivalent to the term of the Chairman of the Risk Management Committee and will be retired at the Annual General Meeting of Shareholders, together with the term of office of the Company's directors. The retiring directors may be re-appointed.

Names of the Risk Mmanagement Committees as of 31 December 2020 are as follows:

- | | | |
|---------------------|-----------------|------------------------------------|
| 1. Mr. Thira | Ratanavit | Risk Management Committee Chairman |
| 2. Mr. Thiraphong | Tangtheeranunan | Risk Management Committee Member |
| 3. Mrs. Thanyathorn | Chonlavorn | Risk Management Committee Member |

The secretary is Mr. Somchai Bunratpraphun

Duties and Responsibilities

1. Determine the organization's risk management policy and framework before submitting to the Board for approval.
2. Determine the acceptable level of risk of the organization.
3. Monitor and evaluate the implementation of the risk management framework throughout the organization under the guideline and policy approved by the Board, review the corporate risk management policy and framework, including efficiency of the system to ensure that the organization's risk management policy and framework remains consistent and suitable for business conditions.
4. Report the significant corporate risk, risk level, guidelines for risk management, progression and results of risk management to the Board meetings at least once a year.
5. Provide comments and suggestions on hiring external consultant to assist in the effective operation of the charter. The Company will support the personnel, budget and other resources needed.
6. Communication, information exchange and coordination on risk and internal control with the Audit Committee at least once a year.
7. Assess the potential risk of corruption of various systems including considering preventive measures and follow up on preventive measures regularly and report to the Audit Committee.
8. Other tasks assigned by the Board of Directors.

In 2020, there was 1 meeting. All directors attended the meeting. The meeting with the Audit Committee was held on a quarterly basis. Charter and self-assessment performance have been reviewed and reported the results to the Board of Directors.

Nomination and Appointment of Directors and Top Executives

(1) Independent Director

Independent directors mean directors who are independent from major shareholders, executives and related persons. It can protect the interests of all shareholders equally. No business or involvement in administration in the company, its subsidiaries, affiliated companies, major shareholder or the controlling person of the company that may have an adverse effect on their decision making.

The Company has 5 independent directors, or 62.5 percent of 8 directors, more than one-third of the total number of eight directors, and is in compliance with the rules and regulations of the Securities and Exchange Commission, which requires the composition of the Board of Directors to have at least one-third independent directors but must not be less than three. The term of office of an independent director is three years and eligible for re-appointed not more than 3 consecutive terms or 9 years. Independent directors of the Company are independent from management and major shareholders. They are able to comment on the work of the management and are qualified under the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

At the 2020 Annual General Meeting of Shareholders, the shareholders have resolved to appoint Dr. Thanachai Teeraphattanawong, an independent director and the chairman of the audit committee for 9 years, 3 consecutive terms, to be re-elected as an independent director for another term and to be the chairman of the audit committee, due to his qualifications as required by the law, performance of duties as assigned with high responsibility and efficiency in reviewing financial reports, internal control, corporate governance, risk management, compliance with relevant laws, and can continue to benefit the Company.

The Chairman is an independent director and not the same person as the Executive Chairman. (The Company has no MD) and is neither a sub-committee member nor a chairman. The Company has set the authority and responsibility of the Chairman and the Executive Chairman separately so that no one has unlimited power.

Criteria for the selection of independent directors

Nomination, Remuneration, and Corporate Governance Committee is responsible for considering the criteria and procedures for the nomination of qualified persons to be independent directors. The selection process is based on the recruitment process and propose to the Board for consideration and submit to the shareholders' meeting for approval. Nominees must not have any prohibited characteristics as required by the Securities and Exchange Commission, and Capital Market Supervisory Board. The qualification of independent directors in relation to the shareholding of the Company are more stringent than those specified by the Capital Market Supervisory Board, which does not hold more than 1 percent.

Company Definition of Independent Director

1. Holding not more than 0.5 percent of the company's shares with voting right, or that of any of the company, subsidiary company, associated company, major shareholder or controlling person of the

company, which shall be inclusive of the shares held by any related person of such an independent director.

2. Neither being nor having been an executive director, an employee, a staff member, an adviser who receives a regular salary, or a controlling person of the company, subsidiary company, associated company, major shareholder or controlling person of the company unless the foregoing status has ended for more than two years.

3. Not being a person related by blood or registration under law, such as father, mother, spouse, sibling, or child, including the spouse of a child, any executive, major shareholder, controlling person or person to be nominated as an executive or a controlling person of the company or subsidiary company.

4. Neither holding nor having held a business relationship with the company, subsidiary company, associated company, major shareholder or controlling person in a manner which may interfere with his/her independent judgment, and neither being nor having been a substantial shareholder or a controlling person of any person having a business relationship with the company, subsidiary company, associated company, major shareholder or controlling person unless the foregoing relationship has ended for more than two years,

The aforementioned business relationship includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services, or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the company or counterparty being liable to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the company or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board concerning regulations in respect of an entering into connected transaction *mutatis mutandis*. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which such a business relationship with the person commences.

5. Neither being nor having been an auditor of the company, subsidiary company, associated company, major shareholder or controlling person and not being a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the company, subsidiary company, associated company, major shareholder or controlling person unless the foregoing relationship has ended for more than two years.

6. Neither being nor having been any professional adviser including legal adviser of financial adviser who receives an annual service fee exceeding two million Baht from the company, subsidiary company, associated company, major shareholder or controlling person, and not being a substantial shareholder, controlling person or partner of the professional adviser, unless the foregoing relationship has ended for more than two years.

7. Not being a director who has been appointed as a representative of the company's director, major shareholder, or shareholder related to the major shareholder.

8. Not undertaking any business of which is the same and which, in any material respect, is competitive with business of the company or subsidiary company or associated company or not being a substantial partner in the partnership or a director who is involved in management, an employee, a staff member, an adviser who receives a regular salary, or a shareholder holding more than one percent of shares with voting rights of a company which is the same and which, in any material respect, is competitive with business of the company or subsidiary company.

9. Not having any characteristics that prohibit the expression of independent opinion towards the company business undertakings.

In 2020, the Company had no independent directors with business relationships, or provide professional services in value exceeding the criteria set by the Capital Market Supervisory Board.

Nomination of directors and top management

Director Nomination

The Board of Directors has assigned the Nomination Committee to be responsible for the selection and nomination of directors, and present to the Board of Directors meeting to consider before nominating qualified candidates to the Annual General Meeting of Shareholders to approve the appointment of directors who are due to retire by rotation and/or to appoint new directors each year. There will be one-third of directors who must retire from the position. The retired director may be re-elected in accordance with Article 16 of the Company's Articles of Association that the Company has a Board of Directors consisting of at least 5 directors. The Company has a policy to have a maximum of 12 directors. The procedures for selection are:

1. Consider suitable candidates for new directors by
 - Allowing the nominations the candidates from shareholders according to the Company criteria.
 - To nominate the appropriate person by each director.
 - Consider the person from the IOD list of professional directors.
 - Hiring external companies to recruit.
2. Consider the director to be retired to propose to be director for another term.
3. Consider the characteristics of the person to be recruited in accordance with the structure, size and composition of the board that the board has set, such as
 - Morality and responsibility for work
 - Decisions with information and reasons
 - Having maturity and stability and daring to express different and independent opinions
 - Adhere to work with principles and professional standards
 - Other features that the Nomination Committee considers to be important
4. Having qualifications according to the laws and regulations of regulatory agencies such as the Securities and Exchange Act BE 2535.
5. Considering the appropriateness of knowledge, experience and expertise of the existing directors as a whole such as accounting and finance, business law, Company business, strategic planning,

management of information technology, and marketing, etc. by creating a Board Skill Matrix to assist in selecting suitable directors for the Company business, and at least 1 non-executive director must have experience in the Company core business.

6. Consider the independence of each independent director at present whether any independent director is qualified or who lacks the qualification to be an independent director. There is a need to recruit a new independent director or not. Qualifications of independent directors must be reviewed according to the criteria set by the Capital Market Supervisory Board and Company. In addition, in considering the same independent director to be re-appointed for another term. At the Board meeting in 2016, the Company has determined the term of independent directors that they should have a term of office from the date of being appointed to be the first independent director for not more than 9 years consecutively. If not, the Company has to consider the necessity.

7. Dedication of directors - If considering the same director to be re-appointed for another term, past performance at the time of the director position must be considered together with the term of office including the number of listed companies that serve as directors, which the Company stipulates that no more than 5 listed companies, including persons to be nominated as new directors in order to ensure work efficiency. In this regard, there are none of the 8 directors holding more than 5 listed companies.

8. To propose the Board of Directors for agreement before filling in the invitation letter for the shareholders' meeting to appoint.

In the event that the position of director is vacant due to reasons other than the expiration of the term of office, the Board of Directors will consider appointing a qualified person and having no prohibited characteristics as a replacement in the next Board meeting, except for the term of the director who are retired from office will be less than 2 months. The person who is replaced will be in the position of director only remaining of the director whom he replaced in this regard. The resolution to appoint a person to replace the said director must receive votes of not less than three-fourths of the remaining directors.

At the Board of Directors Meeting No. 1/2020 on February 25, 2020, the Board of Directors approved the appointment of Ms. Kwansirintr Rojanapruk to replace Mr. Siritaj Rojanapruk, the Chairman of the Executive Board who requested to resign from the office, to be Managing Director and Chairman of the Executive Committee in the remaining term of Mr. Siritaj Rojanapruk as proposed by the Nomination Committee and the Executive Committee.

Election of directors through the shareholders' meeting There are criteria and methods as follows:

1. In voting for election of directors, each shareholder shall have one vote per share, and to vote for election of directors individually by allowing the shareholders to cast all the votes they have, select the person who is nominated as one director at a time.
2. Persons who receive the highest votes in descending order being elected as a director equal to the number of directors to be elected at that time. In the event that the persons elected in the next

order have equal votes, exceeding the number of directors to be elected, the Chairman of the meeting shall have an additional vote as a casting vote.

The resolution of the election of directors must be approved by a majority vote of the number of votes of the shareholders attending the meeting and having the right to vote.

Recruiting Top Management

Recruiting the Managing Director, the Executive Committee together with the Nomination Committee will be the primary consideration for screening qualified candidates of having knowledge, ability, skills and experience that are beneficial to the Company operation, good understanding of the Company business, and able to manage the work to achieve the objectives and targets set by the Board of Directors, and present to the Board of Directors meeting for approval.

Supervision of Subsidiary

Start from 2017, the representative appointed to be directors in subsidiary and associate must be approved by the Board of Directors. They are responsible to oversee the subsidiary and associate operation with best interest (not for the Company). In voting for significant issues, they must seek approval from the Board prior to the vote. The submission of directors to represent the subsidiary or associate is in accordance with the shareholding proportion of the Company.

The Company stipulates that the persons appointed by the Company must ensure that the subsidiary applies the regulations on the connected transaction, the acquisition or disposition of assets or any other significant transactions to be complete and correct and applied the rules and regulations governing the disclose of information and transaction the same as those of the Company, including data gathering and accounting records to be audited for the Company and subsidiary consolidated financial statement to be prepared in a timely manner.

Auditor Remuneration

- (1) **Audit fee** - the Company paid to the Karin Audit Office Co., Ltd., which is the auditor of the Company and its subsidiaries for the year 2019, totaled 1,235,000 baht.

Company	2019	2018
1. Eternal Energy Public Company Limited	600,000	600,000
2. Boon Anek Company Limited	285,000	285,000
3. Charoenporn Energy Company Limited	190,000	190,000
5. SSUT Company Limited (Review fee)	160,000	140,000
Total	1,235,000	1,215,000

- (2) **Other service fees (non-audit fee)** - None -

Compliance with good corporate governance principles in other matters

Meeting attendance of directors in sub-committees and shareholders' meeting in 2020

List of directors	Number of meetings attended / Number of meetings held			
	Audit Committee	Nomination Committee	Risk Management Committee	meeting Shareholder
1. Mr. Thanachai Thirapatanawong	3/4	-	-	1/1
2. Mr. Nivat Changariyavong	4/4	2/2	-	1/1
3. Dr. Wetang Phuangsup	4/4	2/2	-	1/1
4. Mr. Surachai Suksriwong	-	2/2	-	1/1
5. Mr. Thira Ratanavit	-	-	1/1	1/1

The Company uses a self-assessment form for performant review in compliance with the principles of good corporate governance in accordance with the guidelines of the Stock Exchange of Thailand. The assessment results were used to improve the development of corporate governance practices every year.

Overview Policy

The Board of Directors sets the vision and mission of being a quality clean energy production Company by giving importance to the environment together with the good quality of life of the people for the sustainability management of the group of company. The Company and subsidiaries adhere to the principles of good corporate governance, morality, and respect for human rights, taking into account to all stakeholders, to create value for society, responsible to consumers, by creating satisfaction and good relationships with customers and partners, fair treatment of employees including the employee's development of good ethics and adhering to anti-corruption in all forms and to acknowledge the directors, executives, employees and stakeholders to participate. Various investments will take into account the environmental impact that may be caused by business operations that affect society and communities. The Company has a policy of environmental practices for various projects to achieve effective and efficient practices in all activities especially to communities in areas where the Company has run business in order for the society prosper and sustainable growth.

Normal business operation (in-process)

In 2020, the board of directors is committed to conducting business of the Company and its subsidiaries in order to create credibility for customers, shareholders and stakeholders with clear policies. The Company and its subsidiaries continue to promote cassava growers in the area nearby the Company project in Nakhon Ratchasima and Chaiyaphum Province with the main objective to create mutual benefits between the Company and farmers in for their better performance, stable and sustainable income in order to improve their quality of life. At the same time, the Company continues to seek investment in other clean energy that is environmentally friendly with social responsibility such as investing in cogeneration power plants from natural gas to produce electricity and steam that is clean energy. The Company is committed to conducting business with ethics to the stakeholders as follows:

- Shareholder - The Company is aware of its commitment to shareholders, to create growth and stability for the Company and shareholders. Respect to the right of the shareholders in order to receive the necessary information, and to disclose the accurate and transparency information.
- Customer - The Company adhere to integrity, trust and mutual support for good relationships with each other. There is customer satisfaction of Company services survey in order for the improvement.

Partner - The Company has a clear policy on fair and equitable treatment for business partners as well as taking into account of mutual benefits. Consider selecting a company to be a partner with a transparent process in accordance with the rules and procedures that will not do anything which may cause conflict of interest, the Company has expressed its intention to conduct business with transparency and anti-corruption.

Community, Social, and the Environment - The Company operates with community, social and environmental responsibility in the area of safety, quality of life, and natural resource preservation. The Company promotes the efficient use of energy with the care for the quality of life of the community and society in the surrounding area. The Company encourages employees to participate in social, community, and environmental activities.

Employee - Besides the development of personnel knowledge and expertise, the Company also takes care of the health and well-being as well as equitable returns for employees by taking into accounts the Company's performance and economic conditions. The Company provides a work environment with regard to hygiene and safeties, i.e. provide insecticide every month, provide fire drill once a year and 4 times a year for the associate company, and provide annual health check and financial support to employees in case of a family member death etc.

In 2020, there was no rate of accidents in the workplace and from performing duties. The average number of sick days is 0.64 day per person per year.

Risk assessment – The Company recognizes that doing agricultural business must face various risks such as

1) Climate change that cannot be avoid - Each crop yield will depend on the weather condition; therefore, the Company has to do the risk management and prepare the operational measure in case of drought or flood or agriculture epidemics in order to minimize losses.

2) Product price - Product price changes according to the quantity of product in the market. Some years, the farmer grows it more quantity, but some years growing other products that can be sold in better price. The quality of percentage of starch is important to the purchase price. Also, the price depends on the domestic and international buyer demand. The Company takes into account effective management in order to produce good quality of starch according to the needs of buyers. The Company provides the knowledge to the farmers regarding the preparation of planting areas and clean stems, the planting methods in accordance with the academic, the good maintenance, the problem solving in case of epidemic, the time of harvest in case of flooding or drought, and the sale of product in order to get a good price.

3) Environmental Impacts – The Company always takes into account the community and environment. After harvesting, the Company will not allow the cassava tree to affect the environment and the community, by using the method of plowing cassava trees to decompose and to be used as organic fertilizer which can reduce the use of chemicals in plant which is good for the environment and community hygiene.

Implementation and Reporting – Joint project with farmers in the area for cassava cultivation

In 2020, the Company keeps on supporting the farmers around the project area of Nakhon Ratchasima Province: Nong Bua Sa-ard Subdistrict - Bua Yai District, Nong Bua Subdistrict - Khong District, and Taku Subdistrict - Pak Thong Chai District; and Chaiyaphum Province: Sap Yai District.

The operations are as follows: - Farmers use the Company's land to cultivate free of charge. Farmers will invest in their own planting. The Company takes care of the cultivation, from the preparation of the soil until the product is sold. The product is distributed to the Company according to the mutual agreement.

Selection of farmers to participate in the project - The Company has determined a fair selection method, such as must not have their own land, must be responsible, hardworking, good ethics, and must have the intention to learn how to grow the cassava according to the academic principles in order to increase the yield per rai that can generate more income for the family and have more savings which will benefit farmers and families in the long term.

Participating farmers are considered to be partners of the Company. The Company treats business partners fairly and try to encourage the farmers to grow cassava efficiently without bad effects on the environment, to increase the quantity and quality of the product. The Company always do the performance tracking, do not discriminate, comply with various terms and conditions under mutual agreement, respect human rights, provide new knowledge and accurate information, have a good relationship with each other without prejudice, create and provide a follow-up management system for mutual benefit. Farmers can complain to the Company in case of problems including preventing fraud and misconduct in every step, as well as anti-corruption practice.

Supervision - After the farmers have been allocated land and signed a memorandum of agreement with the Company, the farmers can start prepare the soil and cultivate immediately. Then, the Company provides the maintenance from the beginning of planting until selling. The Company staff will record a history of planting, survey, monitoring every result from planting until harvesting closely. There is communication for advice from time to time, such as taking care of plant diseases that may occur insects, plants that should be careful, etc. If the plant disease epidemic occurs, it will suggest ways to accelerate

the destruction of insects that bring pathogens such as destruction by underground landfills. The use of correct chemicals at an appropriate rate and does not negatively affect the environment.

Environmental care - The Company has introduced farmers to reduce the use of chemicals in cultivation in the process of preparing the soil before planting. It is recommended to use organic fertilizers instead of chemical fertilizers before plowing. And when harvesting, there will be no burning of cassava trees but will use the plowing method to decompose and use as an organic fertilizer. These are beneficial to the community.

Employee Development - The Company communicates and treats employees in a fair manner to receive appropriate compensation, comply with laws and regulations related to health and work safety. Employees are proud to help farmers to have land to earn income, live better lives, received respect in farmers from the community, exchanged knowledge between farmers and employees in order to improve their working skills and continuously improve their work.

Indices that are indicators - the Company allocates a suitable amount of farmland to farmers with an agreement that the farmer must carry out the cultivation to obtain a yield of no less than 4 tons per rai and if the yield is not as specified without justifiable reason, the Company will not allow that farmer to join the project in the next crop.

The number of farmers participating in the project in Nakhon Ratchasima and Chaiyaphum in 2020 was 415 persons. The total yield on average in Nakhon Ratchasima is 4.1 tons per rai. The average total yield in 2020 is less than that in 2019 in the average total yield of 4.47 tons per rai due to the natural disasters, heavy rains in August - October causing the waterlog in some plots. The farmers need to harvest the products that are not fully grow and have less weights and starch than it should, for sale before they rot.

Satisfaction Survey

In 2020, the Company conducted a survey of the farmer satisfaction for the Company services. Out of 400 farmers in Nakhon Ratchasima, the result showed that the average satisfaction score was 98.37 percent. The farmers are highly satisfied in joining the program with the Company. It can be seen that this project is truly beneficial to the farmers, and also the community and society as well.



Business operations that affect CSR

The Company and its subsidiaries do not conduct any business that has been audited or is being audited by any authority.

Activities for the benefit of society and the environment (After Process)

Activities for the benefit of society and the environment in the year 2020 are activities that the Company operates in addition to normal business operations. The Company has supported and encouraged all employees to participate in various activities for society and the environment by setting a policy for each unit of the Company to participate in showing the power to do well and to provide assistance to society and communities at the local level. The details of the activities are:

1. Food donation project for the cassava growers in the MOU project in the village of Khok Krua Subdistrict, Ban Lueam District, Nakhon Ratchasima Province

The Company, in collaboration with community leaders, created a project to donate rice, canned fish and drinking water to 50 farmers in the MOU project in the village of Khok Krua Subdistrict, Ban Lueam District, Nakhon Ratchasima Province.



2. Promoting the development of will power - The Company has also operated continuously with the Will Power Institution of Wat Dhammakol and I Tower Co., Ltd., as the 8th branch for the teaching of meditation, to promote the development of will power without charge. Started from 2007, 2 sessions per year, duration of study is 6 months. Learners can practice meditation with a systematic understanding. It is the development of will power, resulted to happiness and efficiency in life, and to be good for the community and the world. The principle of meditation can be taught to others. The number of successful students from year 2007 until the end of the year 2020, a total of 27 sessions, with approximately 978 graduates.



3. **Project of the associate** – SSUT has coordinated with a community to build closeness, confidence, and good relations with the community nearby the power plant i.e



Granting scholarships to Phraek Sa Witaed Suksa School



Give out children's day gifts to
Communities around the power plant

Supporting the annual event gifts
For Wat Sri Chan Pradit



Provide rice, dry food and survival bags to people affected by the COVID-19 outbreak



Canal dredging activity in Klong Hua Lamphu Community In the pineapple eye project



Mangrove forest conservation and rehabilitation activities



Fire evacuation drills and fire fighting



Anti - Corruption

The Board of Directors has set up a policy against Corruption since 2015. It has established the written policy as the Code of Conduct and expressed its intention by joining the Thai private sector's anti-corruption campaign. The Company has contributed to the agreement in line with the Declaration of Intent of the Alliance against all forms of corruption without doing anything that shows that it is taking bribes or to bribe interested parties directly or indirectly for their own interests or others or related persons, and must be taken with regard to the high risk of corruption, as follows.

Gifts and hospitality - the Company and subsidiaries has no policy to offer or obtain any gift or hospitality to any business party, except the case of customary practice with appropriate cost in order to maintain good relationship without any specific exchange from inappropriate business conducts.

Sponsorships - means giving or receiving from customers and business partner with the purpose for business relationship with reasonable amount and occasion. The evidences of sponsorship are required for accounting process.

Charitable Contributions - means giving or receiving must be transparency and by law, do not used as a mean for or leading to bribery and must be in Company name, auditable and comply with Company's regulation. Personal contribution can be done but not related to or in doubt of misconduct for his/her own benefit.

Political Contributions - means sponsorship financial resource or resources or any benefit or Company properties to facilitate political party, politician, or any other related political group. The Company is impractical in politics, support lawful activities, democracy governing, and not to support any political party directly or indirectly.

Business Relationship and the Procurement - any form of offering or accepting bribery for all business activities is prohibited. Any action taken must be in compliance with the Company regulation, it must be transparent and auditable, business partner selection must consider its appropriateness of the qualification, price and quality with fairness.

Human Resources Management Procedure - Anti-corruption for human resources management starts from recruitment procedures, performance appraisal, training, promotion and remuneration.

Operation

The Company has taken steps to prevent corruption by acknowledge the directors, executives and employees, and are required to strictly enforce all processes, by law. If there is an error in the operation due to negligence. It is punishable by the government without lobbying. The responsibilities are as follows

- The Board of Directors is responsible for supporting, advising and give recommendation for anti-corruption activities, to consider the punishment of wrong doing and to solve problems that affected to the Company.

- The Audit Committee is responsible for reviewing the policy, assess the risk of corruption to receive the complaint of the corruption and to be fact finding, report clues as well as investigate corruption in the organization.

- The Internal Auditor is responsible for internal audit function according to the approved plan, assess the risk of corruption associated with the internal control system.

- The Executive Committee and Top Executive are responsible for promoting the anti-corruption policy to all employee and related parties, to assist the audit committee in investigating the facts of the investigation. In 2020, training for all employees was held in order for reviewing the policy, to discuss the correct practices and to be aware of the policy precautions. In addition, it assisted the Audit Committee in investigating the facts.

- Risk Management Committee is responsible for assessing the risk of business corruption and various work systems. To consider preventive measures and regularly review and update preventive measures.

Complaint Channel (Whistle Blowing)

The Company provides channels for reporting if any breach or misconduct is found. It also protects reporters against acts that may cause suspicion of corruption to the Audit Committee Chairman through the channels such as company's website: www.eternalenergy.co.th, to the Audit Committee Chairman / Member of the Audit Committee or by telephone at 02-554-8012 (Company Secretary) or by fax at 02-554-8001 or by mail at 888 I Tower Building, 8th Floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900. In the previous year, the Company has not received the complaints or reports of any violation or corrupt acts.

The Company provides fairness and protection for complainants who act in good faith, and to appoint executives to monitor all the clues that come in. Complaints and evidence of complainants are kept confidential. If the directors, executives and employees fail to comply with this policy, shall be subject to disciplinary action in accordance with the rules prescribed by the Company. At the same time, the Company has no policy to downgrade position, punish or give negatively effects to employees who refuse to corrupt.

Details of policies and operation related to preventing corruption are disclosed on the Company's website under "Corporate Governance".

Internal Control and Risk Management

The Company always values the significances of the internal control system. The risks are managed in accordance with the framework and guidelines approved by the Board and the Risk Management Committee and are continually improved. the Board of Directors has assigned the Audit Committee to be responsible for reviewing and monitoring the adequacy of the internal control system and risk management to ensure that the Company's operations are effective and efficient, and in accordance with the requirements, laws, and regulations, and to ensure that assets are truly used for the benefit of the Company.

The Board of Directors' meeting no. 1/2020 on February 25, 2020, all 3 the Audit Committee members attended the meeting. They acknowledged the Company's 2019 assessment result of the internal control. The Board of Directors and the Audit Committee were of the opinion that the internal control system of the Company is sufficient and appropriate, efficiency and effectiveness for the business operations. Moreover, there are no reports of significant faults regarding the Company's internal control system from both external and internal auditors. The summary of the assessment of the adequacy of the Company's internal control system is as follows:

1. The environment of internal control of the organization

- Clearly specified the vision, mission statements, strategies and business objectives as guidelines for the management and employees. Operation was carried out and reviewed to ensure target achievements. The management has revised the operational requirements to be up-to-date for consistent and efficient work.
- Set good corporate governance policy, operational policy in accordance with laws, regulations, anti-corruption policy, as well as code of conduct in writing for the directors, managements, and employees to adhere as the work guidelines. In the previous year, there is no director or executive of the Company trading the Company shares by using the internal information.

2. Risk Assessment

- The Board of Directors has appointed the Risk Management Committee to supervise the Company's risk management to be appropriate and effective. The management regularly reviews the factors that may cause a risk in order to build confidence in leading the organization to its goals.
- Risk management policy was set to be guideline for managing all risks that may affect the Company's objectives, those guidelines were in line with the Company's objectives, goals, and strategies. The Audit Committee reviewed and endorsed risk management policy before proposing to the Board of Directors.

- Supervise and monitor risk management, and communicated to employees at all levels in order to assess and prevent risks in their departments.

3. Control Activities

- Authorities and levels of transaction approval was classified in the Table of Authority and reviewed regularly as appropriate.

- The Company's subsidiaries and associate company's performance was regularly monitored by the Management who reported such performance to the Board of Directors for acknowledgement on a quarterly basis.

- Connected transactions were executed in compliance with SET's regulations, with consideration of all rationales and ultimate benefits of the Company and those transactions were approved by the authorized approvers who have no conflicts of interest.

- The Company Secretary is responsible for the Company information disclosure in accordance with the SET's and SEC's notifications and regulations, and other related laws.

4. Information and Communication

- The company secretary is required to disseminate information in accordance with the law on securities and exchange, the regulations of the SEC, the SET and related laws.

- Schedule the delivery of meeting invitations and meeting documents that contain necessary and sufficient information to the Board of Directors and sub-committees at least 5 business days in advance, except for urgent cases. Discussions, recommendations, and remarks from the directors were recorded in the minutes of meetings for future reference or audit trail.

- Schedule a meeting between the audit committee and the auditor and the relevant management to review bookkeeping in accordance with generally accepted accounting standards. Accounting records and supporting documents of the financial statements are completely kept in orderly manner. The auditors who use the collected data had no recommendation on improvement.

- Whistleblower system was stated in the Company's Code of Conduct and available in the Company's website. The company also provides various channels that employees or third parties can report complaints to the Board of Directors or the Audit Committee on the Company website: www.eternalenergy.co.th or E-mail: investment@eternalenergy.co.th or via the Company Secretary telephone number 02-554-8012

5. Monitoring

- External auditors are encouraged to perform their tasks independently and quarterly reported to the Audit Committee.

- The Audit Committee was assigned to be responsible for appointing the internal auditor to monitor the operations in accordance with the Anti-Corruption Policy, and proposed to the Audit Committee for approval before proposing to the Board of Directors for acknowledgement.

- Requiring the management to review the Company's and its subsidiaries internal control systems.

The Audit Committee is responsible for reviewing the adequacy and appropriateness of the internal control system on an annual basis by using the assessment form in accordance with the guidelines of the SEC and reporting to the Board of Directors for acknowledgment.

Internal Auditor

At the Audit Committee meeting no. 1/2021 held on February 25, 2021, the Audit Committee has appointed Porama Consultant Company Limited to be Company and subsidiaries' internal auditor for the year 2021. Miss Narumon Khunthong had been assigned to be head of internal auditor. The Audit Committee has considered the qualifications of Porama Consultant Company Limited and Miss Narumon Khunthong, and had opinion that they are appropriated to be Company internal auditor as they are independent and having knowledge in accounting and sufficient experience in internal auditing in the same line of business for at least 9 years and have been trained in courses related to internal audit operations.

The Company had also assigned Mrs. Rummanee Charnvittayapong, secretary of the Audit Committee, to be coordinator with the internal auditor. In this regard, the appointment, rotation, and removal of the head of internal auditor, are subject to the approval from the Audit Committee.

Corporate Compliance Overview

The Board has appointed Mrs.Thanyathorn Chonlavor, Company Secretary, to be responsible for the compliance to ensure the Company compliance with the laws and regulations relating to the Company business.

Connected Transactions

Connected transaction refers to a transaction between two businesses that have a personal or other relationship that may cause conflict of interest between Company or its subsidiary with the person connected with.

Necessity and reasonableness of the transaction

The transaction of the Company under the agreement with all companies involved in 2019 was for the sake of Company's maximum benefits. It had been reviewed by the auditor and the Audit Committee, and has the opinion that those transactions were normal business operations and equal to the transactions with non-related parties and had been properly disclosed

The pricing policies for particular types of transactions are as follows:

Related Transactions

Rental and service expenses

Management fee

Directors' remuneration and other benefits expenses

Pricing policies

Market price

Agreement

Shareholders' approval

Connected transactions with other entities that may result in conflicts of interest in 2019, appearing in item 5 in the notes to the financial statements as at 31 December 2019 are as follows:

Related Parties	Business Type	Relationship
1. Boon Anek Company Limited	Rental and Agriculture	Subsidiary
2. Charoenporn Energy Company Limited	Rental and Agriculture	Indirect subsidiary
3. SSUT Company Limited	Produce and sell of electricity and steam	Associate company
4. I Tower Company Limited	Building rental	Common shareholder/director
5. Sahasamakee Service Company Limited	Cleaning service	Common director and one management are a director
6. Srisawad Finance Public Company Limited	Finance business	A Director is a close relative of a Director of such company.
7. Com-Link Company Limited	Installing utilities	Common director

Approval of the transaction

The Board of Directors considered the connected transaction, on the basis of necessity and for the maximum benefits of the Company and in accordance with the characteristics of general business. The board has approved the transaction that has characteristics in general business, if Company or subsidiaries engage in transaction with directors, management or related person, it can be done in accordance with the process and authorized to approve as specified by the Board, and report to the Audit Committee or director for acknowledgement.

If the transactions made is not characteristics general business, the transactions made with parties in conflict shall be report to the Audit Committee for consideration together with the details of relationship, appropriateness and independent advisor opinion i.e., auditor, asset appraiser, independent engineer, or law consultant. The Audit Committee will propose to the Board for consideration for the submission to shareholder meeting for approval the transaction. Moreover, management, or directors in conflict of interest is prohibited to present in the board meeting for the approval of the transaction, and to disclose the relationship or conflict of interest of the related parties involved to the Company.

The Board shall comply with the law governing Securities and Stock Market, regulation, announcement requirements of the Stock Exchange of Thailand, and Capital Market Supervisory including the compliance with the disclosure requirements regarding connected transactions, and the acquisition or disposition of important assets of the Company or subsidiary, and in accordance with financial reporting standards set by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King. If a connected transaction occurs with a person who may have a conflict of interest or may have conflicts of interest in the future, the Company will allow the Audit committee to provide an opinion on the necessity and appropriateness of such transactions as in the normal course of business and compare pricing with third parties, the Company will disclose the connected transaction in the notes to the financial statements which have been audited by the Company's auditor.

Policy and trend of transactions in the future

The transactions between the company and related companies that may occur in the future will be in general business as usual. The policy on pricing shall be in accordance with the market price. The Company is operating in accordance with the resolutions of the Board of Directors, the Securities and Exchange Commission, the Notification of the Capital Market Supervisory Board, and the Stock Exchange of Thailand. The Company will arrange the Audit Committee to review and give opinion on the transaction. The opinions of the Audit Committee will be submitted to the Board of Directors or shareholders to ensure that the transaction is for the maximum profit of the Company.

Connected transactions with other persons that may result in the conflicts of interest as at

31 December 2020 are as follows:

Related Company/ Characteristic of Transaction	Necessity and reason of the transaction	Transaction Values (Baht)				Remarks by Audit Committee/ Reason of transaction
		As at 31 Dec 2020	As at 31 Dec 2019	As at 31 Dec 2018	As at 31 Dec 2017	
1. Boon Anek Co., Ltd. Subsidiary in which the Company holds 100% of Shares, having 2 Directors: 1. Miss Kwansirinr Rojanapruk 2. Mr. Thira Ratanavit	The Company manages the subsidiary to support the operation. The management fee has been charged i.e., personnel expense, office rental and other expenses as mutually used in the fix rate (the rate is subject to change in case of the increase of works) under one year contract from 1 Jan 20 to 31 Dec20.	897,196	897,196	897,196	1,009,346	The service price is reasonable because the connected transaction has the terms of contract according to normal business practice.
2. Charoenporn Energy Co., Ltd. Indirect subsidiary, wholly owned by Boon Anek Co., Ltd. , having 2 Directors: 1 Miss Kwansirinr Rojanapruk 2. Mr. Thira Ratanavit	The Company manages the subsidiary to support the operation. The management fee has been charged i.e., personnel expense, office rental and other expenses as mutually used in the fix rate (the rate is subject to change in case of the increase of works) under one year contract from 1 Jan 20 to 31 Dec20.	1,009,346	1,009,346	1,009,346	1,121,495	The service price is reasonable because the connected transaction has the terms of contract according to normal business practice.
3. I Tower Company Limited The director is Mr. Siritaj Rojanapruk, the close relative of the MD and the Executive Chairman	The company has entered into a lease agreement to be the location of the company's office, with rental rates, service fees, maintenance fees, and contract terms that are normal for the business for a period of 3 years from 1 May 2018 - 30 April 64 with details as follows 1. Building area lease agreement on the 8th floor of I-Tower building with 374 square meters at the rate of 170 baht/sq m. 2. Service contract at the rate of 120 baht/sq m. 3. Contract for repair and maintenance at the rate of 231 baht/sq m. Total	762,960 538,560 1,036,728 <u>2,338,248</u>	762,960 538,560 1,036,728 <u>2,338,248</u>	762,960 538,560 982,872 <u>2,284,392</u>	1,100,240 776,640 1,262,040 <u>3,138,920</u>	The rental price is reasonable because it is the same price as the third party and it is a connected transaction with general commercial terms.
4. Sahasamakkee Service Co., Ltd Common director : Miss Kwansirinr Rojanapruk Executive of the Company is th director : Mrs. Vilailak Vikitsreth	The company entered into the contract with. Sahasamakkee Service In providing office cleaning services. The company is located in the same building as the location of the company, so it is convenient for the Company. The service rate is same as other companies and have the conditions as normal of the business for a period of 1 year From 1 Jan 20 to 31 Dec 20. The service fee is 16,000 baht per month.	192,000	186,000	182,940	173,760	Contract Price is reasonable comparing to the market price.
5. Srisawad Finance PCL. Director: Mr. Thititham Rojanapruk, who is a close relative of the Executive Chairman.	The Company deposit with the interest rate according to market price.	1,079,313	1,468,740	132,689	105,676	Interest rate is reasonable comparing to market interest rate.

Shareholding in Associated company which might be potential conflict

Mr. Siritaj Rojanapruk, the father of the MD and the Executive Chairman, is a major shareholder of both Eternal Energy Public Company Limited and Com-Link Company Limited, holding more than 10% each. He also holds 10% of SSUT shares in the name of Tassiri Co.,ltd. before the Company bought SSUT shares from Com-Link Company Limited

The obligation under Share Sale and Purchase Agreement

Eternal Energy Public Company Limited has entered into a share purchase of 40% from Com-Link Company Limited. The first payment of 25% has been made in December 30, 2014 and the second payment of 15% shall be made by June 30, 2016. However, the Company has not yet paid the second payment of 15%, the Company might have to pay the outstanding interest at the interest rate of 4.50% per year. The Company still has the right to cancel the purchase of the second portion of 15% without any claims from Com-Link Company Limited.

Overview of business operations and significant changes (Overview)

Currently, the business operation of the Group is a Holding Company, whose parent company is Eternal Energy Public Company Limited, subsidiaries are Boon Anek Co., Ltd. and Charoenporn Energy Co., Ltd. The core business is agricultural business - mainly growing cassava and land lease. There is an associated company, SSUT Co., Ltd., where the parent company has invested 25 percent and still owes another 15 percent, totaling 40 percent of the SSUT registered capital. The Group has policies, missions and goals in the operation of clean energy businesses to meet the country's energy policy. Therefore, in order to find a source of funds to pay for the outstanding share unpaid, at the end of 2018, the Board of Directors' meeting passed a resolution to sell all ordinary shares in the subsidiary. It is scheduled to transfer to the buyer by the end of 2019, whereby the Company has to find a new business that is the core business to replace the business in the subsidiary company. In 2019-2020, the company is still unable to find a clean energy business to replace the business in subsidiary company. The buyer agrees to extend the period of share transfer 2 times, 1 year each until the end of 2021.

The Company aims to seek investment in new energy businesses such as a project to generate electricity from renewable energy. The Company is in the process of negotiating and developing. In 2020, the global COVID-19 pandemic has affected the progress of the project.

Operations of the group of companies

Agricultural Crops Project - Cassava and Corn in Subsidiaries continued to work with farmers which the Company allocates land to farmers free of charge. The farmer is the operator of the planting. The Company takes care of it until the produce is harvested and sold, and then shares the benefits with the Company according to the mutual agreement. The purchaser is the cassava yard operator and the tapioca starch factory. The selling price received depends on the quality of the starch in the cassava root, the amount of output to the market, and the demand of both domestic and foreign markets. In 2020, the revenue decreased 9.47 percent from 2019 due to the lower purchase price. This project benefits farmers. It does not have a negative effect on society, community and environment.

Cogeneration Power Plant Project In an associate - SSUT conducted electricity and steam generation using natural gas as raw materials, which is clean energy that does not cause any harm to society, community and environment, with a capacity of 240 megawatts and steam 60 tons / hour. Firm sales agreement of 180 megawatt for 25 years with the Electricity Generating Authority of Thailand (EGAT). The remainder of electricity and steam are sold to industrial plants in Bangpoo Industrial Estate. It has started commercial operation since December 2016. Due to the high investment, there is a burden of expenses that must be paid in foreign currency over the long term such as construction cost, materials

and equipment cost, maintenance cost, borrowing and interest paid, etc. Therefore, foreign exchange rate is an important factor affecting expenses in each year.

In 2020, the operating results of the Associated - SSUT still have operating profit but the profit was less than the previous year due to many reasons such as the shutdown of production for maintenance under the machine maintenance plan every 3 years for 3 months in the third quarter, resulted in a significant decrease in power sales, the depreciation of the baht, and there are other factors which resulted in the decrease in net profit and other comprehensive income of associates such as the introducing of the Financial Reporting Standards from January 1, 2020. The new financial reporting standards that have been applied which affect the financial statements of the Company and its group companies are 1) TFRS 9: Financial Instruments finance that is an impact on the financial statements of the Associated - SSUT in respect of hedge accounting for interest rate swap contracts due to both domestic and foreign borrowings. There is no transaction of this financial instrument for the Company and 2) TFRS 16 Lease Agreement. There is an impact on the Company in respect of office leases, and an impact for the associated is land lease for setting up a power plant in Bangpoo Industrial Estate It is an operating lease that is longer than 3 years, which the Financial Reporting Standards compel the lessee to recognize the lease over the term in the financial statements as an asset under the right of use must be amortized over life by the straight-line method. In addition, the liability is recognized over the term of the operating lease discounted at the interest rate. Therefore, the net profit for the year 2020 has decreased from the year 2019 by 94.69 percent, and the Company has received a 64.77 percent decrease in profit sharing from associated companies.

Performance and profitability

Operating results for the year Ended December 31, 2020 and 2019

Unit: Baht

Operating Results (Profit/Loss)	2020	2019	Increase (Decrease)	%
Income				
Sales and rendering of agriculture	3,045,093	3,363,684	(318,591)	(9.47)
Interest income	1,259,560	1,817,544	(557,984)	(30.70)
Other income	1,140,007	514,529	625,478	121.56
Total income	5,444,660	5,695,757	(251,097)	(4.41)
Cost of sales and rendering of services	(41,466)	(78,131)	36,665	(46.93)
Gross profit (loss)	3,003,627	3,285,553	(281,926)	(8.58)
Expenses				
Administrative expenses	(38,954,540)	(42,916,323)	3,961,783	(9.23)
Management benefit expenses	(11,423,280)	(11,766,190)	342,910	(2.91)
Total expenses	(50,377,820)	(54,682,513)	4,304,693	(7.87)
Profit (loss) before share of profit (loss) from investments in associates and income tax expenses	(44,974,626)	(49,064,887)	4,090,261	(8.34)
Financial Cost	(109,338)	-	(109,338)	100.00
Share of profit (loss) of associates	50,466,504	143,264,537	(92,798,033)	(64.77)
Profit (loss) before income tax	5,382,540	94,199,650	(88,817,110)	(94.29)
Income tax	(394,025)	(243,582)	(150,443)	61.76
Net Profit (loss)	4,988,515	93,956,068	(88,967,553)	(94.69)
Profit (loss) per share (Baht per share)	0.0018	0.0338		

Profitability Ratio	December 31		Increase (Decrease)
	2020	2019	
Gross profit margin (%)	98.64	97.68	0.96
Operating profit margin* (%)	(1,555.76)	(1,528.00)	(27.76)
Other profit margin (%)	970.97	2,515.29	(1,544.32)
Cash to profit ratio (%)	46.45	48.08	(1.63)
Net profit margin (%)	91.62	1,649.58	(1,557.96)
Return on equity (ROE) (%)	0.34	6.42	(6.09)

* Operating profit is calculated from gross profit less (selling expenses + administrative expenses + management benefit expenses) and executive compensation

In 2020, the Company had a net profit of 4.99 million baht, a decrease of 88.97 million baht, or 94.69 percent compared to the year 2019 with a net profit of 93.96 million baht. The details are:

1. Total income of 5.44 million baht, a decrease of 0.25 million baht, or 4.41 percent, consisting of

1) Revenue from the sale of agricultural crops - cassava and corn in the joint planting project with farmers in Bua Yai District, Pak Thong Chai District, Khong District, Nakhon Ratchasima Province and Sap

Yai District, Chaturas District, Chaiyaphum Province, amounting to 3.05 million baht, a decrease of 0.32 million baht or 9.47 percent, those are:

- Revenue from production share - Cassava amounted to 2.93 million baht, a decrease of 0.44 million baht, or 12.96 percent from the previous year due to a decrease in harvested area and lower sales price per kilogram from 2019, with a harvest area of 2,118.50 rai with a yield share of 1.39 million kilograms at an average selling price of 2.12 baht / kg, decreased from the year 2019 with a harvest area of 2,288.50 rai, with yield share of 1.51 million kilograms at an average selling price of 2.25 baht / kg. The demand for cassava export drops in 2020, resulting in the lower price.
- Revenue from production share - corn amounted to 0.12 million baht, with a harvest area of 123 rai, received a share of production of 13,320 kilograms, at an average selling price of 6.82 baht.

2) Other income amounted to 2.40 million baht, an increase of 0.07 million baht, or 2.89 percent from the previous year, those are:

- Interest income amounted to 1.26 million baht, a decrease of 0.56 million baht, or 30.70 percent due to deposits and the interest earned is reduced.
- Other income of 1.14 million baht, an increase of 0.63 million baht, or 121.56 percent from the sale of raw water in a well on the land at Pak Thongchai District, Nakhon Ratchasima Province of the company Charoenporn Energy Co., Ltd.

2. Expenses (excluding finance costs) amounted to 50.38 million baht, decreased from the previous year by 4.30 million baht, or 7.87 percent from the decrease in administrative expenses related to staff.

3. Share of net profits in associates - SSUT Co., Ltd. amounted to 50.47 million baht, a decrease of 88.97 million baht, or 94.69 percent from 2019, which had a net profit of 143.26 million baht of net profit in associates the lower profits are due to:

- The continued depreciation of the baht during the first nine months of 2020 resulted in a decrease in net profit for the year resulted in the unrealized foreign exchange gain.
- The shutdown according to the maintenance plan scheduled for 3 years during July - September of both blocks, including additional repairs in early October resulted sales of electricity to the Electricity Generating Authority of Thailand (EGAT) dropped significantly.
- Financial costs is a significantly reduced due to loan outstanding balance repayments during the year.

4. Financial costs and corporate income tax amounted to 0.50 million baht, an increase of 0.26 million baht, or 106.65 percent from the previous year due to the 3-year office lease liabilities in accordance with Financial Reporting Standards No. 16, lease agreements of 0.11 million baht.

5. Gross Margin and Operating Margin The Company had a gross profit margin of 98.64 percent, an increase of 0.96 percent from the decline in depreciation cost of agricultural equipment at the end of its useful life and no additional purchases or repairs due to the Company's policy as a joint project planted with local farmers by canceling its own planting due to higher costs and operating margin (negative) for many years in a row due to the trend of changing the core business of the Company as the main

income is unable to provide a suitable return to the Company's operations. Therefore, we have to seek new businesses to invest in to enhance profitability.

6. Net Profit (Loss) The Company has an annual net profit of 4.99 million baht, a decrease of 88.97 million baht, or 94.69 percent from the previous year due to the main income in agribusiness provided insufficient returns for expenses, resulting in loss from operations, but there is still a share of profit from the associate that continues to give the Company yearly profit. The net profit margin of 91.62 percent decreased significantly compared to the previous year. Most of the net profit came from the share of profit from the associated company, which is recognized by the proportion of holding 25 percent of the net profit of the associate of 201.87 million baht, compared to the previous year net profit of 573.06 million baht. The shutdown and maintenance of machinery according to the three-year maintenance plan led to a decrease of 500 million baht in sales of electricity, as well as other factors that affect the net profit of the associate - SSUT such as loss from the rate of foreign currency exchange due to the presence of significant outstanding foreign currency borrowing. However, compared to three years ago, the associate has continued to have a share of profit since it started generating electricity and steam at the end of 2016 to date. Associates are expanding their industrial customer base every year, which are customers in Bangpoo Industrial Estate to support the remaining electricity generation capacity of 60 megawatts and steam 60 tons / hour.

1. Assets management

Unit: Baht

Assets	December 31		Increase (Decrease)	
	2020	2019	Total	%
Cash and cash equivalents	4,535,586	46,797,649	(42,262,063)	(90.31)
Other current accounts receivable	6,177,763	5,559,318	618,445	11.12
Inventories - net	44,647	37,223	7,424	19.94
Current tax assets	159,703	110,358	49,345	44.71
Other current financial assets	51,700,000	30,700,000	21,000,000	68.40
Investments in associated company - net	1,029,606,891	1,043,240,537	(13,633,646)	(1.31)
Investment property - net	342,951,071	342,951,071	-	-
Property, plant and equipment - net	135,344,778	135,128,519	216,259	0.16
Right-of-use asset	2,331,434	-	2,331,434	N/A
Other non-current assets	41,606,745	41,627,607	(20,862)	(0.05)
Total	1,614,458,618	1,646,152,282	(31,693,664)	(1.93)

Efficiency Ratio	December 31		Increase (Decrease)
	2020	2019	
Return on assets (%)	0.31	5.92	(5.62)
Return on fixed assets (%)	1.19	69.58	(65.34)
Assets Turnover (%)	0.003	0.004	(0.001)

Total assets of the Company and its subsidiaries as of December 31, 2020 in the amount of 1,614.46 million baht, a decrease of 31.69 million baht, or 1.93 percent as follows:

- 1) Cash and cash equivalents in the amount of 4.54 million baht, a decrease of 42.26 million baht or 90.31 percent due to the renewal of the deposit from 3 months to 6 months in order to manage liquidity as appropriate and from withdrawing funds for normal operation.
- 2) Other current receivables of 6.18 million baht, an increase of 0.62 million baht, or 11.12 percent from revenue receivables and advances paid for the coconut plantation project on land in Pak Thongchai District, Nakhon Ratchasima Province of Charoenporn Energy Company Limited.
- 3) Other current financial assets amounted to 51.70 million baht, an increase of 21 million baht, or 68.40 percent due to the term deposit classification from 3 months to 6 months.
- 4) Investments in associates - net amounted to 1,029.61 million baht, a decrease of 13.63 million baht or 1.31 percent from 25 percent of the year 2020 net profit share of SSUT of 201.87 million baht. Due to the baht depreciation during the first 3 quarters of the year, there is an unrealized foreign exchange loss. Furthermore, the adjustments in accordance with financial reporting standards TFRS 9 Financial instruments, which are interest rate swap and TFRS. 16-Land lease agreements for power plant in Bangpoo Industrial Estate in the amount of 64.78 million baht, which affects other comprehensive income items effective from January 1, 2020.
- 5) Land, plant and equipment - net of 135.34 million baht, an increase of 0.22 million baht or 0.16 percent from the coconut plantation project at Pak Thong Chai District, Nakhon Ratchasima Province by Charoenporn Energy Company Limited.
- 6) Right-of-use assets of Baht 2.33 million, an increase from the previous year due to the introduction of TFRS No. 16, lease is specified to represent the value over the lease term as an asset and recognized as an expense throughout the contract period by the straight-line method.

2. Liquidity and capital adequacy

Unit: Baht

Liabilities	December 31		Increase (Decrease)	
	2020	2019	Total	%
Other current payables				
- Deposit received (sale of investment in subsidiary)	50,000,000	50,000,000	-	-
- Accrued interest - Com-Link Co., Ltd.	107,520,113	80,640,084	26,880,029	33.33
- Payable to revenue department	615,856	602,987	12,869	2.13
- Other accrued expense	559,183	1,014,157	(454,974)	(44.86)
Short - term loans	600,000	-	600,000	N/A
Current lease liabilities	680,252	-	680,252	N/A
Current provisions for employee benefits	1,417,700	-	1,417,700	N/A
Lease liabilities	1,696,991	-	1,696,991	N/A
Estimated liability - employee benefit	1,004,808	4,352,216	(3,347,408)	(76.91)
Total	164,094,903	136,609,444	27,485,459	20.12

The total liabilities of the Company and its subsidiaries as of December 31, 2020 were 164.09 million baht, an increase from the end of the previous year by 27.49 million baht, or 20.12 percent as follows:

- Estimated interest payment for SSUT shares, part 2, increased by 26.88 million baht, the Company has estimated amount of accrued interest expense from 2017 - 2020 for a total of 4 years amounting to 107.52 million baht.
- Short term loan, an increase of 0.60 million baht of Boon Anek Co., Ltd. borrowing money from director without interest to increase financial liquidity. The return is scheduled by January 2021.
- Liabilities under lease contracts amounted to 2.38 million baht, an increase from the previous year as the introduction of IFRS 16, Leases recognize lease liabilities at the present value of the lease payments. The discount is charged at the interest rate implicit in the lease.
- Provisions for employee benefits decreased by 1.93 million baht or 44.34 percent from the reduction of employees.

Liquidity Adequacy

Liquidity Ratio	December 31		Increase
	2020	2019	(Decrease)
Current Ratio (time)	0.39	0.62	(0.23)
Quick Ratio (time)	0.35	0.58	(0.23)
Cash flow rate (time)	(0.15)	(0.21)	0.06

Total current assets as of December 31, 2020 amounting to 62.62 million baht and total current liabilities of 161.39 million baht, resulting in a liquidity ratio of 0.39 times, a decrease from the previous year. The liquidity of short-term debt repayment within the year decreased from the previous year due to the increase of accrued interest liabilities. Subsidiary has borrowed money from director for more liquidity management. Most current liabilities are debts with uncertainty that must be paid within the year such as accrued interest from the acquisition of the second part of SSUT shares for Com-Link Co., Ltd., and the deposit received from the sale of Boon Anek shares which extend the transfer period until the end of 2021. Overall, the Company still has sufficient liquidity.

Sources and uses of funds

As of December 31, 2020, the Company and its subsidiaries had net cash used in operating activities amounting to Baht 22.01 million. The funding source came from agricultural income and the sale of raw water in a well on land in Pak Thong Chai District, Nakhon Ratchasima Province and the funding from the deposit for the sale of Boon Anek's ordinary shares.

Unit: Baht

Shareholders' Equity	December 31		Increase (Decrease)	
	2020	2019	Total	%
Issued and paid-up share capital	2,780,000,000	2,780,000,000		
Discount on ordinary shares	(562,500,000)	(562,500,000)		
Accumulated profit (loss) (Legal reserve)	13,716,687	13,716,687		
Profit (loss) un appropriated	(716,069,644)	(721,673,849)	5,604,205	(0.78)
Other component of equity	(64,783,328)	-	(64,783,328)	N/A
Total	1,450,363,715	1,509,542,838	(59,179,123)	(3.92)

Equity of the Company and its subsidiaries as of December 31, 2020, totaled 1,450.36 million baht, a decrease of 59.18 million baht, or 3.92 percent from the end of the previous year due to the impact of the new TFRS 9 and TFRS 16 resulted in other comprehensive losses of 64.78 million baht and annual net profits of 4.99 million baht.

Financial Policy Ratio	December 31		Increase
	2020	2019	(Decrease)
Debt to equity ratio (time)	0.113	0.090	0.023
Interest coverage ratio (time)	433.282	-	433.282
Obligation capability ratio (time)	(0.979)	(0.911)	(0.068)

Capital structure

In 2020, the debt to equity ratio was 0.113 times, an increase from the previous year due to the debt provision, interest paid for SSUT shares is a contingent liability that must be paid when the Company has appropriate capital or funding source. The liability arising from the deposit received under the purchase and sale agreement of Boon Anek ordinary shares is the liability arising from pending distribution, which the Company has requested to extend the transfer to the end of 2021 where the Company has managed the assets and liabilities in accordance with the capital appropriately.

Capital expenditure

In the year 2020, the Company set an estimate of interest payment for SSUT shares, part 2 as appropriate. This is cautious in recognizing the expenditures that may occur in the future. The Company will pay interest only when there is a source of funds for payment of the SSUT shares part 2, which the source of funds for the purchase of the SSUT shares part 2 will come from the sale of all of the shares in the subsidiary - Boon Anek, and find new businesses to replace the business in Boon Anek. However, if the Company is unable to raise money to pay for the shares part 2 in accordance with the terms of the SSUT share purchase agreement, the Company does not have any obligations.

Liabilities and off-balance sheet management.

Agribusiness

In 2020, the Company has entered into a memorandum of understanding on a joint project to grow agricultural crops with 420 local farmers on an area of 2,283.50 rai in Nakhon Ratchasima and Chaiyaphum provinces.

The agreement provides a condition for farmers to grow agricultural crops on the land that the Company has allocated for a period of 12 months, which will expire in 2021. When the harvest is due, farmers will have to share their produce with the Company according to the agreement of 600-700. Kg per rai. The benefits that the Company will receive from farmers will be much less, apart from the agreement depends on other factors such as climate, natural disasters, and the economic conditions of the agricultural pitch at that time. If the plant is damaged by natural disasters, the Company will consider exempting the product distribution on a case-by-case basis, or if the Company needs to return the allocated area, it will notify farmers in advance. It can be seen that the obligation under the Memorandum of Agreement on Agricultural Crops is not subject to any liability risk.

Power plant business in associate - SSUT

The Company has commitments under the SSUT share purchase agreement, part 2, amounting to 15 percent of the registered capital. In which Com-Link Company Limited granted a waiver to extend the payment period until April 30, 2017, it is currently in the process of considering a waiver of no interest burden during the grace period But the Company has already estimated interest expenses in the financial statements.

Factors or events that will affect the financial status or future operations

Agribusiness

The Company continues to support the agricultural business in accordance with the agreement of the joint crop project with local farmers even if some years there are external factors, how little or how affect the output, the agricultural businesses still provide a certain amount of return on the income that is an entity's cash flow. In addition, the Company values the opportunity for farmers to work in the Company's land without burden of rent until the Company can find a new business to replace the agricultural business.

Power plant business in associate – SSUT

As a result of the performance in 2020, both blocks of power plants have been shut down for maintenance of machinery according to the 3-year maintenance plan, resulting in a significant drop in sales from the previous year. If the repair is in good performance, the power plant produces electricity and steam continuously at full efficiency. This will enhance the confidence for new customers in the industrial estates in the future. SSUT has expanded its industrial customer base for long-term power and steam purchase contracts in Bangpoo Industrial Estate by setting up an effective marketing team, sales planning, monitoring and try to focus on expanding the customer base in accordance with the specified operating plans. SSUT is to set up a good relationship with both existing and new customers. Stable, quality electricity and steam are produced, and if any problems arise, prompt and timely customer responses are required. The operating costs will be managed, where the expenses must be transparent and qualitative, especially maintenance costs and administrative expenses.

Report of the Board relating to Responsibility for Financial Statements

The Eternal Energy Board of Directors is responsible for the consolidated financial statements of the company and subsidiaries. For the year ended December 31, 2020, the financial statements have been prepared with the Thai Generally Accepted Accounting Principles, appropriate accounting policies have been adopted and regularly adhered to. Important information has been adequately disclosed in the notes of financial statements, so as to be able to reflect the financial status, operating results and cash flows in transparent manner, providing benefits to the public.

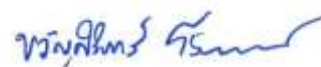
The Board has provided and maintained the risk management systems, internal control system, internal audit effective corporate governance to ensure that accounting records are accurate, complete, and adequate to maintain its assets and prevent risks and prevent fraud or irregular operations.

The Board has appointed Audit Committee consists of three independent directors, to be responsible for reviewing financial reports, reviewing internal control systems, to ensure the accounting records are accurate, sufficient, on a timely basis as well as the disclosure of related transactions. The Audit Committee opinions are stated in the Audit Committee Report in the annual report.

The Board is of the opinion that the overall company internal control system is in and appropriate sufficient to ensure the reasonable confidence of the consolidated financial statements and the company financial statements for the year ended December 31, 2020.



(Professor Emeritus Dr. Borwornsak Uwanno)
Chairman of the Board



(Miss Kwansirin Rojanapruk)
Managing Director

Independent Auditor's Report

To the Shareholders of Eternal Energy Public Company Limited

Opinion

I have audited the financial statements of Eternal Energy Public Company Limited and its subsidiaries, which comprise the consolidated and separate statements of financial position and as at December 31, 2020, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of Eternal Energy Public Company Limited and its subsidiaries as at December 31, 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate financial statement section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions to my audit of the consolidated and separate financial statement, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Impairment of Investment property and Property, Plant and Equipment

The Group has to perform impairment test of Investment property and property, plant and equipment as described in the Note 13 and Note 14 to the financial statements if there is an indication of impairment in accordance with Thai Financial Reporting Standards. The impairment test is significant to the audit. As at December 31, 2020, the Group had their book value before allowance for impairment of Baht 567.95 million. This represented 36.46% of the Company's total assets.

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The assessment process of management needs to require more judgment, also, the assessment is subject to assumptions that may change according to economic situation and future market conditions.

Auditor's risk response

- Tested completeness of the assets relating to the land title land utilization certificate contract in the financial statements by examining the lease contract, and related details of balance.
- Assessed the qualifications competence and independence of the appraisal firm.
- Assessed the assumptions and appraisal's valuation methodologies to land fair value.

Tested the impairment provision, compared carrying amount to its recoverable amount using market price comparison.

Emphasis of matters

Without qualifying my opinion on the conditions. I draw attention to;

- 1) As disclosed in note 26(5) that the Arbitration undecided Case No.94/2561 dated December 25, 2018 between two juristic persons as claimant and the associated company as dissenter, amount request THB 1,601,599,379.65, claim for damage charge due to breach of contract. On May 7, 2019 a legal advisor of the associated company as dissenter submits the objection to this case and submit the counterclaims that asked damage charge from the claimant of THB 4,282,092,659.15. The claimant prepared the objection of the counterclaims and submit to the Arbitration Committee. The Arbitration Committee made the fourth appointment on February 6, 2020. The Arbitration Committee ordered the witness to prepare and submit the testimony, translation, and witness information to the Arbitration Committee on August 4, 2021, and determined the first witness examination date on September 10, 2021 and November 5, 2021, respectively. Later, on April 15, 2020, the claimant filed a temporary protection request during consideration and requesting the Arbitration Committee to issue an order prohibiting the dissenter to call two local financial institutions make payment in accordance with the letter of guarantee for the performance of the contract and the letter of prepayment guarantee. The Arbitration Committee has made an appointment to consider the temporary protection order on May 18, 2020.

On May 18, 2020, the two parties reached an agreement without a hearing. The dissenter has agreed not to exercise the claim according to 11 letters of guarantees of the dispute and the claimant agrees to pay a fee for the renewal of the letter of guarantee in order to take effect under the original terms of the letter of guarantee until a decision is made and the Arbitration Committee ordered the parties to comply with the agreement.

On September 1, 2020, the Claimants filed an additional Statement of Claim Arbitration undecided Case No. 62/2563 between two juristic persons as claimant and the associated company as dissenter, amount request THB 39,701,157.86 to the Thai Arbitration Institute. The Claimants requested the Arbitral Tribunal to order the dissenter to pay the bonds fee for advance payment bond(s) and performance bond(s), arising after the submission of a claim for dispute proposition undecided Case No.94/2561 until the dissenter return all of the bonds to the Claimants and has submitted a request to be included in the review of the such dispute and dispute undecided Case No. 94/2561. On 25 September 2020, the dissenter submitted an objection to the request for consolidation to the arbitral institution, asking the arbitrator to dismiss the claims of both claimants asking to be included in the dispute proposition undecided Case No.62/2563 and the dispute proposition undecided Case No.94/2561.

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Later, the dissenter submitted an objection dispute proposition undecided Case No.62/2563 dated 24 October 2020 to the Arbitration Institute by giving the refusal of the proposed dispute dated 1 September 2020 for all allegations. The Arbitration Institute issued an order November 6, 2020 to include the class of arbitration proceedings in undecided Case No. 62/2563 with undecided Case No. 94/2561, in which all the litigation documents in the undecided Case No. 62/2563 are part of the undecided Case No. 94/2561 and the undecided Case No. 94/2561 will be considered primarily. The company legal advisor could not estimate the liability to the company due to the case has not yet been examined.

- 2) As disclosed in note 2.1 to the interim consolidated financial statements. Due to the impact of the COVID-19 outbreak, in preparing the interim financial information for three-month and nine-month period ended September 30, 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives Dealing with The Impact of COVID-19 Pandemic issued by the Federation of Accounting Professions. My conclusion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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 Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing 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 Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ms. Kannika Wipanurat



(Ms. Kannika Wipanurat)

Certified Public Accountant (Thailand) No. 7305

Karin Audit Company Limited

February 23, 2021

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

		(Unit : Baht)			
		Consolidated financial statement		Separate financial statement	
	Note	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	7	4,535,586	46,797,649	3,291,367	44,751,687
Other current receivables	8	6,177,763	5,559,318	5,179,663	4,883,955
Inventories	9	44,647	37,223	-	-
Current tax assets		159,703	110,358	119,358	70,263
Other current financial assets	10	51,700,000	30,700,000	20,000,000	-
Total current assets		62,617,699	83,204,548	28,590,388	49,705,905
NON - CURRENT ASSETS					
Restricted bank deposits	11, 26.3	35,250,000	35,250,000	35,250,000	35,250,000
Investments in associates	11	1,029,606,891	1,043,240,537	816,266,250	816,266,250
Investments in subsidiaries	12	-	-	514,586,850	514,586,850
Investment property	13	342,951,071	342,951,071	-	-
Property, plant and equipment	14	135,344,778	135,128,519	19,800	45,837
Right-of-use asset	15	2,331,434	-	2,331,434	-
Other non-current assets	16	6,356,745	6,377,607	6,304,650	6,365,607
Total non - current assets		1,551,840,919	1,562,947,734	1,374,758,984	1,372,514,544
TOTAL ASSETS		1,614,458,618	1,646,152,282	1,403,349,372	1,422,220,449

The accompanying notes to interim financial statements are an integral part of the interim financial statements.

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2020

		(Unit : Baht)			
		Consolidated financial statement		Separate financial statement	
	Note	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Other current payables	17	158,468,362	132,015,321	158,311,473	131,515,975
Current lease liabilities	6,15	680,252	-	680,252	-
Short - term loans		600,000	-	-	-
Accrued income tax		226,790	241,907	-	-
Current provisions for employee benefits	18	1,417,700	1,317,100	1,417,700	1,317,100
Total current liabilities		161,393,104	133,574,328	160,409,425	132,833,075
NON - CURRENT LIABILITIES					
Lease liabilities	6,15	1,696,990	-	1,696,990	-
Non - Current provisions for employee benefits	18	1,004,809	3,035,116	862,776	2,941,335
Total non - current liabilities		2,701,799	3,035,116	2,559,766	2,941,335
TOTAL LIABILITIES		164,094,903	136,609,444	162,969,191	135,774,410
SHAREHOLDERS EQUITY					
Share capital					
Authorized share capital					
2,780,000,000 ordinary shares of Baht 1 each		2,780,000,000	2,780,000,000	2,780,000,000	2,780,000,000
Issued and paid - up share capital					
2,780,000,000 ordinary shares of Baht 1 each		2,780,000,000	2,780,000,000	2,780,000,000	2,780,000,000
Discount on common shares		(562,500,000)	(562,500,000)	(562,500,000)	(562,500,000)
Retained earnings (deficit)					
Appropriated					
Legal reserve fund		13,716,687	13,716,687	13,716,687	13,716,687
Unappropriated		(716,069,644)	(721,673,849)	(990,836,506)	(944,770,648)
Other component of equity	11	(64,783,328)	-	-	-
Total shareholders' equity		1,450,363,715	1,509,542,838	1,240,380,181	1,286,446,039
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY		1,614,458,618	1,646,152,282	1,403,349,372	1,422,220,449

The accompanying notes to interim financial statements are an integral part of the interim financial statements.

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2020

					(Unit : Baht)	
	Note	Consolidated financial statement		Separate financial statement		
		2020	2019	2020	2019	
Sales and rendering of services		3,045,093	3,363,684	-	-	
Cost of sales and rendering of services		(41,466)	(78,131)	-	-	
Gross profit		3,003,627	3,285,553	-	-	
Interest Income		1,259,560	1,817,544	704,434	1,258,350	
Other income	20	1,140,007	514,529	1,906,542	1,961,040	
Total other income		2,399,567	2,332,073	2,610,976	3,219,390	
Administrative expenses		(38,954,540)	(42,916,323)	(37,112,430)	(40,801,871)	
Management benefit expenses	6	(11,423,280)	(11,766,190)	(11,423,280)	(11,766,190)	
Total expenses		(50,377,820)	(54,682,513)	(48,535,710)	(52,568,061)	
Finance costs		(109,338)	-	(109,338)	-	
Share of profit of associates	11	50,466,504	143,264,537	-	-	
Profit (loss) before Income tax		5,382,540	94,199,650	(46,034,072)	(49,348,671)	
Income tax	23	(394,025)	(243,582)	-	-	
Profit (loss) for the periods		4,988,515	93,956,068	(46,034,072)	(49,348,671)	
Other comprehensive income:						
Items that will not be reclassified in profit or loss later						
Loss from the measurement of new						
values of defined employee benefits		(67,488)	302,095	(31,786)	193,177	
Items that will be reclassified subsequently to profit						
or loss cash flow hedges, net of tax	11	(19,533,060)	-	-	-	
Total items that will not be reclassified in profit or loss later		(19,600,548)	302,095	(31,786)	193,177	
Total comprehensive income for the periods		(14,612,033)	94,258,163	(46,065,858)	(49,155,494)	
Basic earnings(deficit) per share (Baht per share)		0.0018	0.0338	(0.0166)	(0.0178)	
Number of weighted average ordinary shares (shares)		2,780,000,000	2,780,000,000	2,780,000,000	2,780,000,000	

The accompanying notes to interim financial statements are an integral part of the interim financial statements.

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2020

									(Unit : Baht)
Consolidated financial statement									
		Retained earnings (deficit)			Other components of shareholders' equity				
					Other comprehensive income				
					Profit (Loss) from the measurement of new values of defined employee benefitse		Total other components of shareholders' equity		
	Note	Issued and paid-up share capital	Discount on ordinary shares	Legal reserve fund	Unappropriated	Cash flow hedge reserves		Total	
Balance balance at January 1, 2019		2,780,000,000	(562,500,000)	13,716,687	(815,932,012)	-	-	1,415,284,675	
Net profit for the peiod		-	-	-	93,956,068	302,095	-	94,258,163	
Transferred to retained earnings		-	-	-	302,095	(302,095)	(302,095)	-	
Balance at December 31, 2019		2,780,000,000	(562,500,000)	13,716,687	(721,673,849)	-	-	1,509,542,838	
Balance balance at January 1, 2020		2,780,000,000	(562,500,000)	13,716,687	(721,673,849)	-	-	1,509,542,838	
Impact from the first time adoption of new financial reporting standards	11.1	-	-	-	683,178	-	(45,250,268)	(44,567,090)	
Balance balance at January 1, 2020 - restated		2,780,000,000	(562,500,000)	13,716,687	(720,990,671)	-	(45,250,268)	1,464,975,748	
Net profit for the peiod		-	-	-	4,988,515	(67,488)	(19,533,060)	(14,612,033)	
Transferred to retained earnings		-	-	-	(67,488)	67,488	-	-	
Balance at December 31, 2020		2,780,000,000	(562,500,000)	13,716,687	(716,069,644)	-	(64,783,328)	1,450,363,715	

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)
FOR THE YEARS ENDED DECEMBER 31, 2020

	(Unit : Baht)						
	Separate financial statement						
	Retained earnings (deficit)				Other components of shareholders' equity		
					Other comprehensive income		
					Profit (Loss) from the measurement of new		
	Issued and paid-up share capital	Discount on ordinary shares	Legal reserve fund	Unappropriated	values of defined employee benefitse	Total other components of shareholders' equity	Total
Balance balance at January 1, 2019	2,780,000,000	(562,500,000)	13,716,687	(895,615,154)	-	-	1,335,601,533
Total comprehensive income for the periods	-	-	-	(49,348,671)	193,177	193,177	(49,155,494)
Transferred to retained earnings	-	-	-	193,177	(193,177)	(193,177)	-
Balance at December 31, 2019	2,780,000,000	(562,500,000)	13,716,687	(944,770,648)	-	-	1,286,446,039
Balance balance at January 1, 2020	2,780,000,000	(562,500,000)	13,716,687	(944,770,648)	-	-	1,286,446,039
Total comprehensive income for the periods	-	-	-	(46,034,072)	(31,786)	(31,786)	(46,065,858)
Transferred to retained earnings	-	-	-	(31,786)	31,786	31,786	-
Balance at December 31, 2020	2,780,000,000	(562,500,000)	13,716,687	(990,836,506)	-	-	1,240,380,181

The accompanying notes to interim financial statements are an integral part of the interim financial statements.

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2020

(Unit : Baht)					
		Consolidated financial statement		Separate financial statement	
	Note	2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit (loss) for the periods		4,988,515	93,956,068	(46,034,072)	(49,348,671)
Adjustment to reconcile profit (loss) to be net cash received (paid)					
Adjusted income tax		394,025	243,582	-	-
Adjusted financial cost		109,338	-	109,338	-
Adjusted Interest income		(1,259,560)	(1,817,544)	(704,434)	(1,258,350)
Adjusted other current receivables (increase)		(533,032)	(229,013)	(210,965)	(218,560)
Adjusted inventories decrease		(7,424)	6,237	-	-
Adjusted other current payables (decrease)		(426,987)	273,205	(84,530)	(88,875)
Depreciation and amortization		749,394	84,829	725,467	60,766
Adjusted share of (profit) loss of associates	11	(50,466,504)	(143,264,537)	-	-
Adjusted estimate calls defaulted		26,880,028	26,880,028	26,880,028	26,880,028
Cash paid for employee benefit		(2,331,944)	-	(2,331,944)	-
Adjusted amortized expenses		60,957	-	60,957	-
Adjusted provisions for employee benefits		334,749	900,311	322,199	808,479
Total adjustment to reconcile net profit (loss)		(21,508,445)	(22,966,834)	(21,267,956)	(23,165,183)
Cash provided by (used in) operating activities					
Income tax return (pay out)		(498,582)	(1,744,997)	(49,095)	111,607
Net cash provided by (used in) operating activities		(22,007,027)	(24,711,831)	(21,317,051)	(23,053,576)
Cash flows from investing activities					
Other current financial assets (increase) decrease		(21,000,000)	45,000,000	(20,000,000)	52,000,000
Cash paid for property, plant and equipment		(266,223)	(27,853)	-	(27,853)
Interest income		1,174,147	1,814,327	619,691	1,306,711
Net cash provided by (used in) investing activities		(20,092,076)	46,786,474	(19,380,309)	53,278,858
Cash flows from financing activities					
Cash paid for lease liabilities		(653,622)	-	(653,622)	-
Cash receipts from short-term loans from Related		600,000	-	-	-
Financial cost		(109,338)	-	(109,338)	-
Net cash payments for financing activities		(162,960)	-	(762,960)	-
Net cash and cash equivalents decrease - Net		(42,262,063)	22,074,643	(41,460,320)	30,225,282
Cash and cash equivalents at beginning of the periods	7	46,797,649	24,723,006	44,751,687	14,526,405
Cash and cash equivalents at ending of the periods	7	4,535,586	46,797,649	3,291,367	44,751,687

Supplemental disclosure of cash flows information :

On adoption of TFRS 16, the Company has non-cash transactions as follow :

Right-of-use asset as at January 1, 2020	3,030,864
Less Depreciation for the periods	(699,430)
Right-of-use asset as at December 31, 2020	2,331,434

The accompanying notes to interim financial statements are an integral part of the interim financial statements.

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

1. GENERAL

Eternal Energy Public Company Limited "the Company" was registered by Thai law no.456 dated March 26, 1987 and the Company has been registered to convert into Public Limited Company no. 0107536000790 on July 29, 1993.

Head office 888 I Tower building 8th floor, Wiphawadee-Rangsit road, Chatujak, Bangkok.

2. BASIS FOR INTERIM FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

2.1 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2.2 Principles of consolidation

The consolidated financial statements include the financial statements of Eternal Energy Public Company Limited Public Company Limited and its subsidiary which are under its control with more than 50 percent voting rights as follows :

			Ownership interest Direct and indirect	
		Country of	As at	As at
	Business type	incorporation	December 31, 2020	December 31, 2019
<u>Direct subsidiaries</u>				
Boon Anek Co., Ltd.	Agriculture	Thailand	100	100
<u>Indirect subsidiary (Holding by Boon Anek Co.,Ltd)</u>				
Chareonporn Energy Co., Ltd.	Property rental	Thailand	100	100

Significant transactions with subsidiary have been eliminated in the consolidated financial statements.

The consolidated financial statements have been prepared with the same accounting policies for the separate financial statements for the same accounting transactions or accounting events.

2.3 New financial reporting standards

a. Financial reporting standards that became effective in the current period

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. However, the new standard involves changes to key principles, which are summarized below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The impact due to changes in accounting policy was reported in Note 11

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Company and its subsidiaries' business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets which is equity instruments are measured at fair value through profit or loss or through other comprehensive income.

Financial liabilities are classified and measured at amortised cost.

Impairment of financial assets

The Company and its subsidiaries recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Company and its subsidiaries accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables or contract assets that do not contain a significant financing component, the Company and its subsidiaries applies a simplified approach to determine the lifetime expected credit losses.

Thai Financial Reporting Standards No. 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The Group plans to adopt TFRS 16 using the modified retrospective method of adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at January 1, 2020 and the comparative information was not restated.

The impact due to changes in accounting policy was reported in Note 5

Right-of-use assets

The Company and its subsidiaries recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Company and its subsidiaries is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Company and its subsidiaries recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Company and its subsidiaries' incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

b. Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On April 22, 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between January 1, 2020 and December 31, 2020.

The Company and its subsidiaries have elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Company and its subsidiaries uses a simplified approach to determine expected credit losses.
- To measure the fair value of investments in unquoted equity instruments using the fair value as at January 1, 2020.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

3. BASIS FINANCIAL STATEMENT PREPARATION

3.1 Statements of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission.

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

3.2 Basis of measurement

The financial statements have been prepared on the historical cost basis (except where otherwise disclosed in the accounting policies).

3.3 Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Company’s functional currency (unless otherwise stated).

3.4 Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. The significant accounting judgments and estimates are as follows:

Finance leases/ Operating leases

The Company and subsidiaries have entered into lease agreements for the rental of land and motor vehicles. The Company and subsidiaries have determined, based on an evaluation of the terms and conditions of the arrangements, that the lessor retains all the significant risk and rewards of ownership of these properties, and so accounts for the contracts as operating leases.

Expected credit losses

The Group applies the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP, the unemployment rate and the consumer price index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognised in profit or loss within administrative expenses.

Impairment of investments

The Company and subsidiaries treat investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment.

Depreciation

In calculating depreciation of plant and equipment, the management estimates useful lives and salvage values of the plant and equipment and reviews estimated useful lives and salvage values if there are any changes.

4. ACCOUNTING POLICIES

4.1 Revenues and expenses recognition

Revenue excludes value added tax or other sales taxes and is arrived at after deduction of trade discounts.

Revenue is recognized in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognized as services are provided.

Interest and other income are recognized on an accrual basis.

Expenses are recognized on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

Impairment

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group applies general approach for credit-impaired consideration

4.3 Inventories

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

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.

Cost of cassava plantation is stated at cost that comprise direct cost related to cultivation of cassava which land rental and overhead.

Allowance for inventory is considered by 2 factors of risk, which are risk from growing and natural disaster following prior year experience.

4.4 Financial assets

Investments in deposits at financial institutions are fixed deposits and certificate of deposits issued by financial institutions with original maturity of longer than 3 months from the date of acquisition or with an original maturity within 3 months from the date of acquisition, but the company intends to roll-over them, or deposits subject to withdrawal restrictions, which are recorded at current cost.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.5 Investments

Investments in subsidiaries and associated companies under the consolidated financial statements are stated in Balance sheet by equity method (if any)

Investments in subsidiary companies and associates are recorded at cost method in the separate financial statements and investments in associated companies are recorded at equity method in the consolidated financial statements.

4.6 Investment property

Investment property is property held to earn rentals or for capital appreciation or both, is stated at cost less accumulated depreciation and provision for impairment (if any).

4.7 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. (If any)

Leases in terms of which the Company substantially assumes all the risk and rewards of ownership are classified as finance leases. Equipment acquired by way of finance leases is capitalized at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of income.

Depreciation on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment are as follows:

Land improvements	10 years
Employees' dormitory, machinery and equipment	5-20 years
Building improvements, office furniture and equipment, vehicles	5 years

No depreciation is provided on land and construction in progress.

4.8 Impairment

The carrying amounts of the Group assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the statement of income.

Calculation of recoverable amount

The recoverable amount of non-financial assets is the greater of the assets' net selling price and value in use. 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 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 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

4.9 Provisions

A provision is recognized in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

4.10 Provision for employees' long-term benefits

a) Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognized as expenses when incurred.

b) Post-employment benefits

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from other long-term benefits are recognized immediately in profit or loss.

For the first-time adoption of TAS 19 Employee Benefits, the Company and its subsidiaries elected to recognize the transitional liability, which exceeds the liability that would have been recognized at the same date under the previous accounting policy, through an adjustment to the beginning balance of retained earnings in the current year.

4.11 Income tax

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities 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 Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.12 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing net profit (loss) by the number of outstanding ordinary shares at the statement of financial position date in case of capital increased (decreased) using the weighted average according period of time receive (repayment) ordinary shares.

4.13 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

4.14 Segment information

Business segments provide products and services that are subject to risks and returns that are different from those of other business segments. Geographic segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

Segment information is presented by business segments of the Group's operations the management considers that only one business segment.

4.15 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****AS AT DECEMBER 31, 2020**

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. IMPACT OF FIRST-TIME ADOPTION OF NEW ACCOUNTING STANDARDS

The impact of first-time adoption of new accounting standards on the consolidated and separate statement of financial position as at January 1, 2020 are as follows:

Thai Financial Reporting Standards No.16 Leases

During the year 2020 the Company's subsidiaries and associated companies are adopting Thai Financial Reporting Standards No. 16 Leases. Where the Group is the lessee, leases are recognised as a right-of-use asset and a corresponding liability at the commencement date. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is measured at cost, which is initially measured at the present value of the lease payments. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease liability is initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in the lease, if that can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as expense in the statement of income.

In order to comply with accounting standard No.16, the Company recorded the effect of changes in accounting policies by adjusting the beginning retained earnings.

	(Unit : Baht)		
	Consolidate / Separate		
	As at December 31, 2019	TFRS 16	As at January 1, 2020
Statement of financial position			
Assets			
Non-current assets			
Right-of-use assets	-	3,030,864	3,030,864
Liabilities and equity			
Current liabilities			
Current portion of lease liabilities	-	821,147	821,147

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

	(Unit : Baht)		
	Consolidate / Separate		
	As at December 31, 2019	TFRS 16	As at January 1, 2020

Non-current liabilities

Lease liabilities	-	2,209,717	2,209,717
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On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rates. The Group's weighted average incremental borrowing rate applied to the lease liabilities on January 1, 2020 was 4.00

	(Unit : Baht)
	Consolidate / Separate
Operating lease commitments disclosed as at December 31, 2019	1,017,280
Add Purchase or extension options reasonably certain to be exercised	2,288,880
(Less) Deferred interest expenses	(275,296)
Additional lease liabilities from TFRS 16 adoption	3,030,864
Finance lease liabilities as at December 31, 2019	-
Lease liabilities recognised as at January 1, 2020	3,030,864

Of which are:

Current lease liabilities	821,147
Non-current lease liabilities	2,209,717
	3,030,864

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

	(Unit : Baht)
	Consolidate / Separate
Building	3,030,864
Total right-of-use assets	3,030,864

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****AS AT DECEMBER 31, 2020****6. RELATED PARTY TRANSACTIONS**

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

The relationship of the Group with related parties, which control or jointly control in the Company or being controlled or jointly controlled by the Company or have related party transactions and balances with the Group.

<u>Related Parties</u>	<u>Business type</u>	<u>Nature of Relationship</u>
1. Boon Anek Co., Ltd.	Agriculture	Subsidiary
2. Chareonporn Energy Co., Ltd.	Property rental	Indirect subsidiary
3. SSUT Co., Ltd.	Generate and operate an electricity and steam small power plant	Associate company
4. I Tower Co., Ltd.	Building rental	Common shareholders
5. Sahasamakkee Co., Ltd	Cleaning service	Directors
6. Srisawad Finance Public Company Limited	Finance business	The Directors of Company are relatives of the Directors of Srisawad Finance Public Company Limite.
7. Com-Link Co., Ltd.	Installing utilities	Directors and common shareholders

Related Parties

1. Miss Kwansirinr Rojanapruk	-	Executives and Directors
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The pricing policies for particular types of transactions are explained further below:

<u>Related Transactions</u>	<u>Pricing policies</u>
Rental and service expenses	Contract approximately market price
Management fee	Agreement
Directors' remuneration and other benefits expenses	As the approval by shareholders meeting
Temporary investment	Market rate
Interest expense	Provisions, interest rate 4.5% per annum (Note 11)
Director loans	No interest

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

Related party transactions for the years ended December 31, 2020 and 2019 with related parties are summarized as follows:

(Unit : Baht)

	Consolidated		Separate	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
Transaction with subsidiaries				
<u>Management fees income</u>				
Boon Anek Co., Ltd.	-	-	897,196	897,196
Chareonporn Energy Co., Ltd.	-	-	1,009,346	1,009,346
	-	-	1,906,542	1,906,542
<u>Interest income</u>				
Srisawad Finance Public Company	1,079,313	1,468,740	525,030	913,397
<u>Other income</u>				
I Tower Co., Ltd.	-	54,497	-	54,497
<u>Interest expense</u>				
Com-Link Co., Ltd.	26,880,028	26,880,028	26,880,028	26,880,028
<u>Rental and service expenses</u>				
I Tower Co., Ltd.	1,629,785	2,392,745	1,629,785	2,392,745
Sahasamakkee Co., Ltd.	192,000	186,000	192,000	186,000
	1,821,785	2,578,745	1,821,785	2,578,745
<u>Directors' remuneration and Management and other benefits</u>				
Short-term employee benefits	11,423,280	11,766,190	11,423,280	11,766,190
Post-employment benefits	103,984	128,083	103,984	128,083

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

Balance as at December 31, 2020 and December 31, 2019 with related parties are as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
<u>Deposit account of financial institutions</u>				
Srisawad Finance Public Company Limited.				
Not over 3 months (Note 7)	-	42,000,000	-	42,000,000
Over 3 months to 6 months (Note 10)	51,700,000	30,700,000	20,000,000	-
	<u>51,700,000</u>	<u>72,700,000</u>	<u>20,000,000</u>	<u>42,000,000</u>
<u>Other current receivables</u>				
Srisawad Finance Public Company	<u>214,437</u>	<u>124,002</u>	<u>104,199</u>	<u>14,433</u>
<u>Other non – current assets</u>				
I Tower Co., Ltd.	584,562	584,562	584,562	584,562
SSUT Co., Ltd.	<u>5,719,616</u>	<u>5,719,616</u>	<u>5,719,616</u>	<u>5,719,616</u>
	<u>6,304,178</u>	<u>6,304,178</u>	<u>6,304,178</u>	<u>6,304,178</u>
<u>Estimated liabilities</u>				
Com-Link Co., Ltd.	<u>107,520,113</u>	<u>80,640,084</u>	<u>107,520,113</u>	<u>80,640,084</u>
<u>Other current payable</u>				
I Tower Co., Ltd.	<u>12,673</u>	<u>64,600</u>	<u>12,673</u>	<u>64,600</u>
<u>Estimated liability - employee benefit</u>				
Director and Director Management	<u>1,417,700</u>	<u>2,588,523</u>	<u>1,417,700</u>	<u>2,588,523</u>

	(Unit : Baht)	
	Consolidated	
	2020	2019
<u>Short - term loans</u>		
Miss Kwansirintr Rojanapruk		
As at January 1	-	-
Additions	600,000	-
(Decrease)	-	-
As at December 31	<u>600,000</u>	<u>-</u>

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

	(Unit : Baht)			
	Consolidate / Separate			
	As at January			As at December
	1, 2020	Increase	(Decrease)	31, 2020
<u>Lease liabilities</u>				
I Tower Co., Ltd.				
Lease liabilities	3,306,160	-	(762,960)	2,543,200
Deferred interest expenses	(275,296)	-	109,338	(165,958)
Lease liabilities - net	3,030,864	-	(653,622)	2,377,242

	(Unit : Baht)
	Consolidate / Separate
Finance lease liabilities of which are:	
Current lease liabilities	680,252
Non-current lease liabilities	1,696,990
Total	2,377,242

Significant Agreements with Related Parties

1. The Company has entered into the space rental and service agreement and repair and maintenance on component part of building agreement with I Tower Company Limited for a period of 3 years from May 1, 2018 to April 30, 2021 with monthly of Baht 194,854 and security deposit (other non-current asset Note 16) of Baht 584,562.
2. The Company has entered into an cleaning service with Sahasamakkee Co., Ltd agreement expand for 12 months, from January 1, 2020 to December 31, 2020 with the service charged by of Baht 16,000 per month.

7. CASH AND CASH EQUIVALENTS

	(Unit : Baht)			
	Consolidated		Separate	
	As at December	As at December	As at December	As at December
	31, 2020	31, 2019	31, 2020	31, 2019
Cash	19,000	19,000	10,000	10,000
Cash at banks – current accounts	66,566	995,327	13,065	31,000
Cash at banks – saving accounts	4,450,020	3,518,743	3,268,302	2,448,257
Deposit in transit	-	264,579	-	262,430
Bills of exchange of financial institutions	-	42,000,000	-	42,000,000
Total	4,535,586	46,797,649	3,291,367	44,751,687

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

As at December 31, 2020 and December 31, 2019, the Company and subsidiaries have deposit notes and bills of exchange of financial institutions as follows;

	Consolidated		Separate	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
Amount (Million Baht)	-	42.00	-	42.00
No. of bills	-	2	-	2
Due date	-	January and March 2020	-	January and March 2020
Interest rate (%)	-	1.00 and 1.55	-	1.00 and 1.55
Commitment	-	None	-	None

8. OTHER CURRENT RECEIVABLES

	(Unit : Baht)			
	Consolidated		Separate	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
Other current receivables				
Advance Payment	306,232	20,032	24	32
Prepaid Expenses	444,244	452,758	437,144	440,893
Receivable from Revenue Department	5,210,146	4,954,800	4,635,592	4,420,871
Other	2,704	7,726	2,704	7,726
Total	5,963,326	5,435,316	5,075,464	4,869,522
Accounts receivable-related parties (Note 6)	214,437	124,002	104,199	14,433
Total other current receivables	6,177,763	5,559,318	5,179,663	4,883,955

9. INVENTORIES

	(Unit : Baht)	
	Consolidated	
	As at December 31, 2020	As at December 31, 2019
Cassava plantation	44,647	37,223
<u>Less allowance</u>	-	-
Inventories - net	44,647	37,223

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2020

10. OTHER CURRENT FINANCIAL ASSETS

As at December 31, 2020 and December 31, 2019, the Company and subsidiaries have deposit notes and bills of exchange of financial institutions as follows:

	Consolidated		Separate	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
Amount (Million Baht)	51.70	30.70	20.00	-
No. of bills	7	4	2	-
Due date	January to March 2021	January to May 2020	January to March 2021	-
Interest rate (%)	1.65	1.75	1.65	-
Commitment	None	None	None	-

11. INVESTMENTS IN ASSOCIATED COMPANIES

11.1 The movement of Investments in associated for the year ended December 31, 2020 are as follow:

	(Unit : Baht)	
	Consolidated (Equity method)	Separate (Cost method)
As at January 1, 2020	1,043,240,537	816,266,250
Impact from the first time adoption of new financial reporting standards		
- Net loss for the peiod	683,178	-
- Other comprehensive income for the period	(45,250,268)	-
As at January 1, 2020 - restated	998,673,447	816,266,250
Purchase / Increase investment	-	-
Profit (Loss) from investments in associates	50,466,504	-
Other comprehensive income for the period	(19,533,060)	-
As at December 31, 2020	1,029,606,891	816,266,250

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

11.2 Details of Investments in associated companies consist of:

				(Unit : Baht)			
				Consolidated		Separate	
				Equity Method		Cost Method	
Company's name	Type of Business	Paid-up Capital (Baht)	Holding Portion	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Non-marketable securities							
SSUT Co., Ltd.	generate and operate an electricity and steam small power plant	2,919,000,000	25.00%	1,029,606,891	1,043,240,537	816,266,250	816,266,250
Total				1,029,606,891	1,043,240,537	816,266,250	816,266,250
Less Allowance for impairment investment				-	-	-	-
Net				1,029,606,891	1,043,240,537	816,266,250	816,266,250

11.3 Summarized financial information of associated company.

The significant financial information of a associated company are summarized below.

(Unit : Thousand Baht)					
Company's name	Consolidated				
	Paid-up share capital as at	Total assets as at	Total liabilities as at	Total revenues for the years ended	Earning for the years ended
	December 31, 2020	December 31, 2020	December 31, 2020	at December 31, 2020	at December 31, 2020
SSUT Co., Ltd.	2,919,000	11,513.599	7,939,005	4,124,701	123,734

The Extraordinary General Meeting of Shareholders No. 1/2014 held on November 28, 2014 Approved the investment to purchase the ordinary shares in SSUT Co., Ltd. whose mainbusiness is to generate and operate an electricity and steam small power plant in Bangpoo Co-Generation Power Plant Project Block 1 and Bangpoo Co-Generation Power Plant Project Block 2 with a production capacity at 240 megawatts for electricity and 60 tons for steam, located on an approximate area of 17 rai in Bangpoo Industrial Estate, Praksa Sub-district, Mueang Samut Prakan District, Samut Prakan Province. The investment will be made by acquiring ordinary shares in SSUT in the proportion of 40% of the total paid-up capital of SSUT from Com-Link Company Limited. Currently, Com-Link is a connected person of the Company with a total value of not exceeding Baht 1,562.04 Million. the price is reasonable. According to an appraisal by Agency for Capital Plus Advisory Co., Ltd. independent financial advisor approved by the SEC. The payment shall be made by 2 installments; the first payment for the

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****AS AT DECEMBER 31, 2020**

acquiring of shares at the proportion of 25% shall be made by cash within December 30, 2014 and the second payment for the acquiring of shares at the proportion of 15% shall be made by cash within June 30, 2016. The said investment shall be subject to performance and/or undertake any terms and conditions of which the Company and Com-Link have engaged in a share sale and purchase agreement (including any conditions precedent before the relevant payments).

Acquired Asset and shareholder's obligation is as follows :

Items	Amount (THB million)
Acquisition value of SSUT share	1,041.64
Capital call for the unpaid capital portion (at par value)	390.00
SBLC for expected cost overrun (proportionate to the shareholding portion)	56.40
Subordinated loan for land 50 rai (proportionate to the shareholding portion)	74.00
Total value of the investment	1,562.04

On December 19, 2014 the Company has done contract the share purchase agreement with Com-Link.

Under the condition and agreement of this agreement, Com-Link agrees to sell ordinary shares and EE agrees to buy all those ordinary shares, and immediately after buying ordinary shares, EE has committed to follow the following process as mentioned below:

1. To be legally bound by shareholder agreement, facility agreement, project agreement, and amended agreement and shall be obligated as a shareholder under each agreement.
2. Provide funding in saving account of SSUT in the amount of Baht 390 million which calculated from the proportion of 25% to ensure that it would be efficient fund to discharge unpaid capital at payment date.
3. Prepare standby letter of credit in amount of Baht 35.25 million from the total of Baht 56.40 million which is an obligation under the facility agreement which is equivalent to 25% to be guaranteed to financial institution in case that SSUT has the (cost overrun).(Note.16 and 26.3)
4. Provide loan to SSUT in amount of Baht 46.25 million or equivalent to 25% of land value which is Baht 185 million for the sell of SSUT's land. (Note.16 and 26.4)
5. On December 20, 2018, the Company received the land insurance from SSUT Co., Ltd. some amount of Baht 40.53 million because the Company can sell 50 rai 2 ngan 37.5 square wah of land at the price of 176.32 million baht from 52 rai 1 ngan 37.55 square wah of land worth 182 million.
6. After the acquisition of second part of SSUT's ordinary shares (15%), EE shall be obligated under the facility agreement clause 1 – 4 which shall increase as the holding portion increase. Thus, shareholders of SSUT shall be responsible by proportionate to shareholding portion which has agreed under the facility agreement. And the parties agreed to impose conditions on the stock to trade, Part 2 (Number 4,378,500 shares, representing 15 percent of all shares of the SSUT) as follows.

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****AS AT DECEMBER 31, 2020**

- A) The Company will refer to Com – Link to sale and delivery of shares part 2 traded at any time. After the first payment date, but no later than June 30, 2016, the Company must send a written request to the Com - Link at least 14 days before the company will pay the price of Exercise of stock, part 2 at one time.
- B) The Company has operated in accordance with the terms and conditions in paragraphs 1 to 4 above. The obligations of the shareholders of the Company will be responsible for more, calculated on a percentage of shares in the SSUT is that it has purchased.
- C) The Company has the right to cancel the purchase of shares traded Part 2 is available by request made to the Com - Link in advance on or before March 30, 2016, In such cases, Com – Link has not agree with and waive the right to claim any claim or action to the Company to comply with this agreement or responsible for any damages due to the cancellation of the Company's shares traded in section 2 above.

Are entitled to cancel the acquisition by submitting a written notice to each other if the following events occur:

- 1) Each parties has not followed the agreement and condition under the agreement or fail to contend significant confirmation information or certification or verification of identity is invalid and not true.
- 2) Either party is insolvent or bankrupt or a liquidator to liquidate.
- 3) The condition precedence could not be completely fulfilled within the first settlement date and count Not be waived from EE. If there are any event of breach of contract, the commitment and the guarantee of Com- link before the payment date. This agreement shall be terminated straightaway.
- 4) If there are any Thai Law, or command from relating government, or regulation or command from the SET and/or SEC which resulting that the condition and agreement under this agreement cannot be fulfilled.
- 5) EE has not obtained approval from its shareholders, then buyer shall not purchase shares within December 30, 2014.
- 6) EE could not make payment of ordinary share for part 1 and 2 within December 30, 2014 and June 30, 2016 respectively.

Transfer of shares of 7,297,500 shares offered, consisted of

Share	Par value	Paid	Payment up to December 31, 2020	Outstanding obligation to pay the full value of the stock
750,000	100	100%	97,500,000	-
2,700,000	100	100%	290,250,000	-
3,550,000	100	100%	396,535,000	-
297,500	100	100%	31,981,250	-
<u>7,297,500</u>			<u>816,266,250</u>	<u>-</u>

As at December 31, 2020, the Company has commitments in ordinary shares purchasing agreement of second payment at the cost specified in the agreement. However the Company requested to postpone the payment to April 30, 2017. Currently there is no progress in payment . The Company recorded these expenses under other accounts payable in the statements of financial

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

position (Note 6 and 17). As at December 31, 2020 the Company holds 25% of the ordinary shares in SSUT Co., Ltd. Currently, Com-Link is in the process of interest waiver and further extend the term of payment approval.

The Company has used the share of all associated companies as collateral for the associated companies loans granted by financial institutions, for the operation purpose.

12. INVESTMENTS IN SUBSIDIARIES-NET

Subsidiary	Separate							
	Possession Proportion		Paid-up Capital		Cost Method		Dividends income	
	As at	As at	As at	As at	As at	As at	For the year ended	
	December	December	December	December	December	December	December 31,	
	31, 2020	31, 2019	31, 2020	31, 2019	31, 2020	31, 2019	2020	2019
	(Percentage)	(Percentage)	(Million Baht)	(Million Baht)	(Baht)	(Baht)	(Baht)	(Baht)
Boon Anek Co.,Ltd.	100	100	540	540	514,586,850	514,586,850	-	-
Total					514,586,850	514,586,850	-	-
Less allowance for								
impairment					-	-	-	-
Net					514,586,850	514,586,850	-	-

With reference to the of the Board of Directors meeting of Eternal Energy Public Company Limited 4/2018 held on November 5, 2018, has passed a resolution to sell 5,399,998 ordinary shares in Boon Anek Co, Ltd. equivalent to 100 percent of the registered shares a non-connected party at the price of book value per the Company's financial statements as of September 30, 2018, which is Bath 514.59 million. On November 6, 2018, the Company has entered into purchase and sale of shares capital agreement with non-related company (This company has a director and a major shareholder being another company's shareholder, which a such company is being a major shareholder of Srisawad Finance Public Company Limited). The Company has received deposit of 50 million baht. The date for transfer of shares within December 31, 2019. (Currently, shares are not transferred to buyers and legal form of ownership in Boon Anek is owned by the Company as the shareholder). Buyer has to pay the remaining amount of Bath 464.59 million at the shares transferred date. The Company has the right not to transfer the shares of Boon Anek to the buyer if the transfer of such shares causes the lack of status of a listed company or a condition of Cash Company. If the damage occurs to the Company on the day of the share transfer, the buyer and the seller will extend the share transfer period by one year each until the share can be transferred.

In addition to buyer eligible to transfer some land ownership of Boon Anek and/or Charoenporn Energy. The buyer is entitled to transfer the ownership of such land to no more than 50 percent of the total land of Boon Anek and Charoenporn together. And the buyer has to pays for at least by the cost amount of land to Boon Anek and/or Charoenporn Energy.

And on February 18, 2019 the buyer has entered into intention letter to the Company, specify that in case Boon Anek's shares has gotten the right or any benefit during the period from purchase and sale of shares capital agreement date until shares

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****AS AT DECEMBER 31, 2020**

transferred date, for example; cash dividend, share dividend, purchase right of share subscription, and any right, right and any benefit still being of Eternal Energy Public Company Limited until shares ownership transferred to the buyer. Moreover, the buyer has to pay a money from sale of land into Boon Anek and/or Chareonporn Energy following an agreement, that's not the repayment of share of Boon Anek.

On December 27, 2019 the Company notifying an extension of the transfer date of Subsidiary ordinary shares for another year to December 31, 2020. The Company is still in the process of negotiating for a new business to replace the former business that Boon Anek Co.,Ltd. Operates as the core business. At a result, the buyer has agreed to extend the transfer of ordinary shares of Boon Anek Co., Ltd.

On January 5, 2021 the Company notifying an extension of the transfer date of Subsidiary ordinary shares for another year to December 31, 2021. Since the epidemic situation of COVID-19 continues to exist around the world from the beginning of 2020 until now, business negotiation and business development has to slow down. Moreover, due to the unfavorable economic conditions, there is still a risk to start a new business.

13. INVESTMENT PROPERTY

The significant movements during for the years ended December 31, 2020 and 2019 are as follows:

	(Unit : Baht)
	<u>Consolidated</u>
Land	
Cost	
As a January 1, 2019	342,951,071
Increase (Decrease)	-
Transferred In/(Out)	-
As at December 31, 2019	342,951,071
Increase (Decrease)	-
As at December 31, 2020	342,951,071
Net book value	
As at December 31, 2019	342,951,071
As at December 31, 2020	342,951,071

As December 31, 2020 Investment property of subsidiary, namely land that has no purpose use amount 1,455 rai 3 ngan 67 square wa. Presented by the cost method in consolidate financial statement amount of Baht 342.95 million (appraisal value by independent appraisers in year 2017 amount of Baht 358.27 million).

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

14. PROPERTY, PLANT AND EQUIPMENT

The significant movements during for the years ended December 31, 2020 and 2019 are as follows:

	(Unit : Baht)											
	Consolidated											
	Cost					Accumulated depreciation					Net book value	
	2019	Increase	Decrease	Transferred In/(Out)	2020	2019	Increase	Decrease	Transferred In/(Out)	2020	2019	2020
Land	135,016,240	266,223	-	-	135,282,463	-	-	-	-	-	135,016,240	135,282,463
Land improvements	144,678	-	-	-	144,678	141,395	2,815	-	-	144,210	3,283	468
Resident building for employee	470,954	-	-	-	470,954	470,216	595	-	-	470,811	738	143
Machinery and equipment	1,813,642	-	-	-	1,813,642	1,765,839	5,985	-	-	1,771,824	47,803	41,818
Furniture, Fixtures and office equipment	10,394,533	-	-	-	10,394,533	10,348,407	26,338	-	-	10,374,745	46,126	19,788
Vehicles	12,976,083	-	-	-	12,976,083	12,975,988	-	-	-	12,975,988	95	95
Pool for agriculture	141,935	-	-	-	141,935	127,701	14,231	-	-	141,932	14,234	3
Work in process	89,656,939	-	-	-	89,656,939	-	-	-	-	-	89,656,939	89,656,939
Total	250,615,004	266,223	-	-	250,881,227	25,829,546	49,964	-	-	25,879,510	224,785,458	225,001,717
Less allowance for impairment											(89,656,939)	(89,656,939)
Property, plant and equipment-net											135,128,519	135,344,778

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

(Unit : Baht)

	(Unit : Baht)											
	Consolidated											
	Cost					Accumulated depreciation					Net book value	
	2018	Increase	Decrease	Transferred In/(Out)	2019	2018	Increase	Decrease	Transferred In/(Out)	2019	2018	2019
Land	135,016,240	-	-	-	135,016,240	-	-	-	-	-	135,016,240	135,016,240
Land improvements	144,678	-	-	-	144,678	138,587	2,808	-	-	141,395	6,091	3,283
Resident building for employee	470,954	-	-	-	470,954	469,623	593	-	-	470,216	1,331	738
Machinery and equipment	1,813,642	-	-	-	1,813,642	1,759,870	5,969	-	-	1,765,839	53,772	47,803
Furniture, Fixtures and office equipment	10,366,680	27,853	-	-	10,394,533	10,287,140	61,267	-	-	10,348,407	79,540	46,126
Vehicles	12,976,083	-	-	-	12,976,083	12,975,988	-	-	-	12,975,988	95	95
Pool for agriculture	141,935	-	-	-	141,935	113,509	14,192	-	-	127,701	28,426	14,234
Work in process	89,656,939	-	-	-	89,656,939	-	-	-	-	-	89,656,939	89,656,939
Total	250,587,151	27,853	-	-	250,615,004	25,744,717	84,829	-	-	25,829,546	224,842,434	224,785,458
Less allowance for impairment											(89,656,939)	(89,656,939)
Property, plant and equipment-net											135,185,495	135,128,519

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

(Unit : Baht)

	Separate											
	Cost					Accumulated depreciation					Net book value	
	Transferred					Transferred						
	2019	Increase	Decrease	In/(Out)	2020	2019	Increase	Decrease	In(Out)	2020	2019	2020
Machinery and equipment	35,830	-	-	-	35,830	35,819	-	-	-	35,819	11	11
Furniture, Fixtures and office equipment	10,320,627	-	-	-	10,320,627	10,274,814	26,037	-	-	10,300,851	45,813	19,776
Vehicles	11,599,165	-	-	-	11,599,165	11,599,152	-	-	-	11,599,152	13	13
Work in process	89,656,939	-	-	-	89,656,939	-	-	-	-	-	89,656,939	89,656,939
Total	111,612,561	-	-	-	111,612,561	21,909,785	26,037	-	-	21,935,822	89,702,776	89,676,739
Less allowance for impairment											(89,656,939)	(89,656,939)
Property, plant and equipment-net											45,837	19,800

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

(Unit : Baht)

	Separate											
	Cost					Accumulated depreciation					Net book value	
	Transferred					Transferred						
	2018	Increase	Decrease	In/(Out)	2019	2018	Increase	Decrease	In/(Out)	2019	2018	2019
Machinery and equipment	35,830	-	-	-	35,830	35,819	-	-	-	35,819	11	11
Furniture, Fixtures and office equipment	10,292,774	27,853	-	-	10,320,627	10,214,048	60,766	-	-	10,274,814	78,726	45,813
Vehicles	11,599,165	-	-	-	11,599,165	11,599,152	-	-	-	11,599,152	13	13
Work in process	89,656,939	-	-	-	89,656,939	-	-	-	-	-	89,656,939	89,656,939
Total	111,584,708	27,853	-	-	111,612,561	21,849,019	60,766	-	-	21,909,785	89,735,689	89,702,776
Less allowance for impairment											(89,656,939)	(89,656,939)
Property, plant and equipment-net											78,750	45,837

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

As December 31, 2020 the land is intended for agricultural production of 3,976 rai 2 ngan 28.5 square. Presented by the cost method in consolidate financial statement amount of Baht 135.02 million (appraisal value by independent appraisers in year 2017 amount of Baht 187.75 million).

As December 31, 2020 the Company's equipment with historical cost of Baht 21.93 million are fully depreciated but they are still in use. And subsidarie's equipment with historical cost of Baht 3.56 million.

15. RIGHT-OF-USE ASSETS, NET AND LEASE LIABILITIES, NET

The movement transactions for the years ended December 31, 2020 and 2019 are as follows:

	(Unit : Baht)			
	Consolidated		Separated	
	As at December 31, 2020	As at January 1, 2020	As at December 31, 2020	As at January 1, 2020
Right of use assets				
Building and building improvements	2,331,434	3,030,864	2,331,434	3,030,864
Total right of use assets	<u>2,331,434</u>	<u>3,030,864</u>	<u>2,331,434</u>	<u>3,030,864</u>
Lease liabilities, net				
Current	682,252	821,147	682,252	821,147
Non-current	1,696,990	2,209,717	1,696,990	2,209,717
Total lease liabilities, net	<u>2,377,242</u>	<u>3,030,864</u>	<u>2,377,242</u>	<u>3,030,864</u>

The statement of income included following transactions related to leases.

	(Unit: : Baht)	
	Consolidated	Separate
For the years ended 31 December 2020		
Depreciation charge of right-of-use assets		
Building and building improvements	699,430	699,430
Total depreciation charge of right-of-use assets	<u>699,430</u>	<u>699,430</u>
 Finance cost relating to leases	 109,338	 109,338

The Group has adopted TFRS 16 from 1 January 2020 . The impact from the adoption of new financial reporting standards on the lease liabilities has been presented in Note 5.

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

The present value of finance lease liabilities is as follows:

	(Unit : Baht)	
	Consolidated	Separate
31 December 2020		
Not later than one year	680,252	680,252
Later than 1 year but not later than 5 years	1,696,990	1,696,990
	<u>2,377,242</u>	<u>2,377,242</u>
31 December 2019		
Not later than one year	653,622	653,622
Later than 1 year but not later than 5 years	2,377,242	2,377,242
	<u>3,030,864</u>	<u>3,030,864</u>

16. OTHER NON-CURRENT ASSETS

	(Unit : Baht)			
	Consolidated		Separate	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
Land - insurance (Note 11 and 26.4)	5,719,616	5,719,616	5,719,616	5,719,616
Other insurance Related parties (Note 6)	584,562	584,562	584,562	584,562
Deposits and other deposits	12,472	12,472	472	472
Other	40,095	60,957	-	60,957
	<u>6,356,745</u>	<u>6,377,607</u>	<u>6,304,650</u>	<u>6,365,607</u>

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

17. OTHER CURRENT PAYABLES

	(Unit : Baht)			
	Consolidated		Separate	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
Other current payables				
- Accrued expense	498,812	522,214	395,057	424,381
- Deposit received (Note 12)	50,000,000	50,000,000	50,000,000	50,000,000
- Payable to revenue department	389,066	361,080	354,410	346,446
- Others accounts payable	47,698	427,343	29,220	40,464
Total other current payables	50,935,576	51,310,637	50,778,687	50,811,291
Provisions (Note 6 and 12)	107,520,113	80,640,084	107,520,113	80,640,084
Other current payable - related parties (Note 6)	12,673	64,600	12,673	64,600
Total other current payables	158,468,362	132,015,321	158,311,473	131,515,975

18. ESTIMATED LIABILITY – EMPLOYEE BENEFIT

An independent actuary carried out an evaluation of the Company's obligations for employees' long-term benefits using the projected unit credit method. The Company has provided the provision for employees' long-term benefits as follows:

	(Unit : Baht)	
	Consolidated	Separate
Provision for employee benefits - beginning	4,352,216	4,258,435
<u>Add</u> recognized amount	334,749	322,199
<u>Add</u> Actuarial (gains) loss	67,488	31,786
<u>Less</u> Payment of employee benefits	(2,331,944)	(2,331,944)
Provision for employee benefits - ending	2,422,509	2,280,476
Present value of unfunded obligation as at December 31, 2020	2,422,509	2,280,476
Expense recognized in profit or loss as follows:		
Current service cost	267,125	257,464
Interest cost	67,624	64,735
Past service cost	-	-
Total – recognized in the statement of comprehensive income	334,749	322,199

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

Principal actuarial assumptions at the valuation date are as follows:

	Consolidated	
	December 31, 2020	December 31, 2019
Discount rate (% per annum)	1.60, 1.77	2.47, 3.08
Average salary increase rate (% per annum)	5.00	5.00
Turnover Rate	Age band	Age band
Retirement age	60 years old	60 years old

	Separate	
	December 31, 2020	December 31, 2019
Discount rate (% per annum)	1.60	2.47
Average salary increase rate (% per annum)	5.00	5.00
Turnover Rate	Age band	Age band
Retirement age	60 years old	60 years old

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2020 are summarized below:

(Unit : Baht)

	Change of the present value of the employee benefit obligations increase (decrease)			
	Consolidated		Separate	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(142,086)	170,813	(122,328)	147,127
Salary increase rate	163,108	(139,117)	140,453	(119,747)
Turnover rate	(95,151)	110,168	(82,061)	95,114

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

As at December 31, 2020, the maturity analyses of undiscounted cash flows of benefit payments are as follows:

(Unit : Baht)

	Consolidated	Separate
Within 1 year	1,417,700	1,417,700
Over 1 and up to 5 years	-	-
Over 5 years	1,299,800	1,112,572

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

19. DISCOUNT ON ORDINARY SHARES AND LEGAL RESERVE

(Unit : Baht)

	Consolidated		Separate	
	As at December	As at December	As at December	As at December
	31, 2020	31, 2019	31, 2020	31, 2019
Premium on ordinary shares	399,500,000	399,500,000	399,500,000	399,500,000
Discount on ordinary shares	(962,000,000)	(962,000,000)	(962,000,000)	(962,000,000)
Net	(562,500,000)	(562,500,000)	(562,500,000)	(562,500,000)

Share premium

Section 51 of the Public Companies Act A.D.1992 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

Legal reserve

The Public Companies Act A.D.1992 Section 116 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve fund account ("legal reserve fund"), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve fund is not available for dividend distribution.

20. OTHER INCOME

(Unit : Baht)

	Consolidated		Separate	
	As at December	As at December	As at December	As at December
	31, 2020	31, 2019	31, 2020	31, 2019
Revenue management fee (Note 6)	-	-	1,906,542	1,906,542
Other	1,140,007	514,529	-	54,498
Total	1,140,007	514,529	1,906,542	1,961,040

21. EXPENSES BY NATURE

As at December 31, 2020 and 2019 Consist of;

(Unit : Baht)

	Consolidated		Separate	
	As at December	As at December	As at December	As at December
	31, 2020	31, 2019	31, 2020	31, 2019
Employee benefit expenses	16,724,863	18,026,120	16,313,615	16,942,197
Rental and services expense	1,604,256	2,624,421	1,729,038	2,588,686

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

22. SEGMENT INFORMATION

Segment information is presented in respect of the Group's business segments. The primary format and business segments is based on the Group's management and internal reporting structure.

Segment income and operating results are transactions directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group comprises the following main business segments represents cassava plantation.

23. INCOME TAX

Income tax is calculated on the earnings of the Company and subsidiaries after adding back certain expenses and provisions for expense not yet currently allowable for tax computation purposes of effective tax rate 20% pursuant.

For the years ended December 31, 2020 and 2019 the Company has tax profit (loss) as follows;

	(Unit : Baht)	
	Consolidated	
	As at December 31, 2020	As at December 31, 2019
Net Profit (loss)	(44,238,112)	93,956,068
Income tax expense	394,025	243,582
Loss before corporate income tax	(43,844,087)	94,199,650
<u>Plus(less)</u> add back expenses	27,276,910	(115,457,325)
<u>Less</u> Loss carry Forward, from five years	(98,870,159)	(76,393,889)
Tax Loss	<u>(115,437,336)</u>	<u>(97,651,564)</u>
	(Unit : Baht)	
	Separate	
	As at December 31, 2020	As at December 31, 2019
Net loss	(46,034,072)	(49,348,671)
Income tax expense	-	-
Loss before corporate income tax	(46,034,072)	(49,348,671)
<u>Plus(less)</u> add back expenses	27,263,185	27,715,226
<u>Less</u> Loss carry Forward, from five years	(98,031,620)	(76,393,889)
Tax Loss	<u>(116,802,507)</u>	<u>(98,027,334)</u>

24. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the years attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

25. FINANCIAL INSTRUMENTS

Financial risk management policies

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

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 because the deposit at financial institutions, certificate deposit, and interest bearing – financial liabilities are at fixed interest rates. The Group does not use derivative financial instruments to mitigate those risks.

Foreign currency risk

The Group don't have exposed to foreign currency risk in respect of financial assets denominated in foreign currency.

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. Credit evaluations are performed on all customers requiring credit over a certain amount. At the balance sheet date there were no significant concentrations of credit risk. However, the Group sets up an allowance for doubtful accounts when considered necessary. The related accounting policy is described in note to the financial statements.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Fair values

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. In determining the fair value of its financial assets and liabilities, the Group takes into account its current circumstances and the costs that would be incurred to exchange or settle the underlying financial instrument. Mostly, the Company's financial assets are short-term loans and loans with market interest rate. The Company believes that the fair values of such financial assets and liabilities are not materially different from the carrying amounts.

The fair value of cash and cash equivalents, Temporary investment, trade and other accounts receivable, short-term loans, other current assets, bank overdrafts, short-term borrowings, trade and other accounts payable and other current liabilities is taken to approximate the carrying value.

The fair value of investments in equity securities available for sales, are determined by reference to their quoted bid prices at the reporting date.

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

Fair values and the carrying values of financial assets and liabilities other than the aforementioned were as follows:

(Unit:Baht)

Consolidated financial statements							
Level 1		Level 2		Level 3		Total	
2020	2019	2020	2019	2020	2019	2020	2019

Financial assets for which fair value are disclosed

Investment properties	-	-	-	-	342,951,071	342,951,071	342,951,071	342,951,071
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Valuation techniques and inputs to Level 3 valuations

Investment properties are presented at fair values, which are appraised by an independent value using the Market Approach

26. COMMITMENTS AND SIGNIFICANT AGREEMENTS

- 1.) As at December 31, 2020, the subsidiary (Boon Anek Co., Ltd.) has entered into a memorandum in cassava with the farmers of 24 persons, total area of 421 Rai for a period of 12 months, due to January 2021 to May 2021.
- 2.) As at December 31, 2020, the subsidiary (Chareonporn Energy Co., Ltd.) has entered into a memorandum in cassava with the farmers of 396 persons, total area of 1,862.50 Rai for a period of 12 months, due to May 2021 to October 2021.
- 3.) As at December 31, 2020, The Company has deposits with a financial institution amounting to Baht 35.25 million has obligations with commercial banks as a guarantee for the amount of Baht 35.25 million. Payment of debt under the share purchase agreement in the associated company (Note 11).
- 4.) As at December 31, 2020, The Company has guarantee of associated's loan as the associated company (SSUT) amounting to Baht 5.72 million from according to proportion of shareholding in the associated company. There has no any charged fee (Note 11).
- 5.) Lawsuit of the associated company (Note 11)

The Arbitration Case No. (Black) 94/2561 dated December 25, 2018 between TTCL Public Company Limited (TTCL) and Global New Energy Company Limited (GNE) as claimant and the associated company (SSUT Company Limited) as dissenter case value THB 1,601,599,379.65, claim for damage charge due to breach of contract. On May 7, 2019 a legal advisor of the associated company as dissenter submit the objection to this case and submit the counterclaims that asked damage charge from the claimant of THB 4,282,092,659.15. The claimant prepared the objection of the counterclaims and submit to the Arbitration Committee. The Arbitration Committee made the fourth appointment on February 6, 2020. The Arbitration Committee ordered the witness to prepare and submit the testimony, translation, and witness information to the Arbitration Committee on August 4, 2021, and determined the first witness examination date on September 10, 2021 and November 5, 2021 respectively. Later, on April 15, 2020, the claimant filed a temporary protection request during consideration and requesting the Arbitration Committee to issue an order prohibiting the dissenter to call two local financial institutions make payment in accordance with the letter of guarantee for the performance of the contract and the letter of prepayment guarantee. The Arbitration Committee has made an appointment to consider the temporary protection order on May 18, 2020.

ETERNAL ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020

On May 18, 2020, the two parties reached an agreement without a hearing. The dissenter has agreed not to exercise the claim according to 11 letters of guarantees of the dispute and the claimant agrees to pay a fee for the renewal of the letter of guarantee in order to take effect under the original terms of the letter of guarantee until a decision is made and the Arbitration Committee ordered the parties to comply with the agreement.

On September 1, 2020, the Claimants filed an additional Statement of Claim Arbitration undecided Case No. 62/2563 between TTCL Public Company Limited (TTCL) and Global New Energy Company Limited (GNE) as claimant and the associated company (SSUT Company Limited) as dissenter, amount request THB 39,701,157.86 to the Thai Arbitration Institute. The Claimants requested the Arbitral Tribunal to order the dissenter to pay the bonds fee for advance payment bond(s) and performance bond(s), arising after the submission of a claim for dispute proposition undecided Case No.94/2018 until the dissenter return all of the bonds to the Claimants and has submitted a request to be included in the review of the such dispute and dispute undecided Case No. 94/2018. On 25 September 2020, the dissenter submitted an objection to the request for consolidation to the arbitral institution, asking the arbitrator to dismiss the claims of both claimants asking to be included in the dispute proposition undecided Case No.62/2020 and the dispute proposition undecided Case No.94/2018. Later, the dissenter submitted an objection dispute proposition undecided Case No.62/2020 dated 24 October 2020 to the Arbitration Institute by giving the refusal of the proposed dispute dated 1 September 2020 for all allegations. The Arbitration Institute issued an order November 6, 2020 to include the class of arbitration proceedings in undecided Case No. 62/2563 with undecided Case No. 94/2561, in which all the litigation documents in the undecided Case No. 62/2563 are part of the undecided Case No. 94/2561 and the undecided Case No. 94/2561 will be considered primarily.

The company legal advisor could not estimate the liability to the company due to the case has not yet been examined.

27. CAPITAL MANAGEMENT

The primary objectives of the Company's and its subsidiaries' capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

Consolidated

As at December 31, 2020 debt to equity ratio in the consolidated financial statements is 0.113: 1

Separate

As at December 31, 2020 debt to equity ratio in the separate financial statements is 0.131 : 1

28. RECLASSIFICATION

Certain amounts in the 2019 financial statements has been reclassified to conform to the current year's classification but with no effect to previously reported net income or shareholder's equity.

29. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements have been approved to issue by the Company's board of directors on February 23, 2021.



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