

Real Estate Green Energy Trading Hospitality



F O U R A C C B U S I N E S S



ADVANCED CONNECTION CORPORATION
PUBLIC COMPANY LIMITED

Trading Business

Since 1987, over 30 years ago, the company has been manufacturing ceiling fan and export to international market certified with Thai and International standards. In 2016, we have expanded our product range into LED Decorative Lamp to emphasis on industry leader in Thailand.



Hospitality : KhumKham, Khum Khantoke, Plubpla

ACC has invested in Northern Cultural & Performance Dine and Show together with International Convention Center located in Chiangmai.



Real Estate : Townline Sattahip

Since 2015 the company has sought the opportunity of expanding into the real estate's market. In 2015, the company took a further step into the real estate market by setting up ACC Landmark CO.,LTD. Which is responsible for capturing more real estate demand by diversifying into different types of developments in various part of Thailand.



Green Energy : Solar Farm, Solar Rooftop

Since 2015 the company expanded into renewable energy business to capture the growth opportunity in this sector according to the policy approved by shareholders. The investment initially started from solar rooftop and later expanded to solar farm and EPC business respectively.



PRODUCT'S BRAND



ACC Group

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Message from the Chairman of the Board and Managing Director

Dear Shareholders,

The company's overall image of the year 2019 is considered a very difficult and challenging year. Which is due to the global economic slowdown that began to shrink, changing business conditions, tourism revenue decline and the pressure from price competition. Although the Thai economy in 2019 is volatile and there are risks in many areas. But the overall business opportunity still exists, especially in the business sector that still has expansion channels. The continued success of the company is due to the selection of appropriate strategies for financial stability, management, and ability to maintain business competitiveness. Manage business both in the short and long term Including the exchange and integration of knowledge, resulting in good operating throughout the past period.

The ceiling fan business of the company in the past year decreased. The revenue from the sale of fans was 13.80 percent, decreased from the same period of the previous year by 51.96 percent because in the year 2019 the company stopped ordering the fans. Because the company has many models of fans that were not in the market demand which made the company has an idea to terminate this business.

Renewable energy business in the past year, the solar power business was the business that generated the highest revenue to the company. In the previous year, revenue was 101.46 million baht, increased from the same period last year. 5.36 percent.

Real estate development business in the previous year, only 3 units were recognized, with revenue of 15.05 increased from the same period of the previous year. Only 2 units were recognized, resulting in an increase of 3.20 million baht

Catering and restaurant businesses in Chiang Mai has potential and still have a lot of opportunity to grow. Therefore, increasing channels of income in many forms and able to create more return on assets. As a result, the company had 82.29 revenue growth of 9.52 percent last year.

At the same time, the company is still aware of the importance of business operations based on transparency, principles of good, corporate governance and responsibilities to shareholders, society and the environment. In the fiscal year 2019, the company has strictly complied with the laws related to business operations. Including reviewing and improving the corporate governance policy, business ethics, Board of Directors Charter and sub-committees in accordance with the principles of good corporate governance. Including with the context and conditions business of the group companies appropriately. To drive an action to help promote transparency and increase the effectiveness of the anti-corruption measures of the group companies.



(Arichai Ractham, Ph.D.)
Chairman of the Board

Message from the Chairman of Executive Committee

Dear Shareholders,

In the past year, Shareholders may know that the company has gone through a lot which needs to be corrected and improved appropriately. Which the management team has made great efforts to carry out the work neatly and concisely. Therefore, I would like to take the opportunity to thank all the committees as well as the managements, employees of the company and all the affiliated companies for the good cooperation.

In this year, the company began to see the possibility of businesses that are more sustainable. We start to participate in new businesses that has been carefully considered as sustainable. Both businesses that sell raw water to the Waterworks and special coal business which helps to reduce toxic gas as well as greatly reduce customer costs. Which is a change in the traditional ways of using natural resources (Conventional) that is highly polluting and wasteful.

Due to the Virus crisis that we are currently experiencing which affects the whole world and definitely our company was also affected. The Company Management confirms to do the best to support the company through the least traumatic crisis.

In year 2020 is probably the year that we still have to clean up the house. Including having to fight with the virus crisis. As I am the Chairman of the Management will confirm with the shareholders that we will do whatever it takes to bring the company to pass through this crisis together with the best solution. However, the company still need the support from all shareholders. So that we can overcome the crisis, plus this monsoon together.



Mr. Thitisak Skulkroo

(Chairman of Executive Committee)

The Details of Directors and Managements



Arichai Ractham, Ph.D.

Age 52 years Thai nationality

Position

Independent Director / Chairman of Audit Committee /
Chairman of Risk Management Committee

Appointed Date March 31, 2015

Shareholding None

Education

- Doctorate, Financial Economics, Claremont Graduate School, USA
- Master Degree, Finance, Claremont Graduate School, USA
- Bachelor's Degree, Economics and Business Administration, Eastern Washington University, USA

Training of Thai Institute of Directors (IOD)

Audit Committee Program (ACP) Class 15/2549
Role of the Chairman Program (RCP) Class 14/2549
Directors Certification Program (DCP) Class 67/2548
Directors Accreditation Program (DAP) Class 30/2547

Positions in Listed Companies in SET

2007 - Present: Audit Committee Syntec Construction Plc. (SYNTEC)

Position in Other Companies/Organizations

2009 - Present: Lecturer

The Thai Institute of Directors Association

1998 - Present: General Manager

Chulalongkorn University

Kasetsart University

Mahidol University

Relationship with Directors and Management None



Mr. Kan Kungpisdan

Age 40 years Thai nationality

Position

Director / First Vice Chairman

Appointed Date April 25, 2017

Shareholding None

Education

- Master's Degree, Electronics Business, King Mongkut' University of Technology Thonburi
- Bachelor's Degree, Information Management, Rangsit University

Training of Thai Institute of Directors (IOD)

Directors Accreditation Program (DAP) Class 148/2561

Position in Other Companies/Organizations

2018 - Present : Senior Business Analyst

R V Connex Co., Ltd.

Work Experience

2007 – 2017 : Senior Business Analyst

Siam Commercial Bank Plc.

Relationship with Directors and Management None



Mr. Saowapak Sakulromevilas

Age 62 years Thai nationality

Position

Director / Second Vice Chairman

Appointed Date April 30, 2019

Shareholding None

Education

- Master of Laws, Master of Laws Ramkhamhaeng University, academic year 2003
- Bachelor of Laws, Bachelor of Laws Ramkhamhaeng University Academic Year 1982

Training of Thai Institute of Directors (IOD)

High-level Justice Administration (BoS, Model 22)

Position in Other Companies/Organizations

Present: - Director, Pak Phanang Community Club Nakhon Sri Thammarat

Work Experience

- Former : Assistant Director of Legal Department, United Overseas Bank (Thai) Public Company Limited, Head Office
- Former : Executive Director, The Lawyers Association of Thailand, - Former : Vice President, Chanthaburi Province,
- Former : Secretary of the Committee on Corporate Affairs under the Constitution and follow the budget of the Senate
- Former : Special instructor, Nakhon Rajabhat University (Bangkok, Rayong Educational Service Center)
- Special instructor, Burapha University (Bangsaen)

Relationship with Directors and Management

None



Mr. Pasu Sukhumvart

Age 56 years Thai nationality

Position

Audit Committee / Independent Director

Appointed Date July 24, 2015

Shareholding None

Education

- Bachelor's Degree, Political Science (Governance Major), Humanities and Social Sciences, Prince of Songkla University

Training of Thai Institute of Directors (IOD)

Directors Certification Program (DCP) Class 239/2560

Directors Accreditation Program (DAP) Class 120/2558

Position in Other Companies/Organizations

- 2016 - Present: Qualified Person from Private Sector in subcommittee
- Farmer Rehabilitation and Development Fund, Pathum Thani Province
- 2013 - Present: Director
- Right Livelihood Foundation
- 2009 - Present: Director
- Ingnatee Resort Co., Ltd., Pathumthani
- 2010 - 2017: Advisor
- Sub district Administration Organization Association of Thailand
- 2009 - 2017: Special Project Manager
- Suk Charoen Kij Limited Partnership

Relationship with Directors and Management

None


Mr. Kampol Tatiyakavee

Age 59 years Thai nationality

Position

Audit Committee / Independent Director

Appointed Date September 17, 2019

Shareholding 0.024 %

Education

- Master of Engineering (Industrial) Dec.1985 University of Texas at Arlington
- Bachelor of Engineering (Chemistry) Mar.1982 Chulalongkorn University

Training of Thai Institute of Directors (IOD)

Advanced Audit Committee Program (AACP) รุ่น 25/2017

Risk Management Program (RCL) Class 5/2016

Directors Accreditation Program (DAP) Class 55/2006

Director Certification Program (DCP) Class 74/1997

High Monument Capital Market Academy (CMA) รุ่น 09/2009

Position in Other Companies/Organizations

Dec 2017 - Present : Director / Executive Director, Thai Pipeline Network Company Limited

Oct 2017 - Present : Director / Chairman of the Executive Board, Blissett Public Company Limited "BLISS"

Oct 2017 - Nov 2018 : Acting Managing Director, Blissett Public Company Limited

2016 - Present : Director, Power Solution Technology Public Company Limited "PSTC"

2012 - Present : Independent Director / Audit Committee, Muang Thai Capital Public Company Limited "MTC"

2010 - Present : Director, We Retail Public Company Limited "WR"

Work Experience

2013 - 2017 : Director / Executive Committee,

Amata VN Public Company Limited "AMATAV"

2012 - 2014 : Director / Executive Director, Three Sixty Five Public Company Limited "TSF"

2010 - 2013 : Chief Executive Officer, We Retail Public Company Limited

2010 - 2012 : Committee, State Enterprise Policy Committee (A) student

2007 - 2010 : President Manage Pattaya Food Industries Company Limited

Relationship with Directors and Management None


Mr. Niran Chinarakbumroong

Age 58 years Thai nationality

Position

Director / Executive Committee

Appointed Date April 30, 2019

Shareholding None

Education

- Master of Economics, Emphasis in Macro Economics Chulalongkorn University, Bangkok Thailand
- Bachelor of Economics, Major in Development Economics Ramkhamha University, Bangkok, Thailand

Training of Thai Institute of Directors (IOD)

Strategic CFO in Capital Market Program, SET

Position in Other Companies/Organizations

2017 to Present : Executive Director Fiber One Plc.

Work Experience

2015 to 2016 : Chief Finance Officer (CFO), and Member of Executive Committee at Blissett Plc.

2001 to 2015 : Vice President as a Head of a Business Unit in Commercial Banking Sector at United Overseas Bank (Thai) Plc.

1997 to 2001 : Special Manager (SM) at Financial Sector Restructuring Authority (FRA)

1996 to 1997 : Vice President as Head of Credit and marketing Department at ASEC Finance and Securities Co., Ltd.

1994 to 1996 : Vice President as Head of Real Estate Finance Department at ITF Finance and Securities PLC

1989 to 1991 : Assistant Manager, Business Lending Division 2 at National Finance and Securities PLC.

1988 to 1989 : Lending Officer, Lending Department, Head office at Siam City Bank PLC

1985 to 1988 : Assistant Researcher, acted as assistant or co-researcher at Chulalongkorn University Social Research Institution

1983 to 1985 : Economics and Political Daily News Reporter, focusing in economic news

Relationship with Directors and Management None



Mr. Thanaphon Dechawitthayathon

Age 33 years Thai nationality

Position

Director / Executive Committee

Appointed Date April 30, 2019

Shareholding None

Education

- Master of Economics, Major in International Business at University of Economics & International Business, Beijing China
- B.B.A., Major Marketing at Assumption University

Position in Other Companies/Organizations

- VP of business Development at About Passion Co., Ltd.
- Head of Business Development at Food Capitals PLC.
- Business Development Manager at Yum Restaurants International Co., Ltd.
- Property Acquisition Manager at Tesco Lotus (Thailand)

Relationship with Directors and Management None



Mr. Sarin Ruangsorn

Age 40 years Thai nationality

Position

Director

Appointed Date December 19, 2014

Shareholding None

Education

- Master's Degree in Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor's Degree in Business Administration & Information Technology, London Metropolitan University, UK

Training of Thai Institute of Directors (IOD)

Directors Certification Program (DCP) Class 234/2560
Directors Accreditation Program (DAP) Class 120/2558

Position in Other Companies/Organizations

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Work Experience

2010 - 2015 : Director

Prime Mansion Co., Ltd.

2010 - 2015 : Executive Advisor

Jintana Intertrade Co., Ltd.

2010 - 2015 : Executive Advisor

Inner Wear Co., Ltd.

Relationship with Directors and Management None


Mr. Thitisak (U-thai) Skulkroo

Age 65 years Thai nationality

Position

Chairman of the Executive Committee

Appointed Date May 15, 2019

Shareholding None

Education

- Bachelor's degree. The university account.
Certificate, Mini MBA, Class 26, Kasetsart University

Training of Thai Institute of Directors (IOD)

Director Accreditation Program (DAP) Class 13/2004
Director Certification Program (DCP) Class 62/2005
Role of the Chairman Program (RCP) Class 13/2006
Financial Statements for Directors (FSD), Class 6/2009,
Director Certificate Program Update (DCPU), Class 2/2014,
Board Nomination & Compensation Program (BNCP), Class 1/2017

Position in Other Companies/ Organizations

2019-Present Director Thantawan Industry PCL.
2019-Present Chairman of Audit committee Uraka design PCL.
2018-Present Vice Chairman of Executive Committee Begistics PCL.
2015-Present Chairman of Executive Committee Begistics PCL.
2014-Present Chief Executive Officer, Creative Power Co.,Ltd.

Work Experience

2019-2019 Chairman of the Audit Committee Commission of the Civil Aviation Authority of Thailand
2017-2018 Director / Vice Chairman of Tong Hua Holding Plc
2013-2018 Director the Director General of Tong Hua Holdings PLC.
2015-2018 Vice Director of Tong Hua Holdings PLC.
2015-2018 Chief Executive Officer of Tong Hua Capital PLC.
2015-2018 Director of Thanyakarn Co.,Ltd.
2017-2018 Acting Chief Executive Officer of Begistics PCL.(Bangpakong Terminal)
2013-2560 Acting Vice Director of Tong Hua Holding Plc,
2005-2015 Managing Director of Saithong Property Co., Ltd.
2003-2015 Managing Director of Siam General Factoring PCL.

Relationship with Directors and Management None


Mrs. Supin Siripoke

Age 51 years Thai nationality

Position

Vice Chairman of the Executive Committee / Deputy Director / Executive

Deputy Managing Director

Appointed Date May 15, 2019

Shareholding 3.38 %

Education

- Master Degree: Business Administration National Institute of Development Administration (NIDA),
- Bachelor Degree of Accounting, Thammasat University

Training of Thai Institute of Directors (IOD)

Director Accreditation Program (DAP)
Financial Advisor license
Financial Forecasting Model

Position in Other Companies/ Organizations

Present - Director Supreme Haven Wealth Company Limited
2017 - Present Director Keb Ngen Keb Thong Company Limited
2017 - Present Director Alliance Network Corporation Company Limited
2016 - Present Director Supreme Victory Company Limited

Work Experience

2013 - 2014 Managing Director, Apple Wealth Securities PCL.
2012 - 2013 Managing Director, Absolute Advisory Company Limited
2011 - 2012 Assistant Managing Director, Vanijtanakit Dept. Country Group Securities Public Company Limited
2008 - 2011 Senior Investment Manager Kaokla Venture Capital Management Company Limited
2005 - 2007 Vice President, Vanijtanakit Dept., Siam City Securities Company Limited
2002 - 2005 Senior Manager, Relation Marketing

Relationship with Directors and Management: Mr. Peerapong

Wainipitapong sister



Mr. Angoon Phimphakorn

Age 54 years Thai Nationality

Position

Executive Director / Action Managing Director / Executive

Appointed Date May 15, 2019

Shareholding None

Education

- Bachelor of Law. Ramkhamhaeng University
- Diploma Thai Bar Association Institute of Legal Education of the Thai Bar

Training of Thai Institute of Directors (IOD)

Director Certificate Program Update (DCPU) class 219/2016

Position in Other Companies/ Organizations

- 2017 - present Legal Advisor, Nawarat Patanakarn Public Company Limited
- 1998 - Present Head of the Office Ankoon Pimphakon Law Office

Work Experience

- 2015 - 2017 Director and Chairman of the Executive Committee, AEC Securities Public Company Limited
- 1996 - 1998 Assistant Managing Director Finance Company Krung Thai Securities Public Company Limited
- 1995 - 1996 Director of Law Office Finance company ITF Securities Public Company Limited
- 1993 - 1995 Senior Manager Legal Department Finance Company

Relationship with Directors and Management None



Mr. Thanakit Achariyasombat

Age 34 years Thai Nationality

Position

Executive Director Dec 16, 2019

Shareholding 3.77%

Education

- Master Degree Logistics Management Master of Science, Graduate School, Chulalongkorn University,
- Bachelor Degree in Biochemistry, Chulalongkorn University

Training of Thai Institute of Directors (IOD)

Directors Accreditation Program (DAP) class 169/2020

Position in Other Companies/ Organizations

- 2016 - 2019: Chief Executive Officer, Partner Estate Co., Ltd.
- 2014 - 2019: Managing Director, AEC MANAGEMENT CO., LTD.
- Hotel management for Chinese tourists (The Quote Hotel ABAC BANGNA)

Work Experience

- 2009 - 2012: Sales Executive, LEO GLOBAL LEGISTICS GROUP yearly

Relationship with Directors and Management: None



Mr. Kittu Kanokudomsap

Age 54 years Thai nationality

Position

Executive Director / Assistant Managing Director /
Executive

Appointed Date December 19, 2014

Shareholding None

Education

Master's Degree, Finance, Ramkhamhaeng University
Bachelor's Degree, Accounting, Ramkhamhaeng
University

Training of Thai Institute of Directors (IOD)

Directors Accreditation Program (DAP) Class 165/2560

Work Experience

2010 - 2014 : Freelance Consultant in Financial
Accounting and Tax
2006 – 2013 : Vice President Finance and Accounting
Department
International Research Corporation Plc. (IRCP)
1997 - 2006 : Accounting Manager
Advanced Connection Corporation Plc.

Relationship with Directors and Management None



Mr. Peerapong Wainipitapong

Age 30 years Thai Nationality

Position

Assistant Managing Director / Executive

Appointed Date May 15, 2019

Shareholding 0.12 %

Education

- Master of Economics (Chinese Government Scholarship)
Dalian Maritime University
- Bachelor of Business Chinese (2nd Class Honors) Mae
Fah Luang University

Training of Thai Institute of Directors (IOD)

Directors Accreditation Program (DAP) class 165/2019

Work Experience

2018 - 2019: Senior Department Manager Operation
Analyst, CEO Office, Central JD Commerce Co., Ltd.
2017 - 2019: Supervisor Global Purchasing and Sourcing,
Banpu Public Company Limited
2015 - 2017: Supply Chain Specialist, Huawei Technology
(Thailand) Co., Ltd.

Relationship with Directors and Management:

Mrs. Supin Siripokee brother.



ST Parakon Co., Ltd.

By Miss Suwichada Pakamon

Age 36 Years Thai nationality

Position

Company secretary

Appointed Date	May 15, 2019
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Shareholding	None
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Education

Bachelor's Degree : Thonburi Rajabhat University

Teaching Diploma Program (Bachelor's Degree)

Currently studying for Master's Degree

Master of Business Administration (MBA)

Position in Other Companies/ Organizations

Present: Managing Director of Thunder Meter Co., Ltd.

Present: Managing Director, AT Paragon Co., Ltd.

Present: Thai Savings Cooperatives Advisor

Work Experience

Credit Development Position, Citibank

Teacher Stationed Position, Wararat Suksa School, Nonthaburi

Senior employee position, UOB Bank Public Company Limited

Relationship with Directors and Management	None
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Business Operation

Policy and Overview of Business Operation

Advanced Connection Corporation Public Company Limited (“The Company”) is during the process of business restructuring. The core business of the company is currently divided into three parts i.e. distributor of ceiling fan/lights, alternative energy business and real estate. The company decided to enter into the alternative businesses because consider that are business with a steady income, have potential for high growth and can generate good returns in the future. However, the Company remains focused on sales of ceiling fans/lights. It may be extended to other products e.g. the fans with the light bulb or lamp which such goods became popular in the market and good growth prospects.

Policies to support the business after restructuring, the company has more purpose in doing business of the Company to cover the businesses to increase the flexibility in investment. By registered with the Ministry of Commerce completely in 2015, as detailed below.

- 1) Operates on all types of renewable energy power systems, solar energy, wind energy by burning waste materials from agriculture, energy from waste and energy from water and so on.
- 2) Engage in real estate development, condominium units and land, commercial land, including various permits related to real estate developments such as the construction permit, modified demolition, allowing the connection, approval of an aqueduct, allowing the building approval of environmental impact study to the Office of Natural Resources and Environmental Policy and Planning. Apply for a certificate of land use. Condominium Management as well as other relevant permits as required by law.
- 3) Engage in broadcasting, broadcasting telecommunications transmission, broadcasting or reception of signals, signs, letters, figures, images, sound, card or any other means. This can be understood by the system cabling, wireless systems, radio frequency or other electromagnetic systems, lighting systems, one system. Or a combination of systems including shuttle service radio, television, radio broadcasting and cable television, radio, cable TV systems, satellite communications systems and other communications.
- 4) Transactions via the Internet trade on the Internet or E-Commerce and other types of electronic transactions, both domestic and foreign.

Distribution ceiling fan/light Business

The Company is in consumer products sector and still has a ceiling fan/light distribution business as its core business.

Currently, the company has closed the showroom. Soi Srinakarin 40, opposite Seacon Square Shopping Center Srinakarin Road Due to expiration of the lease. The company aims to expand its fan through various channels such as modern trade, dealers across the country, real estate projects including increase relates product lines. Including distribution via social media (online). Meanwhile. the company is in the process of cancelling the selling the ceiling fans business.

Apart from the opening of the new showroom, in recent years, the company succeeded in creating marketing team and orders new product models to sell due to cancellation of the only one dealer. And will start directly sell to the retail business (Modern Trade), such as store HomePro, The Mall Siam Paragon.

Alternative Energy Business

The company grew into an alternative energy business in the past year. And has invested in the production of electricity from solar roof (Solar Rooftop) and the extensions which remain capacity approximately 2.582 megawatt due from cancellation of investment in 105 Solar Power Co., Ltd. which already noticed to cancel and request for refunding prepaid amount for investment of

14 million Baht to Wyncoast Industrial Park Public Company Limited because of delaying of the project development. Currently in the process of negotiating in the court and It appears that the company has received 1,730,000 shares, equivalent to 17.30 million baht. The company does not need to pay any more. The operating of electricity production from solar roof (Solar Rooftop) is under associated company, W. Solar Company Limited ("W.SOLAR"), associated company, operates electricity production from solar roof (Solar Rooftop). The Solar panels are installed on the roof of plant in Wyncoast Industrial Park Public Company Limited with capacity about 0.98 megawatt, investment amount of 39.20 million Baht or 49% of registered and paid up capital. Now extended for another 2 phase on roof of office building of Wyncoast Industrial Park Public Company Limited with capacity 0.186 megawatt and another phase on the roof of car parking lot of Wyncoast Industrial Park Public Company Limited with capacity 0.108 megawatt. Both 2 phase extensions are already commercial electricity distribution (COD) since April 2017. 105 Solar Power Company Limited (associated company) with a generating capacity of 0.65 megawatts, with a capital investment of 17.30 million baht or 44.36 percent of the registered capital, which has started to sell commercial operation date (COD) since December 2018. And also Bangpakong Solar Power Company Limited, subsidiary company, capacity approximately of 0.75 megawatt, investment amount of 24.99 million Baht or 51% of registered and paid up capital. The Solar panels are installed on the roof of plant in Wyncoast Industrial Park Public Company Limited. And already commercial electricity distribution (COD) since February 2017. In addition, the Saraburi Project Group of Companies, subsidiary companies, with total capacity approximately 5.50 megawatt operates in solar power on the ground (Solar farm). The solar panel install in Talingchan sub district, Muang Saraburi district, Saraburi province with capacity approximately 5.50-megawatt, investment amount of 290 million Baht or 100% of registered and paid up capital. This project already commercial electricity distribution (COD). The Company continually study and develop other renewable energy projects to expand investment in the future. Overall operations result of renewable energy business in the past year were meet the Company's target.

Real Estate Business

In the real estate business, the company establish ACC Landmark Company Limited to initiative to develop real estate projects. In collaboration with business partners through the sale shares of ACC Landmark Company Limited to Prime Mansion Company Limited (after sale of shares, the Company holds 75 % of the capital and Prime Mansion Company Limited holds 25 % of the registered share capital) to has experienced investors to participate. The first project was developed under the name "Town Line Sattahip" in Sattahip district, Chonburi province. The sales of 18 units from total of 32 units.

For existing real estate. The Company has sold land and factory buildings on March 8, 2018. And condominium 1 units at Country Complex Condominium are sold in year 2018. The subsidiary has sold 15 units, currently there are 4 rooms. Office building at PS Tower Both units have been sold since 2016.

Hospitality - Banquet and Restaurant

C.E.I Chiangmai Company Limited (The Company 100% shareholding) has operation business into follow..

- 1) Khum Khantoke and Cultural Performance food service with cultural light and sound show.
- 2) Phlaphla Restaurant Serving food in a buffet style and the evening is open for food, serving all types of food.
- 3) Khum Kham International Convention Center provides a seminar service Is a conference center with international banquet rooms Decorated with high-class architecture that is elegant, retains the identity of Lanna cultures.

Changes and Key Developments

The Company has been formed by Tai family group investor from Taiwan in the year 1987.

2002	<ul style="list-style-type: none"> The Company joint-venture with Hunter Fan Company Limited, the biggest fan manufacturer in U.S.A. and made ceiling fans/lights trading contract, but had been canceled since March 2005.
2009	<ul style="list-style-type: none"> The Company made loaned agreement to Thanya Rung Rueang Chai Rice Mill (Thailand) Company Limited (“TRC”) in the amount of 70 million baht. Currently, the principle has not been paid. The Company already set allowance for doubtful account in full amount and is during legal process with TRC. The Company invested in Siam Water Company Limited, which later changed to Siam Water Resources Public Company Limited (“SWR”). The Company has 45,000,000 shares in the amount of 49.95 million baht or 8.93% of registered capital. The Company already recorded impairment loss from investment in full amount, and is on the legal process with SWR. On March 27, 2018, the company agreed to sell such investment. Because the company that the past had never received any information including performance as well as the current operation of SWR
2010	<ul style="list-style-type: none"> The Company sold land and factory located at 290 Moo 4, Sukhumvit Road, Prakkasa, Muang, Samutprakarn to Murakami Ampass (Thailand) Company Limited.
2013	<ul style="list-style-type: none"> The Company set up and registered the Subsidiary, C.E.I. (Chiangmai) Company Limited as subsidiary company for investment in land and plant included other assets use in Lanna food and show cultural center (Khum KhanToke) which is food and Lanna cultural show business.
2014	<ul style="list-style-type: none"> The company still has income from selling ceiling fan, property rental and interest income C.E.I has started to earn income from the operation of the cultural center Food and restaurants and Lanna performances (Khum Khantoke).
2015	<ul style="list-style-type: none"> The company changed the par value from the original 1 baht per share to 0.25 baht per share and increased the registered capital from the original amount of 188.30 million baht to 300 million baht. The subsidiary (CEI) bring the assets used in the Khum Khantoke business and the International Convention Center Khum Kham Building for Khum Khan Toke Company Chiang Mai (2015) Company Limited Rent The company has changed the accounting period from 1 August to 31 July of the following year as the accounting period from 1 January to 31 December of every year. The Company invests in 3,920,000 share ordinary shares of W.Solar Company Limited (W.SOLAR), with a par value of 10 baht per share total amount of 39.20 million Baht, in proportion of 49% of the registered capital and the total number of shares sold. The Company established ACC Green Energy Company Limited (ACCG) subsidiary companies to operate in businesses Energy and to develop renewable energy project with the authorized share capital in the amount of Baht 1 million, divided into 100,000 ordinary shares at the par value of Baht 10 each, which made the Company’s shareholding 100 percent and increased the registered capital to 10 million baht by issuing new ordinary shares of 900,000 shares, with the par value of Baht 10 each. ACCG paid-up the increase of its share capital of Baht 2.50 each, totaling in the amount of Baht 2.25 million. The Company established ACC Electric Company Limited (ACCE) subsidiary companies to operate in trading business with the authorized share capital in the amount of Baht 1 million, divided into 100,000 ordinary shares at the par value of Baht 10 each, which made the Company’s shareholding 100 percent.

2015	<ul style="list-style-type: none"> The Company established ACC Land Mark Company Limited (ACCL) subsidiary companies to operate in Real Estate business with the authorized share capital in the amount of Baht 1 million, divided into 100,000 ordinary shares at the par value of Baht 10 each. Subsequently, the Company distributed investment in ordinary shares of ACCL to PM in the amount of 25,000 shares at a par value of 10 baht per share, totaling 250,000 baht, equivalent to 25.00 percent. The proportion of investment in ACCL is 75.00%. The Company was passed to increase of registered share capital from Baht 1 million to Baht 50 million by issuing new ordinary shares of 4.90 million shares, with the par value of Baht 10 each. The Company invested in ordinary shares from increase of its share capital under the portion in amount of Baht 36.75 million. The Company change its name and its seal to comply with business operation policy in the future as: <ul style="list-style-type: none"> Name Thai : “บริษัท แอดวานซ์ คอนเนคชั่น คอร์ปอเรชั่น จำกัด (มหาชน)” Name English : “ADVANCED CONNECTION CORPORATION PUBLIC COMPANY LIMITED” Abbreviate Name : “ ACC ” The Company has entered into a memorandum of agreement to purchase 105 Solar Power Co, Ltd. (105 solar) ordinary shares with WIN in order to operate a solar power plant on the roof of the building. Which accounted for a total investment of 19.89 million baht in order to have a 51.00 % . The Company invested in 2,499,000 ordinary shares of Bangpskong Solar Power Company Limited (BSP) with a par value of 10 baht per share, representing 51.00% of BSP's paid-up capital, representing a total investment of 24.99 million baht.
2016	<ul style="list-style-type: none"> The Company invested in Saraburi Group of 10 Companies in Solar power energy on ground (Solar farm) Project total capacity 5.50-megawatt, investment size 290 million Baht or 100% of share registered. The Company increased share registered from 300 million Baht to 375 million Baht by issued new ordinary share 300 million shares, par value 0.25 per share to support the exercise of the warrants to purchase the Company's newly issued ordinary shares. And has a resolution to issue and offer the warrants to purchase the Company's ordinary shares to the existing shareholders 300 million units at the rate of 4 existing ordinary shares per 1 warrant. The Company issue an offer debenture total 600 million Baht, 1 year 9 months term, payment due on April 9, 2018, 6% per year interest rate, purpose for using in business operation (Propose to shareholders and be approved 1,000 million Baht) On 31 October 2016, Thai Lanna Food and Cultural Center Company Limited defaulted on not transferring land for debt repayment. The company then assigned a lawyer to enforce the transfer of land for debt settlement. ACC Green Energy Co., Ltd., subsidiary company, be transferred the land located in Rassada sub district, Muang Phuket district, Phuket province from Thai Lanna Food and Cultural Center Co., Ltd. in order to settle debt.
2017	<ul style="list-style-type: none"> C.E.I subsidiary company, request to terminate the rental agreement before end of agreement term. Because the Company consider that the Cultural Center of food and show : Khum KhanToke and the International Convention Center : KhumKham, Chiangmai Province has potential to generate return more than rent, so C.E.I. (Chiangmai) Co., Ltd. will get start to perform the business since April 1, 2017. Subsidiary (Saraburi Project Group) has merged 10 companies by establishing Saraburi Solar Company Limited to transfer business of 10 companies.
2018	<ul style="list-style-type: none"> On January 18, 2018, the Company entered into a contract to purchase and sell land and factory buildings that were for rent in Samutprakarn. The Company will sell the land and buildings at a total price of Baht 240 million Baht to Innovative Design and Manufacturing Co., Ltd. which has no relationship with the Company and is not a connected person. The buyer pays a deposit of Baht 15 million on contract date. And on March 8, 2018, the Company transferred the ownership and received the remaining price of land and building for Baht 225 million. The proceeds from the sale

2018

of land and factory buildings will strengthen the financial position of the company. And used as working capital in operation and for investing in future projects of the company.

- In addition, on January **22, 2018**, the Extraordinary General shareholders Meeting No. **1/2561** of the Company has passed a resolution of approving the increase of the Company's registered share capital from Baht **374,999,912.50** to Baht **524,999,912.50** by issuing **600,000,000** new ordinary shares. Par value **0.25** baht, resulting in the company has a total registered shares **2,099,999,650** shares. The capital increase will strengthen the financial position of the company. To support business expansion and investment. Including reserve for working capital of the company. There were 16 existing shareholders subscribing for 143,054,557 new ordinary shares equal to ordinary share value of Baht 35,763,639.25 and premium on ordinary shares of Baht 50,069,094.95. Total amount of the proceeds the Company receive from newly issued ordinary share is 85,832,734.20 Baht. As of March 12, 2018, the Company's paid-up capital is Baht 335,763,639.25. The capital increase will strengthen the financial position of the company. To support business expansion and investment. Including reserve for working capital of the company.
- On April 9, 2018 The Company established ACC Capital Company Limited (ACCC) subsidiary companies to operate in factoring business with the authorized share capital in the amount of 200,000,000 Baht, divided into 20,000,000 ordinary shares at the par value of Baht 10 each, paid share Capital in the amount of 100,000,000 Baht, divided into 20,000,000 shares at the per value of Baht 5, the Company's shareholding **50** percent
- On April 9, 2018 the Company redemption of debentures amount Baht 600 million.
- On April 2 - 4, 2018, the Company offered the secured debenture No. 1/2018, in the amount of 300,000 units at par value of Baht 1,000 per unit, totalling of Baht 300 million, for offering to the investor following the notification of the Capital Market Supervisory Board. The maturity period of debentures is 2 years and 6 months, due on October 5, 2020, with interest charged at the rate of 5.8% per annum, payable every 3 months. The issuance of such debentures is aimed to repay the existing debt. C.E.I. (Chiangmai) Co., Ltd. mortgaged its land and buildings and ACC Green Energy Co., Ltd. mortgaged its empty land as collateral against for debentures of the Company.
- In the year **2018**, there were resigned directors, namely Mr. Yutthana Taepangthong, who resigned on **30 June 2018**. Miss Sudthida Chirapatsakul resigned on **3 October 2018**. Mr. Pavin Ruangvoraboon resigned on **13 November 2018**. However, no replacement committee has been appointed.

2019

- Resolution of the Board of Directors Meeting No. 2/2019, held on 25 February 2019, resolved to approve the contract to sell all ordinary shares held by the company in ACC Green Energy Company Limited ("ACC Green") In the amount of 1,000,000 shares, with a par value of 10 baht per share, and the liabilities that ACC Green has to the company to Mrs. Panna Chumbuathong in the total price of 185,000,000 baht, divided into

(a) Price of shares bought and sold Equivalent to **38,300,000** baht. The company calculated from selling price with the liabilities of ACC Green to the company And ACC Green have liabilities with the company, therefore do not include the cost of land in the sale price of shares

(B) Liability that ACC Green has on the company equivalent to **146,700,000** baht (the loan that the company loaned to ACC Green for purchase of land without interest)

Contract conditions and the payment under the sale and purchase of ordinary shares divided into

- amount of 10,000,000 baht on the date of the sale and purchase agreement as deposit
- amount of 27,000,000 baht within 30 days from the date of the purchase and sale agreement
Considered deposit as part of the payment of the land price for the contract.
- Pay the remaining price of the land in the amount of 148,000,000 baht on the date of ownership transfer of the traded shares or within 120 days from the date of purchase agreement.

2019

- The seller must redeem the land from use as collateral for debentures within **120** days from the date of the buy and sell agreement.
 - The buyer broke the contract to buy and sell so the company made a letter dated 25 July 2019 informing the confiscation of the deposit in the amount of 37.00 million baht.
- Resolutions of the Annual General Meeting of Shareholders for the year 2019 on April 30, 2019, resolved to appoint the retired directors and appointed directors to replace the directors who are retired by rotation as follows

Mr. Saovapak Sakulromvilas and Mr. Thanaphon Dechawitthayathon Substitute

General Kasemsak Plooksawat and Mr. Ekawat Swetarat and appointed Mr. Kan Kungpisdan re-election for another term
- The resolution of the Board of Directors Meeting no. 4/2019, on May 1, 2019, has resolved to appoint the directors which are authorized to bind the company, which are as follow

"Mr. Kan Kungpisdan with Mr. Sarin Ruengsorn or Mr. Niran Chinarakbumroong or Mr. Thanaphon Dechawitthayathon or Mr. Saovapak Sakulromvilas, two persons all together with the seal of the company "
- Resolution of the Board of Directors Meeting No. 2/2019, held on February 25, 2019, resolved to approve the contract to sell all ordinary shares that the company holds in ACC Green Energy Company Limited ("ACC Green ") In the amount of 1,000,000 shares with a par value of 10 baht per share and the debt that ACC Green has with the company to Mrs. Phana Chumbuathong at a total price of 185,000,000 baht, divided into
- Resolution of the debenture holders' meeting. No. 1/2019 on 16 May 2019 to approve the redemption of debentures with the amount of 100 million baht and redeem the collateral of the debentures as the property is a vacant land. Title deed no. 112684, land number 112, survey page 1482 Located at Ratsada subdistrict, Mueang Phuket district, Phuket province on July 5, 2019.
- Resolution of the Board of Directors Meeting No. **8/2019**, held on September **17, 2019**, resolved to appoint Mr. Kampon Tatiyakavee as a director / audit committee / independent director in replace of Dr. Chansiri Suetrong, who resigned on May **27, 2019**

Shareholding structure of the Group

The Company invested in form of holding company with major investments in subsidiaries which engaged in trading business, International Convention Center : Khum Kham and the Cultural Center in hospitality business, renewable energy business, and real estate business. Details are as follows.

Subsidiary Company	Nature of Business	Sharehold (%)	Share Registered (Baht)	Share Registered and Paid-up (Baht)
C.E.I. (Chiangmai) Co., Ltd. (“CEI”)	Property for rent. Since April 2017 (“CEI”) resume to perform the business of the Cultural Center of Food and Show (Khum KhanToke) and International Convention Center (Khum Kham) by own.	100.00	200,000,000.00	200,000,000.00
ACC Infra Co., Ltd. (“ACCI”) Change name form ACC Electric Co., Ltd. (“ACCE”)	Utilities	100.00	330,000,000.00	330,000,000.00
ACC Landmark Co., Ltd. (“ACCL”)	Develop Real Estate	75.00	50,000,000.00	50,000,000.00
ACC Green Energy Co., Ltd. (“ACCG”)	Renewable Energy	100.00	10,000,000.00	3,250,000.00
ACC Capital Co., Ltd. (“ACCC”)	Factoring	50.00	200,000,000.00	100,000,000.00
Bangpakong Solar Power Co., Ltd. (“BSP”)	Solar Rooftop	51.00	49,000,000.00	49,000,000.00
Saraburi Solar Co., Ltd.*	Solar Farm	100.00 Indirect investment through (“ACCE”)	276,000,000.00	276,000,000.00
Associated Company	Nature of Business	Sharehold (%)	Share Registered (Baht)	Share Registered and Paid-up (Baht)
W. Solar Co., Ltd. (“W.SOLAR”)	Solar Rooftop	49.00	80,000,000.00	80,000,000.00
105 Solar Power Co., Ltd. (“105 Solar”)	Solar Rooftop	17.30	39,000,000.00	39,000,000.00

Nature of Business

History

Advanced Connection Corporation Public Company Limited was incorporated as a company limited under the Civil and Commercial Code and operated as a Limited Company in August 1987 with a starting registered capital of 45 million baht and continued building its first factory at Bangpoo Industrial Estate and has been promoted by the Board of Investment on October 16, 1987.

The Company has operated the business and increased its registered capital all along until it currently has registered capital of 524.99 million Baht. It was incorporated as a public Company on May 31, 1993 and made its ordinary shares listed in the Stock Exchange of Thailand.

In the past, the Company was a manufacturer of ceiling fan/light for both domestic and foreign exports. Currently it is an importer of fan components for assembly and distribution in the country. The fans that the Company distributes have a unique focus on aesthetic quality in order for them to be used as ornaments and decorations for housing, hotels, as well as office buildings.

Nature of Business

1. Trading of ceiling fan/light.

The Company had been the biggest ceiling fan/light manufacturer but change to importer of fan components from abroad for assembly and distribution in the country. The fans are distributed under trademarks of Sunlight and Compass East which have been well known among general users for over 10 years. The Company has recently added another trademark named "Air-le-gance" to approach the customers with high purchasing power in the upper market. The Company has added LED lamp products under the trademark "Lumos", the production is beautiful, save electricity, easy to install so, save time and cost.

2. Real Estate : Rent and Development

2.1 Property for Rent

The company has property for rent. Currently, there are 4 rooms in Country Complex, Bangna. The company has gradually sold factories in Bangpoo Industrial Estate on March 8, 2018..

2.2 Real Estate Development The Company operate through ACC Landmark Co., Ltd., subsidiary company, in project name of Townline which is Townhome in 2 Rai 1 Ngan 8 Square Wah located on Sattahip District, Chonburi Province total 32 units. The project size is 200 million Baht. Selling price from 5.20-6.70 million Baht.. Already sold 18 units, remaining 14 units. By 2020, 3 units can be sold.

3. Renewable Energy Business

The Company proceed solar power on rooftop project through the associate company, W.Solar Co., Ltd. ("W.SOLAR") and 105 Solar Power Co., Ltd. ("105 Solar") and subsidiary company, Bangpakong Solar Power Co., Ltd. ("BSP"). Those projects are on roof of factory building for rent of Wyncoast Industrial Park Public Company Limited (WIN) located at 105 Moo 3 Bangna-Trad Road, Thakham sub district, Bangpakong district, Chacheangsaio province. The associate company, "W.SOLAR", start revenue recognized since June 2015. ("105 Solar") recognized revenue since the end of December 2018 and the subsidiary company, "BSP", start recognized revenue since February 2017.

Moreover, the Company invested in Project of solar power energy on ground (Solar Farm) of Saraburi Group of 10 companies at 100% located at 113/1 Moo 2, Mitrapap Road, Talingchan sub district, Muang Saraburi district, Saraburi

province. This project already Commercial Operation Date (COD) since June 13, 2016, the Company completely invest and hold the shares fully. The Company start recognized revenue since January 1, 2016.

Company	% of share hold	Capacity (MW)	Selling rate (Baht per unit)	Remark
W.Solar	49	1.28	6.16 and 6.50	Capacity include the extension of 0.294 MW
105 Solar	44.36	0.65	6.50	
Saraburi Group	100	5.50	8 (Adder)	
BSP	51	0.75	6.50	

Revenue Structure

Revenues of the company proceeds from the sale of ceiling fan/light and its components, LED lamp, rental income. And revenues of the subsidiaries company proceed from Income from food sales, show service, banquet and facilities meeting room, revenue from the sale of real estate and revenue from selling renewable energy.

Unit : million Baht

Description	Consolidated financial statements (Audit)					
	For the Year Ended December					
	2019	%	2018	%	2017	%
1. Revenue from Ceiling Fan	13.80	6.06	28.73	12.40	17.09	5.73
2. Revenue from Banquet and Restaurant	15.05	6.61	11.85	5.12	80.79	27.11
3. Revenue from Renting Property	96.95	42.57	88.52	38.21	72.81	24.43
4. Revenue from Property Development	0.16	0.07	6.25	2.70	34.71	11.65
5. Revenue from Alternation Energy	101.46	44.55	96.30	41.57	92.62	31.08
6. Revenue from Financing	0.30	0.13	0.00	0.00	0.00	0.00
Total Revenue	227.72	100.00	231.65	100.00	298.02	100.00

Unit : Thousand Baht

Financial Position	Consolidated Fin. Stat. December 31, 2019	Consolidated Fin. Stat. December 31, 2018	Consolidated Fin. Stat. December 31, 2017
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Assets and Shareholders equity

Current Assets	236,842	295,769	348,128
Total Assets	1,090,144	1,286,158	1,633,961
Shareholders' Equity	706,648	762,821	717,670
Par Value Per Share (Baht)	0.25	0.25	0.25
Book Value Per Share (Baht)	0.53	0.57	0.53
Share Capital (Shares)	1,343,056	1,343,055	1,343,055

EARNING BILITIES

Sales	227,715	231,642	298,016
Other Incomes	67,478	177,304	16,414
Total Revenues	295,192	408,946	314,430
Net Incomes	-56,865	-39,268	-52,764
Cash Dividends	-	-	-
Earnings Per Share (Baht)	-0.0423	-0.0298	0.0440

FINANCIAL RATIO

Current Ratio (Times)	0.97	3.64	0.51
Total Debt to Equity Ratio (Times)	0.47	0.61	1.17
Return on Equity (%)	-7.38	-5.06	-6.78
Return on Sales (%)	-24.97	-16.95	-17.7
Return on Total Revenue (%)	-19.26	-9.6	-16.78
Return on Assets (%)	-4.79	-2.69	-3.08

Products and Services

• Manufacturing

The Company has discontinued the manufacturing of ceiling light fans and turned into the line of importing fan components for assembly and distribution to reduce manufacturing costs. Focus on design and quality of products ordered from both inside and outside of the country. With product inspection and determination specification processes to ensure all products are meet the Company's standard to maintain quality and reputation of the brands.

• Product Characteristics

Trading business Currently, the products are semi-finished products packed in boxes which the customers can assemble and install themselves. Most of the Company's products are sold directly to the dealers under its own brands such as Sunlight, Compass East, and the new brand "Air-le-gance".

Real Estate business Operates by ACC Landmark Co., Ltd., Subsidiary, Project name of Townline, townhome on land 2 Rai - 1 Ngan - 8 Square wah at Sattahip District, Chonburi Province total 32 units. Project size of Baht 200 million. Selling price Baht 5.20-6.70 million. During year 2017, can recognized revenue of 18 units sold.

Hospitality business – Banquet and Restuarant Operates by C.E.I. (Chiangmai) Co., Ltd., subsidiary, with a cultural center, food & restaurant, and Lanna show called "Khun Khantoke" in Chiangmai province which offers the following.

- Grand Lanna cultural shows and buffet of Khan Toke cuisine deserve for welcome visitor from 6 p.m. to 9 p.m. And also 4 p.m. round during high season period for addition.
- "Plub Pla" Thai restaurant opens for Thai cuisine and buffet by daytime 8 a.m. to 2 p.m. and Thai cuisine only from evening 5 p.m. to night 9 p.m.
- "KhumKham" International Convention Center and large and elegant banquet room with luxuriously designed for the international, unique and attractively decorated.

Renewable Energy business operate solar power on roof top by associated company, W.Solar Co., Ltd. (W.SOLAR) 105 Solar Power Co., Ltd., ("105 Solar") and subsidiary company which is Bangpakong Solar Power Co., Ltd. (BSP) on roof top of plant for rent of Wyncoast Industrial Park Plc. locate at 105 Moo 3 Bangna-Trad Road, Takam sub district, Bangpakong district, Chacheangsao province. W.SOLAR recognize revenue since June 2015. And 105 Solar recognizes revenue from December 2018. BSP recognized revenue since February 2017 sell electricity to plant renter in Wyncoast Industrial Park with selling price at Baht 6.16 and 6.50 per unit case by case. Solar power on ground (Solar Farm) located at 113/1 Moo 2 Mitraphap Road, Talingchan sub district, Muang Saraburi District, Saraburi Province. Recognized revenue since January 1, 2016. This project was allowed to sell electricity with an additional tariff of Baht 8 per unit for 10 years (2012-2022).

Marketing and Competition

As a result of the Company's change from one dealer to direct sale, the Company is now in the process of trade negotiation with various major shopping center groups and build a sales team of direct sale to dealers nationwide.

• Marketing Strategy

1) Product Strategy

The Company has been continuously developing its product variety by designing new models of fan with modern design and offered in diverse models of fan which meet the customer's need. Moreover, it also develops the product

quality to ensure that its products are beautiful and high quality. Besides, the Company also considers products that use high technologies to keep up with market demand such as LED light, DC Motor to help save energy and quieter sounds.

In Banquet and Restaurant business, adds more services as an alternative source of its income such as providing international convention center service and have continuously developed the food's tastes to meet customer's needs by carefully selecting high quality ingredients that are fresh daily. In term of the show, there is a quality control in selection of performers who are skilled dancing art graduates. In order to expand customer base and expand into more international service. For International Convention Center KhumKham, the Company consider as a modern, luxury, elegant unique in cultural suit for international conference and has potential to be an international convention center in the future.

For Real Estate development business, the Company operates housing business, the first project is a town home in Modern Classic Style, stay safe, save energy and dominant in utilize and worthy. The Company focus on horizontal housing project with the public utility. The Company has policy to sell houses that are during construction but nearly to complete, therefore the customer can see the house during construction and can be confident that the construction will be completed as scheduled. The first project is on land in Sattahip district, Chonburi province. Next project, the Company will seek for land on road outer of Bangkok or provincial that is center of business and tourism which has a potential and demand of residential.

2) Pricing Strategy

The Company have been adjusting by supplying light ceiling fans to compete with competitors in terms of both pricing and styles to compete for customers in various market levels in order to continually expand customer base in order to increases sales volume. Meanwhile, we are downsizing the organization to reduce sales costs and management expenses of the Company.

Khum KhanToke and KhumKham International Convention Center, Pricing policy are individually. Khum KhanToke the price might be higher than the competitor due to unique of show, but buffet food price is competitive. KhumKham International Convention Center, the price is also competitive.

Real Estate business, pricing is higher than competitor due to high quality of materials, good design for good air flow and comfort. Therefore the price is competitive.

3) Distribution and Distribution Channel Strategy

The Company sells directly to customers which are department stores that sell housewares that are well known among buyers such as Home Pro, The Mall, Siam Paragon, House & Home, wholesale customers in regions, and general home decorators. This allows the Company to reach target customer for all levels include customer in the real estate, hotel, and resort.

For the cultural food and show, Khum KhanToke, and the international Convention Center, KhumKham, the Company use distribution channel of tour agency by being part of tour program. Advertises through internet, Tourism Authority of Thailand. Include introduce to new customer both Thai and foreign by marketing department. Moreover, there is marketing plan to sell through online channel in the future.

Real Estate business due to the project is in Sattahip district, Chonburi province, so focus on local customer. The channel use should reach target in that area and nearby.

• **Sale Promotion Strategy**

Trading business, the Company's marketing plan start with advertise in decoration guide books and construction and materials magazines. And also participates in home decorating exhibition and joins with department stores in launching products in order to introduce product to consumers directly.

The cultural center of food and show, Khum KhanToke and International Convention Center, KhumKham, prepare promotion plan focus on International Convention Center, KhumKham, which consider potential, dominant by booth exhibit for both provincial and country level. The International Convention Center, KhumKham is awarded from the

seminar room competition from the Thailand Convention and Exhibition Bureau or TCEB. The cultural center of food and show, Khum KhanToke, focus on doing promotion with tour agency to include Khum KhanToke in the tour program.

Real Estate business, advertise in local magazine, offer discount to recommend new customer, discount promotion and premium.

- **Nature of Customer**

Customer of the Company are trader, trade fan/lamp more than 10 years knowing well in the product. Major customer is project customer i.e. hotels, resorts which has big lot of order and be former customer and have confident in product quality.

The cultural center of food and show, Khum KhanToke and International Convention Center, KhumKham, more than 70% of customer are the tourist from tour agent and most of them are foreigners. Remaining are walk-in, also foreigners. International Convention Center's customers are both government and private organizations, as well as general guests who require a banquet room, conference room. The company has room many sizes to serve customers' needs.

- **Competition**

Domestic ceiling fan industry is continually more competition. Shopping center customers have started to import products for sale by imitating similar packages, placing the product next to ours, and selling in cheaper prices. Sometimes, buyers choose such products without carefully looking to confirm they are buying the Company's products.

However, the import product as competitive, do not have service center and spare parts which differ from our product which have after sale service that make the Company can be still competitive. Currently, the Company is designing a totally new design of its products in order to achieve a distinguished unique product image and added value to the product at the time. In term of sale promotion, the Company is looking into encouraging its dealers to look for new distribution channels by reducing dependence on large department stores.

The cultural center of food and show, Khum KhanToke and International Convention Center, KhumKham, Most of customers are tourists and foreigners. The Company has a potential in competition due to quality of location, shows, and food altogether give the Lanna cultural experience to the visitors "Khum KhanToke" and international convention center "KhumKham".

Supply of Products and Services

- **The Company's Capacity and Actual Volume of Production**

In this year the Company ordering materials from China, the Company directly order with the manufacturers to avoid increasing cost and get the reasonable agreed prices.

Subsidiary company's service are as follows;



- Khum KhanToke provides KhanToke and cultural show in clothing, language, eating and acting among applied Lanna architecture. There are 2 round of services per day and can be served customer more than 800 persons per round.



- Thai PlubPla restaurant is air conditioned decorated interior with Thai central architecture. Decorated with teak wood gorgeous golden patterns. Can serve more than 300 persons.



- International convention center KhumKham is a 3-storey building that represents applied Lanna architecture. Each room is elegantly decorated. With carved teak, gilded by craftsman. The walls are decorated with Thai ancient fabrics. Adorned with a magnificent chandelier. Equipped with modern facilities and fully equipped meeting facilities. It can accommodate more than 2,000 persons.

- **Production Process and Technology**

The Company import fan components for assembly and distribution with Research and Development Department and Quality Control Department inspecting and assembling the fans in order to control quality and specify the product specification as well as making manuals for new models. Buyers can install by themselves following the manuals.

- **Research and Development and Quality Control**

When ordering fan components for production, the Research and Development and Quality Control Department is responsible for quality control inspection of such imported fan components. The Research and Development and Quality Control Department will report the inspection results to Procurement Department in terms of product quality and inform the Assembly Department about the assemble of the various fan models as well as providing fan assemble instructions in the manual for Procurement Department for publishing.

After that, all the components will be sent to Assemble Department to pack the motor, shaft, propeller, screw set, lamp, glass lamp shade, hanging pipe, and manual in to the box that has pictures, colors, and designs according to the customer's requirements.

- **Environmental Impact**

In the production process, the Company has provided a control system to reduce the impact on the environment according to requirements under supervision of the Industrial Estate Authority of Thailand.

- 1) Wastewater for production lines with the use of chemicals such as plating plant to reduce water pollution before effluent discharge.
- 2) Crater hob to reduce air pollution
- 3) Recycling system helps reduce the amount of waste water

Risk Factors

The Company is at risk from business operation as usual due to changes in interest rates and foreign exchange rates as well as from non-performance of contractual obligations by the parties. The Company does not hold or issue derivative financial instruments for speculative or trading purposes. The Company's financial assets comprise of cash and cash equivalents, temporary investments, trade receivables, and inventories which are considerably liquid and can be changed in to fair value of money quickly.

Financial Risk :

Interest Rate Risk

Interest rate risk arises from fluctuations in the market interest rates in the future. This will affect the operating results and cash flows of the Company. The Company is a risk by interest rates due to deposits and bills of exchange it has with financial institutions. Because most of these assets are considered short-term, the Company does not use derivative financial instrument to hedge against such risk. However, the Company has to fund from short-term funding and the operating results of the Company also not good so, interest rate provided by financial institution is normal. However, the Company is trying to restructure its financial structure to suit its investment projects. By finding a long-term source of fund to replace short-term source of fund at the present.

Exchange Rate Risk

The Company has foreign currency exchange rate risk due to its assets and liabilities denominated in foreign currencies which are not protected by any exchange rate risk protection agreements.

As at December 31, 2019 and December 31, 2018 assets and liabilities in foreign currencies which are not protected by any exchange rate risk protection agreements summarized as follows;

Unit : thousand baht

Currency	Dec 31, 2019		Dec 31, 2018	
	Assets	Liabilities	Assets	Liabilities
1. US Dollar	-	-	0.01	-
2. China Yuan	-	-	-	-

However, the Company considered that there are few assets and liabilities in foreign currencies so, do not need to protect by any exchange rate risk protection agreements.

Risk from redemption of debentures

According to the company issuing debentures of 255.20 million baht, the company redeemed the debentures on 5 July 2019 in the amount of 100.00 million baht, remaining 155.20 million baht which will be redeemed on 5 October 2020 due to the virus outbreak (Covid-19) Affect the global economic downturn The company may be at risk from the redemption of debentures. However, the company has assets that can be converted into money to redeem debentures.

Operating Risk :

Credit Risk

The Company has a risk from credit offer for customer because has just start to sell directly might not be known about financial status or behaviour of the customer. Normally, offer credit term for existing customer 30-60 days. However, the Company inspect customer history from source that can be found to consider for commercial credit to offer such as credit bureau and supplier who ever sold the product to the customer. In addition, if a customer purchases a product for the first time, the company will not

provide commercial credit to mitigate the risk. And there is a limit on the amount of credits that can be provided to each customer. Since the company started selling products directly, the company has never faced problems with customer billing.

Consignment Risk

The Company has more consignment sell so, there are more risks the product will be damaged or loss. And more cost on procurement of product sales staff to closely monitor the product. However, the Company plan to select only quick sell turnover to mitigate the risk.

Liquidity Risk

The Company use money to invest in several projects such as solar power energy which has steady revenue but has payback period more than 3 years. Because the Company has not ever use loan from financial institute and has no long-term loan. The Company has to funding from short term loan (short term debenture and bill of exchange) to invest in several projects so, might cause liquidity problem. The Company has plan to mitigate the risk by seeking source of fund that suit to cash inflow from the project invest or the Company will increase share registered to suit to the project they invest. The Company will take action when prompt.

Inexperience in land development and allotment Risk

Subsidiary – ACC Green Energy Co., Ltd. had been transferred land without property in Phuket province in year 2016 for the objective to allot and sell. And the fact that the Company does not have experience in land development and allotment in such location so, it might be risk if the Company cannot sell with in period expected resulting in loss from selling of land allotted in price that after deduct selling expense (“net realizable value”) lower than cost of land allotted or selling delay than the expectation of the Company.

Continuity Development of Real Estate projects Risk

Subsidiary, ACCL in Real Estate development business has only one existing project. If the next project does not start to develop. Revenue recognition will be discontinuous. As a result, the Company's operating results might be loss from regular expenses and lose business opportunities. However, the company is in the process of finding a small project, not use much budget, can be completed and sold quickly to develop for the next project.

Failure to comply with the terms and conditions of the issuer's rights and obligations Risk

The obligation relates to right and duty of the Company in issuing the Company's Debentures No.1/2018 due in the year 2020. There are certain requirements, such as maintaining the net debt to equity ratio which the company must comply. Moreover, the Company may require to be consent from bond holder. If the company has significant changes in liabilities, shareholders' equity and asset disposals. Any violation of these terms may result in the bond holder demand the Company to repay all of loan together with interest on the bond calculate until such time which consider as the bond are due immediately. As of December 31, 2018, the Company had net debt to equity ratio of 0.61times. The Company must maintain its net debt to equity ratio not more than 2.50 times

General Information and Other Reference Information

Information of the Company

Company Name	Advanced Connection Corporation Public Company Limited
Stock Abbreviation	“ACC”
Registration Number	0107537001919 (Previously BorMorJor. 438)
Business Type	Manufacturer and Exporter of Ceiling Fans/Lights, Renewable Energy and Real Estate Development
Head Office Address	944 Samyan Office Tower 944 Rama4 Road, Wongmai, Pathomwan, Bangkok 10330 Telephone : 02 219 1642 Fax : 02 219 1662
Branch 001 Address	291 Moo 4, Bangpoo Industrial Estate, Soi 5B, Sukhumvit Road Prakkasa, Muang, Samutprakarn 10280 Telephone : 0 2324 0524, 0 2324 0526-7 Fax : 0 2324 0587
Website	www.acc-plc.com
Registered Capital	524,999,912.50 baht divided to ordinary shares of 2,099,999,650 shares
Par Value	0.25 baht
Industry	Consumer Products
Sector	Household and office

Other Reference Information

Registrar	: Thailand Securities Depository Company Limited The Stock Exchange of Thailand Building No. 93 Rachadapisek Road, Dindeang District, Bangkok 10400 Telephone : 0 2009 9000 Fax : 0 2009 9991	
Auditor	: Siam Truth Audit Co., Ltd. No. 338, Building A, 8 th floor, Preecha Complex, Ratchadapisek Road, Soi Ratchadapisek 20, Samsennok, Huay Kwang, Bangkok 10310 Telephone : 09 7445 4459	
Legal Advisory	: -	
Banks	: Bangkok Bank PCL. Bangkok Bank PCL. Kasikorn Bank PCL. Krungthai Bank PCL.	Bangkok Branch Bangna Branch Srinagarindra Road k.m. 9 Branch Sunphawut Branch

Management and Corporate Governance

Securities Information and Major Shareholders

The Number of Registered Capital and Paid-up Capital

Registered Capital amount	524,999,912.50	baht	(Five hundred twenty four million nine hundred ninety nine thousand nine hundred twelve baht fifty satang)
Divided to	2,099,999,650	share	(Two thousand ninety nine million nine hundred ninety nine thousand six hundred fifty shares)
Par Value per share	0.25	baht	(Twenty-five satang)
Paid up Capital amount	335,763,905.75	baht	(Three hundred thirty-five million seven hundred sixty-three thousand nine hundred five baht and seventy-five satang)

Divided to

Ordinary share	1,343,055,623	shares	(One thousand three hundred forty-three million fifty-five thousand six hundred twenty-three shares)
Preferred share	-	share	(None share)

Shareholder Structure

Shareholder structure as of the latest record date on March 12, 2020 prepared by Thailand Securities Depository (Thailand) Company Limited are as follows:

Shareholders by nationality	No. of shareholders	No. of ordinary share	Share proportion (%)
Thai	1,870	1,240,233,677	91.99
Foreign	20	102,821,946	3.69

The First 10 Major Shareholders

Shareholders Name	No. of ordinary share	Share proportion (%)
1. Mr. Piemsak Limpatakmongkol	306,260,258	22.86
2. Mr. Nantant Piboonnant	142,080,100	10.58
3. Mr. Visit Dachavittayathorn	103,196,693	7.68
4. Mr. Pakorn Teerathamrong	65,168,600	4.85
5. Mr. Tanakit Utchariyasombat i	50,575,900	3.77
6. LGT Bank (Singapore) Ltd.	48,968,000	3.65
7. Mrs. Pompan Thunyasiri	46,063,700	3.43
8. Mrs. Supin Siripoke	45,422,800	3.38
9. Mr. Anuroj Seneptrakornkrai	34,200,000	2.54
10. Mrs. YUHUA YAN	30,190,368	2.25

Issuance of other securities

Bill of exchange

As of December 31, 2019 the Company has no bills of exchange outstanding.

Long term debenture

On April 2 - 4, 2018, the Company offered the secured debenture No. 1/2018, in the amount of 300,000 units at par value of Baht 1,000 per unit, totalling of Baht 300 million, for offering to the investor following the notification of the Capital Market Supervisory Board. The maturity period of debentures is 2 years and 6 months, due on October 5, 2020, with interest charged at the rate of 5.8% per annum, payable every 3 months. The issuance of such debentures is aimed to repay the existing debt. C.E.I. (Chiangmai) Co., Ltd. mortgaged its land and buildings and ACC Green Energy Co., Ltd. mortgaged its empty land as collateral against for debentures of the Company on 26 June 2019, The Company redeemed certain debentures in the amount of 100.00 million baht as well as released the collateral of empty land of ACC Green Energy Company Limited.

Convertible Securities (Warrant)

According to an Extraordinary General meeting of shareholders No. 1/2016 on March 11, 2016 has a resolution to approve the issuance and offering of warrants to purchase ordinary shares of Advanced Connection Corporation Plc. No. 1 (ACC-W1) amount not more than 300,000,000 units to offer to the existing shareholders in proportion of shareholding with the following detail as follows;

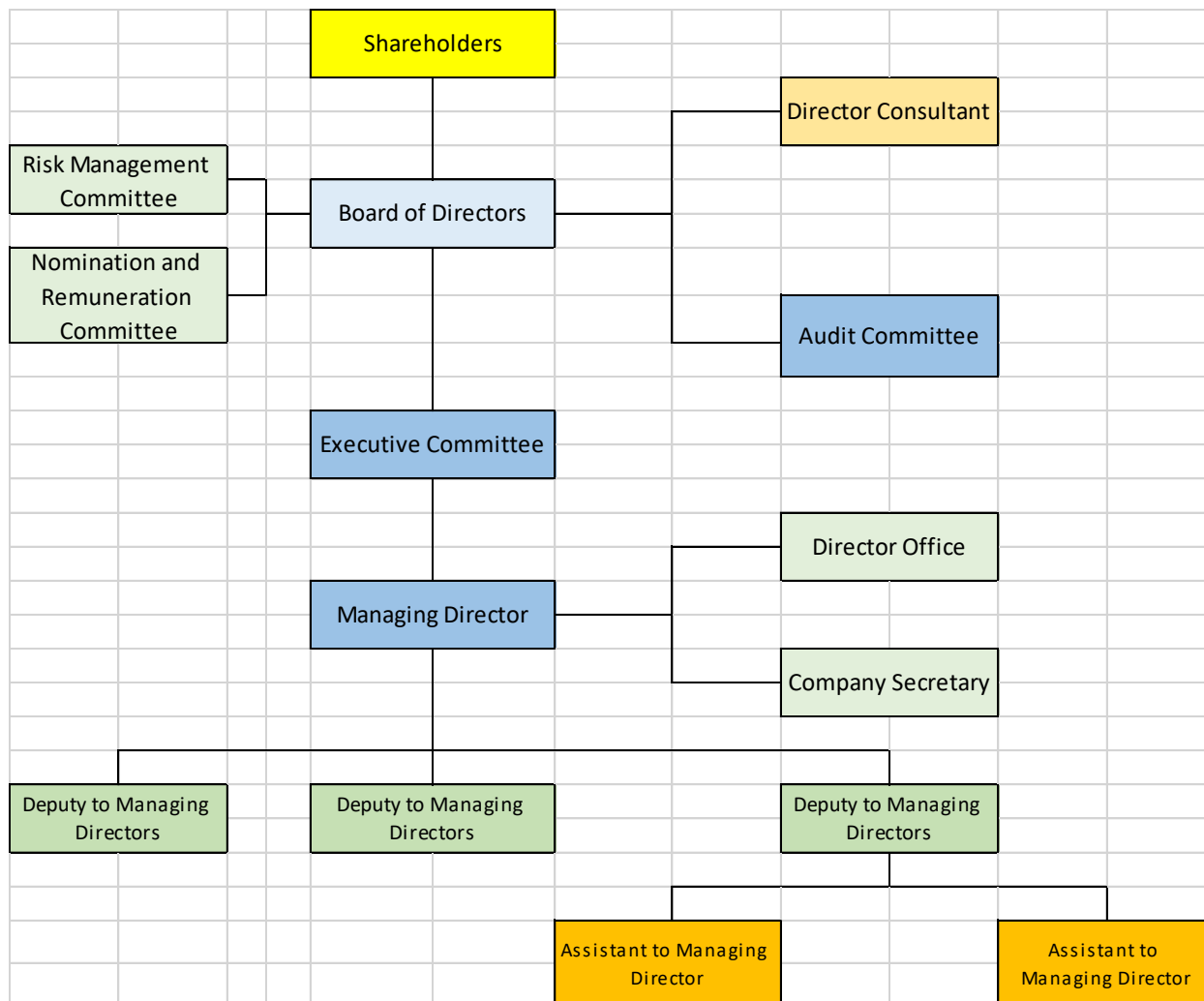
Date of listing	May 3, 2016 (Start to trade mid-June 2016)
Types of Securities	Warrants to purchase ordinary shares of Advanced Connection Corporation Plc.
Secondary market	The Stock Exchange of Thailand
Number of warrants	299,999,650 units
Number of shares reserved for exercise	299,999,650 shares (par value at 0.25 Baht per share)
Rights of Warrants	One unit of warrant is entitled to purchase 1 ordinary share (subject to change in accordance with the conditions of right adjustment) at the price of 1.25 Baht (unless the exercise price is adjusted in accordance with the right adjustment).
Types of Warrants	Specified name of holder and transferable
Term of Warrants	3 years from the date of issuance and offering of warrants (From May 3, 2016 until May 2, 2019). After the issuance of the warrants The Company will not extend the term of the warrants.
Price of warrants	-0- Bah (Zero Baht)
Distribution of warrants holding	As of April 5, 2016

The issuance and offering of the Warrants to purchase ordinary shares of Advanced Connection Corporation Public Company Limited No. 1 (ACC-W1) in an amount not exceeding 300,000,000 units. The last exercise date is on May 2, 2020, with 1 shareholder exercising the right to purchase 1,066 ordinary shares.

Management Structure

Management and Corporate Governance

Corporate Governance Structure



The diagram above shows the structure of corporate governance of the Company currently held by a detailed duties and responsibilities of the Board of Directors and the Committees. Disclosed in the report on corporate governance.

Management Structure

The Board of Directors

- 1) Board of Directors
- 2) Audit Committee
- 3) Nomination and Remuneration Committee : NRC
- 4) Risk Management Committee : RMC
- 5) Executive Committee

Board of Directors

Scope of Role, Duties, and Responsibilities of the Board of Directors

- 1) The Board of Directors has duties in accordance with the Company's Articles including to monitor and manage the Company according to laws, objectives, articles, and resolutions of the Shareholders' Meeting.
- 2) Approve and review vision, mission, code of business conduct of the Company by leading and building up values in the long term for shareholders
- 3) Selection, training, employment and termination of employees And determine the rate of wage, salary, compensation, bonus and various benefits Including postponing, reducing, releasing employees.
- 4) Approve relevant transactions i.e. investment project of new business, asset acquisition, agreement of relevant transactions.
- 5) Approve and/ or agree to related-party transactions of the Company and Subsidiary in accordance with the notifications, regulations, and related guideline of the Stock Exchange of Thailand.
- 6) Approve organization structure and appoint the Chief Executive Officer and Executive Committee.
- 7) Evaluate performance of Chief Executive Officer and Executive Directors regularly and determine the remuneration.
- 8) Approve size of investment transaction, credit facilities and loans, or normal business transaction with size exceeding to 200 million baht.
- 9) Implement accounting system and prepare financial report, and reliable audit including appropriate procedure of evaluation for internal control and internal audit effectively and efficiently, risk management, financial report, and follow-up.
- 10) Monitor not to allow problems of any conflicts of interests with stakeholders.
- 11) Manage communication channel of shareholders in each group and stakeholders properly.
- 12) Implement corporate governance to enforce with ethical operation.
- 13) Review policy of corporate governance of the Company and evaluate operational procedure according to such policy at least 1 time per year.
- 14) Report the Board of Directors' responsibilities and comments according to the preparation of financial report, to be shown together with auditor report in the Annual Report, covering with significant matters in accordance with policy regarding to code of best practices for directors of listed companies in the Stock Exchange of Thailand.
- 15) Monitor information disclosure with accuracy, clearness, transparency, credibility, and standard.
- 16) Be a leader and example for good operational practice.

Scope of Role, Duties, and Responsibilities of Managing Director/ or the Chief Executive Officer

- 1) Be responsible, oversee, manage, and operate and/ or monitor daily work of the Company including to governance overall operation to comply with policy, business strategy, goal, working plan, financial plan, and budget of the Company as approved by the Board of Directors and/ or resolution of the Shareholders' Meeting.
- 2) Prepare business plan and determine the scope of management including to budget preparation, annual expenses report in order to propose to the Board of Directors for approval as well as to report all progress of business plan and budget by the Board of Directors through the Board of Directors.
- 3) Identify organization structure, management methods including to selection, training, recruitment, termination for employees and fix wage, salary, remuneration, bonus, and other welfares for the employees.
- 4) Follow up and report condition and financial status of the Company and provide recommendation and strategy in accordance with policy and market condition.
- 5) Oversee and monitor other operational areas i.e. finance, risk management, internal control, operational task, and supportive task, and human resource.

- 6) Be representatives on behalf of the Company and to delegate any person to contact with official organization and other authority offices.
- 7) Contact with public, shareholders, clients, and staffs to increase reputation and good image of the Company.
- 8) Maintain good corporate of governance.
- 9) Have authority to issue, add, amend any regulation, order, and obligation in relation to operation of the Company i.e. confirmation, appointment, demotion, and punishment for staffs and employees; and to fix salary and other payments including contribution and other welfares.
- 10) Negotiate and approve to engage any agreement and/ or procedure regarding to operation and/ or management of daily works of the Company upon the approved credit limit by Board of Directors according to Line of Authority Limit.
- 11) Be entitled to any duties and responsibilities according to assignment or policy stated by the Board of Directors and have authority to delegate and/ or assign other persons to proceed on behalf of the Managing Director or Chief Executive Officer in specific tasks upon the scope of proxy letter stated and/ or to comply with rules, regulation or order as specified by the Board of Directors. The assignment and proxy of the Managing Director or Chief Executive Officer must not be the type of proxy or delegation that effect to themselves or the proxy from them to be able to approve transaction that they or the proxy may have a conflict (according to the notification of Securities and Exchange Commission or the notification of Capital Market Supervisory Board), conflicts of interest or gain any other benefits or have other conflicts of interest with the Company or subsidiary unless it is the type of approval to comply with policy and procedure as approved by the Shareholders' Meeting or Board of Directors' Meeting.

Authorized Director with Signatory to the Company

Authorized Director with Signatory to the Company are “The directors are as follows: Mr. Kan Kungpisdan Mr. Thanaphon Dechawitthayathon Mr. Saovapak Sakulromvilas or Mr. Niran Chinarakbumroong two persons from four person on signing and also with the Company's seal”

Element of Board of Directors

Name List of the Board of Directors, attendance in Annual General Shareholder Meeting, Extraordinary General Shareholder Meeting and Board of Director Meeting for year ended December 31, 2019 are as follows:

Name – Surname	Nationality	Position	Annual General Shareholder Meeting of Year 2019	Time attended Board of Director Meeting
1. Arichai Ractham, Ph.D	Thai	Chairman of the Board of Director/ Chairman of the Audit Committee/ Independent Director	Attend	10/11
2. Mr. Kan Kungpisdan	Thai	Vice Chairman of the Board of Director No.1/ Authorized Director	Attend	10/11
3. Mr. Saovapak Sakulromvilas.	Thai	Vice Chairman of the Board of Director No.2/ Authorized Director	appointed AGM 2019	8/8
4. Mr. Pasu Sukhumvart	Thai	Audit Committee/ Independent Director	Attend	11/11
5. Mr. Kampol Tatiyakavee***	Thai	Audit Committee/ Independent Director	-	3/3
6. Mr. Sarin Ruangsorn	Thai	Director	Attend	10/11

Name – Surname	Nationality	Position	Annual General Shareholder Meeting of Year 2019	Time attended Board of Director Meeting
7. Mr. Niran Chinarakbumroong	Thai	Authorized Director	appointed AGM 2019	6/8
8. Mr. Thanaphon Dechawitthayathon	Thai	Authorized Director	appointed AGM 2019	8/8
9. Dr. Charnsiri Suetrong*	Thai	Audit Committee/ Independent Director	-	2/2
10. General Kasemsak Plooksawat**	Thai	Chairman of the Board of Director/ Independent Director	Attend	3/3
11. Mr. Ekawat Swetart**	Thai	Director	Attend -	3/3

*Dr. Charnsiri Suetrong has resigned effective from May 27, 2019

**Not appointed at the 2019 Annual General Meeting of Shareholders

***Mr. Kampon Tatiyakavee appointed on September 17, 2019

Audit Committee

Scope of Role, Duties, and Responsibilities of the Audit Committee

- 1) Review the Company's financial report to ensure that it is accurate and adequate.
- 2) Review business plan and authority of operation and management including with budget for conducting business and annual budget.
- 3) Review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit.
- 4) Review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
- 5) Consider, select and nominate an independent person to be the Company's auditor, and propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
- 6) Consider transactions with related parties, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
- 7) Audit Committee has an authority to audit and inspect the matters and related persons within scope of duties. Audit Committee also has the authority to hire or bring any expert in specific area to assist the audit and inspection tasks according to consideration of the Audit Committee that expenditure is appropriate for the Company.
- 8) Audit Committee or Board of Directors is to nominate the member of Audit Committee for 1 person to be designated as the Chairman of Audit Committee by having a tenure of the Chairman for 1 year per term according to the accounting period and appoint the Manager of Internal Audit Department.
- 9) Audit Committee must hold a meeting at least 4 times per year at the venue of head office, branch, factory or any place that Audit Committee require.
- 10) Prepare and disclose in the Company's annual report, an audit committee's report which must be signed by the Chairman of Audit Committee and consist of at least the information as follows:
 - The opinion regarding correctness and completion as rational of financial report of the Company

- The opinion of sufficiency of internal control of the Company
 - The opinion regarding practice according to the laws for Securities and Stock Exchange Specification of the Stock Exchange or laws relating to the business of the Company
 - The opinion regarding suitability of auditor
 - The opinion regarding transaction might be a conflict of interest
 - The number of Audit Committee' meeting and the number of attendance for each audit committee
 - The overall opinion or notice that the Audit Committee obtains from the responsibility pursuant to the Charter
 - Other transactions which are viewed that the shareholders and general investors should acknowledge under the scope of duties and responsibilities which have been assigned by the Board of Directors.
- 11) To perform any other matters as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

Element of Audit Committee

Name List of Audit Committee, attendance in Meeting for the year ended December 31, 2018 are as follows:

Name - surname	Position	Time attended
1. Arichai Ractham, Ph.D.	Chairman of the Audit Committee	6/6
2. Mr. Pasu Sukhumvart	Audit Committee	6/6
3. Mr. Kampol Tatiyakavee	Audit Committee	2/2
4. Dr. Charnsiri Suetrong*	Audit Committee	1/1

* has resigned effective from May 27, 2019

Nomination and Remuneration Committee : NRC

Objective

Nomination and Remuneration Committee (NRC) was established for the first time by the Board of Directors' Meeting No.11/2015 dated on September 29, 2015 to support the good corporate governance of the Company. The Committee is responsible for setting the Company's policy and criteria in the selection and directors and determination of remuneration of the Board of directors and Board Committees, including to recruit, select, and propose the right person to be designated as a director as well as to set the remuneration for the director. Furthermore, it shall be included with the operation of other tasks as assigned and to be proposed to the Board of Directors and/ or Shareholders' Meeting on case-by-case basis.

Tenure in Position

- 1) The NRC has a tenure of 2 years per time.
- 2) The NRC may be re-appointed which the Board of Directors views as appropriate.
- 3) Apart from vacating as stated in item 1. The NRC shall be vacated from the designation as following conditions:
 - Resign
 - The Board of Director resolves to dismiss from the designation.
- 4) The Board of Directors has an authority to appoint the additional NRC members to be benefits for the operation in accordance with objectives or to substitute according to item 1 or 3 by the person who is appointed as the NRC member to be substituted according to item 3, which shall obtain the remaining office terms of the NRC member who is replaced.

Scope of Roles, Duties and Responsibilities

The NRC performs the duties according to the assignment from Board of Directors. The roles, duties and responsibilities of the NRC are as follows;

- 1) Determine the criteria and policy in selection of directors and Board Committees by considering suitability of number, structure, and composition of committee members as well as to determine the qualification of member in order to propose to the Board of Directors and/ or propose to seek the approval for Shareholders' Meeting on case-by-case basis.
- 2) Consider, select, choose and propose the right person to be designated as a director of the Company to be replaced the director who is ended the term and/ or the vacancy of directorship and/ or to be appointed for new director.
- 3) Execute other matters regarding to the selection as assigned by the Board of Directors.
- 4) Evaluate the performance of top management of the Company to propose to the Board of Directors' Meeting for acknowledgement, consideration and approval.
- 5) Prepare the guidelines and policies in determination of the remuneration of Board of Directors and Board Committees to propose to the Board of Directors and/ or propose to seek the approval for Shareholders' Meeting on case-by-case basis.
- 6) Each individual, the Company shall specify the remuneration of Board of Directors by considering on appropriation with duties, responsibilities, performance, and comparison with others companies in the similar business, as well as the benefits expected in return from each director in order to propose to the Board of Directors for consideration and propose to the Shareholders' Meeting for approval.
- 7) Responsible for the Board of Directors and has responsible to explain and answer the questions with the remuneration of the directors in the shareholders meeting.
- 8) Report the policies, principles/ reasons of remuneration of directors and managements in accordance with the Stock Exchange of Thailand by disclosing to the Company's Annual Information Disclosure Form (56-1) and Annual Report.
- 9) Execute other matters regarding to remuneration as assigned by the Board of Directors that managements and other departments shall report or propose information and related document to the NRC to support performing of the NRC to achieve duties assigned.

Report

The NRC must report to the Board of Directors.

Meeting

- 1) The NRC holds or calls a meeting according to consideration and appropriation at least 1 year and has an authority to call additional meeting if necessary. The quorum must comprise of not less than one-half of the total existing NRC members.
- 2) All NRC members should attend every meeting unless they have any necessary matter for apology. In this case, they shall notify their absence to the chairman of the NRC in advance.
- 3) The Chairman of the NRC must be the Chairman of the Meeting. In case that the Chairman of the NRC is absent or not be able to perform the duties, therefore other members who attend the meeting shall select one member to be a substitute chairman of the Meeting.
- 4) The resolution of the NRC can be voted by majority. Nevertheless, any NRC members who have any conflicts of interest in such consideration, they shall not vote or provide any comments in such matters.
- 5) The meeting invitation must be issued to the NRC in advance prior to the meeting date except for the necessary case or emergency case that it shall be notified to call a meeting in other methods or be scheduled for the meeting date earlier, which the secretary of the NRC shall record the minutes of the Meeting.

- 6) The NRC members can invite the related person to attend the meeting in order to provide relevant information to the NRC for acknowledgement.

Element of Nomination and Remuneration Committee

Nomination and Remuneration Committee were appointed by the Board of Directors. And comprise of managements and directors not less than 3 persons. Being as the committee member, it must be at least one member that must be independent director.

Name List of Nomination and Remuneration Committee, attendance in Meeting for the year ended December 31, 2019 are as follows:

Name - surname	Position	Time attended
1. Arichai Ractham, Ph.D.*	Chairman of Nomination and Remuneration Committee	3/3
2. Mr. Kan Kungpisdan*	Nomination and Remuneration Committee	3/3
3. Mr. Thanaphon Dechawitthayathon**	Nomination and Remuneration Committee	2/2

* replaced of Mr. Ekawat Swetarat and Mr. Sarin Ruangsorn

** replaced of Mr. Pasu Sukhumvart

Risk Management Committee: RMC

Objective

Risk Management Committee (RMC) was established by the resolution of Board of Directors' Meeting No. 11/2015 dated on September 29, 2015, which the Meeting viewed the composition of committees included with the roles, duties and responsibilities to be more appropriate and propose to the Board of Director for consideration and approval. The Company group realizes the significance of development for setting up risk management system in the Company. This shall be considered as one of the key tools in administration and management of the Company group. The RMC shall support and operate on behalf of the Board of Directors. It shall use the principle and standard of good corporate governance by linking with the vision, mission, and goal of the Company and set the COSO Enterprise Risk Management Framework (COSO ERM), including to stimulate and support for implementation of risk management toward all the Company and to raise this issue as a part of the Company group's culture. Furthermore, the stakeholders of the Company can be sure with suitable reasons that the strategic planning of the Company can achieve to the objectives and goals of the Company efficiently and effectively.

Tenure

- 1) The committee member has the tenure of 2 year per term.
- 2) The committee member may re-appoint for another term if the Board of Directors views as appropriate.
- 3) Apart from vacating as stated in item 1, the committee member shall vacate as following conditions:
 - Resign
 - The Board of Directors resolves to dismiss from the designation.
- 4) The Board of Directors has an authority to appoint the additional RMC members to be benefits for the operation in accordance with objectives or to substitute according to item 1 or 3 by the person who is appointed as the RMC member to be substituted according to item 3, which shall obtain the remaining office terms of the RMC member who is replaced.

Scope of Roles, Duties, and Responsibilities

Risk Management Committee has duties as assigned by the Board of Directors. The scope of duties and responsibilities as follows.

- 1) Review and propose policies and risk management framework to the Board of Directors for consideration and approval.
- 2) Review and agree for risk Appetite (Acceptable risk level), and propose to the Board of Directors for acknowledgement.
- 3) Implement corporate governance of development and procedure of policy and risk management framework continually in order that the Company and Subsidiary shall have a risk management system effectively to cover with organization and to be practice continually.
- 4) Review risk management in order to monitor the material risk and proceed to ensure that the organization shall have enough and suitable risk management system.
- 5) Coordinate with audit committees according to the relevant risk and set internal audit department as a reviewer to ensure that the Company shall have the right internal control system for risk management, including with implementation of risk management to be adapted appropriately and to be practice towards all organization.
- 6) Report to Board of Directors regarding to the relevant risk and risk management regularly.
- 7) Appoint sub-committee and/ or new member or substitute person in the sub-committees of risk management and/ or department and/ or working committees pursuant to risk management as appropriate, including to determine the roles, duties, and responsibilities in order to be beneficial for operation in accordance with the objectives.
- 8) Execute to other matters according to risk management as assigned by the Board of Directors. Management and/ or sub-committees of risk management and/ or department and/ or working committees pursuant to risk management and/ or internal auditor and/ or auditor shall report or propose information and document pursuant to the RMC in order to support the performing of the RMC to achieve duties as assigned.

Report

The RMC must report to the Board of Directors

Meeting

- 1) The RMC holds or calls a meeting according to consideration and appropriation at least 1 year and has an authority to call additional meeting if necessary. The quorum must comprise of not less than one-half of the total existing RMC members.
- 2) All RMC members should attend every meeting unless they have any necessary matter for apology. In this case, they shall notify their absence to the chairman of the RMC in advance.
- 3) The Chairman of the RMC must be the Chairman of the Meeting. In case that the Chairman of the RMC is absent or not be able to perform the duties, therefore other members who attend the meeting shall select one member to be a substitute chairman of the Meeting.
- 4) Arranging a specific meeting with Audit Committees and/ or management and/ or sub-committees of risk management and/ or departments and/ or working committees pursuant to risk management and/ or internal auditor and/ or auditor regularly at least 1 time per year.
- 5) The resolution of the RMC can be voted by majority. Nevertheless, any RMC members who have any conflicts of interest in such consideration, they shall not vote or provide any comments in such matters.
- 6) The meeting invitation must be issued to the RMC in advance prior to the meeting date in order that the RMC shall have time to consider for every matter or require other additional information for consideration. The meeting invitation letter shall be included with details of agendas and the meeting materials which each agenda must be covered with all matters as assigned by the Board of Directors, except for the necessary case or emergency case that it shall be notified to call a meeting in other methods or be scheduled for the meeting date earlier, which the secretary of the RMC shall record the minutes of the Meeting.

- 7) The RMC members can invite the related person to attend the meeting in order to provide relevant information to the RMC for acknowledgement.

Element of Risk Management Committee

Risk Management Committee was appointed by the Board of Directors comprise of managements and directors not less than 3 persons. By the name list of risk management committee and the number of meeting attendance for the accounting period ending 31 December 2019, there were no meetings.

Name - surname	Position	Time attended
1. Mr. Saovapak Sakulromvilas*	Chairman of Risk Management Committee	-
2. Mr. Thanaphon Dechawitthayathon*	Risk Management Committee	-
3. Mr. Sarin Ruangsorn **	Risk Management Committee	-

**Appointed Mr. Saovapak Sakulromvilas and Mr. Thanaphon Dechawitthayathon to replace Dr. Arichai Ractham and Dr. Chansiri Suetrong, on 1 May, 2019.

**Appointed Mr. Sarin Ruangsorn to replace of Mr. Pasu Sukhumat on 15 May, 2019

Executive Committees

Scope of Roles, Duties, and Responsibilities

- 1) Provide advice regarding to structure of management, criteria and guideline of business direction, and strategic plan of business conduct including with annual budget to the Board of Directors in accordance with policy to comply with objectives and articles of the Company.
- 2) Manage and conduct business to achieve the objectives and target goals.
- 3) Follow up and monitor to business conduct and report business performance and financial status both parent company and subsidiary continually to the Board of Directors for regular acknowledgement continually.
- 4) Find and evaluate investment opportunity in new business.
- 5) Propose portfolio investment of the Company to the Board of Directors for the highest benefits of shareholders and the Company by maintaining liquidity of the Company continually.
- 6) Set and oversee criteria of investment plan in other businesses upon the scope of assignment from the Board of Directors.
- 7) Supervise, monitor, and manage investment for each business of the Company in order to gain highest return including to set procedure to consider significantly in each business sector according to each director's responsibility.
- 8) Proceed and execute all transactions of every type of bank account with all commercial banks and/ or financial institutions. All normal transactions with those commercial banks and/ or financial institutions must have a credit limit not exceeding to 200 million baht.

- 9) Any procurement or preparation of asset list and approval of disposal properties in each time or each matter can be able to proceed within credit limit not exceeding to 100 million baht upon the total approval limit of each year.
- 10) Rental or leasing of properties for each area can proceed within rental limit not exceeding to 50 million baht per building or room.
- 11) Donation for charity can proceed with limit not exceeding to 10 million baht per time upon the total of approval and budget limit each year.
- 12) Open and close any branch of the Company.
- 13) Review internal control and risk management system in order to support business effectively and efficiently including to achieve the target goal of the Company.
- 14) Executive Committee may assign the authority or delegate any matters to managements or any person according to their appropriate consideration. The approval to any transaction of Executive Committee or/ and to delegate anyone must not be the approval of related-party transaction or conflicts of interest's transaction or transaction of Executive Committee' conflicts of interest in specification of the Company's Articles or Notification of the Capital Market Supervisory Board. The approval of any transaction must comply with the policy and procedure in regulation with Board of Directors and Compliance Department.
- 15) Perform other duties as assigned by the Board of Directors. Such assignment to the Executive Committee must be under the procedure and articles of the Company to comply with related laws.

Element of Executive Committee

Name List of Executive Committee and attendance in Meeting for the year ended December 31, 2018 are as follows:

Name - surname	Position	Time attended
1. Mr. Thitisak Skulkroo	Chairman of Executive Committee	9/9
2. Mrs. Supin Siripoke	Vice Chairman of Executive Committee / Deputy Managing Director	8/9
3. Mr. Angoon Phimpkorn	Executive Committee / Acting Managing Director	9/9
4. Mr. Kan Kungpisdan	Executive Committee	3/9
5. Mr. Thanaphon Dechawitthayathon	Executive Committee	5/9
6. Mr. Niran Chinarakbumroong	Executive Committee	3/9
7. Mr. Thanakit Acharyasombat*	Executive Committee	1/1
8. Mr. Kittu Kanokudomsap	Executive Committee Director / Assistant Managing Director	16/16

* replaced of Mr. Kitipong Rojsaktaworn has resigned effective from September 30, 2019

Committee Member has resigned.

Name - surname	Position	Time attended
1 Mr. Ekawat Swetarat	Executive Committee Deputy Managing Director	7/7
2 Mr. Sarin Ruangsorn	Executive Committee Deputy Managing Director	7/7
3. Mr. Pavint Ruangvoraboon	Executive Committee Deputy Managing Director	7/7
4. Mr. Kitipong Rojsaktaworn	Executive Committee / Assiitan Managing Director	3/5

Company Secretary :

ST Parakon Co., Ltd. By Miss Suvichada Pakamon

Scope of Roles, Duties, and Responsibilities

- 1) Organize and facilitate the Board of Directors and Board Committees
- 2) Organize the Annual General Meeting for Shareholders and record the related minutes.
- 3) File all documents and related records.
- 4) Monitor and ensure that the Board of Directors is in compliance with all related laws and regulations.
- 5) Handle corporate governance issues and provide advice those matters to the Board of Directors.
- 6) Assist shareholders, directors, and managements with any Board-related matters.
- 7) Follow up and execute on all resolutions of the Board of Directors' Meeting and Shareholders' Meeting.
- 8) Perform any other actions specified in the Securities and Exchange Act or related laws and regulations including to notifications from the Capital Market Supervisory Board.

Remunerations for Directors and Management

Directors Remunerations

The Company has policy to set director remuneration as comparable to the market. As well as compliance with the responsibilities and performance of each director. To attract and retain quality directors with the Company.

The remuneration is approved by the shareholders at the Annual General Meeting. The directors who have served more as an Audit Committee and/or other committees will receive additional compensation according to their duties.

	Monthly compensation	Attendance fee
Board of Director		
Chairman	-	20,000
Director	2,187,500	12,000
Audit Committee		
Chairman	-	18,000
Director	-	12,000
Other committees		
Chairman	-	5,000
Director	-	3,000

For the year ended December 31, 2019 the Company paid remuneration to Directors and other Committees total of 5,268,925 Baht Composing of Director's Bonus 1,125,000 Baht Meeting allowance 1,177,000 Baht and salary provident fund total 2,966,925 Baht. Details by person are as follows:

Name - surname	Position	Remuneration (Baht)
1. Arichai Ractham, Ph.D	Chairman of the Board of Director/ Chairman of the Audit Committee/ Independent Director	778,000
2. Mr. Kan Kungpisdan	Vice Chairman of the Board of Director No.1/ Authorized Director	366,600
3. Mr. Saovapak Sakulromvilas	Vice Chairman of the Board of Director No.2/ Authorized Director	311,000
4. Mr. Pasu Sukhumvart	Audit Committee/ Independent Director	323,000
5. Mr. Kampol Tatiyakavee	Audit Committee/ Independent Director	188,000
6. Mr. Sarin Ruangsorn	Director	1,723,125
7. Mr. Niran Chinarakbumroong	Authorized Director	400,600
8. Mr. Thanaphon Dechawitthayathon	Authorized Director	330,600

Director Member has resigned.

Name - surname	Position	Remuneration (Baht)
1. General Kasemsak Plooksawat	Chairman of the Board of Director/ Chairman of the Audit Committee/ Independent Director	80,000
2. Mr. Ekawat Swetart	Director	744,000
3. Dr. Charnsiri Suetrong .	Audit Committee/ Independent Director	24,000

Management Remunerations

The Board has delegated to the Nomination and Remuneration Committee serves to review and approve the remuneration of executives annually to maintain in a level that can compete to attract and retain key executives. And in line with the performance of the Company both in the short and long term. With the following elements:

	Format	Purpose
Fixed Remuneration	Salary and other benefits e.g. Provident Fund	To attract and retain talent executive.
Short-term Incentive Remuneration	Annual Bonus	To motivate and reward the success of our operations have targeted each year. Both financial and non-financial

For the year ended December 31, 2019, the Company paid in cash to management, as defined by the Capital Market Commission, including 10 persons totaling 7,00,351 Baht, which includes salary, bonus and provident fund.

Corporate Governance Report

Policy on Corporate Governance

The Board of Directors recognizes the importance of good corporate governance. In order to increase clarity, ability of corporate competition, shareholders, investors and all parties' confidence, the Company has established policies of corporate governance, which are included main principles as follows.

- 1) Rights and equitable treatments shareholders and various groups of stakeholders.
- 2) The Board of Directors is determined to increase significant value-added to the company in long term. The board will manage the Company with sufficient efficiency in order to increase maximum benefit to the shareholders. The board is responsible to prevent conflict of interest and take full responsibility in all actions and its decisions made.
- 3) Manage the business with clarity and is always ready to go through audit check. The Board of Directors must have information disclosure and transparency.
- 4) Manage the business with risk management in mind as well as controlling system.

Shareholders: Rights and Equitable Treatment

In year 2019, the Company arranged an Annual General Shareholders Meeting for 2019 on April 30, 2019 at Maple Hotel Bangkok. The Company sent out a meeting notice as well as the agenda attached for the meeting for each meeting, the shareholders must acknowledge the meeting 14 and 7 working days prior to each meeting. There is an attachment of the Board of Director's opinion as well as the meeting's minutes. The Company has prepared a Power of Attorney letter as per the Department of Business Development and the Ministry of Commerce for the shareholders who would like to assign replacements to attend the meeting in their regards in case the shareholders are unable to attend the meeting.

At the meeting, Chairman of the Board, committees, managing director, administrators and auditors are in attendance. To provide information and answer questions on agenda. Before start of the meeting, the moderator of the Company inform shareholders about their right according to the Articles of Association, how to conduct meetings, how to use the right to vote and comment including question at the meeting. The Chairman of the Meeting has allocated adequate time and equally encourage shareholders to express their opinions and ask questions at the meeting. And not added agenda without notifying shareholders in advance.

The Company is required to prepare a complete and accurate minutes of the meeting within 14 days to allow shareholders who attend the meeting and did not attend the meeting can review it.

Right of Various Groups of Stakeholders

In its pursuit for sustainable growth and financial returns for its shareholders, the company strives to become a role model corporate citizen. It respects the rights of all its stakeholders and conducts its operations fairly and strictly in compliance with all laws, rules and regulations.

Leadership and Vision

The Board of Directors oversees the business affairs of the Company by reviewing and approving the Company's strategic plans, key operation initiatives, major investments, funding decisions and financial performance. These functions are carried directly and indirectly through management and Board of Directors as well as by means of a system of delegation of authority to senior management. The Board of Directors has set up an internal control policy including the area of finance, operation, compliance and risk management control are effectively and efficiently incorporated in the Company's operations. The Internal Audit Department shall monitor, review and check that such policies will be applied to and reported its audit report and recommendations directly to the Board of Audit Committees and later such matters will be proposed to the Board of Directors' meeting for discussion.

Conflict of Interests

The Boards of Directors prevents conflict of interests by establishing policies that object the management and people concerned to take the Company's information to be used for their personal interests as follows.

1) List of possible conflict of interests

The board acknowledges the possible conflict of interests and all related possibilities and has considered appropriate way to prevent it by following the rules and regulations of the Securities and Exchange Commission, with conditions and prices similar to outsiders' transactions and has exhibited the information and the value of the contract in the Annual Report and the Form 56-1

2) Supervision of the use of internal information

- The management has to report any change of stock ownership to the Office of the Securities and Exchange Commission as per to clause 59 of SEC Act B.E 2535.
- The management and people concerned who receive insider information are forbidden to expose information to outsiders prior to the public release of the financial statement.

Business Ethics

The company maintains the company's rules according the management and employee's corporate code of conduct so that all people involved maintain this code as direction in performing their duties with loyalty, honestly, fairness, to the company and to the stakeholders, community and the society. All people concerned acknowledge and agree to follow this code. The company keeps regularly communication with the employees and follows up their actions towards this direction, including establishing disciplinary actions.

Balance of Power for Non-Executive Directors

The Board of Director of the Company has 8 persons, including with 2-Non-Executive Director, 3-Executive Director and 3-Independent Director (equal to 1 in 3 of all members of the Board). The Company has an effective power balance. Names of authorized directors to sign on behalf of the Company are Authorized Director with Signatory to the Company are Authorized Director with Signatory to the Company are "The directors are as follows: Mr. Kan Kungpisdan Mr. Thanaphon Dechawitthayathon Mr. Saovapak Sakulromvilas or Mr. Niran Chinarakbumroong two persons from four person on signing and also with the Company's seal"

Board of Directors' Meeting

The Board of Directors' meeting is held at least 4 times annually and additional meetings are called as and when necessary. Notices for meetings are sent well in advance along with the agenda and necessary information to give directors ample time to prepare themselves for productive discussions. A typical meeting lasts one to two hours. Minutes of all meetings are meticulously documented and are given to all directors for their approval. All minutes are systematically filed by the company secretary and can be easily retrieved whenever required.

Sub committees

The Board of Directors sets top priority to good governance to meet the international standard and compliance with the policy of the Stock Exchange of Thailand by establishing Audit Committees, which is an important component of good corporate governance policy comprising of 3 independent directors who meet the qualifications of the Stock Exchange of Thailand. The duty of the Audit Committees to perform according to the Audit Committees regulations and to the direction of the Board of Directors, including audited financial statement for their accuracy and transparency.

Control System and Internal Audit

- The Company has setup an audit to monitor the Company's operation to comply with the laws and related regulation.
- The Management holds regular and frequent meetings to review the Company's business performance and other problems, which arise and need corrective action.

Report by the Board of Directors

The Board of Directors is aware of their duties and responsibilities. To oversee and manage the Company's financial reports to be accurate, complete, transparent. The consolidated financial statements of the Company and its subsidiaries and the financial information appearing in the annual report are prepared in accordance with generally accepted accounting standards. Adopt the proper accounting policies and always treat them consistently, and carefully discretion and use the best estimate of the preparation. And also disclose materiality information sufficient in the notes to the financial statements to benefit shareholders and investors to get information shown financial status and the operating results completely, accurately and reasonable.

In this regard, the Board of Directors has appointed the Audit Committee, consists of independent and non-executive directors, to be a moderator about the quality of financial reporting. The opinion of the Audit Committee on this issue appears in the report of the Audit Committee as shown in the Annual Report. The Audit Committee has an opinion that the overall internal control system of the Company is satisfactory and can reasonably be confident in the reliability of the Company and subsidiaries' financial statements as of December 31, 2019.

Relations with Investors

The Board of Directors recognizes that the Company's information, financial or non-financial, both have effect to the Company's investors and stakeholders' decision-making. The Board of Directors should ensure that the Company discloses important information correctly, timely and transparently, which the management has always considered important.

On the subject of relations with the investors, the Company has not yet provided a special investor relations unit, as the activities in this department are still not sufficient to create a new division. However, the Company has appointed the financial controller to act as the coordinator in communicating relevant information to individual investor, shareholders, stock analysts and state agencies. For more information, please click www.acc-plc.com.

Social Responsibility

Throughout its business operation, the Company has put priority to good governance coupled with adherence to ethical principles consistently. This results in the principles and policies within the organization are clearly consistent with the responsibility of society and community in terms of organization's internal management process, knowledge creation, and personnel development. The organization believes that it can only grow sustainably under a peaceful society and still aims to increase the social responsibility dimension continuously.

Operation with Fairness

To ensure transparency in business operation, the Company has designated the groundwork for a policy to treat all partners equally and fairly. In other words, any benefit return must be in regard to equality and fairness to its partners and all related parties; maintaining the reliability and punctuality are keys to business operation; and shall there be any benefit occurs in dishonesty, the Company is willing to disclose to partners in order for both parties to participate in the decision making to achieve a justice and quick solution to the problem. Moreover, the Company also has policies to treat its competitors under the good rules of competition by not breaching confidentiality or revealing trade secrets of its partners by deceptive means, not seeking confidential information of competitors in a dishonest or inappropriate way, and not damaging the reputation of competitors by the accusation.

Actions on Anti-Corruption

Nowadays, corruption issue still deteriorates greater and roots deeper in all sectors of Thai society resulting in the process of economic development and social disruptions and damage. Consequently, in order to solve such problem successfully, leaders in both public and private sectors agree to cooperate seriously and aim at continuously operating. This policy of cooperation was extended to the business sector as well. The role of the Company as a company listed on the Stock Exchange of Thailand is to act as an important role model and set a good example of the anti-corruption functions to the private sector. In addition, the Company is committed to conducting business with integrity by adhering to good corporate governance with a transparent, verifiable and non-corruption in all forms to achieve concrete anti-corruption solution.

Respect for Human Rights

The Company's has adopted the main principle and promotion of respect for human rights and takes this as the main idea to drive the organization. The Company focuses on the family model where there is a unity and a common goal. Therefore, it gives precedence to employees of all levels equally - no feudal class discrimination. Moreover, the Company will not take the differences in race, nationality, domicile, color, sex, and religion to measure human values because it believes in all men's equal honor and dignity, rights and freedom. In addition to such differences mentioned above, the Company is also confident in the potential of people with disabilities who have the potential to work. In the future, the Company will allow such individuals to work as a part of the organization by allocating them to perform duties and responsibilities to the extent that can be done. The Company expects to create a better quality of life for these individuals in the future.

Treating Workers Fairly

The Company recognizes that employees are the valuable factors of success of achieving the Company's goal. Therefore, it is the Company's policy to treat them fairly in terms of compensation opportunity, appointment and transfer, and potential development based on the following principles.

- 1) Treat all employees with civility and respect the individuality and dignity of the person.
- 2) Provide a return that is fair to the employees.
- 3) Always maintain the working environment to ensure safety condition of life and property of the employees.

- 4) Appointment and transfer as well as rewarding and punishment of the employees must be done in good faith and on the basis of ability and suitability of the employees.
- 5) Give priority to developing the skills of employees by giving a thorough opportunity regularly.
- 6) Listen to comments and suggestions which are based on professional knowledge of employees.
- 7) Strictly comply with laws and regulations related to employees.
- 8) Avoid any action that is unfair which could affect in stability of the employees' career or threaten and pressure the employees' state of mind. Moreover, the Company has established a provident fund and promoted the 5S training activities to maintain the hygienic and sanitation of working environment.

Responsibility to Consumer

All of the Company's products passed quality control according to relevant standards and are come with warranty according to strict terms and conditions made with the customers. Moreover, all of the products are eligible of after sale care throughout the lifetime of the products. The Company has consistently improved manufacturing processes to develop new production methods to produce quality products.

Environmental Care

Caring for environment is considered by the Company the very important duty in order to preserve and maintain the ecology and environment of the communities in which the Company operates such as:

- 1) Controlling the environmental impact in compliance with industry standards, international standards, and strictly complying with all related laws and regulations
- 2) Encouraging employees to use available resources efficiently and to maximum benefit such as using recycled paper, using water efficiently, and waste sorting, etc.

Internal Control and Risk Management

Internal Control

The Company has developed an internal control system for many years with the objectives to improve the efficiency of the operations along with to defense and find faults and errors that may occur. Although the internal control system of the Company is satisfactory to a degree, the Internal Control Commission, Board of Directors, and Management still seeks to improve the system even further. The Company's internal control system is divided into three levels below.

- 1) Audit Committee. It consists of three directors namely Arichai Ractham, Ph.D., Mr. Kompol Tatiyaakavee, and Mr. Pasu Sukhumvart. All of them are independent directors from outside who represent the public. The responsibility covers overseeing the operations of the Company and its subsidiaries through the Company's internal audit department particularly the transactions between the Company and other related companies.
- 2) Control Department. The Company has established its Internal Control Department in the year 1999 to work with the Audit Committee and set up an audit and reporting system for a good control which consists of assessment of risk from both internal and external factors which may affect the Company in respects of growth, ability to make profit, and financial condition of the present and future of the Company. Assessment of risk from environment of the Company's internal audit includes various internal systems both in line of production and management. The management control point will include accounts receivables, trade payables, product storage, raw materials procurement, import and export, accounting, assets listing, cost analysis, production, and employees. Currently, the Company has used internal auditors from outside the Company to ensure the truly independent carrying out of the internal audit.
- 3) Management of the Company has a policy to allow the internal audit department conduct the internal control system audit of all department of the Company to find if there are some points that need to be improved efficiently and consistent with current practices. This will be presented in Internal Audit Report which will also include any recommendations submitted to senior executives and related agencies to meet for a conclusion and continuous improvement. In the period of year 2019, the Audit Committee has met to consider and present to the Company's Board of Directors on the matters below:
 - The financial statement reviews. The review of quarterly and annual financial statements in 2019 and its consolidated financial statements.
 - Supervision and development of internal control system by planning the audit plan to include appropriate reviews for the Internal Audit Department and related Management in order to improve the internal control system to be more effective.
 - A review of the risk management system and other factors that may have a significant impact on the operation of the Company such as the laws relating to the practice of good corporate governance to discuss and exchanges views on the results of monitoring of quality assessment in various fields and the adequacy of the internal control system.
 - The appointment of Auditor for the year 2020 by providing feedback and names of auditors as well as reviewing their qualifications to be in compliance with the announcement of the Securities and Exchange Commission and the Stock Exchange of Thailand then proposing to the Board of Directors for presentation at the meeting of shareholders to consider appointment of the Auditor later.

Risk Management

The Company recognizes the importance of risk management. The Board of Directors' Meeting No. 11/2015 held on September 29, 2015 resolved the authorization of the Risk Management Committee (RMC) consists of three committee members with two-year office term. More detail is disclosed in section of Management Structure.

Related Party Transaction

For the year ended 31 December 2019 and 31 December 2018, the company's connected transactions And subsidiaries With related persons With details as follows:

Company/Related Person	Transaction Value Unit: Thousand Baht		Description	Nature Of Relationship	Necessary and Appropriation of Transaction
	Dec 31, 2019	Dec 31, 2018			
C.E.I. (Chiangmai) Co., Ltd. (CEI CM)	200,000	200,000	Investment in subsidiary	Subsidiary company, hold share 99.99%	Loan to subsidiary to buy land & property & business of Cultural Center and Show (Khum KhanToke), interest rate 3.50% and revise to 0.75% since May 1, 2015, Reasonable and revise to 7.50% Since July 2019
	72,750	72,750	Allowance for impairment on investment		
	267,000	280,000	Short-term loan		
	1,705	178	Accrued Interest receivable		
	11,215	2,114	Interest Income		
	708	-	Income Service		
	-	19,090	Impairment on investment		
Acc Infar Co., Ltd. (ACC I)	330,000	100,000	Investment in subsidiary	Subsidiary company, hold share 99.99%	Investment in other business. On June 13, 2016 acquired 100% of share of Saraburi Co., Ltd..
	81,870	81,870	Impairment on investment		
	-	167,200	Short-term loan		
	-	721	Accrued interest receivable		
	5,803	1,318	Interest revenue		
	-	32,080	Accrued Dividend		
	-	81,870	Impairment on investment		
Saraburi Solar Co., Ltd. (SSL)	16,050	16,050	Other Account receivable	Invest 99.99% through ACC Infar	ACC charge Accounting service fee
	450	2,625	Accounting service fee		

Related Party Transaction

Company/Related Person	Transaction Value Unit : Thousand Baht		Description	Nature Of Relationship	Necessary and Appropriation of Transaction
	Dec 31, 2019	Dec 31, 2018			
ACC Green Energy Co., Ltd (ACC G)	3,250	3,250	Investment in subsidiary	Subsidiary company, hold share 99.99%	For invest in other business. Not operating business yet
	3,250	-	Impairment on investment		
	5,546	-	Accrued interest receivable		Loan for Purchase land at Phuket Interest 0% revise to interest 7.50% since July 2019
	146,700	146,700	Short-term loan		
	85,197	-	Allowance for doubtful		
ACC Capital Co., Ltd. (ACC C)	100,000	100,000	Investment in subsidiary	Subsidiary company, hold share 99.99%	For invest in Financing business.
	85,000	-	Short-term loan		Artial redemption of debentures (ACC)
	453	-	Accrued interest Expense		
	799	-	Interest Expense		
ACC Landmark Co., Ltd. (ACC L)	37,500	37,500	Investment in subsidiary	Subsidiary company, hold share 75.00%	Operate real estate development
	9,750	10,750	Short-term loan		Interest rate 7.50% for use as working capital , Accounting Fee
	91	94	Accrued interest receivable		
	778	749	Interest Income		
Bangpakong Solar Power Co., Ltd. (BPS)	24,990	24,990	Investment in subsidiary	Subsidiary company, hold share 51.00%	To expand investment in solar roof top business at par which reasonable
	74	18	Other Account receivable		ACC charge Accounting service fee
	252	221	Accounting service fee		
	3,499	-	Dividened Income		

Related Party Transaction

Company/Related Person	Transaction Value Unit : Thousand Baht		Description	Nature Of Relationship	Necessary and Appropriation of Transaction
	Dec 31, 2019	Dec 31, 2018			
Wyncoast Industrial Park Public Company Limited (WIN)	9,894	6,613	Revenue for Electric	Subsidiary company, hold share 51.00%	Revenue For Electric
	670	641	Rental Area		Rental Roof
	58	354	Other Account Payable		
	577	14,000	Other Account receivable		
	-	35	Other Service		Advance payment for investment in 105 Solar Power Co., Ltd. August 24, 2018 ACC cancel the investment due to delay progress
	-	14,000	Doubtful debt		
	(14,000)	14,000	Allowance for doubtful		
	420	-	Dividened Income		BSP Pay Dividened
W.Solar Co., Ltd (W.solar)	10,700	-	Other Accountpayable	Associated company, hold share 49.00%	Expand to renewable energy, this is the first project, at par which reasonable
	1,189	1,395	Share of profit from Investment in associated company		
	-	2	Interest Expense		
	10	-	Other Service		
	1,144	1,107	Dividened Revenue		
	42,636	42,591	Investment in associated company Equity Method		

Related Party Transaction

Company/Related Person	Transaction Value Unit : Thousand Baht		Description	Nature Of Relationship	Necessary and Appropriation of Transaction
	Dec 31, 2019	Dec 31, 2018			
105 Solar Power Co., Ltd . (105 Solar)	10,700	-	Other Account Payable	Associated company, hold share 44.36%	Expand to renewable energy, at par which reasonable
	4,582	-	Share of profit from Investment in associated company		
	18,161	-	Investment in associated company Equity Method		
	421	-	Dividened Income		
Prime Mansion Co., Ltd. (Priame)	3,250	4,250	Short-term loan	The director of the Company is the immediate family of the shareholder and the management of Prime Mansion Co, Ltd.	For use as working capital interest rate at 7.50%
	290	300	Interest Expense		A partnership who has experience in real estate development invest in ACCL at par which reasonable
	-	20	Other Account payable		
Best House Chieang mai Co., Ltd. (Best House)	-	2,829	Construction Expenses	Shareholder and/or director of the reated parties is the ex-immediate family of the Company"s director resignedd since May 24, 2019.	ก่อสร้างต่อเติมอาคารพลับพลา หอถ้ำรูป และทำล่อยกระทาง
	-	19	Repair and maintenance		

Related Party Transaction

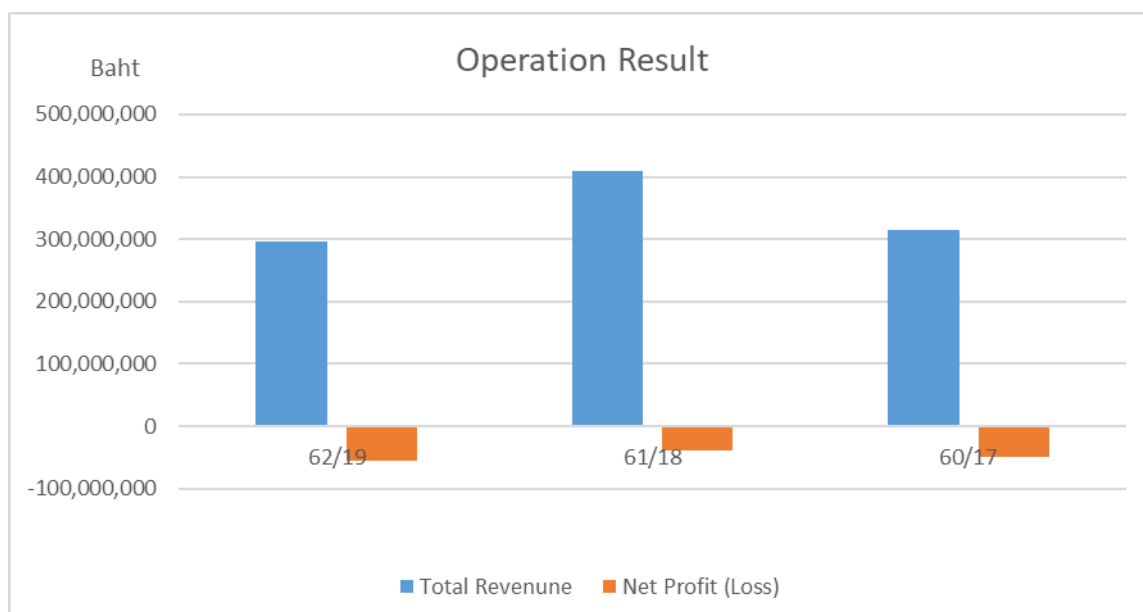
Company/Related Person	Transaction Value Unit : Thousand Baht		Description	Nature Of Relationship	Necessary and Appropriation of Transaction
	Dec 31, 2019	Dec 31, 2018			
Amplus International Co., Ltd. (Amplus)	356	854	Rental and Service Expenses	Shareholder and/or director of the related parties is the ex-immediate family of the Company's director resigned since May 24, 2019.	Rental and Server Expenses
Khumpraye Resort and spa Co., Ltd.. (Khumpraya)	618	830	Revenue Form Sales	Shareholder and/or director of the related parties is the ex-immediate family of the Company's director resigned since May 24, 2019.	Send customers to use the services between the subsidiaries.
	93	80	Cost of Service		
UAIC Co. Ltd. (UAUC)	401	-	Rental and Service Expenses	The Executive Director of the Company and director of subsidiary is director of the related parties.	Car Rental and Service expenses, at par which reasonable
M.J Accounting and Service Co., Ltd. (MJ)	80	120	Service Expenses	Director of the Related parties is the immediate family of the Company's director.	Service fee which in market price at which reasonable, to Cancel since 31 August 2019
Mr. Preecha Kraikruan	375	-	Consultant Expenses	Shareholder	Consultant fee
Directors	358	310	Other Account payable	Before the acquisition	For Business
	51	11	Advances	Directors ACC	For Business

Financial Status and Operations Results

Analysis and Management Report

Operation Result

Year	2019	2018	2017
Total Revenues	295,192,396	408,945,940	314,429,854
Net Profit (Loss)	(54,718,906)	(38,978,620)	(48,805,233)



Income Structure:

Unit: million baht

Description	Consolidated financial statements (Audit)					
	For The Year Ended December					
	2019	%	2018	%	2017	%
1. Revenue from Ceiling Fan	13.80	6.06	28.73	12.40	17.09	5.73
2. Revenue from Banquet and Restaurant	15.05	6.61	11.85	5.12	80.79	27.11
3. Revenue from Renting Property	96.95	42.57	88.52	38.21	72.81	24.43
4. Revenue from Property Development	0.16	0.07	6.25	2.70	34.71	11.65
5. Revenue from Alternation Energy	101.46	44.55	96.30	41.57	92.62	31.08
6. Revenue from Financing	0.30	0.13	0.00	0.00	0.00	0.00
Total Revenue	227.72	100.00	231.65	100.00	298.02	100.00

In the fiscal year ended 31 December 2019 and 31 December 2018, the company has sales and service income in the amount of 227.72 million baht and 231.65 million baht respectively, decreased by 3.93 million baht or 7.53 percent from the same period. Of the previous year due to

- Sales revenue decreased by 14.93 million baht or 51.97% due to the company does not have the model products that customers require. The company therefore wants to release a large amount of existing products and will terminate this business in the future.

- Revenue from electricity sales increased by 5.16 million baht or 5.36% due to the recognition of revenue from electricity production from solar rooftop, 3.28 million baht and Revenue from electricity sales from solar power on the ground, Solar Farm has increased revenue from the previous year by 1.88 million baht. Which both parts, the company improved the frequency of washing solar panels and the ventilation system make it able to generate more electricity than last year.

- Revenue from Real Estate Development increased by 3.20 million baht or 27.00% due to the revenue from sales only recognized 3 units.

- Revenue from Banqueting and Restaurant increased 8.43 million baht or 9.52%. Due to there were more events such as seminars and weddings.

- Revenue from real estate rental decreased by 6.09 million baht or 97.44% due to the company has only a residential property at The Country Complex Tower which left 4 rooms and 1 tenant. Due to the company has gradually sold. As the land and buildings at company's factory in Bang Pu Industrial. The company sold it since March 8, 2018.

Cost Structure:

Unit : million baht

Description	Consolidated financial statements (Audit)					
	For the Year Ended December					
	2019	%	2018	%	2017	%
1. Cost of Sale	3.16	2.22	20.65	12.52	44.87	20.03
2. Cost of Service	11.91	8.38	8.61	5.22	49.71	22.19
3. Cost of service in Banquet and Restaurant	82.29	57.88	86.17	52.24	66.95	29.89
4. Rental cost	0.16	0.11	2.46	1.49	16.85	7.52
5. Cost of sale of renewable energy	44.65	31.41	47.05	28.53	45.64	20.37
6. Cost of Financing	0.00	0.00	0.00	0.00	0.00	
Total Cost of sales and services	142.17	100.00	164.94	100.00	224.02	100.00

For the accounting year ended December 31, 2019 and December 31, 2018 the Company has total cost Baht 142.17 and 164.94 million baht respectively. Decreased by Baht 22.77 million or 49.47% from following reasons;

- Cost of selling fan decreases THB 17.49 million or 84.70% due to reversal of allowance for obsolete products. Because the products used to set up the allowance for obsolete of fans products that can be sold

- Cost of renewable energy decreased THB 2.40 million or 5.10% due to the company has increased the washing cycle more frequent and further improved the in-ventilation system resulting in cost saving for repairs

- Cost of Real Estate Development increased THB 3.30 million or 38.33% due to the subsidiary recognized revenue from 1 unit sold.

- Cost of Banqueting and Restaurant decreased THB 3.88 million or 4.50% because the company has set up the cost control closely.

- The cost of real estate rental decreased by 2.30 million baht or 93.50% because the company currently has only 4 residential complexes and 1 room for rent. And buildings in Bang Pu Industrial Estate.

Gross Profit

In the fiscal year ended December 31, 2019 and December 31, 2018 the Company has gross profit Baht 85.55 million and 66.70 million baht respectively. And has gross profit margin is at 37.57% and 28.80% respectively. In accounting year 2019 the Company has increased gross profit by 8.77% compared with the same period prior year.

Selling and service expense

In the fiscal year ended December 31, 2019 and December 31, 2018. The Company has selling and service expenses in the amount of Baht 15.95 and 18.64 million baht respectively with sales expenses decreased to 2.69 million baht or representing 14.41 percent from the same period last year Because the company has reduced sales manpower and reduced the cost of promotion by focusing on more efficiency.

Administrative Expenses

The company has administrative expenses. For the fiscal year ending as of December 31, 2019 and December 31, 2018 equals 162.76 million baht and 222.06 million baht respectively, in the fiscal year 2019, the company reduced administrative expenses by 59.30 million Baht, representing 26.71% compared to the year 2018 due to the year 2018, the company set up an impairment of machinery and equipment from solar farm business in the amount of 139.60 million baht. In the year 2019, ACCG company suffered a loss from appraisal of vacant land in Ko Sire Island, Phuket Province. As a result, in the 2019 consolidated financial statements, the company set an allowance for loss from land value awaiting development in the amount of 91.33 million baht.

Other Revenue

The company had other incomes. For the fiscal year ended 31 December 2019 and 31 December 2018 in the amount of 67.48 million baht and 177.30 million baht respectively. In the year 2019, the company had other incomes decreased by 109.83 million baht or 138.06 percent compared to the same period as the year 2018 due to the company has gained from the sale of assets, sale of land and factory buildings in Bang Pu Industrial Estate and 116.82 square meters of 1 room complex of a residential complex in the total amount of 174.84 million baht. In the year 2019, the company has revenue from confiscation of a breach of the contract to buy and sell empty land in the amount of 37.00 million baht from reversal of bad debts in the amount of 12.82 million baht and profit from the disposal of assets in the amount of 9.65 million baht

Financial Cost

In the fiscal year ended 31 December 2019 and 31 December 2018, the company had financial costs in the amount of 27.32 million baht and 37.56 million baht, respectively, decreased by 10.24 million baht, representing a decrease of 27.26 percent. Partial debentures 100 million baht, remaining 155.20 million baht debentures, resulting in decreased interest expenses

Net Profit

For the fiscal year ended December 31, 2019 and December 31, 2018 the Company has net loss of 54.72 million baht and 38.98 million baht respectively. In the year 2019, the company had a net loss of 15.74 million from the above mentioned reasons.

❖ Liquidity and Financial Ratios

Liquidity Analysis

Unit : million Baht

Cash Flow Statement	2019 ended Dec 31, 2019	2018 ended Dec 31, 2018
Profit (loss) from operating activities before changes in assets and liabilities	96.86	57.92
Net cash received (paid) in assets and liabilities from operating activities	67.20	53.33
Net cash received (used) in operating activities	66.57	105.50
Net cash received (used) in investing activities	186.95	247.92
Net cash received (used) in financing activities	(175.28)	(336.10)
Net cash and cash equivalent increase (decrease)	78.24	17.33
Cash and cash equivalent – Beginning	45.78	28.45
Cash and cash equivalent – Ending	124.02	45.78

Cash flow statement of the Company and subsidiaries for the year ended December 31, 2019 the Company use cash in activities as follows;

The Company has Profit from operating activities before changes in assets and liabilities Baht 96.86 million and paid Net cash in assets and liabilities from operating activities Baht 67.20 million by

1. The Company received Net cash from operating activities Baht 66.57 million. Detail as follows;

- The company has net cash in operating asset increases amount of 7.81 million baht. The important items are Accounts receivable and inventories increased by 10.15 million baht. Inventories decreased by 7.41 million baht. Project development costs decreased by 13.28 million baht. Deposits with bank deposits reduced by 9.49 million baht. Other current assets increased by 9.61 million baht and non-current assets. Other expenses increased by 2.60 million baht.

- The company paid net cash in operating liabilities decreased by 37.47 million baht. Trade and other payables increased by 0.70 million baht. Other current liabilities decreased by 36.98. Employee benefits increased by 0.51 million baht. Payment for employee benefits was 1.72 million baht.

- The company also paid net cash which is a tax payment transaction another 0.63 million baht

2. the company had net cash in investing activities amounted to 186.95 million baht, the list is as follows:

- the Company's proceeds from the forfeiture of the deposit. Land of 37.00 million baht in cash from the sale of real estate. Country Complex Building and Equipment 10.79 million baht, received dividends from associates and subsidiaries in the amount of 1.57 million baht, sold a temporary net investment of 140.90 million baht and paid cash to purchase buildings and equipment 4.77 million baht and interest received 0.72 million baht

3. The Company received net cash from financing activities Baht 175.28 million. Mainly are;

- The company has cash to repay loans from financial institutions, net of 49.03 million baht, repayment of 1.00 million baht, interest payment of 21.04 million baht, repayment of liabilities under financial lease in the amount of 0.85 million baht, repayment of debentures 100.00 million baht.

Current Assets to Current Liabilities

As of December 31, 2019 and December 31, 2018 the Company has current ratio of 0.97 times and 3.64 times respectively. And quick ratio 0.78 times and 2.97 times respectively. And the quick ratio increased because the company paid back the loan and interest in the amount of 171.92 million baht. Also residential buildings and Country Complex Tower sold.

Liabilities to Shareholders' Equity

As of December 31, 2019 the Company has Liabilities to Shareholders' Equity ratio of 0.47 times. As of December 31, 2018, the Company has Liabilities to Shareholders' Equity ratio 0.47 times. Decreased by 0.61 times due from the Company paid back the loan with interest in the amount of 171.92 million baht.

Gross Margin Ratio

Gross profit margin ratio of year 2019 is 37.57% while prior year was 24.94% increased 9.63% which is separated from the trading business. Gross margin was 10.64 percent, an increased of 31.68 percent from the previous year due to the reversal of deteriorated inventories of the sold products in the amount of 6.64 million baht recorded in cost of sales. The real estate development business has a gross profit margin of 3.14 percent, down 0.10 percent from the previous year, due to the company giving discounts to customers for sales. Banquet and restaurant businesses have a gross profit margin of 14.66 percent, an increased of 12.31 percent due to the company increased sales in seminar meetings. Wedding arrangement and set up a cost control system to be more efficient. The rental business has a gross profit margin of 2.51 percent, decreased of 58.06. Renewable energy business has a gross profit margin of 56.81 percent, an increased of 15.35 percent as the company increases the frequency of cleaning solar panels. And improve the cooling system in the control room.

Net Profit to Total Assets

Net profit margin to total assets in the year 2019 equals -4.79% but in the same period last year the net profit margin to total assets was -2.69%, the net profit margin per asset increased by 2.09% due to the operating net lost more than the same period last year.

Capital Structure

Capital structure of the Company as of December 31, 2019 and December 31, 2018 debt to equity ratio is 0.47 and 0.61 times respectively. In the year 2018 the company has debt to equity ratio and the net debt to equity ratio decreased because the company redeemed some of the debentures before the deadline. Repaid some financial institutions. As a result, the debt to equity ratio will decrease.

From the debt to equity ratio mentioned, It can be seen that the company still has a good capital structure and financial status. Because the funds used for investment and management within the organization are from shareholders' equity and debt creation of the company. However, the company does not have a policy to incur more debt than is necessary to prevent the financial risk of the organization and to prevent the crisis that may occur to the group companies. These factors will help the business to have good performance which will lead to sustainable value-added and sustainable business operations. The company has therefore not determined the capital structure of the company. In the rate not exceeding 2.5 times, which is a financial tool for executives to support the effects of the volatility of the national economy as well.

❖ Past Financial Status

Total Assets

As of December 31, 2019 and December 31, 2018 the Company has total assets Baht 1,090.14 million and 1,286.16 million respectively. With most of the company's assets consisting of short-term investments, Land awaiting development, Real estate development costs Investment property and property, buildings and equipment. At the end of 2019, the company had total assets decreased by 196.01 million baht or 15.24% compared to 2018. The said decrease was a result of loss from land value. 91.33 million baht for development and sales of short-term investments.

As of December 31, 2019 and December 31, 2018 total assets of the Company include the assets rotation in an amount of 236.84 million baht and 295.77 million baht respectively. The above most current assets consist of temporary investment, Accounts receivable and real estate development. Most non-current assets of the company consist of Land awaiting development, and property, land and equipment.

Temporary Investment

As of December 31, 2019 and December 31, 2018 the Company has Temporary investment Baht 8.32 and 150.23 million respectively, decrease by Baht 141.91 million or 94.46% with the net temporary investments 141.91 million baht.

Real Estate Development Costs

The company has real estate development costs as at December 31, 2019 and December 31, 2018 in the amount of 53.10 million baht and 65.01 million baht, decreased by 11.91 million baht or an increase of 18.32% compared to the same period last year. By reducing the cost of real estate development, as a result of selling and transferring the ownerships of the property for 3 units.

Real Estate for Investment

As at December 31, 2019 and December 31, 2018 the Company has Real Estate for investment Baht 0.67 and 0.55 million baht, decreased by Baht 0.13 million or decrease of 23.26 % compared to the end of the year 2018 because The Company sold country complex 1 Unit.

Land Plant and Equipment

As of December 31, 2019, and December 31, 2018 the Company has Land plant and equipment Baht 724.69 million and 779.46 million respectively. At the end of year 2019, the company has decreased property, plant and equipment by 23.26 percent compared and at the end of the year 2018.

Liabilities

As of December 31, 2019 and December 31, 2018 the Company has a total liabilities of Baht 348.20 million and 486.83 million representing a 28.48% decrease in the total liabilities of the company. This is mainly due to the company redeemed some of the debentures in the amount of Baht 100.00 million and repaid loans of financial institutions totalling 50.03 million baht.

However, As of December 31, 2019 and December 31, 2018, the total liabilities of the company were divided into current liabilities in the amount of 243.10. Million baht and 81.29 million baht, or 69.81 percent and 16.70 percent of total liabilities. Most of the company's current liabilities consist of current portion of liabilities. Most of them are long-term loans from financial institutions.

In the ground solar business, which accounts for 85.87 percent of current liabilities. Since the company's debentures in the amount of 155.20 million baht will be redeemed in 2020. The non-current liabilities of the company as of 31 December 2019 and 31 December 2018 have total value 105.11 million baht and 405.53 million baht or equivalent to 30.19% and 83.30% of total liabilities respectively. Most of the non-current liabilities of the company consist of long-term loans from financial institutions in the amount of 87.40 million baht, accounting for 80.15 percent of non-current liabilities.

Shareholders' Equity

As of December 31, 2019, and December 31, 2018, the Company had total shareholders' equity of 741.94 million baht and 799.33 million baht, or decrease of 7.18 percent. 335.76 million baht and have a premium on ordinary shares in the amount of 545.23 million baht. On 22 January 2018, the Extraordinary General Meeting of the shareholders No. 1/2018 passed a resolution to increase the registered capital of the company from 374,999,912.50 baht to 524,999,912.50 baht by issued 600,000,000 new ordinary shares with a par value of 0.25 baht, resulting in the company having all registered shares 2,099,999,650 shares during the year 2018, the company received the payment of the said newly issued ordinary shares in the total amount of 84.42 million baht and during the year 2019, the company received the payment of ordinary shares with the shareholders exercising the right to purchase shares under the warrants to purchase ordinary shares (ACC-W1) in the amount of 1,066 shares 1,132.50 baht.

Statements of Financial Position

Units: thousand Baht

Description				Consolidated financial statements					
				31 December 2019		31 December 2018		31 December 2017	
				Amount	%	Amount	%	Amount	%
Asset									
Current assets									
Cash and cash equivalents				124,016	11.38	45,776	3.56	28,449	1.74
Current investments				8,321	0.76	150,233	11.68	168,096	10.29
Trade and other receivables				32,272	2.96	23,089	1.80	49,509	3.03
Short-term loan and accrued interest income							0.00		0.00
to related parties				-		-	0.00	-	0.00
Inventories				2,077	0.19	4,213	0.33	15,439	0.94
Cost of property development				53,100	4.87	65,010	5.05	73,624	4.51
Other current assets				17,056	1.56	7,449	0.58	13,010	0.80
Total current assets				236,842	21.73	295,769	23.00	348,128	21.31
Non-current assets									
Restricted bank deposits				6,013	0.55	15,504	1.21	47,551	2.91
Investment in associated companies				60,796	5.58	42,591	3.31	42,303	2.59
Investments in subsidiaries				-		-	0.00	-	0.00
Land held for development				55,479	5.09	146,807	11.41	146,807	8.98
Investment property				673	0.06	546	0.04	47,864	2.93
Property, plant and equipment				724,690	66.48	779,458	60.60	990,998	60.65
Goodwill				175	0.02	175	0.01	175	0.01
Deferred tax assets				-		15	0.00	148	0.01
Other non-current assets				5,476	0.50	5,292	0.41	9,987	0.61
Total non-current assets				853,301	78.27	990,389	77.00	1,285,833	78.69
Total Assets				1,090,144	100.00	1,286,158	100.00	1,633,961	100.00

Statements of Financial Position (continue)

Units : thousand Baht

Description	Consolidated financial statements					
	31 December 2019		31 December 2018		31 December 2017	
	Amount	%	Amount	%	Amount	%
Liabilities and shareholders' equity						
Current liabilities						
Trade and other payables	18,250	1.67	19,024	1.48	27,314	1.67
Current portion of liabilities	208,746	19.15	49,683	3.86	638,803	39.10
from related parties	3,250	0.30	4,250	0.33	3,320	0.20
Income tax payable	4,491	0.41	-	0.00	243	0.01
Other current liabilities	8,354	0.77	8,336	0.65	8,036	0.49
Total current liabilities	243,092	22.30	81,293	6.32	677,716	41.48
Non-current liabilities						
Long-term loan from financial institutions	87,403	8.02	143,631	11.17	182,159	11.15
Long-term liabilities under finance leases	78	0.01	367	0.03	1,282	0.08
Debenture	-	0.00	244,675	19.02	-	0.00
Deferred tax liabilities	15,338	1.41	12,689	0.99	11,367	0.70
Provisions for employee benefit	2,179	0.20	4,080	0.32	3,843	0.24
Deposit	112	0.01	91	0.01	3,704	0.23
Total non-current liabilities	105,110	9.64	405,533	31.53	202,355	12.38
Total liabilities	348,202	31.94	486,827	37.85	880,071	53.86
Shareholders' equity						
Share capital						
Authorized share capital						
2,099,999,650 ordinary shares Baht 0.25 par value	525,000		525,000		375,000	
Issued and paid-up share capital						
1,343,055,623 ordinary shares in year 2019 and						
1,343,054,557 ordinary shares in year 2018, fully paid-up	335,764	30.80	335,764	26.11	300,000	18.36
Premium on ordinary shares	545,232	50.01	545,231	42.39	496,575	30.39
Deficit	(174,348)	(15.99)	(118,173)	(9.19)	(78,905)	(4.83)
Total equity attributable to shareholders of the parent	706,648	64.82	762,821	59.31	717,669	43.92
Non-controlling interests	35,294	3.24	36,510	2.84	36,221	2.22
Total shareholders' equity	741,942	68.06	799,332	62.15	753,890	46.14
Total liabilities and shareholders' equity	1,090,144	100.00	1,286,158	100.00	1,633,961	100.00

Statements of Comprehensive Income

Units : thousand Baht

Description	Consolidated financial statements					
	31 Dec 2019		31 Dec 2018		31 Dec 2017	
	Amount	%	Amount	%	Amount	%
Revenue from sales and services	227,715	100.00	231,642	100.00	298,016	100.00
Cost of sales and services	(142,165)	(62.43)	(164,939)	(71.20)	(224,014)	(75.17)
Gross profit	85,550	37.57	66,702	28.80	74,003	24.83
Other income	67,478	29.63	177,304	76.54	16,414	5.51
Selling expenses	(15,952)	(7.01)	(18,638)	(8.05)	(15,566)	(5.22)
Administrative expenses	(162,758)	(71.47)	(222,063)	(95.86)	(63,046)	(21.16)
Finance costs	(27,322)	(12.00)	(37,558)	(16.21)	(59,202)	(19.87)
Share of profit of associated companies	5,771	2.53	1,395	0.60	1,729	0.58
Profit (loss) before income tax	(47,233)	(20.74)	(32,858)	(14.18)	(45,668)	(15.32)
Tax expense	(7,486)	(3.29)	(6,121)	(2.64)	(3,137)	(1.05)
Profit (loss) for the year	(54,719)	(24.03)	(38,979)	(16.83)	(48,805)	(16.38)
Profit (loss) for the year attributable to						
Equity holders of the Company	(56,865)	(24.97)	(39,268)	(16.95)	(52,764)	(17.70)
Non-controlling interests	2,146	0.94	290	0.13	3,958	1.33
	(54,719)	(24.03)	(38,979)	(16.83)	(48,805)	(16.38)

Comparative Cash Flow Statements

Unit : thousand Baht

Description	Consolidated financial statements		
	Dec 31, 2019	Dec 31, 2018	Dec 31, 2017
Cash flow from operating activities	66,570	105,503	133,645
Cash flow from investing activities	186,953	247,919	25,164
Cash flow from financing activities	(175,283)	(336,095)	(160,999)
Cash and cash at bank (decrease) increase	78,240	17,327	(2,191)
Cash and cash at bank – beginning	45,776	28,449	30,640
Cash and cash at bank – ending	124,016	45,776	28,449

Key Financial Ratios

Key financial ratio	Unit	Year 2019	Year 2018	Year 2017
		Dec 31, 2019	Dec 31, 2018	Dec 31, 2017
Liquidity Ratio				
Liquidity ratio	time	0.97	3.64	0.51
Quick ratio	time	0.78	2.97	0.42
Liquidity ratio to cash flow	time	0.41	0.28	0.34
Trade receivables turnover ⁽²⁾	time	9.21	5.19	4.49
Average collection period	day	39.63	70.39	81.22
Inventory turnover ratio ⁽¹⁾	time	2.81	2.88	4.58
Average selling time	day	129.91	126.86	79.68
Account payable turnover	time	33.17	34.98	65.01
Repayment period	day	11.00	10.43	5.61
Cash Cycle	day	158.54	186.81	155.29
Profitability Ratio				
Gross margin	%	37.57	27.94	24.83
Operating margin	%	(20.94)	(14.18)	(15.32)
Cash to profitability ratio	%	(140.94)	(321.09)	(292.64)
Net profit margin	%	(20.74)	(15.54)	(16.38)
Return on equity (Equity holder of the Company)	%	(7.38)	(5.06)	(6.78)
Performance ratio				
Return on assets ⁽¹⁾	%	(4.79)	(2.69)	(3.08)
Return on fixed assets ⁽¹⁾	%	(7.56)	(4.32)	(4.98)
Assets turnover ⁽¹⁾	time	24.84	28.01	18.37
Financial Policy Analysis Ratio				
Debt to equity ratio	time	0.46	0.61	1.17
Interest capability ratio	time	(1.44)	(1.81)	(1.26)
Capability to pay obligation ratio (Cash Basis)	time	(0.63)	(0.13)	0.27
Dividend pay-out ratio	%	0.00	0.00	0.00

Remark: ⁽¹⁾ Calculated ratio from inventories only part of Finish Goods

⁽²⁾ Calculated ratio from receivables before deduct allowance for doubtful debt

The Board of Directors' Responsibility for Financial Reporting

The Board of Directors recognizes the importance and responsibility of governance in accordance with the principles of corporate governance. The Board of Directors is responsible for the financial statements of the Company and the consolidated financial statements of the Company and its subsidiary companies as well as the financial information presented in the Annual Report. The financial statements for the year ended December 31, 2019^{gg} have been prepared in accordance with international financial reporting standards. The Company has adopted the appropriate accounting policies and practices regularly with prudent judgment and estimates carefully and includes reasonableness of the preparation. In addition, there is a disclosure of important information about the accounting policies and basis of preparation of financial statements in Notes to the financial statements. Therefore, these financial statements reflect the financial condition and overall operation of the Company in a true and transparent manner which is beneficial to shareholders and investors. The financial statements have been audited by an independent certified public accountant.

The Board of Directors has appointed the Audit Committee to review the accounting policies and the quality of financial report, review the internal control system, internal audit, risk management system and consider the disclosure of related party transaction. The opinions of the Audit Committee on this subject appears in the year 2019 Report of the Audit Committee which is presented in the Annual Report.

The financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries have been reviewed by the auditor of the Company namely Mr. Banjong Pichayaprasat, Auditor License No. 7147 affiliated with Siam Truth Audit Co., Ltd. In regard to the audit, the Board of Directors had supported information and documents that allowed auditor to review and comment according to accounting standards. The opinions of auditor appear in the auditor's report, which is presented in this annual report.

The Board of Director has an opinion that the Company's internal control system as a whole is satisfactory and can create a reasonable assurance that the financial statements of the Company and its subsidiaries for the year ended December 31, 2019 is reliable and in accordance with financial reporting standards and compliance with legislation and regulations related.



(Arichai Ractham, Ph.D.)

Chairman of the Board of Director

AUDITOR'S REPORT

To the Shareholders of Advanced Connection Corporation Public Company Limited

Qualified Opinion

I have audited the accompanying consolidated and separate financial statements of Advanced Connection Corporation Public Company Limited and its subsidiaries (“the Group”) and of Advanced Connection Corporation Public Company Limited (“the Company”), respectively, which comprise the consolidated and separate statement of financial position as at December 31, 2019, the consolidated and separate statement of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects that may arise from the matter described in the Basic for Qualified Opinion paragraph, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Advanced Connection Corporation Public Company Limited and its subsidiaries and of Advanced Connection Corporation Public Company Limited as at December 31, 2019, and their consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Qualified Opinion

Appraisal report

Land held for development

As described in notes 14 and 15 to the financial statements, the Executive Board of Directors’ Meeting of Advanced Connection Corporation Public Company Limited held on July 18, 2019 passed a resolution to engage an independent appraiser to appraise land held for development of ACC Green Energy Company Limited (“subsidiary”) located at Koh Siray, Rassada, Muang, Phuket with its cost of Baht 146.81 million. In this regard, the appraiser reports the market value as at July 15, 2019 in the amount of Baht 60.50 million, which the Executive Board of Directors considered the subsidiary recognized an allowance for devaluation in land held for development and loss from devaluation in land held for development of Baht 91.33 million in profit or loss for the year 2019.

My judgment differs from the appraiser on the determination of market value and the market comparative information in accordance with the appraisal report which effects to the net book value of land held for development. I was unable to obtain the sufficient and appropriate audit evidences regarding to the net book value of land held for development and allowance for devaluation in land held for development in the consolidated statement of financial position as at December 31, 2019 and loss for devaluation in land held for development in the consolidated statement of comprehensive income for the year then ended.

As described in notes 4 and 14 to the financial statement, Advanced Connection Corporation Public Company Limited recognized an allowance for impairment of investment in ACC Green Energy Company Limited (“subsidiary”) in the amount of Baht 3.25 million and an allowance for doubtful account of loan to subsidiary in the amount of Baht 85.20 million in profit or loss for the year 2019 since the subsidiary recognized an allowance for devaluation in land held for development which resulted to the decrease in shareholders’ equity of the subsidiary as mentioned in the above paragraph, which effected to the reliability of the net book value of shareholders’ equity used for estimating the allowance for impairment of investment and the allowance for doubtful account. I was unable to obtain the sufficient and appropriate audit evidences regarding to the value of investment in subsidiary, the allowance for impairment of investment and loan to subsidiary and allowance for doubtful account in the separate statement of financial position as at December 31, 2019 and loss for impairment of investment and doubtful account in the separate statement of comprehensive income for the year then ended.

Consequently, I was unable to determine whether and to what extent any adjustments were required to the net book value of land held for development and allowance for devaluation in land held for development and loss for devaluation in land held for development in the consolidated financial statements. I was also unable to determine whether and to what extent any adjustments were required to the net book value of investment in subsidiary, allowance for impairment of investment, loan to subsidiary and allowance for doubtful account in the separate financial statements.

Solar Farm

Saraburi Solar Company Limited (“Saraburi Solar”) engaged an appraiser to appraise assets in the Solar Farm Project in order to consider the adequacy of an allowance for impairment of asset by comparing the recoverable amount with the net book value. As at December 31, 2019, the appraised assets comprising land lease including constructions thereon, ground mounting system, photovoltaics module, machines and equipment has their carrying amount of Baht 303.20 million as described in note 14 to the financial statements. However, the appraiser engaged by the Company is not a lead appraiser approved by the Securities and Exchange Commission and my judgment differs from the appraiser regarding to financial information for calculation of value in use. I was unable to obtain the sufficient and appropriate audit evidences regarding to the recoverable amount of the Solar Farm Project in order to consider the adequacy of an allowance for impairment of Solar Farm Project in the consolidated financial statements for the year ended December 31, 2019.

As described in note 14 to the financial statements, Advanced Connection Corporation Public Company Limited did not consider the allowance for impairment of investment in ACC Infra Company Limited (“ACC Infra”) (the parent company of Saraburi Solar Company Limited) which its net book valued of Baht 248.13 million since Saraburi Solar lack off information regarding to the recoverable amount comparing to the net book value used for considering the adequacy of allowance for impairment of assets of Solar Farm Project and allowance for impairment of investment in ACC Infra as mentioned in the above paragraph, which effected to the reliability of the net book value of shareholders’ equity used for estimating the allowance for impairment of investment. I was unable to obtain the sufficient and appropriate audit evidences regarding to the net book value of assets of Solar Farm Project in the consolidated financial statements and the net book value of investment in subsidiary in the separate financial statements for the year ended December 31, 2019.

Consequently, I was unable to determine whether and to what extent any adjustments were required to the net book value of the Solar Farm Project comprising land lease including constructions thereon, ground mounting system, photovoltaics module, machines and equipment in the consolidated financial statements. I was also unable to determine whether and to what extent any adjustments were required to the net book value of investment in subsidiary in the separate financial statements.

KhumKhantoke

C.E.I. (Chiangmai) Company Limited (“C.E.I.(Chiangmai)”) engaged an appraiser to appraise assets in the KhumKhantoke Project in order to consider the adequacy of an allowance for impairment of asset by comparing the recoverable amount with the net book value. As at December 31, 2019, the appraised assets comprising land, building and equipment has their carrying amount of Baht 380.64 million. However, the appraiser engaged by the Company is not a lead appraiser approved by the Securities and Exchange Commission. I was unable to obtain the sufficient and appropriate audit evidences regarding to the recoverable amount of the KhumKhantoke Project in order to consider the adequacy of an allowance for impairment of assets of the KhumKhantoke Project in the consolidated financial statement for the year ended December 31, 2019.

As described in notes 4 and 14 to the financial statements, Advanced Connection Corporation Public Company Limited did not consider the allowance for impairment of investment in C.E.I. (Chiangmai) Company Limited (“subsidiary”) which its net book valued of Baht 127.25 million and an allowance for doubtful account of loan to subsidiary which its net book valued of Baht 268.71 million since C.E.I.(Chiangmai) lack off information regarding to the recoverable amount comparing to the net book value used for considering the adequacy of allowance for impairment of assets of the KhumKhantoke Project as mentioned in the above paragraph, which effected to the reliability of the net book value of shareholders’ equity used for estimating the allowance for impairment of investment and the allowance for doubtful account. I was unable to obtain the sufficient and

appropriate audit evidences regarding to the value of investment in subsidiary, and loan to subsidiary in the separate financial statements for the year ended December 31, 2019.

Consequently, I was unable to determine whether and to what extent any adjustments were required to the value of the KhumKhantoke Project comprising land, building and equipment in the consolidated financial statements. I was also unable to determine whether and to what extent any adjustments were required to the net book value of investment in subsidiary and loan to subsidiary in the separate financial statements.

Professional fee

The Executive Board of Directors' Meeting of Advanced Connection Corporation Public Company Limited held on October 8, 2019 passed the resolution to approve the back-payment for legal consulting fee to the legal consultant caused by an independent director engaging a legal consultation company during October 2, 2018 to June 24, 2019, in the amount of 316 items, totaling of Baht 3.83 million. The mentioned engagement is a personal engagement, not processing through the procurement process and not be proposed to the Audit Committee Meeting and the Board of Directors' Meeting during October 2, 2018 and May 15, 2019. Moreover, numbers of details of service rendered supporting to invoice did not relate to the consulting, inspection of related party transactions and performance against law. The professional fee were divided into 2 parts; 1) repayment for service fee advanced by the independent directors in the amount of Baht 0.66 million which I did not obtain the formal details support to invoices; 2) repayment for the remaining service fee to the legal consultation company. I was unable to obtain the sufficient and appropriate audit evidences regarding to the certain of legal consulting fee from totaling of Baht 3.83 million and whether the mentioned consulting fee related to the operation and useful for the Group. The Group recognized those consulting fee as an expense in the statement of comprehensive income for the year ended December 31, 2019.

Consequently, I was unable to determine whether and to what extent any adjustments were required to the legal consulting fee in the financial statements.

Transaction with related parties

During the year of 2019, the Group had additionally disclosed the information regarding to the related party transactions, which were incurred in the previous year as described in note 4 to the financial statements "Transactions with Related Parties". However, the Group had inadequately disclosed for those transactions with related parties due to the information and accounting evidences I obtained from the management of the Group were not sufficient and appropriate for review those transactions with related parties incurring for the previous years including the corresponding figures. I was unable to obtain the sufficient and appropriate audit evidences regarding to transactions with related parties incurring for the previous year including the corresponding figures.

Consequently, I was unable to determine whether and to what extent any adjustments were required to the information in notes to the financial statements regarding to the transaction with related parties.

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

Emphasis of Matters

I draw attention to note 11 to the financial statements, the Executive Board of Directors' Meeting held on December 18, 2019 passed the resolution to acknowledge that the Company engaged into the agreement of conduct a case. Subsequently on December 20, 2019, the Company engaged a law firm to provide lawyers to prosecute 1) director of the Company who approved the related party transactions and 2) third parties in according to the special audit report which has scope of work as 1) examine the evidence documents 2) file lawsuits and prosecute 3) proceed with judicial proceedings 4) attend to the meeting and issue legal opinion.

The professional fee is lump sum payment and divided into 2 parts. The first part is of Baht 15 million at the first installment of Baht 10 million due on the agreement date, December 25, 2019, the second installment of Baht 2.5 million due on the date of filing a lawsuit, January 31, 2020, and the third installment of Baht 2.5 million due on the date that the court accept a case, January 23, 2020. The second part is lump sum amount at the rate of amounts received from the defendant as mutually agreed.

I draw attention to note 8 to the financial statements, the Board of Directors' Meeting of ACC Capital Company Limited ("the subsidiary") held on June 27, 2019 passed a resolution to approve loan and the Executive Board of Directors' Meeting of Advanced Connection Corporation Public Company Limited held on June 27, 2019 passed a resolution to acknowledge that on June 28, 2019 the subsidiary entered into a loan agreement with a director of related company in the amount of Baht 25 million, which the borrower intended to use such loan in his business. In this regards, the subsidiary agreed to pay cheques ordered to a related company of Baht 5 million and other company of Baht 20 million. However, the Board of Director of the subsidiary and the Executive Board of Directors of the Company considered that the borrower had repayment ability whereas the subsidiary does not have internal control system and operation manual in financing business, effecting to lack of supporting document for credit review and collateral assessment. The subsidiary had only the consideration process regarding value and proportion between the mentioned loan amount and their collateral. In addition, on July 26, 2019, the borrower had already repaid in the whole amount.

I draw attention to note 7 to the financial statements, on November 21, 2019, Saraburi Solar Company Limited ("Saraburi Solar") entered into the Joint Investment Agreement with Wealth Power Solution Company Limited ("Wealth Power") to install the solar power generation system for a company. As at December 31, 2019, Saraburi Solar made a payment in according to the Joint Investment Agreement in the amount of Baht 9.04 million and the work under installation of 46 electricity generating systems valued of Baht 6.30 million. However, the installation work performed of the solar power generation system cannot be delivered to the principal as scheduled, which effected that Saraburi Solar has not yet received a return on investment.

My qualified opinion is not related in respect of the above emphasis of matters.

Key Audit Matters

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

In addition to the matters described in the Basis for Qualified Opinion paragraph, the key audit matters including each of audit procedures were as follow:

<i>The key audit matters</i>	<i>Audit procedures</i>
<p>Debentures</p> <p>The Group issued debentures, aimed for their business operations in the amount of Baht 155.20 million, which will be due on October 5, 2020. The management has to make the judgement to assess their capability to redeem such debentures and perform corresponding to the term and condition relating to right and obligation of the debenture issuer, which affects to the Group's ability to continue as a going concern. As at December 31, 2019, the carrying amount of debentures of Baht 152.43 million presented as liability as disclosed in note 23 to the financial statements.</p> <p>I have identified the debentures to be the key audit matter as its high value is significant to the financial statements and there is an impact on the ongoing operations.</p>	<p>Other than making the inquiries, the audit procedures for debentures included test as follows:</p> <ul style="list-style-type: none"> - reviewing the prospectus of such debentures regarding to the term and condition which caused the Group defaulted on debt repayment; - testing the calculation of financial ratio which the Group has to maintain in according to the term and condition; - making inquiries to understand the redemption plan; - evaluate the appropriateness and adequacy of the disclosures in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises 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 consolidated and separate financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to 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.

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 Group and business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my 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.

Bunjong Pichayaprasat
Certified Public Accountant
Registration Number 7147

Siam Truth Audit Company Limited
Bangkok, February 26, 2020

ADVANCED CONNECTION CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES										
STATEMENTS OF FINANCIAL POSITION										
AS AT DECEMBER 31, 2019										Baht
					Consolidated financial statements			Separate financial statements		
				Note	2019	2018	2019	2018		
Assets										
Current assets										
Cash and cash equivalents				5	124,015,762	45,775,791	15,750,110	9,868,790		
Current investments				6	8,321,356	150,232,762	4,291,751	54,320,603		
Trade and other receivables				4, 7	32,272,036	23,088,989	2,364,403	5,189,156		
Short-term loan and accrued interest income										
to related parties				4	-	-	345,596,215	605,644,508		
Inventories				9	2,077,185	4,212,580	1,311,123	3,620,072		
Cost of property development				10	53,099,890	65,009,837	-	-		
Other current assets				4, 11	17,056,029	7,449,283	14,510,651	4,254,833		
Total current assets					236,842,258	295,769,242	383,824,253	682,897,962		
Non-current assets										
Restricted bank deposits				12	6,013,462	15,504,492	-	9,500,000		
Investment in associated companies				4, 13	60,796,478	42,591,110	53,199,980	39,199,980		
Investments in subsidiaries				4, 14	-	-	537,869,955	311,119,925		
Land held for development				15	55,478,500	146,807,352	-	-		
Investment property				16	672,740	545,773	672,740	545,773		
Property, plant and equipment				17	724,689,677	779,457,874	5,581,076	6,456,155		
Goodwill					174,994	174,994	-	-		
Deferred tax assets				18	-	15,300	-	-		
Other non-current assets					5,475,625	5,291,998	2,194,524	3,721,159		
Total non-current assets					853,301,476	990,388,893	599,518,275	370,542,992		
Total assets					1,090,143,734	1,286,158,135	983,342,528	1,053,440,954		

ADVANCED CONNECTION CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES					
STATEMENTS OF COMPREHENSIVE INCOME					
FOR THE YEAR ENDED DECEMBER 31, 2019					
					Baht
	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Revenue from sales and services		227,714,844	231,641,719	13,957,236	34,972,480
Cost of sales and services	29	(142,164,521)	(164,939,487)	(3,312,669)	(23,104,215)
Gross profit		85,550,323	66,702,232	10,644,567	11,868,265
Other income	28	67,477,552	177,304,221	78,893,320	215,562,628
Selling expenses	29	(15,952,292)	(18,638,455)	(9,126,931)	(12,216,569)
Administrative expenses	29	(162,758,175)	(222,062,694)	(121,251,271)	(155,786,257)
Finance costs	30	(27,321,565)	(37,558,133)	(20,496,491)	(27,742,434)
Share of profit of associated companies		5,770,874	1,394,790	-	-
Profit (loss) before income tax		(47,233,283)	(32,858,039)	(61,336,806)	31,685,633
Tax expense	32	(7,485,623)	(6,120,581)	(4,339,299)	(3,427,829)
Profit (loss) for the year		(54,718,906)	(38,978,620)	(65,676,105)	28,257,804
Other comprehensive income :					
Items that will never be reclassified to profit or loss					
Defined benefit plan actuarial gains	24	689,441	-	370,942	-
Other comprehensive income		689,441	-	370,942	-
Total comprehensive income (loss)		(54,029,465)	(38,978,620)	(65,305,163)	28,257,804
Profit (loss) for the year attributable to					
Equity holders of the Company		(56,864,501)	(39,268,245)	(65,676,105)	28,257,804
Non-controlling interests		2,145,595	289,625	-	-
		(54,718,906)	(38,978,620)	(65,676,105)	28,257,804
Total comprehensive income (loss) attributable to					
Equity holders of the Company		(56,175,060)	(39,268,245)	(65,305,163)	28,257,804
Non-controlling interests		2,145,595	289,625	-	-
		(54,029,465)	(38,978,620)	(65,305,163)	28,257,804
Earnings (loss) per share					
Basic earnings (loss) per share		(0.0423)	(0.0298)	(0.0489)	0.0214
Weighted average number of ordinary shares (Shares)		1,343,055,290	1,319,538,739	1,343,055,290	1,319,538,739

ADVANCED CONNECTION CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES							
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY							
FOR THE YEAR ENDED DECEMBER 31, 2019							
Baht							
Consolidated financial statements							
Equity attributable to shareholders of the parent							
	Note	Issued and paid-up	Premium on			Non-controlling	
		share capital	ordinary shares	Deficit	Total	interests	Total
Balance as at January 1, 2018		300,000,000	496,574,614	(78,905,120)	717,669,494	36,220,636	753,890,130
Increase in ordinary shares	25	35,763,639	48,656,445	-	84,420,084	-	84,420,084
Total comprehensive income (loss)		-	-	(39,268,245)	(39,268,245)	289,625	(38,978,620)
Balance as at December 31, 2018		335,763,639	545,231,059	(118,173,365)	762,821,333	36,510,261	799,331,594
Increase in ordinary shares	25	267	1,066	-	1,333	-	1,333
Subsidiary paid dividends	26	-	-	-	-	(3,361,400)	(3,361,400)
Total comprehensive income (loss)		-	-	(56,175,060)	(56,175,060)	2,145,595	(54,029,465)
Balance as at December 31, 2019		335,763,906	545,232,125	(174,348,425)	706,647,606	35,294,456	741,942,062

ADVANCED CONNECTION CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES					
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY					
FOR THE YEAR ENDED DECEMBER 31, 2019					
					<i>Baht</i>
		Separate financial statements			
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings (deficit)	Total
Balance as at January 1, 2018		300,000,000	496,574,614	(115,185,174)	681,389,440
Increase in ordinary shares	25	35,763,639	48,656,445	-	84,420,084
Total comprehensive income		-	-	28,257,804	28,257,804
Balance as at December 31, 2018		335,763,639	545,231,059	(86,927,370)	794,067,328
Increase in ordinary shares	25	267	1,066	-	1,333
Total comprehensive loss		-	-	(65,305,163)	(65,305,163)
Balance as at December 31, 2019		335,763,906	545,232,125	(152,232,533)	728,763,498

ADVANCED CONNECTION CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES					
STATEMENTS OF CASH FLOWS					
FOR THE YEAR ENDED DECEMBER 31, 2019					
				Baht	
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Cash flows from operating activities					
Profit (loss) before income tax		(47,233,283)	(32,858,039)	(61,336,806)	31,685,633
Adjustments to reconcile profit (loss) before income tax to cash					
generated (paid) from operating activities					
Depreciation and amortization		63,899,633	72,063,681	2,733,269	4,003,033
Doubtful accounts (reversal)		(12,852,140)	14,157,000	71,421,707	14,000,000
Gain from sale of assets		(9,646,311)	(174,841,035)	(10,392,066)	(174,670,044)
Unrealized gain from revaluation of investments		(151,602)	(1,160,767)	(89,718)	(415,013)
Loss on impairment of assets (reversal)		(2,721,546)	144,127,079	6,714,424	105,473,049
Loss from devaluation of inventories (reversal)		(6,638,969)	4,830,208	(5,271,969)	3,803,208
Loss from devaluation of land held for development		91,328,852	-	-	-
Dividend income		-	-	(5,064,093)	(33,187,100)
Interest income		(673,231)	(4,558,602)	(23,531,305)	(4,405,862)
Finance costs		27,321,565	37,558,133	20,496,491	27,742,434
Share of profit of associated companies		(5,770,874)	(1,394,790)	-	-
Cash flow before changes in operations assets and liabilities		96,862,094	57,922,868	(4,320,066)	(25,970,662)
Changes in operations assets and liabilities					
Trade and other receivables		(10,154,791)	12,263,467	2,785,322	2,884,422
Inventories		7,407,365	7,423,079	7,580,918	7,345,893
Cost of project development		13,276,946	7,587,517	-	-
Other current assets		(9,606,746)	5,561,129	(10,255,819)	15,245,150
Restricted bank deposits		9,491,030	32,046,116	9,500,000	-
Other non-current assets		(2,602,968)	59,047	(1,009,500)	542,277
Trade and other payables		699,036	(9,132,697)	537,504	(5,047,296)
Other current liabilities		(36,981,966)	57,276	(36,487,630)	(1,573,764)
Provisions for employee benefit		513,290	1,078,892	160,022	812,640
Employee benefit paid		(1,724,358)	-	(841,880)	-
Deposit		20,402	(3,613,250)	(30,000)	(3,643,000)
Cash generated (paid) from the operations		67,199,334	111,253,444	(32,381,129)	(9,404,340)
Income tax paid		(629,195)	(5,750,315)	(325,056)	(6,812,992)
Net cash provided by (used in) operating activities		66,570,139	105,503,129	(32,706,185)	(16,217,332)
Cash flows from investing activities					
Purchase of current investments		(142,100,000)	(470,137,000)	(110,000,000)	(335,000,000)
Sale of current investments		283,002,242	490,137,000	159,703,559	450,000,000
Increase in short-term loan to other party		(25,000,000)	-	-	-
Proceeds from short-term loan to other party		25,000,000	-	-	-
Increase in short-term loans to related parties		-	-	-	(214,087,683)
Proceeds from short-term loans to related parties		-	-	181,200,000	241,887,683
Investing in subsidiaries		-	-	(230,000,000)	(99,999,985)
Deposit received and sale of other long-term investment		37,000,000	45,000	37,000,000	45,000

ADVANCED CONNECTION CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES					
STATEMENTS OF CASH FLOWS					
FOR THE YEAR ENDED DECEMBER 31, 2019					
					Baht
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Cash flows from investing activities					
Sale of investment property		10,785,143	185,686,558	10,785,143	185,686,558
Purchase of building and equipment		(4,766,159)	(5,015,027)	(3,930,749)	(115,982)
Sale of building and equipment		793,006	41,957,618	845,106	41,952,528
Purchase of intangible assets		(48,860)	(420,800)	(30,900)	-
Dividend received		1,565,506	1,107,100	5,064,093	33,187,100
Interest received		722,114	4,558,602	17,222,323	4,717,096
Net cash provided by investing activities		186,952,992	247,919,051	67,858,575	308,272,315
Cash flows from financing activities					
Proceeds from short-term loan from related parties		-	1,000,000	94,000,000	-
Repayment for short-term loan from related parties		(1,000,000)	(70,000)	(9,000,000)	-
Proceeds from loans from financial institutions		-	228,000,000	-	-
Repayment for loans from financial institutions		(49,032,810)	(258,080,127)	-	-
Proceeds from debenture		-	240,231,953	-	240,231,953
Repayment for debenture		(100,000,120)	(600,000,000)	(100,000,120)	(600,000,000)
Repayment for liabilities under finance leases		(849,410)	(1,067,474)	(583,970)	(812,979)
Increase in ordinary shares		1,333	84,420,084	1,333	84,420,084
Dividend paid for non-controlling interests		(3,361,400)	-	-	-
Interest paid		(21,040,753)	(30,529,674)	(13,688,313)	(20,713,975)
Net cash used in financing activities		(175,283,160)	(336,095,238)	(29,271,070)	(296,874,917)
Net increase (decrease) in cash and cash equivalents		78,239,971	17,326,942	5,881,320	(4,819,934)
Cash and cash equivalents at the beginning of the year		45,775,791	28,448,849	9,868,790	14,688,724
Cash and cash equivalents at the end of the year		124,015,762	45,775,791	15,750,110	9,868,790

ADVANCED CONNECTION CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

1. GENERAL INFORMATION

Advanced Connection Corporation Public Company Limited (“the Company”) is incorporated in Thailand on February 24, 2020, the Company has changed its registered office from at 32 Srinakarin 40 Road, Nongbon, Prawet, Bangkok to the new registered office at 944 Mitrtown Office Tower Floor 16, Rama 4 Road, Wangmai Pathumwan, Bangkok.

The Company was listed on the Stock Exchange of Thailand on March 23, 1993.

The Company and its subsidiaries (“the Group”) has their principal activities in manufacturing and distributing ceiling fan, renting property, banquet and restaurant, property development, investment in alternative energy and financing.

These financial statements have been approved for issue by the Company’s Board of Directors on February 26, 2020.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), including the related interpretations and guidelines promulgated by the Federation of Accounting Professions (“TFAC”) and the financial reporting requirements of the Securities and Exchange Commission.

The financial statements are presented in Thai Baht, which is the Group’s functional currency. The preparation of these financial statements is in Thai and English language and issued for Thai reporting purposes.

The preparation of the financial statements in conformity with Thai Financial Reporting Standards (“TFRS”) requires management to make judgments estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

New TFRSs

a) Financial reporting standards that became effective in the current year

During the year, the Group have adopted the new and revised TFRSs which are effective for fiscal period beginning on or after January 1, 2019. These TFRSs were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision and clarification of interpretations and accounting guidance and disclosures in the financial statement to users of TFRSs. The adoption of these TFRSs does not have any significant impact on the Group's financial statements.

b) Financial reporting standard that will become effective in the future

The Federation of Accounting Professions issued of revised financial reporting standards and interpretations including accounting guidance, 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 revision and clarification of interpretations and accounting guidance and disclosures in the notes to the financial statements to users of TFRS, except a set of 5 financial reporting standards related to financial instruments and TFRS 16 Leases that have changed key principles of these standards are summarized below.

Thai Financial Reporting Standards related to financial instruments

The set of TFRSs related to financial instruments consists of five TAS, TFRS and TFRIC as follow:

- TAS 32 Financial Instruments: Presentation
- TFRS 7 Financial Instruments: Disclosures
- TFRS 9 Financial Instruments
- TFRIC 16 Hedges of a Net Investment in a Foreign Operation
- TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These 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 Group's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

These TFRSs replace the TAS, TSIC and accounting guidance ("AG") as follows:

- TAS 101 Bad and Doubtful Debts
- TAS 103 Disclosures in the Financial Statements of Bank and Similar Financial Institutions
- TAS 104 (revised 2016) Accounting for Troubled Debt Restructuring
- TAS 105 (revised 2016) Accounting for Investment in Debts and Equity securities
- TAS 106 Accounting for Investment Companies
- TAS 107 (revised 2016) Financial Instruments: Disclosure and Presentation
- TSIC for Asset Transferred by Debtors for Debt Settlement
- AG for derecognition of financial assets and financial liabilities
- AG for insurance business to designation of financial instruments at fair value through profit or loss

TFRS 16 Leases

TFRS 16 Leases establishes principles for the recognition, measurement, presentation and disclosure of leases, requiring lessees to recognise assets and liabilities for all leases which the lease term is over 12 months. There are substantially unchanged to lessor accounting from its predecessor, lessors continue to classify leases as operating or finance.

This TFRS replaces the TAS, TSIC and TFRIC as follows:

- TAS 17 (revised 2018) Leases
- TSIC 15 (revised 2018) Operating Leases-Incentives
- TSIC 27 (revised 2018) Evaluating the Substance of Transactions Involving the Legal Form of a Lease
- TFRIC 4 (revised 2018) Determining whether an Arrangement contains a Lease

At present, the management of the Group is evaluating the impact of this standard to the financial statements in the year when it is adopted.

BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements consisted of the financial statements of the Group and the Group's interest in associated companies as follows:

Company name	Located in	Business type	<i>Percentage</i>	
			Holding	
			December 31,	
			2019	2018
Direct subsidiaries				
C.E.I. (Chiangmai) Co., Ltd.	Thailand	Banquet and restaurant	100	100
ACC Infra Co., Ltd. (Formerly: ACC Electric Co., Ltd.)	Thailand	Invest in business of electricity production from solar power	100	100
ACC Landmark Co., Ltd.	Thailand	Property development	75	75
ACC Green Energy Co., Ltd.	Thailand	Property development	100	100
Bangpakong Solar Power Co., Ltd.	Thailand	Solar roof power plant	51	51
ACC Capital Co., Ltd.	Thailand	Financing and factoring	100	100
Indirect subsidiary				
Saraburi Solar Co., Ltd.	Thailand	Production and distribution of electricity from solar power	100	100
Associated companies				
W. Solar Co., Ltd.	Thailand	Solar roof power plant	49	49
105 Solar Power Co., Ltd.	Thailand	Solar roof power plant	44	-

On August 20, 2019, ACC Electric Co., Ltd. registered to change the company's name to be "ACC Infra Co., Ltd." with the Ministry of Commerce.

All significant intercompany transactions and accounts are eliminated in preparing the consolidated financial statements.

The preparations of the consolidated financial statements have been based on the same accounting policies for the same or similar accounting transactions or accounting events.

Subsidiaries are an entity controlled by the Company. The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that significantly affect the amount of its returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within shareholders' equity in the consolidated statement of financial position.

Associated companies

Associated companies are that entity in which the Group has significant influence, but not control, or joint control over the financial and operating policies. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income (loss) of associate on an equity method, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of loss exceeds its investment in associate, the investment is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of associate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The measurement bases used in preparing the financial statements

Other than those disclosed elsewhere in the summary of significant accounting policies and other notes to the financial statements, the financial statements are prepared on the historical cost basis.

Revenue

Revenue is measured at the fair value of the standalone selling price of each performance obligation in contracts.

Revenue from contracts with multiple elements are allocated by fair value of standalone selling price in each performance obligation. In case of contracts have both obligations to perform at point of time and overtime, difference from revenue recognition and performance obligations at the beginning of contracts is recognized as contract assets or contract liabilities and recognized over the contracts periods.

Revenue from sale of real estate

Revenue from sale of real estate is recognized at the point in time when control of residential condominium units is transferred to the customer, generally when the Group transfers the ownership (Freehold) to the customer.

Revenue is measured at the amount of the consideration received or receivable of residential condominium units after deducting discounts and consideration payable to a customer.

Sale of real estate contract, which includes provision for items without charge or the sales price includes the price of various premiums such as furniture and fixtures because the free of charge items are component parts of real estates, which are the main performance obligations under the contracts. In the event that the Group has not yet delivered any premiums to the customer, the Group has to adjust revenue from sale of real estate for premiums and record such value as deferred revenue from sale of real estate. The costs of provision for items without charge are recognized as part of cost of sale of real estate.

The Group makes payments such as registration fee for the transfer of real estates and common area fee to the juristic person of real estate projects on behalf of customers. If the Group receives distinct goods or services from the customer, the Group recognizes such payments as an expense when the distinct goods or services are consumed. But if not, such payments are recognized as a reduction of revenue.

Revenue from sale of goods

Revenue from sale of goods is recognized when control of the goods is transferred to customers, generally on delivery of goods.

Revenue from sales of electricity

Revenue from sales of electricity from solar power, including electricity tariff adders and fuel adjustment charges (Ft) and net of PEA operating charges, is recognized when the significant risks and rewards pass to the buyer and there are certainties that control has been transferred.

No revenue is recognized if there is control or continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due.

Revenue from sales are measured at the amount of consideration received or expect to be received for delivered goods after deduction of returns and discounts, excluding value added tax.

For sale with warranties to assure that the goods complies with agree-upon specifications, the Group recognized the warranty according to TAS 37 “Provisions, Contingent Liabilities and Contingent Assets” consistent with its previous accounting treatment.

Revenue from rendering of services

The Group recognized services revenue over the contract period. Such recognition is on a straight-line basis according to the proportion of the rendered services over the contract period.

Revenue from service of banquet and restaurant

Revenue from service of banquet is recognized when services are rendered.

Revenue of food and beverages is recognized as revenue when food and beverages are sold.

Rental income and its related services

Rental income and its related services from an investment property are recognized on a straight-line basis over the term of the lease. Contingent rentals are recognized as income in the accounting period in which they are occurred. The related service income is recognized over the term of the lease.

Advances received from customers

Advances received from customers is classified as current liabilities and recognized as revenue when the Company transferred control over the goods to the customers. For the advances that contain a significant financing component, they include the interest expense accreted on the contract liability under the effective interest method. The Company uses practical expedient which is not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Consideration payable to the customer

The Group recognized for consideration payable to the customer as a reduction of the revenue.

Interest income

Interest income is recognized as interest accrues, based on the effective rate method.

Other income

Other income is recognized on an accrual basis.

Dividends income

Dividend income is recognized as income when the Group have right to receive dividend.

Expenses

Operating leases

Payments made under operating leases are recognized in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognized in the statement of comprehensive income as an integral part of the total lease payments made. Contingent rentals are charged to the statement of comprehensive income in the accounting period in which they are incurred.

Finance costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest component of finance lease payments is recognized in the statement of comprehensive income using the effective interest rate method.

Expenses are recognized on an accrual basis.

Employee benefits

Short-term benefits

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

Post-employment benefits – defined contribution plan

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

Post-employment benefits - defined benefit plan

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

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

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

Termination benefits

The Group recognizes termination benefits as a liability and expense when the Group terminates the employment of an employee or group of employees before the normal retirement date.

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 Group applied 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 Group measured fair value using valuation techniques 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

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

At the end of each reporting period, the Group determined 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.

Cash and cash equivalents

Cash and cash equivalents are cash on hand, current deposits and savings deposits, cash at bank with an original maturity of 3 months and short-term investments with high liquidity excluded deposits at bank on obligation.

Trade and other receivables

Trade and other receivables are stated at their invoice value less allowance for doubtful accounts.

The Group records allowance for doubtful accounts that is provided for the estimated losses that may be incurred in collection of receivables.

In determining an allowance for doubtful accounts, the management needs to make judgment for estimated losses for each outstanding debtor. The allowances for doubtful accounts are determined through a combination of analysis of debt aging, collection experience, and taking into account change in the current economic conditions. However, the use of different estimates and assumptions could affect the amounts of allowances for receivable losses and adjustments to the allowances may therefore be required in the future.

Inventories

Restaurant and cultural center

Inventories are valued at the lower of cost calculated by the first-in, first-out method or net realizable value.

Manufacture and distribution of ceiling fan

Finished goods and work in process are valued at the lower of cost calculated by moving average or net realizable value. The costs of inventories comprise of the raw materials, direct labor, other direct costs and related production overheads, the latter being allocated on the basis of normal operating activities.

Raw materials are valued at the lower of cost calculated by moving average or net realizable value and are charged to production costs whenever consumed. The costs of raw materials comprise of the purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

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

The Group records allowance for devaluation of inventories for all deteriorated, damaged, obsolete and slow-moving inventories.

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Cost of project development

Cost of project development is stated at the lower of cost or net realizable value. Cost of project development is netted of cost of sales.

Project costs consist of the acquisition cost of land, construction costs, and borrowing for the project development.

The details of cost calculation

- | | |
|----------------|---|
| Land | - Purchase of land, cost incurred in bringing of land and development cost are recorded by using the average method allocated basing on an area or salable area for each project. |
| Construction | <p>- Construction cost consists of</p> <ol style="list-style-type: none"> 1) The design cost, cost of construction, public utility costs, and also direct costs relating to the project development. The cost is allocated basing on an area or salable area. 2) The costs of construction of houses are allocated basing on the actual cost for each incurred. |
| Borrowing cost | - Interest expense and fee on loans funding a property development capitalized before the completion of development, is allocated basing on actual cost of land and construction incurred. |

Net realisable value represents the estimated normal selling price less estimated costs to sell.

Direct selling expenses such as specific business tax and transfer fee are recognized when sale incurrees.

The Group recognizes loss on diminution in value of projects in profit or loss.

In determining the cost of sales of property development, the anticipated total development costs (taking into account actual costs incurred to date) are attributed based on the basis of the salable area.

Cost of property development sold estimates these costs based on their business experience and revisit the estimations on a periodical basis.

Investments

Current investments are the investment in the marketable securities which are stated at fair value as at the end of reporting period. Any changes in value are recognized in the statement of comprehensive income.

The fair value of investment units is determined from their net asset values.

Gains and losses on disposals of investments are recorded upon disposals. The cost of securities on deposit is average cost method.

Investments in subsidiaries and associated companies in the separate financial statements are accounted for using the cost method less allowance for impairment loss (if any).

Investment in associated companies in the consolidated financial statements is accounted for using the equity method.

Other long-term investment is accounted for using the cost method less allowance for impairment (if any).

Land held for development

Land held for development is land that will be developed in the future stated at cost less allowance for impairment loss. The cost of land held for development comprises purchase of land, the cost incurred in bringing such land and other related costs.

Loss from impairment of assets is shown in the statement of comprehensive income.

Investment property

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment properties. The cost of self-constructed investment properties includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment properties to a working condition for its intended use and capitalised borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

	<i>Years</i>
Land improvements	10
Buildings	5- 40
Utility systems	10
Condominium	20

Depreciation is included in determining income and no depreciation is provided on land and construction in progress.

Subsequent costs

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

Reclassification to property, plant and equipment

When the use of an investment properties changes such that it is reclassified as property, plant and equipment, its carrying amount at the date of reclassification becomes its cost for subsequent accounting.

Finance lease

The Group recognised finance leases as assets and liabilities in the consolidated statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Lease payments are apportioned between the finance charge and the reduction of the outstanding liabilities. The finance charge is allocated to the periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment

Owned assets

Land is stated at cost and, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

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

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value or the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and accumulated 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 profit or loss.

Reclassification to investment properties

When the use of a property changes from owner-occupied to investment properties, its carrying amount is recognized and reclassified as investment properties.

Subsequent costs

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

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

	<i>Years</i>
Buildings	5 – 40
Utility systems	10
Machinery and factory equipment	5 – 10
Office equipment	3 – 5
Vehicles	5

Depreciation for the finance lease assets is charged as expense for each accounting period. The depreciation method for leased assets is consistent with that for depreciable assets that are owned.

No depreciation is provided on freehold land or assets under construction.

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

The residual value of an asset is the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The residual value and the useful life of an asset should be reviewed at least at each financial year-end and, if expectations differ from previous estimates, any change is accounted for prospectively as a change in estimate.

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The financial statements. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Impairment

The carrying amounts of the Group's assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

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

When a decline in the fair value of an available-for-sale financial asset has been recognized directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognized directly in equity is recognized in profit or loss even though the financial asset has not been derecognized. The amount of the cumulative loss that is recognized in profit or loss is the difference between the current fair value and acquisition cost, less any impairment loss on that financial asset previously recognized in profit or loss.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Reversals of impairment

An impairment loss in respect of financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized in profit or loss.

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

Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currencies using the exchange rate at the date of transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of reporting period date are translated into the functional currency using the exchange rate at the end of reporting period date. Forward exchange contracts at the transaction date are converted to Thai Baht by using the contract rates.

Outstanding forward exchange contracts are marked to market by comparing contract rates to forward rates established by the contracting Bank with the same maturity. At end of reporting period, the unrealized gains or losses on outstanding forward exchange contracts, calculated as described above, are included within other receivables or other payables from forward exchange contracts in the statement of financial position.

Gain or loss on conversion is included in the statement of comprehensive income.

Dividends

Dividend and interim dividend payment are recorded in the financial statements in the period in which they are approved by Shareholders' meeting and Board of Directors' meeting.

Provisions

A provision is recognized in the statement of financial position 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. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of

money and, where appropriate, the risks specific to the liability. Significant judgments and estimates are as follows:

Commercial disputes and litigation

The Group has contingent liabilities as a result of commercial disputes and litigation. The management has used judgment to assess of the results of the commercial disputes and litigation and believes that no loss will result. Therefore, no provision is recorded as at the statement of financial position date. However, actual results could differ from the estimates.

Income tax

Income tax expense for the years comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in shareholders' equity or in other comprehensive income.

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

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is 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 end of reporting period date.

Determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change their 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 assets and liabilities, 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 realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of reporting period date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Share premium

According to the Section 51 of the Public Limited Companies Act B.E. 2535 requires companies to set aside share subscriptions 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.

Basic earnings (loss) per share

Basic earnings (loss) per share for the years ended December 31, 2019 and 2018 is calculated by dividing profit (loss) for the years attributable to equity holders of the Company by the weighted average number of ordinary shares issued during the year.

For the years ended December 31, 2019 and 2018 were as follow:

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Profit (loss) for the years	(56,864,501)	(39,268,245)	(65,676,105)	28,257,804
Weighted average number of ordinary shares				
(Share)				
Issued ordinary shares at the beginning of the year	1,343,054,557	1,200,000,000	1,343,054,557	1,200,000,000
Effect of shares issued	733	119,538,739	733	119,538,739
Weighted average number of ordinary shares	<u>1,343,055,290</u>	<u>1,319,538,739</u>	<u>1,343,055,290</u>	<u>1,319,538,739</u>
Basic earnings (loss) per share	<u>(0.0423)</u>	<u>(0.0298)</u>	<u>(0.0489)</u>	<u>0.0214</u>

Diluted earnings (loss) per share

Diluted earnings (loss) per shares is calculated by dividing the profit (loss) for the year attributable to equity holders of the Company by the sum of the weighted average number of ordinary shares outstanding during the year plus the weighted average number of shares to be issued for the exercise of all dilutive potential ordinary shares into ordinary shares, without any consideration. The calculation assumes that the holders will exercise dilutive potential ordinary share into ordinary shares when the exercise price is lower than fair value of ordinary shares. However, the average fair value of the Company's ordinary shares for the years ended December 31, 2019 and 2018, is lower than the exercise price. Therefore, the Company does not include the result of equivalent ordinary shares for calculating diluted earning (loss) per shares.

4. TRANSACTIONS WITH RELATED PARTIES

The Company had transactions with related parties. These parties were related through common shareholders and/or directorships or close members of the family of management. The significant transactions with related parties as included in the financial statements are determined at the prices in line occurring in the normal course of business based on the market price in general or the price as stipulated in the agreement if no market price exists.

The significant transactions occurred with those related parties for the years ended December 31, 2019 and 2018 were as follows:

	<i>Baht</i>			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Subsidiaries				
C.E.I. (Chiangmai) Co., Ltd.				
Interest income	-	-	11,214,966	2,114,285
Revenue from services	-	-	708,385	-
Loss on impairment of investment (reversal)	-	-	-	19,090,000
ACC Green Energy Co., Ltd.				
Interest income	-	-	5,546,466	-
Loss on impairment of investment	-	-	3,249,970	-
Doubtful accounts	-	-	85,196,706	-

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Subsidiaries				
ACC Infra Co., Ltd.				
Dividend income	-	-	-	32,080,000
Interest income	-	-	5,803,216	1,317,699
Loss on impairment of investment	-	-	-	81,869,970
ACC Landmark Co., Ltd.				
Interest income	-	-	777,534	749,178
ACC Capital Co., Ltd.				
Interest expense	-	-	799,377	-
Bangpakong Solar Power Co., Ltd.				
Dividend income	-	-	3,489,597	-
Revenue from services and others	-	-	251,590	220,525
Saraburi Solar Co., Ltd.				
Revenue from services	-	-	450,000	2,625,000
Associated companies				
W. Solar Co., Ltd.				
Share of profit of associated companies (see note 13)	1,188,713	1,394,790	-	-
Dividend income	-	-	1,144,086	1,107,100
Interest expense	-	1,703	-	-
Other service expense	10,000	-	-	-
105 Solar Power Co., Ltd.				
Share of profit of associated companies (see note 13)	4,582,161	-	-	-
Dividend income	-	-	421,410	-
Related companies				
Prime Mansion Co., Ltd.				
Interest expense	289,963	300,411	-	-
Wyncoast Industrial Park Public Co., Ltd.				
Revenue from sales of electricity	9,894,122	6,613,082	-	-
Cost of rental area	670,111	640,646	-	-
Other service expense	-	34,528	-	-
Doubtful accounts (reversal)	(14,000,000)	14,000,000	(14,000,000)	14,000,000
Dividend paid	419,997	-	-	-
Best House Chiangmai Co., Ltd.				
Construction expenses	-	2,828,634	-	-
Repair and maintenance	-	18,500	-	-

Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Related companies				
Ampluss International Co., Ltd.				
Rental and service expenses	355,900	854,160	-	-
Khum Phaya Resort & Spa Co., Ltd.				
Revenue from sales	618,059	829,551	-	-
Cost of services	93,084	79,813	-	-
UAUC Co., Ltd.				
Rental and service expenses	401,250	-	-	-
M.J. Accounting and Services Co., Ltd.				
Service expenses	80,000	120,000	80,000	120,000
Shareholders				
Consultant expense	375,000	-	375,000	-

Key management personnel compensation

Key management personnel compensation for the years ended December 31, 2019 and 2018 consisted of:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Short-term benefits	13,008,520	11,209,250	11,537,020	9,949,250
Post-employment benefits	375,761	727,748	341,182	727,748
Total	13,384,281	11,936,998	11,878,202	10,676,998

Directors' remuneration

Directors' remuneration represents benefits paid to the directors of the Group in accordance with Section 90 of the Public Company Limited Act, exclusive of salaries and related benefit payable to directors who hold executive positions.

Directors' remuneration of the Group for the years ended December 31, 2019 and 2018 in the consolidated financial statements were of Baht 4.90 million and Baht 3.63 million, respectively, and in the separate financial statements, were of Baht 2.85 million and Baht 3.44 million, respectively.

Agreement

The Company

The Company entered into a Board of Director consulting agreement with a shareholder for a period of 1 year starting from May 15, 2019 to May 15, 2020 at a monthly service of Baht 50,000.

Saraburi Solar Co., Ltd.

The subsidiary entered into a lease and service agreement for vehicles used as a company car with UAUC Co., Ltd. for a period of 1 year starting from May 16, 2019 to May 15, 2020 with a monthly rental and service of Baht 54,000.

Bangpakong Solar Power Co., Ltd.

The subsidiary entered into the electricity sale agreement with Wyncoast Industrial Park Public Company Limited for a period of 25 years starting from February 1, 2017 to January 31, 2042 at the selling price of Baht 6.50 per unit and agreed to renew the selling price at the rate of 1.50% of selling price per unit every 3 years.

The subsidiary entered into an area service agreement with Wyncoast Industrial Park Public Company Limited for a period of 26 years and 4 months starting from October 1, 2015 to January 31, 2042 at the rate of 10% of monthly revenue from sale of electricity (see note 34).

The significant balances of assets and liabilities with related parties as at December 31, 2019 and 2018 were as follows:

Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Associated companies				
Investment in associated companies (see note 13)	60,796,478	42,591,110	53,199,980	39,199,980
W. Solar Co., Ltd.				
Other Payable	10,700	-	-	-
Subsidiaries				
Investments in subsidiaries (see note 14)	-	-	537,869,955	311,119,925
Saraburi Solar Co., Ltd.				
Other receivable	-	-	16,050	160,500
Bangpakong Solar Power Co., Ltd.				
Other receivable	-	-	74,333	17,698
Directors				
Other payable	358,203	310,203	-	-
Advance receivable	51,295	10,664	50,770	10,664
Related companies				
Prime Mansion Co., Ltd.				
Other payable	-	19,675	-	-
Wyncoast Industrial Park Public Co., Ltd.				
Other receivable	576,540	14,000,000	-	14,000,000
Allowance for doubtful accounts	-	(14,000,000)	-	(14,000,000)
Other payable	57,654	353,541	-	-

Short-term loan and accrued interest income to related parties

Short-term loan and accrued interest income to related parties as at December 31, 2019 and 2018 consisted of:

	<i>Percent</i>		<i>Baht</i>	
	Interest rate		Separate financial statements	
	2019	2018	2019	2018
Subsidiaries				
Principal				
C.E.I. (Chiangmai) Co., Ltd.	Jan - Jun : 0.75 Jul - Dec : 7.50	0.75	267,000,000	280,000,000
ACC Infra Co., Ltd.	Jan - Jun : 0.75 Jul - Dec : 7.50	0.75	-	167,200,000
ACC Green Energy Co., Ltd.	Jan - Jun : - Jul - Dec : 7.50	-	146,700,000	146,700,000
ACC Landmark Co., Ltd.	7.50	7.50	9,750,000	10,750,000
Accrued interest income				
C.E.I. (Chiangmai) Co., Ltd.			1,705,274	178,356
ACC Infra Co., Ltd.			-	721,480
ACC Green Energy Co., Ltd.			5,546,466	-
ACC Landmark Co., Ltd.			91,181	94,672
Total			430,792,921	605,644,508
Less Allowance for doubtful accounts			(85,196,706)	-
Short-term loan and accrued interest income to related parties - net			345,596,215	605,644,508

Movements of allowance for doubtful accounts for the year ended December 31, 2019 were as follows:

	<i>Baht</i>
	Separate financial statements
Beginning balance	-
Add Doubtful accounts	85,196,706
Ending balance	85,196,706

Movements of short-term loan to related parties for the years ended December 31, 2019 and 2018 were as follows:

	<i>Baht</i>	
	Separate financial statements	
	2019	2018
Beginning balance	604,650,000	632,450,000
Increase	-	214,087,683
Decrease	(181,200,000)	(241,887,683)
Ending balance	423,450,000	604,650,000

The Company had loan to related parties, by entering into loan agreement or issuing promissory notes, due at call and unsecured.

Short-term loan and accrued interest expense from related parties

Short-term loan and accrued interest expense from related parties as at December 31, 2019 and 2018 consisted of:

	<i>Baht</i>	
	Consolidated financial statements	Separate financial statements
	2019	2018
Related company		
Prime Mansion Co., Ltd.	3,250,000	4,250,000
Subsidiary		
ACC Capital Co., Ltd.		
Principal	-	-
Accrued interest expense	-	-
Total	3,250,000	4,250,000

Movements of short-term loan from related parties for the years ended December 31, 2019 and 2018 were as follows:

	Consolidated financial statement		Separate financial statements	
	2019	2018	2019	2018
Beginning balance	4,250,000	3,320,000	-	-
Increase	-	1,000,000	94,000,000	-
Decrease	(1,000,000)	(70,000)	(9,000,000)	-
Ending balance	3,250,000	4,250,000	85,000,000	-

The Company had loan from ACC Capital Co., Ltd. by issuing promissory notes, due at call with the interest rate at 7.50% per annum and unsecured.

The subsidiary had loan from Prime Mansion Co., Ltd. by issuing promissory note, due at call with the interest rate at 7.50% per annum and unsecured.

Co-guarantee for liabilities with related parties

As at December 31, 2019, related parties had co-guaranteed liabilities as follows:

Subsidiary

ACC Infra Co., Ltd. and shareholders of Saraburi Solar Co., Ltd had pledged investment in the ordinary shares of the Saraburi Solar Co., Ltd. as collateral against for loan from financial institution of the Saraburi Solar Co., Ltd. In addition, ACC Infra Co., Ltd. had co-guaranteed for such loans without compensation (see note 22).

C.E.I. (Chiangmai) Co., Ltd. mortgaged its land with constructions as collateral against for debentures of the Company without compensation (see note 23).

Nature of relationship

Company name	Country	Relation	Type of relation
C.E.I. (Chiangmai) Co., Ltd.	Thailand	Subsidiary	Direct holding
ACC Infra Co., Ltd.	Thailand	Subsidiary	Direct holding
ACC Landmark Co., Ltd.	Thailand	Subsidiary	Direct holding
ACC Green Energy Co., Ltd.	Thailand	Subsidiary	Direct holding
Bangpakong Solar Power Co., Ltd.	Thailand	Subsidiary	Direct holding
ACC Capital Co., Ltd.	Thailand	Subsidiary	Direct holding
Saraburi Solar Co., Ltd.	Thailand	Indirect subsidiary	Indirect holding
W. Solar Co., Ltd.	Thailand	Associated company	Direct holding
105 Solar Power Co., Ltd.	Thailand	Associated company	Direct holding
Prime Mansion Co., Ltd.	Thailand	Related company	The director of the Company is the immediate family of the shareholder and the management of Prime Mansion Co., Ltd.
Wyncoast Industrial Park Public Co., Ltd.	Thailand	Related company	Shareholders of Bangpakong Solar Power Co., Ltd. W. Solar Co., Ltd. and 105 Solar Power Co., Ltd.
Best House Chiangmai Co., Ltd.	Thailand	Related company	Shareholders and/ or director of the related parties is the ex-immediate family of the Company's director. The Company's director resigned since May 24, 2019.
Ampluss International Co., Ltd.	Thailand	Related company	Shareholders and/ or director of the related parties is the ex-immediate family of the Company's director. The Company's director resigned since May 24, 2019.
Khum Phaya Resort & Spa Co., Ltd.	Thailand	Related company	Shareholders and/ or director of the related parties is the ex-immediate family of the Company's director. The Company's director resigned since May 24, 2019.
UAUC Co., Ltd.	Thailand	Related company	The executive director of the Company and director of subsidiary is director of the related parties
M.J. Accounting and Services Co., Ltd.	Thailand	Related company	Director of the related parties is the immediate family of the Company's director.

Bases of measurement for intercompany revenues and expenses

	Pricing policies
Revenue from sales of electricity	Stipulate in the agreement
Revenue from sales	Market price
Revenue from services	Stipulate in the agreement
Cost of service	Stipulate in the agreement
Rental and service expenses	Stipulate in the agreement
Building construction expenses	Stipulate in the agreement
Interest income - expenses	The commercial bank's interest rate

Additional information

Purchase of land held for development

The Board of Directors' Meeting on August 14, 2015 passed a resolution to approve a feasibility study in the investment in land development and approve the deposit for guaranteeing such feasibility in the amount of Baht 150 million.

On August 17, 2015, the Company entered into a memorandum of understanding of feasibility study in the investment in land development with Thai Lanna Food and Cultural Center Co., Ltd. ("Thai Lanna"). The Company pledged the deposit as guarantee in the amount of Baht 150 million, in the case that the study were not satisfy, the Company had right to terminate such memorandum and refund all deposit without any obligation.

The Board of Directors' Meeting held on April 12, 2016 passed a resolution to approve a change in the investment pattern for downsizing their investment.

On April 20, 2016, ACC Landmark Co., Ltd. entered into the purchase agreement on an empty land with Thai Lanna in the agreement valued of Baht 180 million. Later, there was a change in the agreement value to Baht 140 million.

The Board of Directors' Meeting held on August 15, 2016 passed a resolution to approve the termination on purchase of land in according to the termination letter of Thai Lanna. Thai Lanna shall refunded including compensation from such termination in the amount of Baht 18 million.

On October 14, 2016, Thai Lanna had written notified the Company to transfer the ownership on land in according to the purchase agreement dated April 20, 2016.

The Board of Directors' Meeting held on October 18, 2016 passed a resolution to approve to process the memorandum or an agreement notifying Thai Lanna brought land to repay the compensation on the termination.

ACC Landmark Co., Ltd. transferred the right according to the mentioned purchase agreement to ACC Green Energy Co., Ltd.

On November 11, 2016, Thai Lanna had already transferred such ownership on land to ACC Green Energy Co., Ltd.

The Board of Directors' Meeting held on November 14, 2016 acknowledged and confirmed the debt settlement.

During that period of signing in the memorandum of understanding of feasibility study, an independent director of the Company was a member of family with the director and/or shareholder of Thai Lanna. Later at the period of entering the agreement and transfer the ownership on land, such person was not the director and/or shareholder of Thai Lanna.

Land held for development was appraised with the appraisal value of Baht 228.80 million by Tobtavee Appraisal and Services Co., Ltd., an independent appraiser engaged by the Company, as per their appraisal report dated February 3, 2015.

Land held for development was appraised with the appraisal value of Baht 237.60 million by Tobtavee Appraisal and Services Co., Ltd., an independent appraiser engaged by the Company, as per their appraisal report dated November 27, 2018.

5. CASH AND CASH EQUIVALENTS

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

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash	611,604	318,518	26,760	64,540
Cash at banks	123,404,158	45,457,273	15,723,350	9,804,250
Total	124,015,762	45,775,791	15,750,110	9,868,790

6. CURRENT INVESTMENTS

Current investments as at December 31, 2019 and 2018 consisted of:

						<i>Baht</i>
Consolidated financial statements						
2019			2018			
Cost	Fair value	Unrealized gain	Cost	Fair value	Unrealized gain	
Investment						
Fixed income fund	8,169,754	8,321,356	151,602	149,072,005	150,232,762	1,160,757

						<i>Baht</i>
Separate financial statements						
2019			2018			
Cost	Fair value	Unrealized gain	Cost	Fair value	Unrealized gain	
Investment						
Fixed income fund	4,202,033	4,291,751	89,718	53,905,590	54,320,603	415,013

Movements of current investments for the years ended December 31, 2019 and 2018 were as follows:

				<i>Baht</i>
		Consolidated financial statements	Separate financial statements	
		2019	2018	
As at the beginning of the year		150,232,762	168,096,119	54,320,603
Purchases		142,100,000	470,137,000	110,000,000
Disposal		(283,002,242)	(488,440,584)	(159,703,559)
Changes in fair value of current investments		(1,009,164)	440,227	(325,293)
As at the end of the year		8,321,356	150,232,762	4,291,751

7. TRADE AND OTHER RECEIVABLES

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

	<i>Baht</i>	
	Consolidated financial statements	Separate financial statements
	2019	2018
Trade receivables	25,028,398	24,422,473
Less Allowance for doubtful accounts	(2,354,789)	(1,514,790)
Net	22,673,609	22,907,683
Other receivables		
Other receivables	694,912	14,239,516
Advance receivable under		
Joint Investment Agreement	9,044,586	-
Less Allowance for doubtful accounts	(141,071)	(14,058,210)
Net	9,598,427	181,306
Trade and other receivables - net	32,272,036	23,088,989

As at December 31, 2019 and 2018, the Group had outstanding balances of trade receivables aged by number of months as follows:

	<i>Baht</i>	
	Consolidated financial statements	Separate financial statements
	2019	2018
Current	20,305,156	20,409,442
Overdue		
Not over 3 months	2,688,272	3,522,072
Over 3 months up to 6 months	184,730	111,170
Over 6 months up to 12 months	1,724,728	359,589
Over 12 months	125,512	20,200
Total	25,028,398	24,422,473

As at December 31, 2019, the Group had a minimum amount to be received in the future under operating leases, as follows:

	<i>Baht</i>
Year	Consolidated and separate financial statements
1	144,000

Movements of allowance for doubtful accounts for years ended December 31, 2019 and 2018 were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Beginning balance	15,573,000	33,874,443	14,000,000	32,458,443
Add(Less) Doubtful accounts(reversal)	(13,077,140)	14,157,000	(14,000,000)	14,000,000
Less Bad debt	-	(32,458,443)	-	(32,458,443)
Ending balance	2,495,860	15,573,000	-	14,000,000

Baht

Saraburi Solar Co., Ltd. (“Subsidiary”)

On November 21, 2019, the subsidiary entered into the Joint Investment Agreement with Wealth Power Solution Co., Ltd. (“Wealth Power”) to install the solar power generation system for a company. The significant terms of Joint Investment agreement are as follows:

1. Operation Responsibility

1.1 Wealth Power

- design and install roof-top solar power plant system according to scope of works and details of the estimation;
- survey, feasibility study, design the electrical and installation systems, including the engineering certifications, prepare supporting documents for agreement proposal until completion and also provide to support any expenses in relation to tools, other construction equipment and others regarding to project management;
- provide related equipment including installation workforce until completion;
- perform maintenance of solar power generation systems for guarantee period of 2 years as specified in the agreement

1.2 Subsidiary

- co-operate for project management planning;
- provide equipment, operation expenses related to installation for equipment used in the project provided by Wealth Power;
- coordinate, follow-up, and debt collect as per work period

2. Benefit sharing are basing on gross profit in the amount of Baht 43,000 per site at the proportion of 70% for Wealth Power and 30% for subsidiary.

3. Subsidiary pledge the deposit in the amount of Baht 2 million for guaranteeing the Joint Investment Agreement. Wealth Power will refund guarantee to the subsidiary without interest after the last date of work project delivered or within 15 days from the termination date.

4. The Joint Investment Agreement has a work period of 3 years.

As at December 31, 2019, the subsidiary and Wealth Power are in the process of installation of 46 electricity generating systems valued of Baht 6.30 million.

8. SHORT-TERM LOAN AND ACCRUED INTEREST INCOME TO OTHER PARTY

Short-term loan and accrued interest income to other party as at December 31, 2019 and 2018 consisted of:

	<i>Baht</i>	
	Consolidated and separate financial statements	
	2019	2018
Principal	76,680,908	76,680,908
Accrued interest income	9,150,754	9,150,754
Total	85,831,662	85,831,662
Less Allowance for doubtful accounts	(85,831,662)	(85,831,662)
Long-term loans and accrued interest income to other party - net	-	-

The Company

In year 2009, the Company entered into a loan agreement with Tanyarungroengchai Rice Mill (Thailand) Co., Ltd. (“TRC”) in the amount of Baht 70 million. Later, in year 2010 The Company and TRC agreed to transfer accrued interest amounted of Baht 6.68 million to be a part of principal. However, TRC has defaulted on debt payments and negotiating to extend several times.

The long-term loan was guaranteed by ordinary shares of TRC of one shareholder in amount of 800,000 shares, at the par value of Baht 100 each and one of TRC’s management was joint guarantor.

The Company’s management assigned the lawyer filing to apply for payment in case that TRC submitted the Clarification of the Rehabilitation Petition to the Bankruptcy Court. However, the Company had already recorded the allowance for doubtful account of such loan in the whole amount.

In year 2018, the Central Bankruptcy Court had ordered to approve the rehabilitation plan of TRC determining the Company receive debt repayment at the rate of 58.73% of acceptable principal, totaling of Baht 98.37 million, within the 15-year rehabilitation plan as follows:

- For the 1st - 15th year, the acceptable amount according to the rehabilitation plan was totaling of Baht 5.27 million.
- The final payment was Baht 93.10 million.

ACC Capital Co., Ltd.

The Board of Directors' Meeting of ACC Capital Co., Ltd. held on June 27, 2019 passed a resolution to approve loan and the Executive Board of Directors' Meeting of Advanced Connection Corporation Public Company Limited held on June 27, 2019 passed a resolution to acknowledge that on June 28, 2019 ACC Capital Company Limited "the Lender" entered into loan agreement with a director of related company "the Borrower" in the amount of Baht 25 million. The borrower intended to use such loan in his business which has significant terms and details as follows:

1. The Borrower agrees that the Lender will pay by cheque divided into 2 cheques;
 - 1) Ordered to other company in the amount of Baht 20 million;
 - 2) Ordered to related company in the amount of Baht 5 million.
2. Interest rate at 15% per annum;
3. Repayment period within September 30, 2019;
4. The Borrower pledges the ordinary shares of related company in the amount of 44,900,000 shares approximately of Baht 50.74 million, calculating from the average closing price 15-day prior to June 27, 2019 and approximately of Baht 47.15 million calculating from the closing price as at June 30, 2019. Those securities are of the guarantor and registered as collateral for loan at the proportion of 2:1.

On July 26, 2019, the Borrower had already repaid in the whole amount.

This loan transaction may be considered a connected transaction since two of executive directors are the directors and management of listed company that may be related company.

Chief Executive Officer did not participate in the loan approval and the loan including returns compared to net assets of the consolidated financial statements as at March 31, 2019 were less than 3 percent of net assets.

Related company	Type of relation
Listed company on the Stock Exchange	<ol style="list-style-type: none"> 1) Chief Executive Officer of Advanced Connection Corporation Public Co., Ltd. and director of ACC Capital Co., Ltd. and other subsidiaries are director and Chairman of the Audit Committee of related company. 2) Common directors

Movements of short-term loan other person for year ended December 31, 2019 were as follows

	<i>Baht</i>
	Consolidated financial statements
Beginning balance	-
Increase	25,000,000
Decrease	(25,000,000)
Ending balance	-

9. INVENTORIES

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

	<i>Baht</i>			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Restaurant and cultural center				
Food and beverage	603,919	374,743	-	-
Supplies	180,453	236,075	-	-
Total	784,372	610,818	-	-
Manufacture and distribution of ceiling fan				
Finished goods	43,621,892	47,958,898	43,621,892	47,958,898
Work in process	1,267,506	4,388,000	1,267,506	4,388,000
Raw materials	1,220,788	1,344,206	1,220,788	1,344,206
Total	46,110,186	53,691,104	46,110,186	53,691,104
Grand total	46,894,558	54,301,922	46,110,186	53,691,104
Less Allowance for devaluation of inventories	(44,817,373)	(50,089,342)	(44,799,063)	(50,071,032)
Inventories - net	2,077,185	4,212,580	1,311,123	3,620,072

Movements of allowance for devaluation of inventories for the years ended December 31, 2019 and 2018 were as follows:

	<i>Baht</i>			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Beginning balance	50,089,342	46,286,134	50,071,032	46,267,824
Add(less) Loss from devaluation of				
inventories (reversal)	(5,271,969)	3,803,208	(5,271,969)	3,803,208
Ending balance	44,817,373	50,089,342	44,799,063	50,071,032

10. COST OF PROPERTY DEVELOPMENT

Cost of property development as at December 31, 2019 and 2018 consisted of:

	<i>Baht</i>	
	Consolidated financial statements	
	2019	2018
Property development ready for sale		
Land and houses	53,099,890	66,376,837
Less Allowance for devaluation of inventories	-	(1,367,000)
Cost of property development - net	53,099,890	65,009,837

Movement of significant cost of property development for the years ended December 31, 2019 and 2018 were summarized as follows:

	<i>Baht</i>	
	Consolidated financial statements	
	2019	2018
Cost of sales	(13,276,946)	(7,587,517)
Reversal of (loss) from devaluation of inventories	1,367,000	(1,027,000)

During the year 2019, the subsidiary entered into the sale agreement of land and house with a company in the agreement valued of Baht 68.50 million. The Company partially received for land and houses in the amount of Baht 2.05 million (see note 21).

11. OTHER CURRENT ASSETS

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

	<i>Baht</i>			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Prepaid prosecution fee	10,309,278	-	10,309,278	-
Prepaid expenses	1,432,893	2,424,283	731,203	711,967
Other supplies	950,831	303,073	-	-
Vat added tax pending for credit	3,912,749	4,220,669	3,470,170	3,537,866
Others	450,278	501,258	-	-
Total	17,056,029	7,449,283	14,510,651	4,249,833

On December 20, 2019, the Company entered into the agreement of conduct a case with a law firm to provide lawyers to prosecute 1) director and the former director of the Company who approved the transactions incurred during the year 2013 to 2018 which were specially audited 2) third parties.

The Company agreed to pay the prosecution and case conducting expenses as follow:

- 1) the prosecution expense of Baht 15 million is a lump sum payment and nondeductible for any tax determined for 3 installment as follow:
 - 1st installment: Baht 10 million will be paid within December 23, 2019
 - 2nd installment: Baht 2.50 million will be paid on the date of filing a lawsuit
 - 3rd installment: Baht 2.50 million will be paid on the date that the court issue an order
- 2) the case conducting expenses at the rate of 10% of the amounts that the Company would receive from the defendants.

As at December 31, 2019, the Company had already paid the 1st installment for the prosecution expense in the amount of Baht 10.31 million which recorded in the prepaid expense account.

On January 23, 2020, the Company filed to the court and the court accepted a case. The Company had already paid the 2nd installment for the prosecution expense in the amount of Baht 2.58 million, on January 31, 2020.

12. RESTRICTED BANK DEPOSITS

Restricted bank deposits as at December 31, 2019 and 2018 consisted of:

	<i>Baht</i>				
	Consolidated financial statements		Separate financial statements		Guarantee/ Commitment
Cash at bank	2019	2018	2019	2018	
Fixed account	6,013,462	15,504,492	-	9,500,000	Collateral for loan from financial institution (see note 22)

13. INVESTMENT IN ASSOCIATED COMPANIES

Investment in associated companies as at December 31, 2019 and 2018 consisted of:

Associated companies	Business type	<i>Percent</i>		<i>Baht</i>					
		Percentage of investment	Paid-up share capital	Equity method		Cost method		Dividend	
				2019	2018	2019	2018	2019	2018
W. Solar Co., Ltd.	Solar roof power plant	49.00	80,000,000	42,635,737	42,591,110	39,199,980	39,199,980	1,144,086	1,107,100
105 Solar Power Co., Ltd.	Solar roof power plant	44.36	39,000,000	18,160,741	-	14,000,000	-	421,410	-
Total				60,796,478	42,591,110	53,199,980	39,199,980	1,565,496	1,107,100

Summary financial information about material associate for the years ended December 31, 2019 and 2018 were as follows

										<i>Baht</i>
	Current	Non-current	Current	Non-current				Share of		Carrying amounts
Year	assets	assets	liabilities	liabilities	Net assets	Revenues	Profit	net assets	Goodwill	of associate based
										on equity method
W. Solar Co.,Ltd.										
2019	9,885,333	72,045,574	1,093,801	11,475	80,825,631	13,292,383	2,425,944	39,541,847	3,093,890	42,635,737
2018	8,597,131	73,003,378	990,506	3,432	80,606,571	10,414,689	2,846,510	39,497,220	3,093,890	42,591,110
105 Solar Power Co.,Ltd.										
2019	6,664,943	34,727,164	452,655	-	40,939,452	2,640,323	1,427,411	18,160,741	-	18,160,741

105 Solar Power Co., Ltd.

On December 23, 2015, the Company entered into a memorandum of understanding with Wyncoast Industrial Park Public Company Limited ("Wyncoast") to purchase the ordinary shares of 105 Solar Power Co., Ltd. ("105 Solar"), which operate the solar roof power plant in the amount of Baht 19.89 million, represent 51 percent shareholding.

The Company paid for the ordinary shares purchased in the amount of Baht 14 million and the Company will pay for the remaining amount of Baht 5.89 million, when commercial operation date of 105 Solar (COD) will be started. Wyncoast will transfer the share ownership within 14 days from the received date of full payment.

On August 24, 2017, the Company cancelled to invest in 105 Solar due to the project delayed. The Company informed Wyncoast the intention canceling the investment in 105 Solar and asked Wyncoast paying back the share subscription in 105 Solar. The Company reclassified the account "Advance payment for investment" to "other receivables".

During the year 2018, the Company have not yet received from Wyncoast, therefore, the Company considered to provide the allowance for doubtful account in full amount (see note 7).

On August 9, 2019, the Company entered into the memorandum of withdrawal the lawsuit against Wyncoast which Wyncoast agree to transfer ordinary share of 105 Solar in the amount of 1.73 million shares at par value of Baht 10 to the Company for the repayment of principal with interest. Consequently, the Company have 44.36 percent shareholding of paid-up share capital in 105 Solar Power Co., Ltd.

The Company have classified other receivable to investment in associated company in the amount of Baht 14 million. The full amount of allowance for doubtful account were reversed (see note 7).

14. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at December 31, 2019 and 2018 consisted of:

Subsidiaries	<i>Percent</i>		<i>Baht</i>								
	Percentage of investments	Paid-up share capital		Cost		Allowance for impairment		Net book value		Dividend	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
C.E.I. (Chiangmai) Co., Ltd.	100	200,000,000	200,000,000	199,999,970	199,999,970	(72,749,970)	(72,749,970)	127,250,000	127,250,000	-	-
ACC Infra Co., Ltd.	100	330,000,000	100,000,000	329,999,970	99,999,970	(81,869,970)	(81,869,970)	248,130,000	18,130,000	-	32,080,000
ACC Landmark Co., Ltd.	75	50,000,000	50,000,000	37,499,990	37,499,990	-	-	37,499,990	37,499,990	-	-
ACC Green Energy Co., Ltd.	100	3,250,000	3,250,000	3,249,970	3,249,970	(3,249,970)	-	-	3,249,970	-	-
Bangpakong Solar Power Co., Ltd.	51	49,000,000	49,000,000	24,989,980	24,989,980	-	-	24,989,980	24,989,980	3,498,597	-
ACC Capital Co., Ltd.	100	100,000,000	100,000,000	99,999,985	99,999,985	-	-	99,999,985	99,999,985	-	-
Total				695,739,865	465,739,865	(157,869,910)	(154,619,940)	537,869,955	311,119,925	3,498,597	32,080,000

Movements of allowance for impairment of investments in subsidiaries for the years ended December 31, 2019 and 2018 was as follows:

	<i>Baht</i>	
	Separate financial statements	
	2019	2018
Beginning balance	154,619,940	53,659,970
Add Loss on impairment of investments	3,249,970	100,959,970
Ending balance	157,869,910	154,619,940

ACC Green Energy Co., Ltd.

On February 27, 2019, the Company entered into the purchase and sale agreement on ordinary shares of ACC Green Energy Co., Ltd. (“ACC Green Energy”) who possess land held for development (see note 15) with other party (“the Buyer”) in the amount of 1,000,000 shares, equivalent to 100% shareholding, and the agreement value of Baht 185 million, which divided into 2 parts as follow:

- 1) Purchase price of shares in the amount of Baht 38.30 million;
- 2) The liabilities which ACC Green Energy obliged to the Company in the amount of Baht 146.70 million.

The Buyer agrees to pay a deposit in the amount of Baht 37 million, which has a payment term as follow:

- 1) The Buyer pay a deposit of Baht 10 million at the date of purchase and sale agreement;
- 2) The Buyer agrees to pay a deposit of Baht 27 million within 30 days since the date of purchase and sale agreement.

The Buyer agrees to pay the remaining of Baht 148 million within 120 days since the date of purchase and sale agreement including transfer the ownership of shares purchased and sale.

The parties agree that the duty of the Company in transferring the ownership of shares purchased and sale depends on the completion of all condition as follow:

- 1) The Company has already complied with the requirements by the rights and duties of the debenture issuer and the debenture holders.

- 2) The Board of Directors' Meeting pass a resolution to approve the Company sell shares including land held for development to the Buyer.

On June 5, 2019, the Company made a letter to the Buyer to pay the remaining of Baht 148 million within June 27, 2019 and will receive the ownership in shares of ACC Green Energy. If the Buyer does not comply, the Company assumes that the Buyer break the agreement and the Company will use the right to forfeit the deposit.

On June 20, 2019, the Buyer had written to extend the period of such purchase and sale agreement on ordinary shares formerly due on June 26, 2019 to be due on December 26, 2019.

On June 24, 2019, the Company did not allow those extension period but approached the payment for the remaining, which in the case that the Buyer do not proceed, the Company will forfeit the deposit of Baht 37 million.

On June 26, 2019, the Company released the mortgage on land held for development of ACC Green Energy Company Limited which used as collateral for the debentures of the Company.

On July 25, 2019, the Company forfeited all deposit from the Buyer and recorded as other income in the statement of comprehensive income and loss for the third quarter 2019 (see note 28).

On October 30, 2019, the Buyer had written to confirm to purchase ordinary shares at the original price and conditions by requesting to extend the payment period for the remaining amount of Baht 148 million detailed as follow:

- 1) payment for shares of Baht 10 million within December 20, 2019;
- 2) payment for shares of Baht 10 million within March 10, 2020;
- 3) payment for the remaining of Baht 128 million including transfer the ownership of shares purchased in according to the agreement within May 31, 2020

On November 8, 2019, the Company had written to notified the Buyer in relation to the right to forfeit the deposit and approached the Buyer negotiated to revise condition and term on November 19, 2019, by this way, the Buyer has to provide the financial supporting evidences such as the bank statement for the 1-past year and evidence of source of fund for this payment.

On November 15, 2019, the Buyer notified that they purpose to purchase ordinary shares and negotiate to revise condition and term by requesting to postpone to the end of December 2019.

On November 29, 2019, the Company issued a letter to terminate the purchase and sale agreement on ordinary shares dated February 27, 2019 and forfeited the deposit. The buyer will not receive the rights to purchase shares of ACC Green Energy before other interested parties. In the case that, there are other interested parties propose to satisfy the Company, the company will determine selling shares by not waiting to negotiate conditions with the Buyer.

ACC Capital Co., Ltd.

The Board of Directors' Meeting held on March 27, 2018, passed the resolution to approve the establishment of a subsidiary "ACC Capital Company Limited" with the authorized share capital in the amount of Baht 200 million, divided into 20 million ordinary shares at the par value of Baht 10 each, which the Company holds 100% shareholding. The subsidiary has called for its share subscription of Baht 5 each, totaling of Baht 100 million.

The establishment of such subsidiary was registered with the Ministry of Commerce on April 9, 2018.

ACC Infra Co., Ltd.

During the year 2019, the Company invested in the new ordinary shares of ACC Infra Co., Ltd. in the amount of Baht 230 million (see note 25).

Details of investments in subsidiaries that have material non-controlling interests as at December 31, 2019 and 2018 were as follows:

Subsidiaries	<i>Percent</i>			<i>Baht</i>
	Proportion of equity interest held by non-controlling interests	Accumulated balance of non-controlling interests	Profit (loss) allocated to non-controlling interests during the year	Dividend paid to non-controlling interests during the year
ACC Landmark Co., Ltd.				
Year 2019	25	10,840,259	(950,855)	-
Year 2018	25	11,791,114	(1,315,400)	-
Bangpakong Solar Power Co., Ltd.				
Year 2019	49	24,454,197	3,096,450	3,361,400
Year 2018	49	24,719,147	1,605,025	-

Summary financial information of the subsidiaries that based on amounts before inter-company elimination of subsidiaries that have material non-controlling interests.

Summary information about financial position as at December 31, 2019 and 2018 were as follows:

	<i>Baht</i>			
	ACC Landmark Co., Ltd.		Bangpakong Solar Power Co., Ltd.	
	2019	2018	2019	2018
Current assets	58,971,781	68,476,006	8,578,720	7,358,159
Non-current assets	476,211	806,752	41,775,105	43,598,177
Current liabilities	16,012,498	21,515,501	447,301	509,096
Non-current liabilities	74,457	602,801	-	-

Summary information about comprehensive income for the years ended December 31, 2019 and 2018 were as follows:

	ACC Landmark Co., Ltd.		Bangpakong Solar Power Co., Ltd.	
	2019	2018	2019	2018
Revenues	15,058,002	12,135,719	9,924,241	6,624,671
Profit (loss) for the years	(3,803,420)	(5,261,602)	6,319,285	3,275,562
Other comprehensive income (loss)	-	-	-	-
Total comprehensive income (loss)	(3,803,420)	(5,261,602)	6,319,285	3,275,562
Summary of cash flows				
Cash flows from operating activities	7,728,101	6,914,218	7,076,504	5,059,176
Cash flow from investing activities	-	955	(68,500)	(18,211)
Cash flow from financing activities	(5,191,367)	(4,320,990)	(6,860,000)	(77,859)
Net increase in cash and cash equivalents	2,536,734	2,594,183	148,004	4,963,106

15. LAND HELD FOR DEVELOPMENT

Land held for development as at December 31, 2019 and 2018 consisted of:

	Consolidated financial statements	
	2019	2018
Cost	146,807,352	146,807,352
Less Allowance for devaluation of asset	(91,328,852)	-
Land held for development - net	55,478,500	146,807,352

Movements of allowance for devaluation of asset for the year ended December 31, 2019 was as follows:

	Consolidated financial statements
Beginning balance	-
Add Loss on devaluation of asset	91,328,852
Ending balance	91,328,852

ACC Green Energy Co., Ltd.

ACC Green Energy Co., Ltd. (“ACC Green Energy”), had their purpose is processing on land to be the allocated land and sell in the future. At the present, the Group has postponed such development on land due to the property in Phuket is slowing down.

On April 11, 2018, ACC Green Energy mortgaged such land as collateral for issuance of debentures of the Company with KTB Securities (Thailand) Co., Ltd. (as the bondholders' representative) (see note 23).

On February 27, 2019, the Company entered into the purchase and sale agreement on share of ACC Green Energy Co., Ltd. (see note 14) who process land held for development.

On June 26, 2019, the Company released the mortgage on land used as collateral for issuance of debentures of the Company (see note 23).

Appraisal report

The Executive Board of Directors’ Meeting of the Company held on July 18, 2019 passed a resolution to approve the subsidiary engage 15 Business Advisory Limited, an independent appraiser, to appraise land located at Koh Siray, Rassada, Muang, Phuket with its cost of Baht 146.81 million. The appraiser reported the market value of Baht 60.50 million based on market comparison in accordance with professional standards of the Valuers Association of Thailand as per their appraisal reports dated July 15, 2019, which the Executive Board of Directors received the appraisal report on August 9, 2019, and discussed with the appraiser regarding to the significant difference of appraisal value but the appraiser still insists on that appraisal value. The Executive Board of Directors of the Company considered basing on conservative approach and agreed that the subsidiary recognized an allowance for devaluation in land held for development and loss from devaluation in land held for development of Baht 91.33 million in the statement of comprehensive income for the year ended December 31, 2019.

16. INVESTMENT PROPERTY

Movements of investment property for the years ended December 31, 2019 and 2018 as follows:

	<i>Baht</i>			
	Consolidated and separate financial statements			
	Land and land improvement	Buildings and utility systems	Condominium	Total
Cost				
At January 1, 2018	20,585,289	90,751,552	22,047,830	133,384,671
Increase / transfer in	-	-	-	-
Disposals / transfer out	(20,585,289)	(90,742,752)	(2,290,410)	(113,618,451)
At December 31, 2018	-	8,800	19,757,420	19,766,220
Increase / transfer in	-	282,078	-	282,078
Disposals / transfer out	-	-	(13,299,803)	(13,299,803)
At December 31, 2019	-	290,878	6,457,617	6,748,495
Accumulated depreciation				
At January 1, 2018	-	64,686,636	20,834,307	85,520,943
Depreciation / transfer in	-	975,269	228,971	1,204,240
Disposals / transfer out	-	(65,657,086)	(1,847,650)	(67,504,736)
At December 31, 2018	-	4,819	19,215,628	19,220,447
Depreciation / transfer in	-	3,920	151,185	155,105
Disposals / transfer out	-	-	(13,299,797)	(13,299,797)
At December 31, 2019	-	8,739	6,067,016	6,075,755
Net book value				
At December 31, 2018	-	3,981	541,792	545,773
At December 31, 2019	-	282,139	390,601	672,740

As at December 31

The gross carrying amount fully depreciated
that is still in use.

	<i>Million Baht</i>	
	Consolidated and separate financial statements	
	2019	2018
	3.41	16.71

The Company

On January 18, 2018, the Company entered into the sale agreement of land and factory building, comprising investment property with the carrying amount of Baht 45.67 million and property, plant and equipment with the carrying amount of Baht 7.67 million (see note 17), with other company (“The Buyer”) in the agreement valued of Baht 240 million. The Buyer had already paid in full amount and the Company had already transferred the ownership of mentioned land and factory building. The Company recognized gain on sale of such assets net the related expenses in the amount of Baht 172.32 million in the statement of comprehensive income.

17. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the years ended December 31, 2019 and 2018 were as follows:

	Consolidated financial statements						<i>Baht</i>
	Land	Buildings and utility systems	Machinery and factory equipment	Office equipment	Vehicles	Comstuction in progress	Total
Cost							
At January 1, 2018	199,350,255	563,761,044	478,115,231	48,638,416	7,450,438	3,204,145	1,300,519,529
Increase / transfer in	-	6,164,862	8,888	2,045,422	-	3,712,511	11,931,683
Disposals / transfer out	(4,698,043)	(17,423,192)	(67,495)	(99,447)	-	(130,738)	(22,418,915)
Transfer / adjust	-	-	-	-	-	(6,785,918)	(6,785,918)
At December 31, 2018	194,652,212	552,502,714	478,056,624	50,584,391	7,450,438	-	1,283,246,379
Increase / transfer in	-	187,103	61,000	837,477	-	3,732,678	4,818,258
Disposals / transfer out	-	-	-	(255,823)	(1,883,000)	(287,678)	(2,426,501)
At December 31, 2019	194,652,212	552,689,817	478,117,624	51,166,045	5,567,438	3,445,000	1,285,638,136
Accumulated depreciation							
At January 1, 2018	8,780,364	143,016,943	117,462,379	30,885,303	3,190,920	-	303,335,909
Depreciation / transfer in	2,297,576	33,649,309	22,594,839	9,695,258	993,488	-	69,230,470
Disposals / transfer out	-	(14,500,714)	(13,527)	(63,633)	-	-	(14,577,874)
At December 31, 2018	11,077,940	162,165,538	140,043,691	40,516,928	4,184,408	-	357,988,505
Depreciation / transfer in	2,297,575	31,188,643	22,600,382	6,378,511	879,770	-	63,344,881
Disposals / transfer out	-	-	-	(156,365)	(1,159,292)	-	(1,315,657)
At December 31, 2019	13,375,515	193,354,181	162,644,073	46,739,074	3,904,886	-	420,017,729

Baht

Consolidated financial statements

	Land	Buildings and utility systems	Machinery and factory equipment	Office equipment	Vehicles	Comstuction in progress	Total
Allowance for impairment							
At January 1, 2018	-	-	-	6,186,000	-	-	6,186,000
Loss from impairment of assets	-	-	139,614,000	-	-	-	139,614,000
At December 31, 2018	-	-	139,614,000	6,186,000	-	-	145,800,000
Loss from impairment of assets	-	1,201,226	-	115,504	-	-	1,316,730
Reversal of loss from impairment of assets	-	-	-	(6,186,000)	-	-	(6,186,000)
At December 31, 2019	-	1,201,226	139,614,000	115,504	-	-	140,930,730
Net book value							
At December 31, 2018	183,574,272	390,337,176	198,398,933	3,881,463	3,266,030	-	779,457,874
At December 31, 2019	181,276,697	358,134,410	175,859,551	4,311,467	1,662,552	3,445,000	724,689,677

Separate financial statements

	Land	Buildings and utility systems	Machinery and factory equipment	Office equipment	Vehicles	Comstuction in progress	Total
Cost							
At January 1, 2018	4,698,043	22,844,156	1,983,724	2,962,770	6,051,438	69,762	38,609,893
Increase / transfer in	-	-	-	185,745	-	60,976	246,721
Disposals / transfer out	(4,698,043)	(17,220,589)	(60,795)	(93,346)	-	(130,738)	(22,203,511)
At December 31, 2018	-	5,623,567	1,922,929	3,055,169	6,051,438	-	16,653,103
Increase / transfer in	-	-	-	198,070	-	3,732,679	3,930,749
Disposals / transfer out	-	-	-	(255,823)	(1,883,000)	(287,679)	(2,426,502)
At December 31, 2019	-	5,623,567	1,922,929	2,997,416	4,168,438	3,445,000	18,157,350
Accumulated depreciation							
At January 1, 2018	-	16,504,669	1,175,154	1,249,734	3,024,714	-	21,954,271
Depreciation / transfer in	-	1,154,466	85,989	591,508	773,688	-	2,605,651
Disposals / transfer out	-	(14,298,115)	(6,828)	(58,031)	-	-	(14,362,974)
At December 31, 2018	-	3,361,020	1,254,315	1,783,211	3,798,401	-	10,196,948
Depreciation / transfer in	-	1,061,322	83,861	573,100	659,971	-	2,378,254
Disposals / transfer out	-	-	-	(156,365)	(1,159,292)	-	(1,315,657)
At December 31, 2019	-	4,422,342	1,338,176	2,199,946	3,299,081	-	11,259,545

Baht

Separate financial statements

	Land	Buildings and utility systems	Machinery and factory equipment	Office equipment	Vehicles	Comstuction in progress	Total
Allowance for impairment							
At December 31, 2018	-	-	-	-	-	-	-
Loss from impairment of assets	-	1,201,225	-	115,504	-	-	1,316,729
At December 31, 2019	-	1,201,225	-	115,504	-	-	1,316,729
Net book value							
At December 31, 2018	-	2,262,547	668,614	1,271,958	2,253,037	-	6,456,155
At December 31, 2019	-	-	584,753	681,966	869,357	3,445,000	5,581,076

Million Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
As at December 31				
The gross carrying amount fully depreciated that is still in use.	2.24	2.24	2.24	2.24
The net book value of asset under finance lease agreements				
- Vehicles	0.79	2.81	-	2.00

Saraburi Solar Co., Ltd.

Saraburi Solar Co., Ltd. had mortgaged land lease, office building, constructions, machine and equipment using manufacturing solar power as collateral for loan financial institution (see note 22).

At December 31, 2019				
<i>Baht</i>				
	Lessor	Period	Yearly rental	Remark
Land lease	other party	3 July 2012 - 2 July 2024	50,000	-
		3 July 2024 - 2 July 2037	100,000	-

C.E.I. (Chiangmai) Co., Ltd.

C.E.I. (Chiangmai) Co., Ltd. mortgaged its land as collateral against for debentures of the Company (see note 23).

Saraburi Solar Co., Ltd.

During the year 2018, the Group had recognized loss from impairment of assets used in the alternative energy solar farm in the amount of Baht 139.61 million.

18. DEFERRED TAX

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

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Deferred tax assets	-	15,300	-	-
Deferred tax liabilities	(15,337,988)	(12,689,447)	-	-

Movements in deferred tax assets and deferred tax liabilities during the years were as follows:

	Consolidated financial statements				
	January 1, 2018	Income (expense)	December 31, 2018	Income (expense)	December 31, 2019
Deferred tax assets					
Provision	148,137	(148,137)	-	-	-
Tax loss carry forward	-	15,300	15,300	(15,300)	-
Total	148,137	(132,837)	15,300	(15,300)	-
Deferred tax liabilities					
Current investments	-	(101,685)	(101,685)	92,067	(9,618)
Property, plant and equipment	(11,366,970)	(1,220,792)	(12,587,762)	(2,740,608)	(15,328,370)
Total	(11,366,970)	(1,322,477)	(12,689,447)	(2,648,541)	(15,337,988)

	Separate financial statements				
	January 1, 2018	Income (expense)	December 31, 2018	Income (expense)	December 31, 2019
Deferred tax liabilities					
Property, plant and equipment	(1,237,439)	1,237,439	-	-	-

19. TRADE AND OTHER PAYABLES

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

			<i>Baht</i>	
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade payables	4,206,434	4,364,868	-	484,257
Other payables				
Payables from purchases of assets	3,106,630	1,582,138	2,320,213	977,344
Accrued dividend	2,602,644	2,602,644	2,602,644	2,602,644
Accrued expenses	8,334,360	10,474,023	5,060,367	6,779,833
Total	14,043,634	14,658,805	9,983,224	10,359,821
Grand total	18,250,068	19,023,673	9,983,224	10,844,078

20. CURRENT PORTION OF LIABILITIES

Current portion of liabilities as at December 31, 2019 and 2018 consisted of:

	Note			<i>Baht</i>	
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Loan from financial institution	22	56,030,772	48,835,284	-	-
Liabilities under finance lease		287,328	847,850	-	583,970
Debenture	23	152,428,157	-	152,428,157	-
Total		208,746,257	49,683,134	152,428,157	583,970

21. OTHER CURRENT LIABILITIES

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

			<i>Baht</i>	
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Advances received from customers	5,437,852	4,688,210	124,928	116,956
Undue value added tax	1,083,266	1,032,506	-	-
Retention receivables	-	1,237,721	-	-
Others	1,833,312	1,377,960	625,523	121,126
Total	8,354,430	8,336,397	750,451	238,082

22. LOAN FROM FINANCIAL INSTITUTIONS

Loan from financial institutions as at December 31, 2019 and 2018 consisted of:

	<i>Baht</i>	
	Consolidated financial statements	
	2019	2018
Loan from financial institutions	143,433,905	192,466,715
Less Current portion	(56,030,772)	(48,835,284)
Long-term loan from financial institutions	87,403,133	143,631,431

The details of the loans were as follows:

	<i>Million Baht</i>			<i>Percent</i>	
	Credit line		Principal	Repayment	Referred
Financial institutions	2019	2018	2019	2018	interest rate
Commercial Bank	228	228	143	192	Mar. 2018 - May. 2022
					MLR
					Repayment
					Monthly principal and interest repayment
					Period 1-49 monthly principal repayment of Baht 4.70 - 5.20 million.
					Period 50 repayment for the remainder.

Movements of loan from financial institutions for the years ended December 31, 2019 and 2018 were as follows:

	<i>Baht</i>	
	Consolidated financial statements	
	2019	2018
Beginning balance	192,466,715	222,546,843
Increase	-	228,000,000
Decrease	(49,032,810)	(258,080,128)
Ending balance	143,433,905	192,466,715

During the year 2018, the subsidiary made the repayment for loan from the former financial institution in full amount and the subsidiary entered into a loan agreement with another financial institution with the credit limit of Baht 228 million.

Collateral

Saraburi Solar Co., Ltd. has pledged saving account (see note 12), and mortgaged land lease, office building, constructions, machine and equipment using for manufacturing solar power (see note 17), and also transferred their claims on receivables from the production and sell of electricity. In addition, ACC Infra Co., Ltd. and shareholder of Saraburi Solar Co., Ltd. has pledged investment in the ordinary shares of the Saraburi Solar Co., Ltd. as collateral against for loan from financial institution. In addition, ACC Infra Co., Ltd. had co-guaranteed for such loans (see note 4).

23. DEBENTURE

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

	<i>Baht</i>	
	Consolidated and separate financial statements	
	2019	2018
Debenture: Par value		
Debenture - No. 1/2018	155,199,880	255,200,000
Less Deferred underwriting fee for debenture	(2,771,723)	(10,525,177)
Debenture	152,428,157	244,674,823
Less Current portion	(152,428,157)	-
Long-term debenture	-	244,674,823
Deferred underwriting fee for debenture	10,525,177	17,533,636
Less Amortized	(7,753,454)	(7,028,459)
Net	2,771,723	10,505,177

The Ordinary General Shareholders' Meeting of the Company held on April 25, 2017, passed a resolution to approve an issuance and offering of the Company's debentures for all types with the total amount not exceeding Baht 1,000 million or equivalence in other currencies. The issuance of debentures is intended for use in business operations.

On April 2-4, 2018, the Company offered the secured debenture No. 1/2018, in the amount of 300,000 units at par value of Baht 1,000 per unit, totaling of Baht 300 million, for offering to the investor following the notification of the Capital Market Supervisory Board. The maturity period of debentures is 2 years and 6 months, due on October 5, 2020, with interest charged at the rate of 5.8% per annum, payable every 3 months. The issuance of such debentures is aimed to repay the existing debt. C.E.I. (Chiangmai) Co., Ltd. mortgaged its land and buildings and ACC Green Energy Co., Ltd. mortgaged its empty land as collateral against for debentures of the Company.

The Debenture Holders' Meeting held on May 16, 2019, passed the resolutions to approve the change in collaterals, amendment in conditions and terms of collateral and determination to partial redemption of debentures before due.

On June 26, 2019, the Company released the mortgage on land used as collateral of ACC Green Energy Company Limited and partially repaid for the redemption of debentures of Baht 100 million including the interest specified in the conditions and terms of debentures to the holders on July 5, 2019.

24. PROVISIONS FOR EMPLOYEE BENEFIT

Provisions for employee benefit as at December 31, 2019 and 2018 consisted of:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Post-employment benefit plan				
Present value of obligations	2,179,224	4,079,734	1,918,523	2,971,323
Provisions for employee benefit	2,179,224	4,079,734	1,918,523	2,971,323

Movements of the present value of provisions for employee benefits for the years ended December 31, 2019 and 2018 were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Post-employment benefit plan				
Provisions for employee benefit				
at the beginning of the year	4,079,734	3,842,722	2,971,323	3,000,563
Included in profit or loss:				
Current service cost	831,909	932,991	604,815	684,403
Interest cost	111,011	145,901	99,239	128,237
Past service cost	(429,631)		(544,032)	
Benefits paid for retirement and termination	(1,724,358)	(841,880)	(841,880)	(841,880)
Included in other comprehensive income or loss:				
Defined benefit plan actuarial gains	(689,441)	-	(370,942)	-
Provisions for employee benefit				
at the end of the year	2,179,224	4,079,734	1,918,523	2,971,323

On April 5, 2019, a revised Labor Protection Act was published in the Royal Gazette which stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more to entitle to receive not less than 400 day's compensation at the latest wage rate.

This change is considered a post-employment benefits plan amendment caused the Group has additional employee benefit obligation.

The Group recognizes the effect of the mentioned change as past service costs as an expense in profit or loss for the year 2019.

Principal actuarial assumptions as at December 31, 2019 and 2018 (expressed as weighted averages) as follows:

			<i>Percent</i>	
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate	0.5 - 2.03	0.5 - 3.48	1.71	3.48
Salary increase rate	0.5 - 7.79	0.5 - 8.76	7.79	8.76
Turnover rate	0 - 20	0 - 10	0 - 20	0 - 11
Mortality rate	Mortality table in year 2017	Mortality table in year 2008 and 2017	Mortality table in year 2017	Mortality table in year 2008

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2019 are summarised below:

			<i>Baht</i>	
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% Movement)	(231,892)	248,394	(100,602)	107,977
Salary increase rate (0.5% Movement)	233,988	(321,177)	99,961	(94,380)
Turnover rate (0.5% Movement)	(217,702)	182,613	(110,700)	118,428

25. SHARE CAPITAL AND WARRANTS

Share capital

The Extraordinary General Meeting of Shareholders held on January 22, 2018, passed the resolutions as follows:

The reduction of registered share capital from Baht 375,000,000 to Baht 374,999,912.50 by eliminating the unissued shares of 350 shares, with the par value of Baht 0.25 each.

The increase of registered share capital from Baht 374,999,912.50 to Baht 524,999,912.50 by issuing new ordinary shares of 600,000,000 shares, with the par value of Baht 0.25 each.

The Company had already registered the decrease and increase of its registered share capital with the Ministry of Commerce on January 23, 2018 and January 24, 2018, respectively.

Allot new ordinary shares not exceeding 600,000,000 shares, with the par value of Baht 0.25 for offering to the existing shareholders at the proportion 2 existing ordinary share to 1 new ordinary share at Baht 0.60 per share. Assign the Executive Board of Directors or Managing Director to determine the necessary operations as appropriate, including, determine offering period, offering date and others related detail and conditions.

During the year 2018, the Company received the mentioned subscription shares, totaling of Baht 84.42 million (the expenses regarding the increase share capital of Baht 1.41 million were recorded by netting with the share premium account).

The Company registered the change in its paid-up share capital with the Ministry of Commerce on March 12, 2018.

On April 25, 2019, warrant ACC-W1 was exercised to purchase of 1,066 ordinary share with a par value of Baht 1.25 each, totaling of Baht 1,332.50.

The Company registered the change in its paid-up share capital with the Ministry of Commerce on June 27, 2019.

Warrants

The Extraordinary General Meeting of Shareholders held on March 11, 2016, passed the resolutions to approve an issuance and offering of warrants in the amount of 300 million units to the existing shareholders of the Company, at the rate of 4 existing ordinary shares per 1 warrant, which detailed as follows:

Type of warrant	: The warrant to be exercised to the new ordinary shares of Advanced Connection Corporation Public Company Limited No.1 ("the first warrants" or "ACC-W1")
Category	: Issued in the names of respective holder and negotiable
The offering price	: Baht 0.00
Term of the warrant	: 3 years from the date of issuance and offering
Issuing and offering date	: May 3, 2016
Exercise ratio	: 1 warrant per 1 ordinary share
Exercise price	: Baht 1.25 per share
Exercise period	: The last business day of June. The first exercise date is the last business day of June 2017 and the maturity period of warrant is 3 years from date of issuance. In case, the exercise date is not the business day of SET, the exercise date will be postponed to the previous business day.
The last exercise and expiration date	: May 2, 2019

On May 3, 2016, the Company issued 299,999,650 warrants, which were approved as securities by SET on June 14, 2016.

Subsidiary

ACC Infra Co., Ltd.

The Extraordinary General Meeting of Shareholders ACC Infra Co., Ltd. held on November 18, 2019, passed the special resolutions to approve the increased the registered share capital from Baht 100 million to Baht 330 million by issuing new ordinary shares of 23 million shares, with the par value of Baht 10 each.

The subsidiary had already registered the increase of its registered share capital with the Ministry of Commerce on November 26, 2019.

26. DIVIDEND

Associated companies

105 Solar Power Co., Ltd.

The Board of Directors' Meeting held on November 21, 2019, passed a resolution to approve the interim dividend payment at the amount of Baht 0.24 per share, totalling Baht 0.95 million and set a legal reserve in the amount of Baht 0.05 million.

W. Solar Co., Ltd.

The Board of Directors' Meeting held on July 18, 2018, passed a resolution to approve the interim dividend payment at the amount of Baht 0.20 per share, totalling Baht 1.62 million and set a legal reserve in the amount of Baht 0.10 million.

The Board of Directors' Meeting held on December 28, 2018, passed a resolution to approve the interim dividend payment at the amount of Baht 0.08 per share, totalling Baht 0.64 million and set a legal reserve in the amount of Baht 0.04 million.

The Ordinary General Meeting of Shareholders held on April 19, 2019, passed a resolution to approve the dividend payment at the amount of Baht 0.05 per share, totalling Baht 0.43 million and set a legal reserve in the amount of Baht 0.02 million.

The Board of Directors' Meeting held on November 21, 2019, passed a resolution to approve the interim dividend payment at the amount of Baht 0.24 per share, totalling Baht 1.90 million and set a legal reserve in the amount of Baht 0.10 million.

Subsidiaries

Bangpakong Solar Power Co., Ltd.

The Ordinary General Meeting of Shareholders held on April 19, 2019, passed a resolution to approve the dividend payment at the amount of Baht 0.25 per share, totalling Baht 1.23 million and set a legal reserve in the amount of Baht 0.16 million.

The Board of Directors' Meeting held on May 27, 2019, passed a resolution to approve the interim dividend payment at the amount of Baht 0.35 per share, totalling Baht 1.71 million and set a legal reserve in the amount of Baht 0.10 million.

The Board of Directors' Meeting held on November 21, 2019, passed a resolution to approve the interim dividend payment at the amount of Baht 0.80 per share, totalling Baht 3.92 million and set a legal reserve in the amount of Baht 0.31 million.

ACC Infra Co., Ltd.

The Board of Directors' Meeting held on June 4, 2018, passed a resolution to approve the interim dividend payment at the amount of Baht 3.208 per share, totalling Baht 32.08 million and set a legal reserve in the amount of Baht 2 million.

27. LEGAL RESERVE

According to the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital. The statutory reserve could not be used for dividend payment

28. OTHER INCOME

Other income for the years ended December 31, 2019 and 2018 was summarized as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Gain from sale of assets	9,646,311	174,841,035	10,392,066	175,047,211
Reversal of doubtful account	12,852,140	-	-	-
Reversal of impairment assets	2,721,546	-	-	-
Deposit received	37,000,000	-	37,000,000	-
Interest income	673,231	4,558,602	23,531,305	4,405,862
Dividend income	-	-	5,064,093	33,187,100
Other	4,584,324	(2,095,416)	2,905,856	2,922,455
Total	67,477,552	177,304,221	78,893,320	215,562,628

29. EXPENSES BY NATURE

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

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Changes in inventories and work in process	7,283,946	6,312,892	7,457,500	7,207,570
Purchases of goods and supplies	5,674,135	8,389,754	62,969	3,666,062
Employee expenses	55,450,239	59,337,939	23,685,555	26,312,117
Depreciation and amortization	63,899,633	72,063,681	2,733,269	4,003,033
Provision for deterioration of inventories	(6,638,969)	4,830,208	(5,271,969)	3,803,208
Loss on impairment of assets	-	144,127,079	6,714,424	105,473,049
Doubtful accounts	-	14,157,000	71,421,707	14,000,000
Consulting, service and other fee	8,324,543	1,915,254	8,200,303	1,501,224

30. FINANCE COSTS

Finance costs for the years ended December 31, 2019 and 2018 consisted of:

	<i>Baht</i>			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Interest expenses	19,568,112	30,529,673	12,743,038	20,713,974
Arranger fee	7,753,453	7,028,460	7,753,453	7,028,460
Total	27,321,565	37,558,133	20,496,491	27,742,434

31. PROVIDENT FUND

The Company and its employees jointly registered a provident fund scheme under the Provident Fund Act B.E. 2530. The Fund is contributed to by both the employees and the Company. The Fund is managed by [BBL Asset Management](#) Company Limited and will be paid to the employees upon termination in accordance with the rules of the Fund. In the year 2019, the Group contributed in the consolidated financial statements were of Baht 0.62 million and in the separate financial statements, were of Baht 0.58 million (Year 2018: Baht 0.73 million).

32. INCOME TAX

Corporate income tax of the Group for the years ended December 31, 2019 and 2018 was calculated at a rate specified by the Revenue Department on net earnings after adjusting certain conditions according to the Revenue Code. The Group recorded the corporate income tax as expense for the years and recorded the accrued portion as liabilities in the statements of financial position.

Tax expense for the years ended December 31, 2019 and 2018 was summarized as follows:

	<i>Baht</i>			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current tax				
Current year	4,821,781	4,665,267	4,339,299	4,665,268
Deferred tax				
Movements in temporary differences	2,663,842	1,455,314	-	(1,237,439)
Tax expense	7,485,623	6,120,581	4,339,299	3,427,829

Reconciliation of effective tax rate

Consolidated financial statements				
2019		2018		
<i>Percent</i>		<i>Percent</i>		
<u>Tax rate</u>	<i>Baht</i>	<u>Tax rate</u>	<i>Baht</i>	
Loss before income tax	(47,233,283)		(32,858,039)	
Add Promotional privileges from BOI	(42,558,713)		(18,535,998)	
	<u>(89,791,996)</u>		<u>(51,394,037)</u>	
Income tax using the corporate tax rate	20	(17,958,400)	20	(10,278,807)
Expenses not deductible for tax purposes		14,202,381		34,622,587
Revenues treated as revenues under the Revenue Code		3,171,870		4,599,385
Revenues granted income tax exemption		-		(214,782)
Addition expenses deductible for tax purposes		(82,298)		(19,589,902)
Tax loss recognized as deferred tax		(47,466)		(3,085)
Tax loss not recognized as deferred tax		6,753,125		(4,342,723)
Effects of elimination entries on consolidation		<u>(1,217,431)</u>		<u>(127,406)</u>
Current tax		4,821,781		4,665,267
Movement in temporary differences		<u>2,663,842</u>		<u>1,455,314</u>
Tax expense	8	<u><u>7,485,623</u></u>	12	<u><u>6,120,581</u></u>

Separate financial statements				
2019		2018		
<i>Percent</i>		<i>Percent</i>		
<u>Tax rate</u>	<i>Baht</i>	<u>Tax rate</u>	<i>Baht</i>	
Profit before income tax	(61,336,806)		31,685,633	
Income tax using the corporate tax rate	20	(12,267,361)	20	6,337,127
Expenses not deductible for tax purposes		14,669,440		26,296,307
Revenues treated as revenues under the Revenue Code		3,032,337		4,572,357
Revenues granted income tax exemption		(1,012,819)		(6,637,420)
Addition expenses deductible for tax purposes		(82,298)		(16,936,465)
Tax loss not recognized as deferred tax		-		(8,966,638)
Current tax		<u>4,339,299</u>		<u>4,665,268</u>
Movement in temporary differences		-		<u>(1,237,439)</u>
Tax expense	7	<u><u>4,339,299</u></u>	11	<u><u>3,427,829</u></u>

33. OPERATING SEGMENT

Operating segment information is reported in a manner consistent maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the directors of the Group.

The Group operated the business primarily in manufacturing and distributing ceiling fan, renting property, banquet and restaurant, property development, investment in alternative energy and financing and in a single geographic area. Based on the types of activities, the operating income and expenses for the years ended December 31, 2019 and 2018 were classified as follow:

	<i>Thousand Baht</i>													
	Ceiling fan		Renting property		Banquet and restaurant		Property development		Alternative energy		Financing		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenues	13,798	28,725	159	6,248	96,946	88,520	15,050	11,850	101,464	96,299	298	-	227,715	231,642
Operations														
Gross profit	10,641	8,083	4	3,785	14,661	2,352	3,140	3,235	56,806	49,247	298	-	85,550	66,702
Other income													67,478	177,304
Selling expenses													(15,952)	(18,638)
Administrative expenses													(162,758)	(222,063)
Finance costs													(27,322)	(37,558)
Share of profit of associated company													5,771	1,395
Loss before income tax													(47,233)	(32,858)
Tax expense													(7,486)	(6,121)
Loss for the years													(54,719)	(38,979)

Significant assets and liabilities as at December 31, 2019 and 2018 were are follows:

	Ceiling fan		Renting property		Banquet and restaurant		Property development		Alternative energy		Finan
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Assets											
Current investments	-	-	-	-	-	-	-	-	6,359	54,321	1,962
Trade and other receivables	2,274	5,011	-	-	3,486	2,317	-	-	26,512	15,761	-
Inventories	1,311	3,620	-	-	766	593	-	-	-	-	-
Cost of project development	-	-	-	-	-	-	53,100	65,010	-	-	-
Restricted bank deposits	-	9,500	-	-	-	-	-	-	6,013	6,004	-
Investment in associated companies	-	-	-	-	-	-	-	-	60,796	42,591	-
Land held for development	-	-	-	-	-	-	55,479	146,807	-	-	-
Investment property	-	-	673	546	-	-	-	-	-	-	-
Property, plant and equipment	5,581	6,456	-	-	378,689	395,930	47	100	340,373	376,972	-
Total assets											
Liabilities											
Trade and other payables	9,983	10,844	-	-	5,785	5,122	168	339	2,284	2,689	30
Current portion of liabilities	-	-	-	-	-	-	-	-	208,746	49,683	-
Long-term loan from financial institutions	-	-	-	-	-	-	-	-	87,403	143,631	-

Information about major customer

For the years ended December 31, 2019, the Group has revenue customers from 2 major customers in the amount of Baht 101.46 million from the alternative energy sector (year 2018: in 2 major customers total amount of Baht 96.30 million).

34. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2019, the Group had commitments and contingent liabilities as follows:

The Company

34.1 Commitments for payment under agreements as follows:

34.1.1 Operating lease agreements in respect of the lease of building with a monthly rental of Baht 0.71 million.

	<i>Million Baht</i>		
	Year		Total
	1	2-5	
Minimum rental	7.02	6.85	13.87

34.1.2 Consulting service agreement for

- Accounting Consultant for a period of 3 month with a monthly service fee of Baht 0.04 million.
- Chairman of the Board of Director with other person for a period of 1 year with a monthly service fee of Baht 0.10 million.
- The Advisory of Board of Director with related person for a period of 1 year with a monthly service fee of Baht 0.05 million.

34.1.3 Service agreement for internal audit for a period of 9 months with a monthly service fee of Baht 0.12 million.

34.1.4 Service agreement with the remaining amount of Baht 7.02 million.

34.1.5 The lease and service agreement of vehicle with other party for a period of 5 years with a monthly rental and service of Baht 0.11 million.

	<i>Million Baht</i>		
	Year		Total
	1	2-5	
Minimum rental	1.27	4.56	5.83

Subsidiaries

34.2 The letter of guarantee issued by the bank in the amount of Baht 0.43 million.

34.3 Commitments for payment under agreements as follows:

34.3.1 Service agreements with a monthly service of Baht 0.14 million.

34.3.2 Service agreements with the remaining amount of Baht 8,160.

C.E.I. (Chiangmai) Co., Ltd.

The area rental and operating asset lease agreements with other company with a monthly rental of Baht 0.03 million.

	<i>Million Baht</i>		
	Year		Total
	1	2-5	
Minimum rental	0.12	0.02	0.14

Saraburi Solar Co., Ltd.

The rental agreement on an empty land with other person, with a yearly rental of Baht 0.05 – 0.10 million

	<i>Million Baht</i>			
	Year			Total
	1	2-5	6-17	
Minimum rental	0.05	0.25	1.20	1.50

The lease and service agreement of vehicle with related parties for a period of 1 year with a monthly rental and service of Baht 0.05 million (see note 4).

	<i>Million Baht</i>
	1 Year
Minimum rental	0.23

The service agreement of maintenance, advisory and management with other company, with a monthly service of Baht 0.85 million.

	<i>Million Baht</i>		
	Year		Total
	1	2-5	
Minimum service	7.43	27.69	35.12

Bangpakong Solar Power Co., Ltd.

The area service agreement with related parties at the rate of 10% of revenue from sale of electricity (see note 4).

35. PROMOTIONAL PRIVILEGES

Saraburi Solar Co., Ltd. and Bangpakong Solar Power Co., Ltd.

The subsidiary received a promotion certificate under the Investment Promotion Act B.E.2520 for its business involving produced of electricity from solar power. The major privileges granted to the Company are as follows:

- 1) Exemption from import duty on machinery as approved by the Board of Investment.
- 2) Exemption from corporate income tax on net profit derived from the operation of promoted business for a period of 8 years from the date operation income is first derived.
- 3) A 50% reduction in the normal income tax on the net profit derived from certain operations for a period of 5 years, commencing from the expiry date of No.2.
- 4) Exemption from income tax on dividend received from the operations of promoted business.
- 5) An allowance to double deduct the transportation, electricity and water expense for a period of 10 year from the date income is first derived
- 6) An allowance to deduct 25% of investment in infrastructure in addition to normal depreciation.
- 7) Others as specified in the promotional certificate.

Consequently, the subsidiary has to comply with terms and conditions stipulated in the promotion certificate.

36. FAIR VALUE HIERARCHY

As at December 31, 2019, the Group had the financial assets that were measured or disclosed at fair value using different levels of inputs as follows:

				<i>Baht</i>
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
The Company				
Current investments	-	4,291,751	-	4,291,751
Subsidiary				
Current investments	-	4,029,605	-	4,029,605
Land held for development	-	60,500,000	-	60,500,000

Valuation techniques and inputs to Level 2 valuation

The fair value of investment in investment unit is determined by using the net asset value at the reporting date.

The fair value of land held for development determined by independent valuers, basing on Market Approach.

37. DISCLOSURE OF FINANCIAL INSTRUMENTS

Accounting policies

The details of significant accounting policies and methods used for classification of financial assets and financial liabilities including valuation, basis of recognition of income and expenses are disclosed in note 3.

Capital management

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

Financial risk management policies

The Group is exposed to fluctuations in interest rates and foreign exchange rates and the risks from default of the agreements by counterparties. The Group had risk management policies as follows:

Interest rate risk

Interest rate risk is the fluctuation of the market interest rate in the future that will affect the Group's operations and cash flows. The Group has interest rate risk from cash at banks, loan from financial institution and debenture because the interest rate of the financial assets and liabilities fluctuate based on the market rate. In addition, the Group has not engaged in any hedging contracts related to interest rates.

Foreign currency risk

The Group's exchange rate risk primarily involves the purchases and sales of goods in foreign currencies. As at December 31, 2018, the Group had assets and liabilities in foreign currencies as follows:

Currency	<i>Million</i>	
	Consolidated and separate financial statements	
	Assets	Liabilities
US Dollars	0.01	-

Credit risk – trade receivables

The Group has a policy to hedge credit risk from trade receivables by forming credit policy and by determining the receipt from the sales of goods and service. Therefore, the Group expects that the loss from the collection of those trade receivables should not exceed the allowance for doubtful accounts.

Fair value

Most of the financial assets are cash at banks, current investments and trade and other receivables which are short-term credit. Most of the financial liabilities are trade and other payable, loan from financial institutions, liabilities under finance leases and debenture with interest rates close to the market rate. The carrying amount of the financial assets and financial liabilities are not significantly different from their fair value.

38. EVENT AFTER REPORTING PERIOD

The Company

On December 18, 2019, the Company approved W. Solar Company Limited ("W. Solar") to be listed on the Stock Exchange of Thailand by the share swap method. Subsequently, the details and methods was changed from which the Company previously approved.

On January 20, 2020, the Company received a letter from Wyncoast inquiring the joint operation in according to the business plan.

On January 29, 2020, the Executive Board of Directors' Meeting passed a resolution to approve the Company to sell all ordinary shares of Bangpakong Solar Power Company Limited, W. Solar Company Limited and 105 Solar Power Company Limited to Wyncoast Industrial Park Public Company Limited in the amount of Baht 90 million.

Litigation

The Company has filed a lawsuit against the authorized director of the purchase of Koh Sirey Land, Phuket Province and the list of extensions and improvements to the Pub Pla building, Photo gallery of "Jao Nai Muang Nueng", Loi Kathong's dock of C.E.I (Chiang Mai) Company Limited is a criminal case to the Phra Khanong criminal court. It is a Black Case number 269/2563 for an offense of being a director who does not perform his duty with liability, cautious, and faithful. Causing the damaged for the company and also a dishonest act in order to find unlawful benefits for yourself and others. Which is an offense under the Securities Act B.E. 1992, Section 89/7, 281/2, 311, 314 and 315, accompanying the Criminal Code Section 83,84 and 86 with 9 persons and juristic persons which are consisting of 3 (three) former company directors, 2 (two) current company directors, 3 (three) other related persons and 1 (one) juristic person on January 23, 2020 and The Court made an appointment for a preliminary hearing on March 23, 2020.

Subsidiaries

On January 29, 2020, the Executive Board of Directors' Meeting passed a resolution to approve ACC Infra Company Limited to sign the Joint Investment Agreement with other

company in relation to the Project of Knowledge Management Center Development and Information Digital Center.

39. RECLASSIFICATION

The Company has reclassified certain accounts in the statements of comprehensive income for the years ended December 31, 2018, to conform with the presentation of the financial statements of this year consisted of:

	Consolidated financial statements			Separate financial statements		
	Before	Reclassification	After	Before	Reclassification	After
Cost of sales and services	166,913,813	(1,974,326)	164,939,487	25,078,541	(1,974,326)	23,104,215
Selling expenses	16,833,575	1,804,880	18,638,455	10,411,689	1,804,880	12,216,569
Administrative expenses	221,893,248	169,446	222,062,694	155,616,811	169,446	155,786,257

Baht

Other Information

Details of Director in Subsidiaries and Related Companies As on December 31, 2019 as flow:

❖ Subsidiaries:

1. C.E.I (Chiang Mai) Company Limited. (“CEI”)
 - Mr. Thitisak Skulkroo Appointed as “Authorized Director”
 - Mr. Angoon Phimphkorn Appointed as “Authorized Director”
 - Mr. Kitti Kanokudomsap Appointed as “Authorized Director”
 - Miss Oranee Innut Appointed as “Authorized Director”
 - Mr. Thanaphon Dechawitthayathon Appointed as “Authorized Director”

2. ACC Infra Company Limited. (“ACC I”) Change name form ACC Electric Company Limited.
 - Mr. Thitisak) Skulkroo Appointed as “Authorized Director”
 - Mr. Angoon Phimphkorn Appointed as “Authorized Director”
 - Mrs. Supin Siripoke Appointed as “Authorized Director”
 - Mr. Thanakit Achariyasombat Appointed as “Authorized Director”

3. ACC Landmark Company Limited. (ACC L”)
 - Mrs. Ngamnij Ruangsorn Appointed as “Authorized Director”
 - Mr. Thitisak Skulkroo Appointed as “Authorized Director”
 - Mr. Angoon Phimphkorn Appointed as “Authorized Director”
 - Mr. Kitti Kanokudomsap Appointed as “Authorized Director”
 - Miss Oranee Innut Appointed as “Authorized Director”
 - Mr. Thanaphon Dechawitthayathon Appointed as “Authorized Director”

4. ACC Green Energy Company Limited. (“ACC G”)
 - Mr. Thitisak) Skulkroo Appointed as “Authorized Director”
 - Mr. Angoon Phimphkorn Appointed as “Authorized Director”
 - Mr. Kitti Kanokudomsap Appointed as “Authorized Director”
 - Mr. Kan Kungpisan Appointed as “Authorized Director”

5. Acc Capital Company Limited. (“ACC C”)
 - Mr. Thitisak Skulkroo Appointed as “Authorized Director”
 - Mr. Angoon Phimphkorn Appointed as “Authorized Director”
 - Mr. Kitti Kanokudomsap Appointed as “Authorized Director”
 - Mr. Peerapong Wainipitapong Appointed as “Authorized Director”

6. Bangpakong Solar Power Company Limited. (“BSP”)

- | | |
|----------------------------|------------------------------------|
| ● Miss Yupaporn Yuchoukan | Appointed as “Authorized Director” |
| ● Mr. Akarit lound-udomkul | Appointed as “Authorized Director” |
| ● Mr. Angoon Phimphorn | Appointed as “Authorized Director” |
| ● Mrs. Supin Siripoke | Appointed as “Authorized Director” |

7. Saraburi Solar Company Limited. (“SSL”)

- | | |
|-------------------------------|------------------------------------|
| ● Mr. Thitisak Skulkroo | Appointed as “Authorized Director” |
| ● Mr. Angoon Phimphorn | Appointed as “Authorized Director” |
| ● Mr. Kan Kungpisan | Appointed as “Authorized Director” |
| ● Mrs. Supin Siripoke | Appointed as “Authorized Director” |
| ● Mr. Peerapong Wainipitapong | Appointed as “Authorized Director” |

❖ **Associated Companies:**

1. W. Solar Company Limited. (“W.Solar”) (Percent of investment 49 % of share Capital)

- | | |
|-------------------------------|------------------------------------|
| ● Miss Yupaporn Yuchoukan | Appointed as “Authorized Director” |
| ● Mr. Jal Chamikor | Appointed as “Authorized Director” |
| ● Mr. Chaithawat Saowapon | Appointed as “Authorized Director” |
| ● Miss. Koranun Sukonritikorn | Appointed as “Authorized Director” |
| ● Mr. Angoon Phimphorn | Appointed as “Authorized Director” |
| ● Mrs. Supin Siripoke | Appointed as “Authorized Director” |
| ● Mr. kitti Kanokudomsap | Appointed as “Authorized Director” |
| ● Mr. Peerapong Wainipitapong | Appointed as “Authorized Director” |

2. 105 Solar Company Limited. (“105.Solar”) (Percent of investment 44.36 % of share Capital)

- | | |
|----------------------------|------------------------------------|
| ● Miss Yupaporn Yuchoukan | Appointed as “Authorized Director” |
| ● Mr. Akarit lound-udomkul | Appointed as “Authorized Director” |
| ● Mr. Angoon Phimphorn | Appointed as “Authorized Director” |
| ● Mrs. Supin Siripoke | Appointed as “Authorized Director” |



**ADVANCED CONNECTION CORPORATION
PUBLIC COMPANY LIMITED**

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