



NFC PUBLIC COMPANY LIMITED
Annual Report 2020



Table of Contents

Messages from the Chairman	3
Messages from the Audit Committee	5
Board of Directors	8
General Information	20
Policy and Overview of Business Operations	22
Nature of Business Operations	32
Risk Factors	42
Securities Details and Shareholders	46
Dividend Policy	49
Management Structure and Management	51
Good Governance	59
Corporate Social Responsibility	79
Internal Control and Risk management	83
Related Transactions	88
Management Discussion and Analysis	95
Significant Financial Information	104
Others	114
Auditor's Report and Financial Statement	115


Messages from the Chairman



NFC Public Company Limited's business in 2020 under the situation of the outbreak of New Coronavirus 2019 (COVID-19) has effect to the economy, society of the country and the world, The Company still emphasizes on the business of distributing chemicals, warehouse services, logistics and liquid warehouse services, including berth services and implemented a long-term business policy and plan to develop businesses that have potential to continuously increase the value of the businesses by focusing on improvement of existing assets for maximum benefits and reducing any unnecessary burdens from operations, investing in new projects that raise the value of the organization, As can be seen from NFCT Company Limited ("NFCT"), a subsidiary company which is 100 percent owned by the Company, invested in tanks for fuel oil storage project ("Project"), to provide liquid storage for oil storage and logistic services in transportation of oil through pipelines for the Shell Company of Thailand Limited. Currently, the Project is under construction as according to the plan, At the end of 2020 the progress is more than 70% and which is expected to be open for service in the 4th quarter of 2021

Furthermore, In 2020 NFCW Company limited ("NFCW") a subsidiary which is 100 percent by the Company, invested in area development to support and service for the operators of structure assembly and pipe system yare, and the operators of dismantling/cutting yard for the conveying pipe part of oil rig project ("Project"), located in the general industrial zone, no.2 I-2 Road, Map Ta Phut Industrial Estate, Map Ta Phut Sub-district, Mueang Rayong District, Rayong Province, on the leased land according to the industrial land lease agreement from Map Ta Phut Industrial Estate for a lease period 30 years to provide area development service for customers who want to use area behind the port, operators of structure assembly and pipe system yard, and the operators of dismantling/cutting yard for the conveying pipe part of oil rig project with full facilities. In this regard, the Company applies feasibility study tools to assess any projects before investing which will help to control and limit the risk to an acceptable level.

In the company's point of view, the situation of the outbreak of New Coronavirus 2019 (COVID-19) especially the new outbreaks in country while increasing number of infected people will continue impact on the economy of the country and it will inevitably impact on the Company's future business operations. However, The Board of Directors is confident and committed to perform our duties with cautiousness, discretion and dedication to lead the Company through obstacles and making more progress and emphasizing good corporate governance to ensure an efficient, transparent and verifiable management system in order to gain confidence from shareholders, investors and stakeholders so that the Company achieve strong and sustainable growth. Finally, on behalf of the Board of Directors, may we express our appreciation to all shareholders, investors, valued customers and financial institutions for your continued trust putting in the Company.

Gen. 
Montree Sungkasap
Chairman

Audit Committee's Report



The Audit Committee of NFC Public Company Limited has been appointed by the Board of Directors consisting of 3 honorary independent directors have all the qualifications stipulated in the Audit Committee Charter and comply with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, whose names are as follows:

Mr. Virasak	Sutantawibul	The Chairman of the Audit Committee
Assoc. Prof. Dr. Seri	Wongmonta	Audit Committee
Mrs. Aree	Termwattanakdee	Audit Committee

The Audit Committee has performed its duties independently and uprightly in accordance with the scope of responsibilities assigned by the Board of Directors and according to the charter of the Audit Committee in accordance with the regulations of the Securities and Exchange Commission (SEC) and the Stocks Exchange of Thailand (SET). In 2020, the Audit Committee held a total of 5 meetings to discuss and exchange ideas with the management, the internal auditor and the auditor which summarizes the important aspects of performing duties for 2020 as follows:

Review of the financial report

The Audit Committee have reviewed and considered financial reports highlights of the Company's and its subsidiaries' both quarterly and annually of 2020 including reviewing of important accounting policy issues and observations of the auditor as well as disclosure of information in the notes to the financial statements of the Company which have been reviewed and audited by the auditor, in this regard, the management team and the auditor are invited to provide information and clarification every time before giving opinions and presenting them to the Board of Directors for approval. The Audit Committee is of the opinion agreed with the auditor that the Company's financial statements have been accurately presented in material aspects in accordance with financial reporting standards and there are sufficient and appropriate disclosure of data which the auditor had performed their duties and independently expressed their opinions for the preparation of the complete,

timely, reliable, beneficial financial statements to the investors and any users of financial statements. In this regard, the Audit Committee has conducted a meeting with just the auditor 1 time without the participation of the management to freely discuss any material aspects for the preparation of the financial statements and the annual audit plan.

Review of the risk management

The Audit Committee, the Risks Management Committee and the management have focused on risk management, incidences that will affect business operations by establishing risks management policies and risks management plans by the Risk Management Committee responsible for overseeing the Company's risks management and the Risk Management Sub Committee responsible for preparing the risks report and jointly considering the risks from significant internal and external factors and future chances to prevent or reduce the impact that may occur to business operations. In this regard, the Audit Committee has audited the effectiveness of risk management from the reporting of the Company's business operations, from the results of internal audit and from the Company's auditor assuring that the Company has managed the risks to an acceptable level.

Review of the internal control System

The Audit Committee has audited and approved the assessment report of the internal control system of the management by using the adequacy assessment form in accordance with the regulations of the Securities and Exchange Commission (SEC) and verified the audit reports of the internal audit and the auditor of every quarter which there are no issues or defects that may significantly affect the Company as well as the management has continuously improved according to the recommendations of the Audit Committee, auditors and internal audit to be in compliance with related laws and regulations. Thus, the Audit Committee is of the opinion that the Company has an appropriate and sufficient internal control system for business operations without finding any significant issues that may affect the Company's operations.

Review of the related parties transaction

The Audit Committee has audited the related parties transaction or the transaction that may cause conflict of interests to the Company to be in accordance with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) by monitoring of the related parties transactions report of every quarter and is of the opinion that the Company has complied with general trade conditions which are fair, reasonable, rendering the highest benefit mainly to the operations and shareholders of the Company provided that transactions are initially approved by the management or the Board of Directors before making transactions and also complete and sufficient information are disclosed.

Supervision of internal audit Department

The Audit Committee has supervised the internal audit to conduct the internal audit operations to be independent and effective, achieve international standards and create added value to the organization by reviewing the charter of the internal audit on an annual basis, approving an annual internal audit plan which is prepared according to the significant risks of the Company including the appropriateness of the budget on expenditure and personnel of the internal audit as well as supervising the internal audit and supporting to enhance the quality of the internal audit in terms of personnel and regular operations.

Review of the good corporate governance

The Audit Committee has audited the operations of the Company to conduct its businesses under the principles of Good Corporate Governance in compliance with the governing laws on securities and stock exchange, regulations of the Securities and Exchange Commission (SEC), regulations of the Stock Exchange of Thailand (SET) and other laws related to the Company's businesses operations. The audit results show that the Company operates with transparency and reasonableness to benefit the business operations of the Company and shareholders as a whole including correct scheduled disclosure of information are performed.

Consideration for the appointment of auditors and the annual remuneration of the auditor for 2021

The Audit Committee has considered the appointment of auditors based on performance, experience, independence and appropriateness of the audit fees. Therefore, resolved to propose to the Board of Directors for consideration and thereafter request for an approval from the Annual General Meeting of Shareholders of 2021 to appoint the auditor of Karin Audit Company Limited and approve the audit fees for 2021.

In summary of 2020, the Audit Committee performed its duties and responsibilities in accordance with the Audit Committee Charter which approved by the Board of Directors by using their knowledge, caution, prudence and adequate independence to monitor the operations of the Company as well as giving creative advice and suggestions to benefit the interested parties equally. The Audit Committee is of an opinion that the Board of Directors including the management of the Company are determined to perform their duties in order to achieve the goals by focusing on business operations under strict internal control and risk management, possessing adequate Good Corporate Governance and ensuring development and improvement of business operation system to continually improve its efficiency and the maximum benefit of shareholders as a whole.



Mr. Virasak Sutantawibul

Chairman of the Audit Committee

[Directors]



Gen. Montree Sungkasap
Chairman /
/ Chairman of Risk management Committee



Mr. Nuttaphob Ratanasuwanthawee
Vice Chairman /
Chairman of Executive Committee



Mr. Virasak Sutantawibul
Independent Director /
Chairman of Audit Committee



Assoc.Prof.Dr. Seri Wongmonta
Independent Director /
Audit Committee



Mrs. Aree Termwattanapakdee
Independent Director /
Audit Committee



Dr. Sunee Sornchaitanasuk
Director /
Risk management Committee



Mr. Yongyos Palanitisen
Director / Executive Committee /
Risk management Committee



Mr. Wiboon Rasmeepaisarn
Director /
Risk management Committee



Mr. Kijja Smunyahirun
Director /
Executive Committee



Mr. Nataphong Ratanasuwanthawee
Director /
Executive Committee



Mrs. Bongkot Rungkornpaisarn
Director /
Executive Committee

Biography and Experiences



Gen. Montree Sungkasap

Age : 72 Years

Type : Non-Executive Director

Position : Chairman of the Board of Directors

Chairman of the Risk Management Committee

Appointed Date : 3 October 2018

Family Relationship between Directors and Executive : None

Shareholding in the Company : None

Education

Master of Arts (Military) Year 1996.

Bachelor Degree, Chulachomklao Royal Military Academy, Class 20

Command and General Staff College, Course Class 61

Royal Thai Army College, Class 39

National Defense College (England), year 1998

National Defense College (Thailand), Class 44

Capital Market Academy Institute, Class 9

Thai Institute of Directors (IOD)

- Role of the Chairman Program(RCP) 16/2007
- Director Certification Program(DCP) 261/2018
- Advanced Audit Committee Program(AACP) 30/2018
- Board Nomination and Compensation Program(BNCP) 10/2020

Experience

2006-2008 Chairman of CAT Telecom Public Company Limited

2010-2018 Chairman Advisor of SC Group

Current position

2018-Present Chairman of the Audit Committee of Star Flex Public Co., Ltd.

2017-Present Chairman of NP Marine Co., Ltd.

2011-Present Advisory Board of Broadcasting Committee Television Business and the National Telecommunications Commission (NBTC)



Mr. Nuttaphob Ratanasuwanthawee

Age : 63 Years

Type : Authorized Director

Position : Vice Chairman

Chairman of the Executive Committee

Chief Executive Officer

Appointed Date : 8 September 2004

Family Relationship between Directors and Executive :

Mr. Natapong Ratanasuwanthawee's father

Shareholding in the Company : 690,329,994 shares or 63.46%

Education

Master Degree, Master of Arts-Political Science, Ramkamhaeng University
Bachelor Degree, Bachelor of Arts-Political Science, Ramkamhaeng University
Thai Institute of Directors (IOD)

- Directors Accreditation Program 28/2004
- Directors Certification Program 53/2005
- Financial Statement for Directors 17/2005
- Senior Executive Program of the Capital Market Academy (CMA) Class 29

Current position

2006-Present Chairman of Rayong Bulk Terminal Co., Ltd.

2018-Present Chairman of NFCT Company

Chairman of NFCW Company

1985-Present Chairman and President of SC Group

- | | |
|--|---|
| - Chemical and Aromatic (Thailand) Co., Ltd. | - Thai International Dockyard Co., Ltd. |
| - SC Carrier Co., Ltd. | - SC Groups Co., Ltd. |
| - SCG Logistics Co., Ltd. | - Liquid Gas Supply Co., Ltd. |
| - SC Management Co., Ltd. | - Eastery Mall Co., Ltd. |
| - SC Offshore Services Co., Ltd. | - SC Corporation Co., Ltd. |
| - NP Marine Logistics Co., Ltd. | - SC Sirapat Co., Ltd. |
| - Strategic Port link Co., Ltd. | - N Holding Co., Ltd. |
| - SC Groups Holding Co., Ltd. | - NP Songkhla Port Co., Ltd. |
| - PKR Logistics Co., Ltd. | - NP Samui Port Co., Ltd. |
| - SC Auto Logistics Co., Ltd. | |
| - SCENA Offshore Co., Ltd. | |

Current position (Continue)

2018-Present Director of Coastal Port Link Company Limited

2014-Present Director of Port Operation and Service Company Limited

1999-Present Director of Roong Natee Co., Ltd.

Experience

2015-2017 Chairman and President of Thai Pipe Line Network Co., Ltd

1995-2017 Chairman and President of NP Marine Co., Ltd.

2012-2017 Chairman and President of Neco-Trans Siam Co., Ltd. (Formerly AMT-SC (Thailand))

2013-2016 Vice Chairman and Chairman of Executive Committee of Begistics Public Company Limited (Formerly Bangpakong Terminal Public Company Limited)



Mr. Virasak Sutanthavibul

Age : 63 Years

Type : Independent Director

Position : Director

Chairman of the Audit Committee

Appointed Date : 14 May 2019

Family Relationship between Directors and Executive : None

Shareholding in the Company : 1,000,000 shares or 0.09%

Education

B. Eng., Chulalongkorn University

M.E., Texas A&M University, Texas, U.S.A.

The Joint State – Private Sectors Class 18/2005, The National Defence College of Thailand

Certificate, Capital Market Academy (CMA), Class 10/2010

Certificate, Thailand Energy Academy (TEA), Class 1/2012

Certificate of Completion and Graduation Pin, Justice Administration Batch 17

National Justice Academy (2012 – 2013)

Certificate of Completion and Graduation Pin, Institute of Business and Industrial Development (IBID), Class 2 /2015

Certificate, Business Revolution and Innovation Network (BRAIN) Class2/2018

Certificate, Harvard University, Advanced Management Program, U.S.A.

Certificate, Harvard University, Financial Institution for Private Enterprise Development, U.S.A.

Thai Institute of Director of association (IOD)

- Director Accreditation Program (DAP), Class 21/2003

Current position

2015-Present Independent Director and Chairman of Audit Committee of Thai Plaspac Public Co.,Ltd.

2016 – present Committee of Nomination and Remuneration Committee, Thai Plaspac Public Co., Ltd.

2012-Present Senior Executive Vice President, Commercial Banking of Bangkok Bank Public Co.,Ltd.

2004-Present Independent Director and Audit Committee of T.Krungthai Industries Public Co.,Ltd.

2016-Present Director of Bualuang Ventures Co.,Ltd.

Present Director of Asia Lamp Industry Co.,Ltd.

Present Director of Thai Indo Kordsa Co.,Ltd.

Experiences

2012-2020 Senior Executive Vice President, Commercial Banking of Bangkok Bank Public Co.,Ltd.

2015-2020 Director of the Remuneration and Nomination Committee of Bangkok Insurance Public Co.,Ltd.

2011-2020 Chairman of the Corporate Governance Committee of Bangkok Insurance Public Co.,Ltd.

2005-2020 Independent Director of Bangkok Insurance Public Co.,Ltd.

2014 – 2018 Independent Director and Audit Committee of Begistics Public Company Limited
(Formerly Bangpakong Terminal Public Company Limited)



Assoc. Prof. Dr. Seri Wongmonta

Age : 72 Years

Type : Independent Director

Position : Director

Audit Committee

Appointed Date : 8 September 2004

Family Relationship between Directors and Executive : None

Shareholding in the Company : 63 shares or 0.001%

Education

Doctorate, Journalism, Southern Illinois University, Carbondale, Illinois, USA

Master Degree, Master Science in Journalism, Northwestern University Evanston, USA

Master Degree, Master of Arts for Teachers (English), University of Washington, Seattle, USA

Bachelor Degree, Bachelor of Arts (Honor) English Literature and Foreign Language, Thammasat University

Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) 73/2551

Current position

July 2018-Present Independent Director and Audit Committee of Royal Orchid Hotel (Thailand) Public Company Limited

1992-Present Chairman of Good Communication Company Limited

Present Instructor, College of Management, Phayao University Bangkok Campus

Experiences

2008 - 2016 Lecturer at The Graduate School, Naresuan University



Mrs. Aree Termwattanapakdee

Age : 58 Years

Type : Independent Director

Position : Director

Audit Committee

Appointed Date : 21 December 2015

Family Relationship between Directors and Executive : None

Shareholding in the Company : None

Education

Master Degree / Master of Business Administration of Chulalongkorn University

Bachelor Degree / Bachelor of Business Administration in Accounting of

Ramkamhaeng University

Thai Institute of Directors (IOD)

- Directors Accreditation Program 11/2/2014
- Company Secretary Program 26/2008
- Audit Committee Program 22/2008
- Board Reporting Program 4/2010
- Effective Minutes Taking 18/2010
- Monitoring Fraud Risk Management 2/2010
- Monitoring the System of Internal Control and Risk Management 8/2010
- Anti-Corruption: The Practical Guide 1/2012

Training Courses by others Institute

- Training the Trainer from Anti-Money Laundering office
- Senior Executive Program of the Capital Market Academy (CMA) Class 1

Current position

Present

Chief of Compliance & Internal Audit

Department and secretary of the Audit

Committee of Krungthai ZMICO

Securities Company Limited

Vice Chairperson of The Compliance

Club of the Association of securities

Companies, Association of Thai

Securities Companies

Experiences

2014-2018

Independent Director and Audit

Committee of Begistics Public Company

Limited

(Formerly Bangpakong Terminal Public

Company Limited)



Dr. Sunee Sornchaitanasuk

Age : 59 Years

Type : None-Executive Director

Position : Director

Risk Management Committee

Appointed Date : 8 September 2004

Family Relationship between Directors and Executive : None

Shareholding in the Company : None

Education

- Doctor of Philosophy (Communication Management) Dissertation, Suan Dusit University
- Master Degree (Industrial Business), King Mongkut's Institute of Technology North Bangkok
- Bachelor Degree of Accounting, Thammasat University
- CPA, Institute of Certified Accounting & Audit of Thailand Certified Public Accountant No.3733
- Courses of Medical governance for senior Executive Class 3/2015, King Prajadhipok's Institute
- Courses of Top Executive Program in Commerce and Trade (TEPCoT) Class 7
- National Defence Course in private sector (2011), National Defence College
- Senior Executive Program of the Capital Market Academy (CMA) Class 11
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Class 10 of King Prajadhipok's Institute
- Thai Institute of Directors (IOD)
 - Strategic Board Master (SBM) 8/2020
 - Ethical Leadership Program 16/2019 (ELP)
 - Strategic Board Master 1/2017 (SBM)
 - Successful Formulation and Execution of Strategy 17/2013 (SFE)
 - Role of the Chairman Program 18/2008 (RCP)
 - Monitoring the Internal Audit Function 2/2008 (MIA)
 - Monitoring the System of Internal Control and Risk Management 3/2008 (MIR)
 - Chartered Director Program 3/2008 (CDC)
 - Quality of Financial Reporting 5/2007 (QFR)
 - Director Diploma Examination 18/2005 (Fellow member)

- Audit Committee Program 5/2005 (ACP)
- Director Certification Program 53/2005 (DCP)
- Director Accreditation Program 28/2004 (DAP)

Current position

- | | |
|--------------|---|
| 2017-Present | Independent director and Audit Committee of B Grimm Power Public Company Limited |
| 2016-Present | Independent director and Chairman of the Audit Committee of Namyong Terminal Public Company Limited |
| 2015-Present | Chairman of Audit Committee and Independent Director of Siam City Cement Public Company Limited |
| 2013-Present | Chief Executive Officer of AMC Medical Center (Thailand) Company Limited |
| Present | Director of CPA Associate (Thailand) Company Limited |
| Present | Director of Bellugg Group Company Limited |

Experiences

- | | |
|-----------|---|
| 2015-2017 | Advisor to the Subcommittee on Physical Space Use And the environment National Legislative Assembly |
|-----------|---|



Mr. Yongyos Palanitisena

Age : 73 Years

Type : Authorized Director

Position : Director

Executive Committee

Risk Management Committee

Appointed Date : 4 January 2005

Family Relationship between Directors and Executive : None

Shareholding in the Company : None

Education

Master Degree of Business Administration, Central State University, Oklahoma
USA

Bachelor Degree of Accounting, Chulalongkorn University

Thai Institute of Directors (IOD)

- Director Accreditation Program 42/2005

Current position

Present Director Rayong Bulk Terminal Company Limited

Present Director and Chairman of the Audit Committee of Phatara House
and Property Public Company Limited

Experiences

2014-2020 Adviser of Satake International Bangkok Company Limited

2012-2017 Advisor of the Board of Directors of Sahathai Terminal Company
Limited



Mr. Wiboon Rasmeepaisarn

Age : 59 Years

Type : None-Executive Director

Position : Director

Risk Management Committee

Appointed Date : 8 September 2004

Family Relationship between Directors and Executive : None

Shareholding in the Company : 2 shares or 0.001%

Education

Master Degree (Business Administration), Thammasat University (M.B.A.)

Bachelor Degree (Accounting), Chulalongkorn University (B.A., Accounting)

Thai Institute of Directors (IOD)

- Directors Accreditation Program 28/2004
- Directors Certification Program 147/2011
- Role of the Compensation Committee 13/2011
- Monitoring Fraud Risk Management 8/2012
- Monitoring of the Quality of Financial Reporting 16/2012
- Monitoring the Internal Audit Function 13/2012
- Monitoring system of Internal Control and Risk Management 13/2012
- Audit Committee Program 41/2012
- Anti-Corruption for Executive Program 13/2014
- Role of the Chairman Program 35/2014

Training Courses by others Institute

- Techsauce Global Summit 2019
- Exponential Manufacturing Thailand 2019
- Sustainability in the digital age : Know quickly and Usage
- The Impact of Financial Reporting Standards : Financial Instruments
- TFRS 16 : Lease
- Transfer Pricing Act

Current position

- | | |
|------------------|---|
| 2015-Present | Independent Director / Audit Committee / Risk Management Committee / Nomination and Remuneration Committee of Ananda Development Property Public Company Limited. |
| Jul 2020-Present | Director of Mena Transport Public Company Limited. |
| 2009-Present | Director and Executive committee of Eltek Power Company Limited. |
| 2009-Present | Director and Managing Director of Warach Paisarn Company Limited. |

Experiences

- | | |
|---------------|---|
| 2018-Jul 2020 | Director of Mena Transport Company Limited. |
| 2013-Sep 2019 | Director of Technor Company Limited. |



Mr. Kijja Smunyahirun

Age : 63 Years

Type : Authorized Director

Position : Director

Executive Committee

Appointed Date : 13 May 2008

Family Relationship between Directors and Executive : None

Shareholding in the Company : None

Education

Bachelor Degree of Accounting, Bangkok University

Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP) 112/2014
- Company Secretary Program 10/2005

Current Position

2013 - Present Director of NP Songkhla Port Co., Ltd.

2013 - Present Director of NP Samui Port Co., Ltd.

Experiences

2020 Advisor of NFC Public Company Limited

2016-2019 Senior Vice President (Corporate Affairs) of NFC Public Company Limited

2007-2019 Senior Vice President (Corporate Human Resource) of SC Group



Mr. Nataphong Ratanasuwanthawee

Age : 39 Years

Type : Authorized Director

Position : Director

Executive Committee

Deputy Chief Executive Office and President

Appointed Date : 21 December 2015

Family Relationship between Directors and Executive :

Mr. Nuttaphob Ratanasuwanthawee's son

Shareholding in the Company : 4,741,302 shares or 0.44%

Education

Bachelor Degree, Public Administration, Ramkhamhaeng University
Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP) 132/2016

Experiences

- | | |
|----------------|---|
| 2015-July 2018 | Director of Thai Pipeline Network Co., Ltd. |
| 2014-2017 | Director of NP Marine Company Limited |

Current position

- | | |
|------------------|--|
| 2018-Present | Director and Managing Director of NFCT Company Limited |
| 2018-Present | Director and Managing Director of NFCW Company Limited |
| Mar 2020-Present | Managing Director of N Holding Company Limited |
| Present | Director and Managing Director of SC Group |
- Chemical and Aromatic (Thailand) Co., Ltd.
 - SC Carrier Co., Ltd.
 - SCG Logistics Co., Ltd.
 - SC Management Co., Ltd.
 - SC Offshore Services Co., Ltd.
 - NP Marine Logistics Co., Ltd.
 - Strategic Port link Co., Ltd.
 - SC Groups Holding Co., Ltd.
 - PKR Logistics Co., Ltd.
 - SC Auto Logistics Co., Ltd.
 - SCENA Offshore Co., Ltd.
 - Thai International Dockyard Co., Ltd.
 - SC Groups Co., Ltd.
 - Liquid Gas Supply Co., Ltd.
 - Eastery Mall Co., Ltd.
 - (Formerly: S C Oil & Gas Supply Co., Ltd.)
 - SC Corporation Co., Ltd.
 - SC Sirapat Co., Ltd.
 - NP Songkhla Port Co., Ltd.
 - NP Samui Port Co., Ltd.
- | | |
|--------------|--|
| 2018-Present | Director of Coastal Port Link Company Limited |
| 2014-Present | Director of Port Operation and Service Company Limited |



Mrs. Bongkot Rungkornpaisarn

Age : 58 Years

Type : Authorized Director

Position : Director

Executive Committee

Chief Corporate Affairs Office

Appointed Date : 21 December 2015

Family Relationship between Directors and Executive : None

Shareholding in the Company : 2 shares or 0.001%

Education

Master Degree, Master of Business Administration, Chulalongkorn University

Bachelor Degree of Accounting, Chulalongkorn University

Thai Institute of Directors (IOD)

- Directors Accreditation Program(DAP) 28/2004
- Company Secretary Program 74/2016

Current position (Continue)

- | | |
|---------|--|
| Present | Director of Consulting by KP Co., Ltd. |
| | Director of D Medical Instrument Co., Ltd. |
| | Director of Thai Herb Recipe Company limited |
| | Director of Better Earth Co., Ltd. |

Current position

- | | |
|----------------|---|
| 2014-Present | Director and Chief Corporate Affairs Officer of NFC Public Company Limited. |
| 2018 - Present | Director of NFCT Co., Ltd
Director of NFCW Co., Ltd |
| 2020-Present | Executive Vice President (Corporate Affairs) of N Holding Company Limited. |
| 2006-Present | Director of Rayong Bulk Terminal Company Limited |
| 1992-Prsent | Director of Warach Paisarn Company Limited |
| Present | Director of SC Group |

- | | |
|----------------------------------|--|
| - SCG Logistics Co., Ltd. | - Thai International Dockyard Co., Ltd. |
| - SC Management Co., Ltd. | - SC Groups Co., Ltd. |
| - SC Offshore Services Co., Ltd. | - Eastery Mall Co.,Ltd. |
| - NP Marine Logistics Co., Ltd. | (Formerly:S C Oil & Gas Supply Co.,Ltd.) |
| - Strategic Port link Co., Ltd. | - SC Corporation Co., Ltd. |
| - SC Groups Holding Co., Ltd. | - SC Sirapat Co., Ltd. |
| - PKR Logistics Co., Ltd. | - NP Songkhla Port Co., Ltd. |
| - SC Auto Logistics Co., Ltd. | - NP Samui Port Co., Ltd. |
| - SCENA Offshore Co., Ltd. | |

Experiences

- 2013-Sep 2019 Director of Technor Company Limited

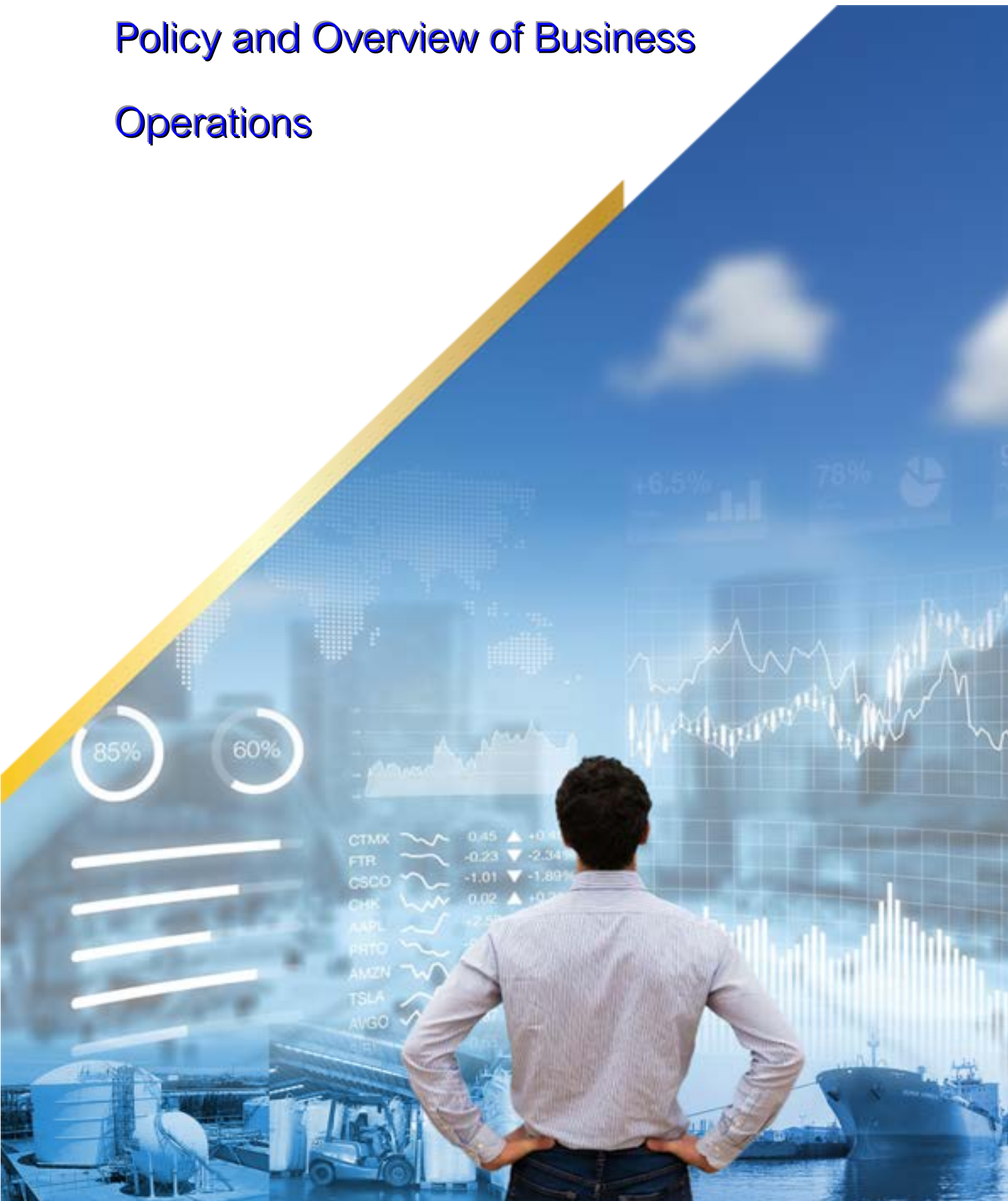
General Information



General Information

Company's name	:	NFC Public Company Limited
Abbreviation	:	NFC
Registration number	:	0107538000495 (formerly, BorMorJor.572)
Listing Securities	:	1,087,833,056 of Common shares, Baht 0.75 par value
Capital registered	:	Baht 897,462,271.50
Paid up capital	:	Baht 815,874,792.00
Type of business	:	1. Chemical products distribution 2. Services
Head Office Address at the present	:	No. 88 SC Group building 3 rd floor, The Park Land Road, (Bangna-Trad KM.5), Bangna Nuea Sub-District, Bangna District, Bangkok. Tel. (02) 348-0580 Fax. (02) 348-0579 Website: www.nfc.co.th
Factory and Warehouse address	:	1. No.2 MapTaPhut Industrial Estate, I-2 road, MapTaPhut Sub-District, Mueang Rayong District, Rayong Province 21150 2. No. 9/25 Mu 4, BuengYitho Sub-District, Thanyaburi District, Pathumthani 12130 3. No. 105/10 Mu 2, Surath-Phaknum, Bangkung Sub-District, Mueang Surat Thani District, Surat Thani 84000
Registrar	:	Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng Sub-District and District, Bangkok 10400 Tel. (02) 009-9000 Fax. (02)009-9999
Auditor	:	Mr. Mr. Jadesada Hungsapruet CPA no. 3759 Mr. Jirote Sirirorote CPA no. 5113 Ms. Kannika Wipanurat CPA no. 7305 Ms. Nonglak Pattanabundith CPA no. 4713 Mrs. Sumana Senivongse Na Ayuddhaya CPA no. 5897 Karin Audit Co., Ltd. 72 CAT Telecom Tower, Floor 24, Charoen Krung Rd. Bangrak, Bangkok. 10500 Thailand Tel. 0-2105-4661 Fax. 0-2026-3760 Website: http://www.karinaudit.co.th

Policy and Overview of Business Operations



Policy and Overview of Business Operations

NFC Public Company Limited (“the Company”) has the main business for distribution of chemicals products such as Ammonium, Ammonium Hydroxide and Sulfuric acid and Services such as Warehouse services, Logistics and Liquid storage service and Port service in Map Ta Phut Industrial Estate, Rayong.

The Company was first established under the name of National Fertilizer Company Limited on 11 November 1982 (under a national fertilizer project of a government sector). It was a joint investment between the government sector and a private sector for manufacturing purpose of bulk blending fertilizers replacing chemical fertilizers imported from overseas. The Company is located at Map Ta Phut Industrial Estate, Rayong Province with an initial registered capital of 50 million Baht and, consequently, has been promoted by the Board of Investment (BOI).

Latterly, in January 1993, the Company began to sell fertilizers to the market by the import of prefabricated chemical fertilizers under the trademark of “National Fertilizer” in order to create a market base at the beginning before the Company was manufacturing and distributing the products made from the Company’s factory. The Company submitted the Ministry of Commerce to increase its registered capital from 2,250 million Baht to 4,000 million Baht on October 13, 1995 and has been transformed into a public limited company under the name of National Fertilizer Public Company Limited then has been listed in the Stock Exchange of Thailand from 26 August 1996.

In 1997, the Company faced financial problem due to a lack of liquidity that resulted from the Baht devaluation of Thailand's currency and, in the meantime, depression did arise to all countries over the world since 1998 onwards. While the Company had begun its factory’s construction in 1995 and such construction had a completion schedule in April 1997, the Company’s contractor performed the construction in delay and was unable to deliver the work within the contractual deadline. From the Baht devaluation announced by the government, the Company costs and expenses of the operating performance were continuously loss. Therefore, the Company entered into the business rehabilitation proceedings of the Central Bankruptcy Court in 2003.

In 2004, The Company has restructured its capital structure and debt restructuring as set in the rehabilitation plan, which Mr. Nuttaphob Ratanasuwanthawee as a major shareholder of the Company at that time after the capital restructuring and debt restructuring, and the Company’s business rehabilitation achieved the plan on September 2004. In addition, the Company changed its name from National Fertilizer Public Company Limited to NFC Fertilizer Public Company Limited.

In 2005, the Company began to face a problem of depreciated condition of the machinery, and the products made from the factory had no consistent quality, lack of working capital to invest for repair the major machinery. The Company stopped producing chemical fertilizer from the main machinery temporarily in early 2006 as a result, the Company had a financial position in 2007 which had been audited by the auditor stated the equity was lower than zero and the auditor did not express an opinion on the financial statements of the Company for the consecutive years from 2007 to 2014.

In 2008, the Company filed a petition for business rehabilitation with the Central Bankruptcy Court due to the problems of deteriorated factory condition, and a new property appraisal state that the net appraisal value was lower than book value. Therefore, the Company had to record impairment loss on assets as a result, the Company had more debt than the properties, and in 2009, the Central Bankruptcy Court ordered to NFC Fertilizer Public Company Limited to be under the business

rehabilitation and appointed NFC Fertilizer Public Company Limited to be the Business Rehabilitation Planner. However, some creditors filed their objections to the Central Bankruptcy Court's order to the Supreme Court.

The Company had carried out various activities for the delisting of the Company's securities from the SET and the Company is eligible for the delisting. In 2010, the Central Bankruptcy Court ordered to approve the said business rehabilitation plan and appointed the Company to be the Plan Administrator which the Company has restructured its capital by reducing the par value from 1 Bath per share to 0.16 Baht per share and repayment by debt to equity conversion with creditors as set out in the plan.

In 2015, the Supreme Court ordered the Company's rehabilitation petition, as some creditors have filed their objection to the Supreme Court. Thus, the judgment revoking the request for rehabilitation would not affect with the action by the Official receiver or the Company as the plan administrator had done before the Supreme Court has the order. Subsequently, the Company sold 2,125 million shares to the private placement, at the offering price of 0.16 Baht per share, the total offering price of the Company's shares was 340 million Baht to Inter Spec Global Company Limited and Mr. Pittayakorn Naothaworn who was the private placement made the Company's paid-up capital changed to 1,076.89 million Baht. The Company raised the proceeds from the sale of such newly issued shares to repay the debt to the creditors in a one-time repayment plan with the condition to rest of the remaining debts amounted to approximately 190.18 million Baht.

In 2016, the Company had expanded the import business of Ammonia distribution to provide fully integrated end-user services by the acquisition and partial transfer of some business from Chemical and Aromatics (Thailand) Co., Ltd. ("C&A"). The Company had issued the new shares to private placement for paying the acquisition and partial transfer of some business to C&A and to register the change of paid-up capital 282.90 million Baht, resulting in paid-up capital changed to 1,359.79 million Baht. At present, C&A does not run any business and is in the process of other business practices study, which is not related to the distribution of Ammonia chemicals, and Ammonium Hydroxide or approach to liquidation.

In addition, the Company had registered to change the par value of shares and the number of shares from 0.16 Baht per share to 0.50 Baht per share by adjusting the number of registered and paid-up shares from 8,498.70 million shares to 2,719.58 million shares.

In 2017, the Company changed of par value and the number of shares from 0.50 Baht per share to 1.25 Baht per share, the Company changed the registered and paid-up shares from 2,719.58 million shares to 1,087.83 million shares. Subsequently, the Company decreased its registered and paid-up capital by 543.92 million Baht from the registered capital and the registered and paid-up capital of the Company of 1,359.79 million Baht to the registered and paid-up capital of 815.87 million Baht from 1.25 Baht per share to 0.75 Baht per share to compensate for the Company's deficit, which the Company still had 1,087.83 million registered and paid-up shares.

Moreover, the Company had changed its name from NFC Fertilizer Public Company Limited to NFC Public Company Limited, and also change the seal of the Company to be consistent with the current business.

In 2018, The Stock Exchange of Thailand (SET) has approved the Company removed the cause of possible delisting and resumed the securities of NFC to trade on SET (Resume Trading) under Industrials Industry in Petrochemicals & Chemicals Sector from 15 June 2018 onwards and 1 of NFC's a strategic shareholder, holding NFC's ordinary share including the amount of capital increase shares of the shareholders totaling 598.31 million shares or 55% of the paid-up capital in that

period would be prohibited on the silent period for 1 year from the first trading date of the Company and would be allowed to trade 25% of all shares that are subject to the prohibition of sale after 6 months.

In August 2018, The Company has established 2 subsidiaries, namely, NFCT Co., Ltd, operating a liquid warehouse service, and NFCW Co., Ltd, operating a warehouse and yard service which NFC Public Company Limited has shareholder in both of 99.97 % and registered capital Bath 1,000,000 per company.

At the Extraordinary General Meeting 1/2018 on November 2018, had a resolution in purchasing all ordinary shares of SC Carrier Company Limited (“SCC”), which run a business on transportation and logistics services of the hazardous, petroleum, and chemical products. This will increase the profitability in the chemical selling business, income, and the performance of the Company, as well as raise the value of the Company. It also creates an opportunity to expand the business line to the related profession, diverse the risk of the Company, and provides a chance to be a complete service provider on logistics, which is the acquisition of assets type 1 and a connected transaction.

Also, the Company increased the registered capital by 81,587,479.50 Baht from the existing registered capital of 815,874,792 Baht to the newly registered capital of 897,462,271.50 Baht by issuing 108,783,306 newly issued ordinary shares at the par value of 0.75 Baht per share to reserve for the exercise of warrants to purchase ordinary shares of the Company No.1 (NFC-W1) on December 2018 of not exceeding 108,783,306 units to the existing shareholders of the Company proportionate to their respective shareholding (Rights Offering) at the ratio of 10:1 with the term for 3 years from the issuance date of the Warrant.

In 2019, the Board of Directors meeting had a resolution to terminate the shares purchasing agreement with SCC because the condition precedent enforcement process set in the contract was not completed, including the essential condition precedent about the consent from the financial institutional creditors which is responsible by the two sellers. Later, a significantly negative incident to SCC, due to the law with ambiguous guidelines and the changes in officers’ guidelines, had occurred which caused uncertainty and risk to in their income, as well as, business. Therefore, after consultation between the Board of Directors and the firm’s legal advisor, they found that the happening would be negatively effect to SCC and the Company if we maintain the transaction for the SCC shares so they decided to terminate the purchasing contract.

In the Extraordinary General Meeting on June 2019, there was an approval for the NFCT Co., Ltd, held 100% shares by the Company, to invest in the Fuel Tank Farm Project which located in a general industrial area; No.2 Map Ta Phut Industrial Estate, I-2 road, Map Ta Phut Sub-District, Mueang Rayong District, Rayong Province, in order to provide services on fuel liquid storage and logistics by transporting through the pipeline. At the same time, there was a decision from the Board of Directors meeting on raising the registered capital and paying for the full value of NFCT shares for 325 million Baht to support the Fuel Tank Farm Project.

On July 2019, the Company made a payment for paid up capital 325 million Baht to NFCT Co., Ltd. Then, NFCT Co., Ltd has increased their registered capital by 325 million Baht, from 1 million Baht to 326 million Baht, and issued newly ordinary shares for 3,250,000 shares at par value 100 Baht per share, to support the capital raising from the Company.

Furthermore, NFCT Co., Ltd. also signed the land lease agreement for industrial, at Map Ta Put Industrial Estate, to run the Fuel Tank Farm for The Shell Company of Thailand Ltd. according to Storage Facility Services Agreement with a service of 12+5 years.

In November 2019, NFCT Co., Ltd signed the EPC Contract for NFCT Fuel Tank Farm Project with an EPC contractor for lump sum turn keys construction. Moreover, the target completion date of the project is on 1 June 2021. The project would also be ready to start the operation on the following date.

In October 2020, there was approval in the Extraordinary General Meeting for the NFCW Co., Ltd, held 100% shares by the Company, to invest in area development to support and service for the operators of structure assembly and pipe system yard and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig structure Project which located in a general industrial area; No.2 Map Ta Phut Industrial Estate, I-2 road, Map Ta Phut Sub-District, Mueang Rayong District, Rayong Province, in order to provide area development service for customers who want to use area behind the port, operators of structure assembly and pipe system yard, and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig project with full facilities and in the same month, there was also a decision from the Board of Directors meeting on raising the registered capital of NFCW shares for 195 million Baht to support the area development to support and service for the operators of structure assembly and pipe system yard and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig structure Project.

In November 2020, NFCW Co., Ltd signed the land lease agreement for industrial, at Map Ta Phut Industrial Estate, phase 1 in area approximately 50-1-44 rai to area development service for customers who want to use area behind the port, operators of structure assembly and pipe system yard, and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig project with full facilities.

Furthermore, the Company also signed the memorandum of understanding attached the land lease agreement for industrial, Map Ta Phut Industrial Estate to return partial leasehold rights approximately 30 rai to the IEAT., subject to the public port management, Map Ta Phut Industrial Estate.

In December 2020, the Company made a payment for paid up capital totaling 117 million Baht to NFCW Co., Ltd., for the area development service for customers who want to use area behind the port, operators of structure assembly and pipe system yard, and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig Project. The rest of the capitals will be called as deem necessary for the project.

NFCT Company Limited ("NFCT"), a subsidiary company which is 100 percent owned by the Company, invested in tanks for fuel oil storage project ("Project"), to provide liquid storage for oil storage and logistic services in transportation of oil through pipelines for the Shell Company of Thailand Limited. Currently, the Project is under construction as according to the plan, At the end of 2020 the progress is more than 70% and which is expected to be open for service in the 4th quarter of 2021

Vision Mission Organization Culture and Business Plan

- Vision

Being a leader of business integration in the production, sale and purchase, the chemical storage service provider in Thailand and Southeast Asia regions with sustainable profits.
- Mission
 - i. Continuous growth with stability and sustainable way to achieve the vision.
 - ii. Transparent business management with a successful investment will favor long-term growth and achieve the target.

iii. Focus on the importance of Human Resource Development to increase their potential and work effectiveness keep up with ASEAN.

iv. entrepreneurship in pursuance of corporate social responsibility

▪ Organization Culture

Manage company business to achieve the vision and mission on the attainment of basic customer satisfaction and the highest beneficially of our stakeholders with operations.

- i. Providing with steadily short-and long-term goals firmly.
- ii. By supporting with the moral and professional ethical standards.
- iii. By supporting with the challenge of creative thinking and final decision making. Working as a team
- iv. By supporting with the human resource capability and full of potential.
- v. By supporting with generosity towards employees and society.

▪ Business Plan

- i. Distributing chemical products such as ammonia, ammonium oxide, and sulfuric acid
- ii. Providing services on warehouse, logistics and liquid storage including port services

Major changes and developments

Over the past 5 years, the Company has significant changes and developments related to the Shareholding Structure, Management and business operations as follows:

- On April 29, 2016, the Ordinary General Meeting of Shareholders resolved to approve the Company to proceed as follows:
 - Increased capital to Private Placement of 282.90 million Baht by issuing ordinary shares, approximately 1,768,106,235 shares at a par value of 0.16 Baht per share, and the share allotment will be approved to Chemical and Aromatics (Thailand) Co., Ltd. ("C&A") for the distribution of acquisition and partial transfer from C&A on the business of ammonia and ammonium hydroxide.
 - Change in par value from 0.16 Baht per share to 0.50 Baht.
- On June 1, 2019, the Company purchased and accepted the partial business transfer from the business related to the distribution of ammonia and ammonium hydroxide from C&A.
- On June 2, 2016, the Company had allocated 1,768.11 million new ordinary shares at a par value of 0.16 Baht per share, totaling 282.90 million Baht, and registered the paid-up capital of 1,359.79 million Baht divided into 8,498.70 million shares at par value of 0.16 Baht.
- On June 10, 2016, the Company changed the par value from 0.16 Baht per share to 0.50 Baht per share, resulting in a change in share capital from 0.16 Baht per share 8,498.70 million shares to 2,719.58 million shares
- On 29 July 2016, Tender Offer of Mr. Nuttaphob Ratanasuwanthawee and C&A, as a related party had ended. The purchased securities totally 2.73 million shares.
- On 28 June 2017, the Company had changed its name from NFC Fertilizer Public Company Limited to NFC Public Company Limited, and also change the seal of the Company to be consistent with the current business. The Company registered the change in par value and number of shares from 0.50 Baht per share to Baht 1.25 per share.
- On 6 September 2017, Then, the Company had decreased its registered and paid-up capital of the Company amount of 543.92 million Baht from its registered and paid-up capital of 1,359.79 million Baht to the new registered and paid-up

capital of 815.87 million Baht by reducing the value of shares from 1.25 Baht per share to 0.75 Baht per share to compensate for the Company's deficit.

- On 29 March 2018, the Company submitted a letter requesting the Company's securities to enter the period of procedure for qualification to resume stage with the Stock Exchange of Thailand.
- On 31 May 2018, the Company submitted a letter requesting to remove the cause of possible delisting and resumed the securities of NFC to trade (Resume Trading) in the Stock Exchange of Thailand
- On 8 June 2018, The Stock Exchange of Thailand (SET) has approved the Company removed the cause of possible delisting and resumed the securities of NFC to trade on SET (Resume Trading) under Industrials Industry in Petrochemicals & Chemicals Sector from 15 June 2018 onwards and 1 of NFC's a strategic shareholder, holding NFC's ordinary share including the amount of capital increase shares of the shareholders totaling 598.31 million shares or 55% of the paid-up capital in that period would be prohibited on the silent period for 1 year from the first trading date of the Company and would be allowed to trade 25% of all shares that are subject to the prohibition of sale after 6 months.
- On 2 August 2018, the Company has established 2 subsidiaries, namely, NFCT Co., Ltd, operating a liquid warehouse service, and NFCW Co., Ltd, operating a warehouse and yard service which NFC Public Company Limited has shareholder in both of 99.97 % and registered capital Bath 1,000,000 per company.
- On 21 November 2018, the resolution from the Extraordinary General Meeting 1/2018 was to purchase all ordinary shares of SC Carrier Company Limited ("SCC"), which run a business on transportation and logistics services of the hazardous, petroleum, and chemical substances. This will increase the profitability in the chemical selling business, income, and the performance of the Company, as well as raise the value of the Company. It also creates an opportunity to expand the business line to the related profession, diverse the risk of the Company, and provides a chance to be a complete service provider on logistics, consequently be the acquisition of assets type 1 and a connected transaction.
- On 6 December 2018, the Company increased the registered capital by 81,587,479.50 Baht from the existing registered capital of 815,874,792 Baht to the newly registered capital of 897,462,271.50 Baht by issuing 108,783,306 newly issued ordinary shares at the par value of 0.75 Baht per share to reserve for the exercise of warrants to purchase ordinary shares of the Company No. 1 (NFC-W1) on December 2018 of not exceeding 108,783,306 units to the existing shareholders of the Company proportionate to their respective shareholding (Rights Offering) at the ratio of 10:1 with the term for 3 years by exercising twice a year at the exercise price of 6.50 Baht.
- On 9 April 2019, the Board of Directors meeting had a resolution to terminate the share purchasing agreement on all SCC's stocks because the condition precedent enforcement process set in the contract was not completed, including the essential condition precedent about the consent from the financial institutional creditors which is responsible by the two sellers. Later, a significantly negative incident to SCC, due to the law with ambiguous guidelines and the changes in officers' guidelines, had occurred which caused uncertainty and risk to in their income, as well as, business. Therefore, after consultation between the Board of Directors and the firm's legal advisor, they found that the happening would be negatively effect to SCC and the Company if the Company maintain the transaction for the SCC shares so they decided to terminate the purchasing agreement.
- On 21 June 2019, there was approval in the Extraordinary General Meeting for the NFCT Co., Ltd, held 100% shares by the Company, to invest in the Fuel Tank Farm Project which located in a general industrial area; No.2 Map Ta Phut

Industrial Estate, I-2 road, Map Ta Phut Sub-District, Mueang Rayong District, Rayong Province, in order to provide services on fuel liquid storage and logistics by transporting through the pipeline.

- On 21 June 2019, there was also a decision from the Board of Directors meeting on raising the registered capital and paying for the full value of NFCT shares for 325 million Baht to support the Fuel Tank Farm Project. Furthermore, NFCT Co., Ltd has got approval in the Extraordinary General Meeting on the same day.
- On 19 July 2019, the Company made a payment for paid up capital 325 million Baht to NFCT Co., Ltd.
- On 23 July 2019, NFCT Co., Ltd has increased their registered capital by 325 million Baht, from 1 million Baht to 326 million Baht, and issued newly ordinary shares for 3,250,000 shares at par value 100 Baht per shares, to support the capital increasing from the Company.
- On 25 July 2019, NFCT Co., Ltd signed the land lease agreement for industrial, at Map Ta Phut Industrial Estate, to run the Fuel Tank Farm for The Shell Company of Thailand Ltd. according to Storage Facility Services Agreement with a service of 12+5 years.
- On 6 November 2019, NFCT Co., Ltd signed the EPC Contract for NFCT Fuel Tank Farm Project with an EPC contractor for lump sum turnkey construction. The target completion date of the project is on 1 June 2021. The project would also be ready to start the operation on the following date.
- On 19 October 2020, there was approval in the Extraordinary General Meeting for the NFCW Co., Ltd, held 100% shares by the Company, to invest in area development to support and service for the operators of structure assembly and pipe system yard and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig structure Project which located in a general industrial area; No.2 Map Ta Phut Industrial Estate, I-2 road, Map Ta Phut Sub-District, Mueang Rayong District, Rayong Province, in order to provide area development service for customers who want to use area behind the port, operators of structure assembly and pipe system yard, and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig project with full facilities.
- On 19 October 2020, there was also a decision from the Board of Directors meeting on raising the registered capital of NFCW shares for 195 million Baht to support the area development to support and service for the operators of structure assembly and pipe system yard and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig structure Project.
- On 20 October 2020, NFCW Co., Ltd has increased their registered capital by 195 million Baht, from 1 million Baht to 196 million Baht, and issued newly ordinary shares for 1,950,000 shares at par value 100 Baht per shares, to support the capital increasing from the Company.
- On 27 November 2020, NFCW Co., Ltd signed the land lease agreement for industrial, at Map Ta Phut Industrial Estate, phase 1 in area approximately 50-1-44 rai to area development service for customers who want to use area behind the port, operators of structure assembly and pipe system yard, and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig project with full facilities.
- On 27 November 2020, the Company also signed the memorandum of understanding attached the land lease agreement for industrial, Map Ta Phut Industrial Estate to return partial leasehold rights approximately 30 rai to the IEAT., subject to the public port management, Map Ta Phut Industrial Estate.

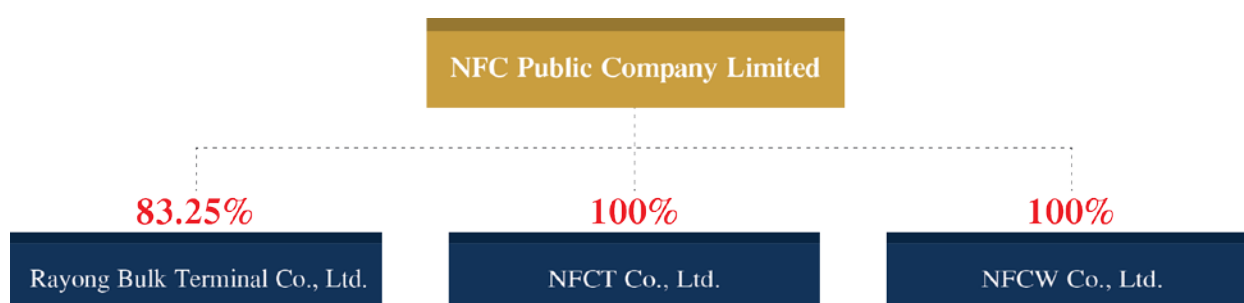
- On 3 December 2020, the Company made a payment for paid up capital (1st installment) 78 million Baht to NFCW Co., Ltd., totaling paid-up capital 79 million Baht for the Project.
- On 18 December 2020, the Company made a payment for paid up capital (2nd installment) 39 million Baht to NFCW Co., Ltd., totaling paid-up capital 118 million Baht for the Project.

Shareholding Structure of the Group

The Company has 3 subsidiary companies as follows:

- Rayong Bulk Terminal Company Limited, which is operated in the business of pier area and warehouses.
- NFCT Company Limited, which is operated in the business of a liquid warehouse service.
- NFCW Company Limited, which is operated in the business of a warehouse and yard service.

with the shareholding ratio as follows:



Relationship with the major shareholder's business.

The Company's major shareholder is Mr. Nuttaphob Ratanasuwanthawee, the major shareholders of the SC Group which, the Company relies on and operates a business related to its major shareholders, due to Financial Statement as of December 31, 2020 as follows:

Company	Type of Business	Relationship
Rayong Bulk Terminal Co., Ltd	Provide wharf frontage services and warehouse services	Subsidiary company and co-directors/ co-management team
NFCT Co., Ltd.	Liquid warehouse services business	Subsidiary company and co-directors/ co-management team
NFCW Co., Ltd.	Warehouse and Yard services business.	Subsidiary company and co-directors/ co-management team
SC Management Co., Ltd.	Water carriage	Co-shareholders and directors/ co-management team
SC Carrier Co., Ltd.	Land carriage	Directors and co-management team
Chemicals and Aromatics (Thailand) Co., Ltd.	Distribution of chemicals	Directors and co-management team
Strategic Port Link Co., Ltd.	Land carriage	Co-shareholders and directors/ co-management team
SCG Logistics Co., Ltd.	Land and water carriage	Co-shareholders and directors/

Company	Type of Business	Relationship
SC Offshore Services Co., Ltd.	Offshore marine services	co-management team Co-shareholders and directors/ co-management team
NP Marine Logistics Co., Ltd.	Land and water carriage	Co-shareholders and directors/ co-management team
SCENA Offshore Co., Ltd.	Offshore marine services	Co-shareholders and directors/ co-management team
Thai International Dockyard Co., Ltd.	Operated shipyards, repair and maintenance for all types of boat engines.	Co-shareholders and directors/ co-management team
N Holding Co., Ltd.	Provide office space rental service and facilities to use the office space.	Co-shareholders and directors/ co-management team
SC Auto Logistics Co., Ltd.	Land and water carriage	Co-shareholders and directors/ co-management team
SC Corporation Co., Ltd.	Provide liquid petroleum warehouse services	Co-shareholders and directors
NP Marine Co., Ltd.	Provide wharf frontage services, warehouse services and water carriage	Co-shareholders and directors

Nature of Business Operations



Nature of Business Operations

Revenue's Structure

Unit: Million Baht	For the year ended		For the year ended		For the year ended	
	December 31, 2018		December 31, 2019		December 31, 2020	
	Amount	%	Amount	%	Amount	%
Revenue from Sale chemical products	1,085.92	92.03	1,080.75	91.46	615.68	85.60
Ammonia	565.60	52.08	408.61	37.63	271.85	44.15
Ammonium Hydroxide	21.46	1.98	27.06	2.49	28.67	4.66
Sulfuric acid	498.86	45.94	645.08	59.40	315.16	51.19
Revenue from Services	94.07	7.97	100.90	8.54	103.61	14.40
Warehouse services	29.96	31.85	35.77	38.02	39.85	38.46
Logistics and Liquid storage service	55.04	58.51	54.96	58.42	54.96	53.05
Port service	9.07	9.64	10.17	10.81	8.80	8.49
Total revenue	1,179.99	100.00	1,181.65	100.00	719.29	100.00
Others income						
Gypsum revenues net of related expenses	7.02	49.17	18.39	67.34	0.06	0.37
Reversal of allowance for doubtful accounts	0.00	0.00	0.00	0.00	0.00	0.00
Gain from sale of fixed assets	0.60	4.20	0.00	0.00	0.00	0.00
Reversal of allowance for impairment on assets	0.00	0.00	0.00	0.00	0.00	0.00
Debt forgiveness from legal claim	0.00	0.00	0.00	0.00	0.00	0.00
Gain from Exchange rate	1.71	11.97	0.03	0.11	2.96	17.97
Income from Bank interest	4.13	28.92	4.16	15.23	1.12	6.83
Gain from claim	0.15	1.05	0.00	0.00	0.00	0.00
Income from sales of materials and equipment	0.00	0.00	0.00	0.00	0.00	0.00
Reversal of allowance for inventories obsolete and defective	0.67	4.69	0.00	0.00	0.00	0.00
Gain from sales of short-term investment	0.00	0.00	4.38	16.04	0.00	0.00
Accrued expenses (Reversed)	0.00	0.00	0.00	0.00	9.72	59.03
Others (i.e. sale of scrap materials)	0.00	0.00	0.35	1.28	2.60	15.80
Total Others income	14.28	100.00	27.31	100.00	16.46	100.00

Types of Products and Services

Economic and industrial conditions affecting operations

- **Ammonia**

Thailand cannot produce Ammonia, therefore, it must be imported from abroad. The importer must import the goods by vessels and have invested in preparing a storage tank including having their own product delivery system or having a contract to rent the storage for the store of products, especially in industries that use Ammonia as the main raw material, such as the production of Caprolactam which computed to 84 % of the total Ammonia import volume. However, the number of imports will increase or decrease depending on the situation of the price and demand of Caprolactam in the world market.

The remaining import quantity is imported for distribution in various manufacturing industries, such as Monosodium glutamate production, Latex and Refrigerant industry etc. Especially, the Monosodium glutamate manufacturer which improved the production system to be more effective while applied Ammonia less than ordinary system and the competition begins to change from the former to a semi-monopoly market, becoming a more free-market causing customers to have more negotiation power because there are importers and distributors and there is increased price competition. As a result, the trend of import and distribution of Ammonia products may be reduced from both the market share and the selling price.

- **Ammonium hydroxide**

At present, the amount of demand for Ammonium hydroxide in the country is constant. The market will consider the product price as the main factor in the purchase. As a result, the Company uses pricing strategies to maintain the customer base and market share. In the future, there may be more demand if customers have established a new factory.

- **Sulfuric acid**

The Company distributes Sulfuric acid both in the country and abroad. In the past year, the amount of demand for Sulfuric acid was increased due to the increased sales volume in the abroad.

In the 2nd quarter of 2020, Sulfuric Acid was lower from the continuously decrease of global price due to the epidemic of COVID-19 which effected to market forces, the oversupply of Sulfuric Acid also made the price much lower than usual.

However, at the bottom year 2020, the price of Sulfuric Acid started increase.

Distribution of chemicals.

The Company is the importer and distributor of chemicals stored in the liquid storage of the Company in Map Ta Phut Industrial Estate to sale and distribute products to domestic customers. At present, the main chemicals the Company distributes are Ammonia, Ammonium hydroxide, and Sulfuric acid.

- **Ammonia** the Company imports Ammonia from Malaysia to sell to domestic customers for Monosodium glutamate industry, Latex industry, Refrigerant industry and Chemical industry, by distribution through customer group of Trader and distributed directly to End User.

- **Ammonium hydroxide** the factory is located in Pathum Thani province to sell to domestic customers for Power plants/Gas separation plants, Pollution Control industry, Rubber industry, Textile industry and Rubber planters, by distribution through customer group of Trader and distributed directly to End User.
- **Sulfuric acid** the Company imported Sulfuric acid from Switzerland, Korea and United Arab Emirates to sell to the customer group of Trader in the country.

Services

- **Warehouse services** The Company has the available space in the warehouse building to serve customers who need to store that space for materials and finished goods such as Plastic beads and Silica etc., for import/export and distribution, with the warehouse space of approximately 90,000 square meters, including provide an Open Yard, such as machinery and equipment etc.
- **Logistics and Liquid storage service** The Company also provide Logistics and Liquid storage to store Ammonia and Sulfuric acid to customers who need liquid storage and also provide inventory management services to meet the needs of our customers, including liquid cargo services for transportation by vehicles. At present, the Company has a total of 56,835 tons of liquid storage services, divided into storage for Ammonia and Sulfuric acid with the capacity of 21,835 tons and 35,000 tons, respectively.
- **Port services** the Company provide the dedicated port service for the products of Company including services to customers in the Map Ta Phut Industrial Estate due to bulk cargo and liquid cargo that can accommodate 60,000 DWT cargo vessels but port must be approved by the Industrial Estate Authority of Thailand ("IEAT") from time to time, such as Cold rolled coils, Hot Rolled Coil, Structural steel, Coal, Gypsum, etc., as well as jetty and utilities services provided.

Marketing and Competition

A. Target customers

Distribution of chemicals

Currently, the Company sells 3 chemicals, namely Ammonia, Ammonia Hydroxide and Sulfuric acid which the 53 customers base divided into the following groups:

- Ammonia

In 2020, Ammonia revenue was 271.85 million Baht, or 44.15% of the total sales of chemicals revenue. There are 37 customers, including Trader and End User, which can be divided into industry segments as follows:

Industry group	Amount (Million Baht)	%
1. Monosodium glutamate	136.64	50.26
2. Latex	107.45	39.53
3. Refrigerant	22.48	8.27
4. Chemicals	2.59	0.95
5. Others	2.69	0.99
Total	271.85	100.00

The major customers are IVIC (Thailand) Co., Ltd., representing 47.49% of the income from Ammonia sales.

- Ammonium hydroxide

In 2020, Ammonium hydroxide revenue was 28.67 million Baht, or 4.66 % of total sales of chemicals revenue. There are 14 customers, including Trader and End User, which can be divided into industry segments as follows:

Industry group	Amount (Million Baht)	%
1. Power plants/Gas separation plants	8.33	29.05
2. Pollution Control	14.56	50.78
3. Rubber	0.54	1.88
4. Rubber planters	0.38	1.34
5. Others	4.86	16.95
Total	28.67	100.00

The major customers are Asian Scientific Co., Ltd., representing 27.84% of the income from Ammonium hydroxide sales.

- Sulfuric acid

In 2020, Sulfuric acid revenue was 315.16 million Baht, or 51.19% of total sales of chemicals revenue. There are 2 customers of Trader, which can be divided into industry segments as follows:

Customer	Amount (Million Baht)	%
1. Saksri Industry Co., Ltd	286.03	90.76
2. Sumitomo Corporation Thailand Co., Ltd.	29.13	9.24
Total	315.16	100.00

Services

In 2019, the Company provides the following services to the customers:

1) Target customer of warehouse services

In 2020, the revenue from warehouse services was 39.85 million Baht, representing 38.46% of total service revenue. There are 16 customers who are customers in Map Ta Phut Industrial Estate. The major customers are GC Logistics Solution Co., Ltd., computing to 56.44% of total revenue from warehouse services.

2) Target customer of Logistics and Liquid storage service

In 2020, the revenues from Logistics and Liquid storage service was 54.96 million Baht, representing 53.05% of total service revenue. There are 2 customers who are the customers of Sulfuric acid. The major customers are Saksri Industry Co., Ltd computing to 81.88% of total revenue from Logistics and Liquid storage service.

3) Target customer of Port services

In 2020, the revenues from Port service was 8.80 million Baht, representing 8.49% of total service revenue. There are 43 customers who are customers in Map Ta Phut Industrial Estate. The major customers are SC Management Co., Ltd computing to 81.33% of total revenue from Port service.

B. Distribution

Distribution of chemicals

- **Ammonia**

In the year 2020, there are 37 customers were sold through the Trader and End User segments, which were classified as follows.

Customer segment	Amount (Million Baht)	%
1. Trader	157.78	58.04
2. End User	114.07	41.96
Total	271.85	100.00

The distribution was made through the 9 Trader segment, representing 58.04% of the total revenue from sales of Ammonia. The Company and Suppliers plan together to forecast the amount of using Ammonia annually and monthly delivery plan. The disposal of 28 end users, computing to 41.96% of the revenues from the sale of Ammonia. The Company sells the Ammonia to various customers and delivery according to customer's requirement. The Company has facilitated the supply and installation of storage tanks for customers which can make a good relationship for customer loyalty. At present, the Company has the storage tank inventories ready for installation service of new customers group to meet the needs of customers.

- **Ammonium hydroxide**

In the year 2020, there are 14 customers were sold through the Trader and End User segments, which were classified as follows.

Customer segment	Amount (Million Baht)	%
1. Trader	12.96	45.18
2. End User	15.71	54.82
Total	28.67	100.00

The Company sells Ammonium hydroxide to meet the needs of their customers under the customer's packaging for the sale to End User, the Company performs bidding on the contract period of each customer on average 1-2 years.

- **Sulfuric acid**

The Company sells to 2 Trader customers in the country with yearly contracts.

Services

Warehouse Services and Logistics and Liquid storage service had a period contract which agreed with the customer. In the Port services, the Company provides services to customers located in Map Ta Phut Industrial Estate which is the type of bulk cargo such as Cold rolled coils, Hot Rolled Coil, Structural steel, Coal, Gypsum, etc., that the Company have a team of experienced and proficient in providing business services on berths.

C. Distribution

Distribution of chemicals

- **Ammonia**

The Ammonia market in Thailand is a niche market with low growth rates, and it is not worth investing in an ammonia production facility in the country so all Ammonia must be imported from abroad.

In the years 2018 – 2020, Thailand imported 481,642 tons, 428,473 tons and 350,196 tons of Ammonia, respectively, mainly from Malaysia, Indonesia, Australia and Saudi Arabia (Source: www.customs.go.th). Most Ammonia is imported by operators using Ammonia in their production process of Caprolactam Acrylonitrile and Methyl methacrylate. The rest are imported Ammonia for sale to other industrial operators such as Monosodium glutamate industry and Latex industry.

Currently, there are only 3 major importers of Ammonia. The Company has a market share approximately 30% of total market value because the Company has a large liquid storage of Ammonia at Map Ta Phut Industrial Estate with a total volume of 21,570 tons and ready availability of berths with facilities for importing such goods including most of our clients are customers who have a relationship for more than 10 years.

- **Ammonium hydroxide**

Ammonium hydroxide or Water Ammonia is the main raw material for production to react with water, the concentration of Ammonium hydroxide depends on the proportion of Ammonia mixed. Ammonium hydroxide is used in the Textile Industry, Pharmaceuticals, Rubber, Detergents, Gas separation plants, Power plants, Dyes and cleaning agents, etc. Ammonium hydroxide used in Thailand mostly produced locally from imported Ammonia. For direct import of Ammonium hydroxide in 2018 - 2020, Thailand imported 119 tons, 117 tons and 309 tons of Ammonium hydroxide, respectively, mainly from China approximately 62% of total import volume (Source: www.customs.go.th).

The Company has imported Ammonia to sell and have the raw materials used for the production of Ammonium hydroxide, and also can produce Ammonium hydroxide with the concentration that customers required as a result, the Company has expanded its customer base. In 2020, the Company sold 5,809 tons of Ammonium hydroxide.

- **Sulfuric acid**

Sulfuric acid is the raw material for many basic industries such as Fertilizers, Batteries, Textiles, Pulp, Tissue, Alum, Rubber, etc. In Thailand, Sulfuric acid is not sufficient to domestic demand so it also depends on the import.

Sulfuric acid used in Thailand is both produced in the country and imported from abroad. In 2018-2020, Thailand imported Sulfuric acid for 790,735 tons, 693,245 tons and 652,842 tons of Sulfuric Acid, respectively, mainly from Japan, South Korea and the Philippines (Source: www.customs.go.th).

In 2020, The Company imported Sulfuric acid for sale, representing 52 % of Sulfuric acid for sale.

Currently, there are 4 major suppliers of Sulfuric acid and the Company has a 55% of total market share value because the Company has large liquid storage at Map Ta Phut Industrial Estate with a total capacity of 35,000 tons, as well as a wharf that accommodates large vessels with facilities for importing such goods including the Company's customers are customers who have relationships for more than 10 years.

Services

- Warehouse services

Due to the situation of the outbreak of New Coronavirus 2019 (COVID-19) in 2020, as a result, Thailand and global economic condition will slow down, many businesses have encountered business problems. However, the warehouse market that stores certain types of products is continue on the rising trend. Some businesses expands during the COVID-19 situation especially business related to medical device, foods and beverages business. Nevertheless, the growth of the warehouse business depends on business conditions or production and commercial activities which is often in line with the economic growth and international trade direction. Thailand's international trade value of 2020 on imports and exports have declined. In this regard, the Economic Intelligence Center: EIC by SCB forecast the trend of Thai exports will return to growth rate of about 4-5% and the forecast of IMF on global economy shows that only China tends to recover faster, the rest (Which is Thai's trading partners) is likely to recover slowly (Source: www.scbeic.com). Although the Company has encountered challenges from the COVID-19 epidemic, the company is still able to maintain its existing customer base, the response was therefore as expected, as a result, the Company is less affected.

With the need for warehouse space of industrial sector, more warehouse management technologies are used to increase storage efficiency of their products, making it possible to save more warehouse space and increase the efficiency of products storage causing warehouse operators to be able to compete both in terms of price, service and management efficiency. However, with the potential of the Company's warehouse located in an opportunistic area for continuous growth and investment which is an area of production activities, loading and unloading activities, and alongside transport routes activities which can be a distribution area of goods to different regions or abroad including at border areas in border provinces connecting with neighboring countries.

- Logistics and Liquid storage service and Port services

IEAT is the management and operator of the 12 East Coast Terminal in the Map Ta Phut Industrial Estate, which is the main port for providing cargo handling services for both raw materials and finished goods to the factories in Map Ta Phut Industrial Estate and other industrial areas nearby. By dividing the management of 12 docks into 2 types as follows.

1. Public Terminal (PT), which is an unlimited number of customers for berths. IEAT invested in the construction of basic facilities for both berths, warehouses, port areas and facilities as follows:
 - 1.1 General Cargo Berth: Thai Prosperity Terminal Co., Ltd. (TPT) has the right to manage the berth.
 - 1.2 Liquid Cargo Berth: Thai Tank Terminal Ltd. (TTT) has the right to manage the berth.
 - 1.3 Map Ta Phut Industrial Terminal or second General cargo Berth operated by IEAT.
2. Dedicated Terminal (DT) which is a port that invested and built by business and limited access to the service, and provides only a group of operators. However, the port operator may request to provide services to others from time to time, with the approval of IEAT that are 9 dock (Company's port included).

The location of the Company has strategic advantages in the Map Ta Phut Industrial Estate that is the production base of the major petrochemical and chemical industries. The Company also has a large berth (Panamax) and there is space behind the docks ready to develop to support and enhance service to customers. It has a competitive advantage in offering services such as logistics services to meet the needs of customers especially customer for import and export. There are

also railroads attached to the area of the Company that will be able to develop the main rail connection. (Map Ta Phut Station), which will enhance the competitiveness in the future.

2.3 Products and Services Supply

Distribution of chemicals

- **Ammonia**

The Company imported Ammonia from 1 oversea supplier such as Petronas Group, Malaysia which the seller is an agent located in the country, which imported from Malaysia computing to 100% of the total import volume. The Company has a license to import Ammonia hazardous substances from various sources of reserves totally 8 sources and manufacturing plant licenses to operate Ammonia filling business including a business license that is harmful to health.

- **Ammonium hydroxide**

The Company produces Ammonium hydroxide at Rangsit factory, Pathum Thani province with the license to operate Ammonia filling business. Production of Ammonium hydroxide 27%, 25%, 20% and 19% by weight, including health hazard license, etc., which the Company will produce according to the customer's requirements under customer's packaging.

- **Sulfuric acid**

The Company importer Sulfuric acid from 4 overseas suppliers such as Switzerland, Korea, Japan and United Arab Emirates which most of them are yearly contract. Imported from the Japan representing 48.54% of total import volume. The Company has a license to import hazardous materials, Sulfuric acid from 18 different reserved sources.

Services

- For Warehouse Services, Logistics and Liquid storage service and Port services are located on the area of 468 Rai 1 Ngan 8.76 Square wah of land lease agreement for industry, Map Ta Phut Industrial Estate. The lease agreement will be expired in 2022, but the contract states a promise that if the Company wishes to lease land will be written in writing to the IEAT, and IEAT will consider renting for the next 20 years, according to the rental rates and conditions that notified by IEAT. The Company has also entered into a Joint Operation Agreement for the construction of a Port with IEAT where the terminal area is approximately 265 meters in length for 30 years, by ending in 2026 and before the expiry date less than 1 year, the Company has the right to apply to IEAT to ask IEAT consider expansion the duration of use in the development area and such port. The Company and IEAT will agree on the details of the period and such benefits to be received in the next order.

Future investment plans

Due to the situation of the outbreak of New Coronavirus 2019 (COVID-19) in early 2020 which has had a significant impact on national economy. In particular, a new wave of outbreaks in the country of the infected cases have increased significantly and are becoming more severe which will continue to make the Thai economy tend to slow down and further below the potential level affecting public and all business sectors, which encounter liquidity problems and debt repayment including the appreciation of the Thai Baht causing the Company to adjust its operating plan in order to pass through the COVID-19 epidemic which is a critical condition for future investment planning and business plan adjustments. Thus, the Company has to prepare important measures and strategies for future operations/investment plans which will be able to provide sustainable returns in the long term including risk management of financial and liquidity.

Recently, the Company has implemented a long-term business policy and plan to develop businesses that have potential to continuously increase the value of the businesses, investing in new projects that raise the value of the organization to increase the earning income and increase the profitability of the Company. In this regard, the Company considers the investment portion on the attainment of basic principle of stable and sustainable growth, the risk that may arise, the profitability and financial status of the Company before deciding to invest in various projects. Investment decisions must be approved by the Board of Directors and / or the Shareholders' Meeting. (Depending on the case). As can be seen from NFCT Company Limited ("NFCT"), a subsidiary company which is 100 percent owned by the Company, invested in tanks for fuel oil storage project ("Project"), on the leased land according to the industrial land lease agreement from Map Ta Phut Industrial Estate for a lease period 30 years to provide liquid storage for oil storage and logistic services in transportation of oil through pipelines for the Shell Company of Thailand Limited for 17 years in total, it provide a certain return and sustainable throughout the project period. Currently, the Project is under construction as according to the plan, At the end of 2020 the progress is more than 70% and which is expected to be open for service in the 4th quarter of 2021.

Furthermore, In 2020 NFCW Company limited ("NFCW") a subsidiary which is 100 percent by the Company, invested in area development to support and service for the operators of structure assembly and pipe system yare, and the operators of dismantling/cutting yard for the conveying pipe part of oil rig project ("Project"), on the leased land according to the industrial land lease agreement from Map Ta Phut Industrial Estate for a lease period 30 years to provide area development service for customers who want to use area behind the port, operators of structure assembly and pipe system yard, and the operators of dismantling/cutting yard for the conveying pipe part of oil rig project with full facilities, which is to utilize the Company's asset for maximum benefits, however, it provides a certain return throughout the period. The appropriate Project Internal Rate of Return (Project IRR) is 21.04% per annum and the payback period is 3.27 years. The Project is recently developing and improving the area and expects to start the operation on the 4th quarter of 2021 onwards.

However, the expansion of the Company's investment is still based on stable and sustainable growth. Therefore, the Company assigned the management to study in detail of the economic situation, industries, law and regulations, business operation, and risks that might occur, in order to develop the investment with a worthwhile return and on the basis of the risk appetite in the risk management policy.

Risk Factors



Risk Factors

Risk from limitation of long-term land lease agreement

The Company has leased the land in Map Ta Phut Industrial Estate from Industrial Estate Authority of Thailand (“IEAT”) to engage its production of Bulk Blending Fertilizer distribution that no chemical process of Ammonium Hydroxide or and trading all types of Chemical fertilizers, Gypsum, Ammonia, Ammonium Hydroxide and Sulfuric acid or other business with the consent of IEAT and the lease agreement will be expired in 2022, but in the long-term land lease agreement, details have clearly indicated that Company have a right to extend the long-term land lease agreement period more 20 years with the rental rates and conditions notified by IEAT. The Company still take the only risk from new lease agreement rate which impacted cost and expense after the year 2022 onward.

Risk from important raw materials and chemicals are variable price according to the selling price of the world’s market

The Company operates the business of import of chemicals to sell major customer who is manufacturers and distributors in the country and the raw materials or chemicals are commodity goods which price are fluctuations in world market prices at the different period that the risk factors are affecting the performance of the Company. At present, the selling price of important raw material and chemical in the world also are fluctuations and fast-moving. The Company had managed the risks by setting up the structure of pricing for selling from the cost in each period including management of appropriated minimum stock for customer needs in each period to reduce the price fluctuation risk.

Risk from depending on a major customer and a few customers

The Company has two major customers, IVIC (Thailand) Co., Ltd., which is a customer of Ammonia representing 17.88% of revenue from sales and services and Saksri Industry Co., Ltd., which is the customer from the sale of Sulfuric acid and use the Liquid storage representing 39.62% of revenues from sales and services. Both customers have a good relationship with the Company for over 10 years. The Company has received the confidence and trust of customers. For managing the supply chain from the stage of procurement, Inventory Management, and goods delivery to customers comply with the customer requirements. The Company also provide delivery services to customers in urgent cases, and provide the maintenance section for additional installation services and help customers in case of equipment related to the delivery system fail. However, the major customers also have their own risk management policies, with no single supplier policy to prevent production disruptions due to raw material shortages. So, it is quite possible for the Company to lose such customers.

Risks of dependence Major Distributor (Vendor)

The Company reduces the risk of dependency Major Distributor (Vendor) by purchasing Ammonia and Sulfuric acid from more than 1 supplier. In addition, the Company currently has a license to import dangerous substances, Ammonia from various production sources, reserved for 8 sources of production and importing hazardous substances, Sulfuric acid from 18 different sources, ready to be imported from vendors in the Company’s Vendor list.

Risk of new entrants.

Currently, there are a few Ammonia and Sulfuric acid importers because the importer must be ready for storage, Chemical tank and liquid cargo port, which requires a high capital investment and the chemical market is a semi-monopoly market of fewer users. So, it does not motivate the arrival of new entrants with ready in the investment of Funding, Chemical tank and transportation systems meet the safety standards required by law. In addition, the Company manages the risk by developing services and building good relationships with customers including the tracking of market movement to adjust marketing strategy.

Risk of Transportation for Ammonia and Sulfuric acid**A) Sea transportation**

The Company has a Sea transport using liquid cargo ships as transportation vehicles by storage of Ammonia and Sulfuric acid from the supplier into the storage tank at Map Ta Phut Industrial Estate, Rayong, which has complied with the safety standards of the port. The Company has the policy to select cargo ships that are safe and suitable for the transport of liquid cargo including the Company also provides marine products insurance during shipping to reduce the risk to the Company.

B) Land transportation

The Company has the policy to engage Ammonia transportation companies which must be a shipping company licensed to transport an Ammonia carrier from the Department of Industrial Works by Ammonia transport vehicles are licensed and regularly inspected by the Department of Land Transport and regularly inspects by the department of land transport and meet the standards law including the drivers must have the license required by law to ensure the safety of life and property in land transport. In addition, the Company has a team to monitor the operation to meet the requirements of the Company. If during an unexpected incident would result in a loss and could affect the reputation and conduct of the Company, the Company can claim damages as it is incurred by such shipping company.

For Sulfuric acid transportation, the Company does not engage business in Sulfuric acid transportation services due to the current Sulfuric acid trading conditions, the customers themselves are required to supply Sulfuric acid transport vehicles at the warehouse at Map Ta Phut Industrial Estate, Rayong. So, there is no risk of transporting Sulfuric acid by land. However, the Company has the policy to supervise the loading and unloading of goods at the point of collection in accordance with the Company's safety policy.

Risks of government policy

The Company has a Port, Warehouse and Liquid storage located in Map Ta Phut Industrial Estate, which there is no pollution from Company business. However, the Company plans to expand the business that may cause air pollution and may be affected by air pollution control measures in Map Ta Phut Industrial Estate area. Unless investment to buy a quota of emission. The area of Map Ta Phut Industrial Estate. In addition, the policy on the development of the Eastern Special Economic Corridor (EEC) including Port improvement of Map Ta Phut Industrial Estate project, Double track railway project, Infrastructure development of the public sector to increase the competitiveness and incentives for entrepreneurs to invest in the East. The government may consider taking more measures to reduce air pollution control in Map Ta Phut that make the Company enable to develop more projects in the Map Ta Phut area.

Risk of environment

The Company conducts business activities that may cause harm to health and the environment. If the accident or error in the operation, it may be affected the stakeholders, the Company's business development plans including the Company image on both short and long term are significant.

However, the Company has set the operating procedures and strictly implemented including education and development in the formulation of occupational health policy, Safety and Environment, Activities focused on a culture of safety, Protection and Reduction of environmental impacts on stakeholders with communication to the concerned thoroughly to understand the management of risk management and preventive measures to control the process.

Financial Risks

1) Risk from Currency Exchange

The Company is exposed to foreign exchange risk which is caused by the importation of products that the seller determines the purchase price is mainly in USD, when there is a fluctuation from the exchange rate, it may affect the cost of imported products, not in accordance with the selling price. The Company, therefore, has the policy to reduce the risk from exchange rates by clearly determining the exchange rate in THB per USD in the purchase of products for sale or making a contract to buy foreign exchange in advance with the bank during the THB weakening trend in order to reduce the risk from such exchange rate including making a contract to buy exchange rates in advance in accordance with the conditions of payment for goods.

In the year 2020, the Company had an obligation to pay US dollars to foreign sellers amount of approximately USD 10 million, representing 100% of the total amount, the Company has managed the risk by preparing a contract to buy the exchange rate in advance in accordance with the payment conditions for the product.

2) Risk from Credit

At the end of 2020, the Company had an allowance for doubtful accounts amounting to 40.06 million Baht, representing 40.26% of total trade accounts receivable. The litigation debt generated by the chemical fertilizer business before the year 2006 was 12.82 million Baht. However, the sale of goods and services to credit customers must be approved by the credit committee of the Company resulting for the risk of such loans is low. In addition, the Company manages the risk by providing short-term loans or charge for goods and services in advance from customers resulting for credit risk decreased.

Legal risks including the renewing of any license related to the Conduct of Business.

The conduct of business by the Company requires license from the governmental sector or other related responsible authorities, such as The Department of Agriculture, The Marine Department, The Industrial Estate Authority of Thailand, The Department of Industrial Works, The Customs Department, etc., which the Company has strictly complied with all governmental regulations assuring the Company's executive to believe that there shall be no obstacle regarding the renewing of such license.

Securities Details and Shareholders



Securities Details and Shareholders

Number of registered capital and paid-up capital

As of December 31, 2019, the Company registered capital was 897.46 million Baht, and paid-up capital was 815.87 million Baht divided to ordinary shares amount of 1,087.83 million shares with a par value of 0.75 Baht per share and name used for trading is “NFC”.

Shareholders' structure

List of major shareholders of the Company as of October 19, 2020:

Name - Surname	Number of shares		% of paid-up capital
1. Total of Mr. Nuttaphob Ratanasuwanthawee group		695,071,296	63.90
Mr. Nuttaphob Ratanasuwanthawee	690,329,994		
Mr. Nataphong Ratanasuwanthawee	4,741,302		
2. Inter Spec Global Company Limited		176,000,000	16.18
3. Bentayga Holdings Ltd		86,000,000	7.91
4. Mr. Asia Phukhunanun		28,160,000	2.59
5. Mr. Praty Sermsuksakulchai		23,880,000	2.20
6. Total of Aungsatumrat family		10,741,561	0.99
8.1 Mr. Satimon Aungsatumrat	5,912,561		
8.2 Mr. Archavee Aungsatumrat	4,759,000		
8.3 Mrs. Supadee Aungsatumrat	70,000		
Other minor shareholders		67,980,199	6.25
Total Shareholders		1,087,833,056	100.00

Note: The Company has no agreement of major shareholders.

On 6 December 2018, the Company increased the registered capital by 81,587,479.50 Baht from the existing registered capital of 815,874,792 Baht to the newly registered capital of 897,462,271.50 Baht by issuing 108,783,306 newly issued ordinary shares at the par value of 0.75 Baht per share to reserve for the exercise of warrants to purchase ordinary shares of the Company No. 1 (NFC-W1) on December 2018 of not exceeding 108,783,306 units to the existing shareholders of the Company proportionate to their respective shareholding (Rights Offering) at the ratio of 10:1 with the term for 3 years by exercising twice a year at the exercise price of 6.50 Baht per share. The ratio of the right was 1 unit of warrant to 1 ordinary share, and there was the Rights Adjustment of Warrant to Purchase the Company's Ordinary Share No.1 since the Annual General Meeting 2019 approved the dividend payment for the operation result for the year 2018 at 0.043 baht per share or equivalent to 92.99 % of earning per share after deducting legal reserve. Therefore, the dividend payment falls within the criteria under clause 6.5 of the Terms and Conditions of the Right Adjustment of Warrants to Purchase the Company's Ordinary Shares No. 1 (“Warrant” or “NFC-W1”). The Company is required to make the right adjustment when the Company pay a dividend at higher than 50 percent of the Net Profit stated in the financial statement (audited) after deducted by retained loss, legal reserve, minority interest and income tax on the operating performance in such accounting period. The exercise

price and ratio of the adjusted rights, calculated by the formula and the method stated by the following terms and conditions, are 6.48350 Baht and 1 unit of warrant to 1.00255 ordinary shares.

Dividend Policy



Dividend Policy

The Company has the policy to pay dividends and define to pay not less than 50% of its net profit after deduction of all taxes and reserves as prescribed by law and the Company, according to the Company's financial statement. Such dividend payment will depend on the investment plan, necessity and other appropriateness in the future that the Company may require that the dividend payment be less than the above. If the Company has any other necessity, such net profit shall be used to expand the Company's operations.

Management Structure and Management



Management Structure and Management

Board of Directors

The Board of Directors of NFC Public Company Limited comprises of the Board of Directors, Executive Committee, Risk Management Committee and the Audit Committee as follows:

Board of Directors

Item	Name - Surname	Position	Meeting (Jan. 1, 2020-Dec. 31, 2020)	
			Number of Meetings	Number of Attendances
1	Gen. Montree Sungkasap	Chairman / / Chairman of Risk management Committee	8	8
2	Mr. Nuttaphob Ratanasuwanthawee	Vice Chairman / Chairman of Executive Committee	8	8
3	Mr. Suppakit Duyapich ^{1 and 2}	Director / Risk management Committee	4	4
4	Mr. Yongyos Palanitisena ¹	Director / Executive Committee / Risk management Committee	8	5
5	Dr. Sunee Sornchaitanasuk	Director / Risk management Committee	8	6
6	Mr. Wiboon Rasmeepaisarn	Director / Risk management Committee	8	6
7	Mrs. Bongkot Rungkornpaisarn	Director / Executive Committee	8	8
8	Mr. Kijja Smunyahirun ¹	Director / Executive Committee	8	8
9	Mr. Nataphong Ratanasuwanthawee	Director / Executive Committee	8	8
13	Mr. Virasak Sutantawibul	Independent Director / Chairman of Audit Committee	8	8
10	Assoc.Prof.Dr. Seri Wongmonta	Independent Director / Audit Committee	8	6
12	Mrs. Aree Termwattanapakdee	Independent Director / Audit Committee	8	8

Remarks:

¹ Director has been appointed in the Annual General Shareholders for the year 2020 on 29 April 2020.

² Mr. Suppakit Duyapich has resigned from Director of the Company effective on 1 September 2020.

As of December 31, 2020, authorized signatory directors are Mr. Nuttaphob Ratanasuwanthawee, Mr. Yongyos Palanitisena, Mrs. Bongkot Rungkornpaisarn, Mr. Kijja Smunyahirun and Mr. Nataphong Ratanasuwanthawee by 2 out of five directors signed with the Company's seal affixed.

Executive Committee

Item	Name - Surname	Position	Meeting (Jan. 1, 2020-Dec. 31, 2020)	
			Number of Meetings	Number of Attendances
1	Mr. Nuttaphob Ratanasuwanthawee	Chairman of Executive Committee	5	5
2	Mr. Yongyos Palanitisena ¹	Executive Committee	5	3
3	Mrs. Bongkot Rungkornpaisarn	Executive Committee	5	5
4	Mr. Kijja Smunyahirun ¹	Executive Committee	5	5
5	Mr. Nataphong Ratanasuwanthawee	Executive Committee	5	5

Remarks:

¹ Director has been appointed in the Annual General Shareholders for the year 2020 on 29 April 2020.

Audit Committee

Item	Name - Surname	Position	Meeting (Jan. 1, 2020-Dec. 31, 2020)	
			Number of Meetings	Number of Attendances
1	Mr. Virasak Sutantawibul	Independent Director / Chairman of Audit Committee	5	5
2	Assoc. Prof. Dr. Seri Wongmonta	Chairman of Audit Committee	5	5
3	Mrs. Aree Termwattanapakdee*	Audit Committee	5	5

Remarks:

* The Audit Committee has sufficient knowledge and experience to review the reliability of the financial statements.

Risk Management Committee

Item	Name – Surname	Position	Meeting (Jan. 1, 2020-Dec. 31, 2020)	
			Number of Meetings	Number of Attendances
1	Gen. Montree Sungkasap ¹	Chairman of Risk Management Committee	5	5
2	Mr. Suppakit Duyapich ^{1/1a/2}	Risk management Committee	3	3
3	Mr. Yongyos Palanitisena ¹	Risk management Committee	5	3
4	Dr. Sunee Sornchaitanasuk	Risk management Committee	5	5
5	Mr. Wiboon Rasmeepaisarn	Risk management Committee	5	4

Remarks:

¹ Director has been appointed in the Annual General Shareholders for the year 2020 on 29 April 2020.

² Mr. Suppakit Duyapich has resigned from Director of the Company and Risk management Committee effective on 1 September 2020.

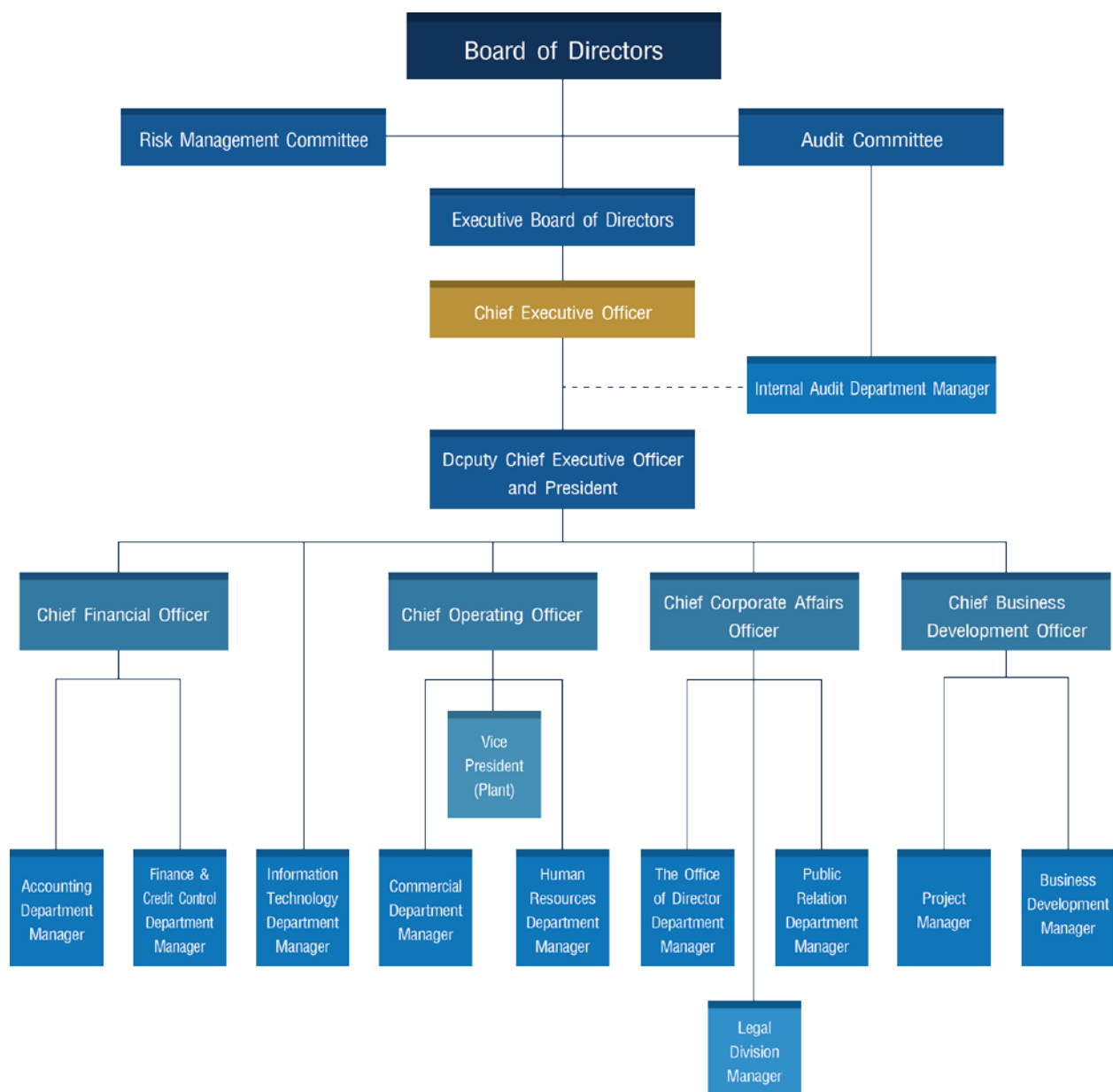
Management

As of December 31, 2020, the Company's management consists of 6 members as follows:

Item	Name - Surname		Position
1	Mr. Nuttaphob	Ratanasuwanthawee	Chief Executive Officer
2	Mr. Nataphong	Ratanasuwanthawee	Deputy Chief Executive Officer and President / Acting Chief Business Development Officer and Acting Chief Operating Officer
3	Mrs. Bongkot	Rungkornpaisarn	Chief Corporate Affairs Officer
4	Miss Dudduen	Boonsue	Chief Financial Officer

Remarks: The Company issued an order on executives re-structuring, effective on 17 March 2020 onwards.

Company's Internal Management Structure Diagram



Company Secretary

Mr. Chaityuth Promkird has been appointed to be the Company Secretary by a resolution of the Board of Directors, effective from 14 May 2020 onwards.

Remuneration for Directors and Executives

- **Remuneration for Directors:** The Company sets clear and transparent policy on remuneration for directors. It is at the same level with the same industry and the same rate as the past year as approved by the Shareholders.

Remuneration for Directors from January to December 2020

(Unit: Baht)

Name's List	Board of Director	Executive Committee ²	Audit Committee ³	Risk Management Committee ³	Total ⁴
Gen. Montree Sungkasap	192,000	-	-	60,000	252,000
Mr. Nuttaphob Ratanasuwanthawee	156,000	192,000	-	-	348,000
Mr. Suppakit Duyapich ¹	80,000	-	-	30,000	110,000
Mr. Yongyos Palanitisena	120,000	120,000	-	30,000	270,000
Dr. Sunee Sornchaitanasuk	120,000	-	-	50,000	170,000
Mr. Wiboon Rameepaisarn	120,000	-	-	40,000	160,000
Mrs. Bongkot Rungkornpaisarn	120,000	120,000	-	-	240,000
Mr. Kijja Smunyahirun	120,000	120,000	-	-	240,000
Mr. Nataphong Ratanasuwanthawee	120,000	120,000	-	-	240,000
Mr. Virasak Sutantavibul	120,000	-	60,000	-	180,000
Assoc. Prof. Dr. Seri Wongmonta	120,000	-	50,000	-	170,000
Mrs. Aree Termwattanapakdee	120,000	-	50,000	-	170,000
Total	1,508,000	672,000	160,000	210,000	2,550,000

Remark:

¹ Mr. Suppakit Duyapich has resigned from Director of the Company effective on 1 September 2020.

² Remuneration for sub-committee apart from the monthly compensation received as the director of the Company

³ Remuneration for sub-committee apart from the compensation received each time they attend the meeting as the director of the Company

⁴ The Board of Directors who did not receive any remuneration from being the director of the subsidiary company

- **Remuneration for Executives:** will be subject to the criteria and policy specified by the Board of Directors, combining with the Company's operating performance and the performance of each executive.

Remuneration for Executives in 2020

In 2020 the Company paid remuneration for 5 executives as follows:

	2019		2020	
	Number (persons)	Amount ¹ (million Baht)	Number ² (persons)	Amount ¹ (million Baht)
Salary	6	21.96	5	16.44
Provident Fund		1.14		0.30
Once paid income		0.00		0.00
Other income		0.00		1.13
Compensation under the labor law (retirement)		0.00		2.42
Total		23.10		20.28

Remark:

¹ The Board of Directors who did not receive any remuneration from being the director of the subsidiary company

² One Executive has resigned during the year.

Personnel

From January 1, 2020 to December 31, 2020, the Company paid remuneration to employee total amount 103 employees (entering and leaving during a year included), totaling 54,914,709 Baht comprising of salary, shift wage, provident fund, allowances for working in up-country, accommodations, living expenses, annual leave pay, severance pay under labor law.

Number of employees: As of December 31, 2020

Item	Office	Number (persons)		
		Male	Female	Total
1	Bangkok	8	15	23
2	Map Ta Phut Factory, Rayong Province	30	15	45
3	Rangsit Factory, Pathum Thani Province	7	0	7
Total		45	30	75

So far, the Company did not have any labor or labor union dispute during these 3 years.

Policy on Employee Development

The Company has realized that the employees are a valuable resource of the Company. They are a starting point of responsibilities in the vision and mission of the organization. The Company, therefore, has the policy to emphasize the development of its management and employees to be talented and good under the same roof of the corporate culture. The Company has prioritized the management and development of personnel to obtain knowledge, expertise, profession including being happy at work and having awareness of social responsibilities through the modern management system. Effective, and transparency is the basis of good governance.

The Company has provided training in the organization and delivered employees to be trained outside the organization consistently in both safety, enhancement of proficiency, professional skill, knowledgeability of the employees, a happy living in Zen way, etc. In addition, the Company has provided systems of communications and entertaining activities in the organization implementing a good relationship between the employees and the management. Furthermore, the Company has

taken care of the employees equally, given appropriate and fair remuneration and welfares to persuade and keep them to work for the Company in the long run based on the Company's vision as this picture



Good Governance



Good Governance

Good Governance Policy

The Board of Directors of NFC Public Company Limited aims to promote operational efficiency, good Corporate Governance and excellent management among the Company. This is to ensure that the Company's businesses are conducted responsibly, ethically, fairly, transparently and accountably, with a clear focus on the creation of utmost benefits for the shareholders and stakeholders, towards mutual trust and sustainable growth and reflect with best company's image.

The Board of Directors has established the good Corporate Governance policy for all Directors, Executives and Employees of the Company to observe in their discharge of duties as follows:

- (1) The Board of Directors shall observe the international guidelines and consistently improve on the good Corporate Governance in accordance with these international standards in matters relating to consideration of the rights of shareholders, the equitable treatment of shareholders, the recognition of the responsibilities of Company to stakeholders, the information disclosure and transparency, and, the roles and responsibilities of the Board of Directors.
- (2) The Board of Directors, the management and all employees shall be determined in their observance of the core of the Good Corporate Governance principle. Additionally, they need to ensure strict compliance with the laws and relevant regulations in all countries in which the Company invests.
- (3) The Board of Directors shall arrange for an administrative structure with a fair relationship between the board of directors, the management and the shareholders. They shall play a vital role in the determination of visions, strategies, policies and key plans. They shall ensure that a performance monitoring and evaluation system is in place, that risks are efficiently managed, that they are independent, and, that they are responsible for their discharge of duties in accordance with the Good Corporate Governance principle.

Treatment to Concerned persons

iii. Policy and Treatment to Shareholders

The Company realizes that shareholders are the owner of the business and the Company has the responsibility to make value-added to shareholders in the long term. Therefore, directors, executives, and employees are required to comply with the following guidelines:

- Perform their duty honestly and with good faith and decide for any matter with a clear mind, carefulness, and justice for the maximum benefit of shareholders, as a whole.
- Regularly present Company's status operation result, financial status and other reports with accurate and true information.
- Inform all shareholders equally the Company's future trend of the organization in both positive and negative side which is based on possibility, with supporting information, and logic.
- Prohibited for using any Company's information to seek for their benefit or any person's benefit which such information has not yet been disclosed to the public,
- Prohibited to proceed with any matter in the manner which may lead to a conflict of interest with the Company.

iv. Policy and Treatment to Employees

The Company realizes that an employee is a valuable factor to reach the Company's success target. Therefore, it is the policy of the Company to provide fair treatment in respect of opportunity, remuneration, position and the development of the capacity to be in line with such policy, Company follows these guidelines.

- Fair remuneration to the employee.
- Regularly preserve the working environment to be safe for the employee's life and property.
- Provide personnel management system for appointing and moving including the reward system, and clear employee punishment to be treated with integrity and based on the knowledge, ability and suitability of the employees. Do not discriminate based on race, religion, gender, marital status, or physical inactivity.
- Concentrates on the importance of knowledge development and employee's ability by giving opportunity thoroughly and regularly.
- Listens to employee's opinion and suggestion based on the employee's professional knowledge.
- Strictly comply with laws and any regulations related to the employee.
- Manage by avoiding any action which might affect the stability in the employee's job or threaten and create more pressure into the employee's mind.
- Treat the employee with politeness, respect with individual and human dignity.
- Create the comprehension roles and ethics to which employees can do to encourage behavior that is in the framework of the code of conduct until cover the entire organization.
- Open the opportunities and channels for employees to make illegal the Organization's Board of Directors.
- The employee is allowed to complain to the Company if the employee is treated unfairly under the specified system and procedure.

v. Policy and Treatment to Customers

The Company realizes the importance of customers' satisfaction in which leads to the Company's business success. Therefore, the Company has the intention to always seek for an effective and efficient way to respond to the need of the customer which can be indicated as follows:

- Operate its business in honesty, justice, and provide accurate and timely enough customers.
- Goods production and service with the highest quality as per the expectation of customers at the fair price and Aims to raise the standards continuously.
- Define the acceptable quality level of products and services.
- Accurate, adequate and updated information about goods and services to the customers without exaggeration to cause the customers to misunderstand about quality, quantity, and conditions of goods or services.
- Provide system and procedure for customers to complain about quality, quantity, the safety of goods and services including the rapidity for response or delivery, and proceed to the utmost with fast response for the customers.
- Contact with customer politely, efficiently and trustfully
- Give advice about use methods of goods and services to be and for the maximum benefit to the customers.
- Strictly maintain the business confidentiality of customer, including the customer information which will not be disclosed without any permission of the customer, or the authorized representative of the Company, unless the

information must be disclosed to a third party, the relevant articles of the law, including usage information for the benefit of themselves and people involved in.

- Find a way to reduce production costs by maintaining the standard of quality of goods and services to be added to customers continuously.
- Strictly comply with all condition with customers. If the Company cannot comply with any condition, the customers must be informed immediately in order to find the solution together.
- Not pay any benefits that are being hijacked or customers by using dishonest methods.

vi. Policy and Treatment to Business Partner and/or Creditors

The Company has the policy to provide equal and fair treatment to business partners, and/or creditors by considering on the maximum benefit of the Company and on the basis of getting a fair return to both parties. In addition, the Company shall avoid the situation leading to conflict of interest to commitment, gives true information and accurate report. Negotiation for problem resolution shall be on a business relationship basis, as follows:

- Not ask for or receive any benefit which is dishonest from the business partners and/or creditors.
- If the Company have information that there has been a call or receiving or paying any dis-honesty occurred. To disclose details to the partners and/or creditors and shared resolve, justice, and quickly.
- Strictly comply with agreed conditions. In case the Company cannot comply with any conditions, the creditor must be informed immediately in order to find the solution together.

vii. Policy and Treatment to Business Competitors

The Company has the policy to treat business competitors in accordance with international principle within the framework of the laws concerning the principle of trade competition, not violating confidential information or getting business competitor's confidential information by fraud. The treatments are indicated as follows:

- Conduct under rules for good business competition.
- Not seek confidential information of business competitors by the dishonest or inappropriate way.
- Not destroy the business competitors' reputation by making defamation accusation.

viii. Occupational Safety, Health and Environment

The Company is committed to conducting business based on safety. Occupational safety, health and the environment by doing the following:

- The Company will comply with laws and regulations. Occupational Safety, Health and environment of the country in which the Company into action.
- The Company will maintain a work environment that is safe for the life and property of the staff always.
- Executives and Employees Staff must be heeded seriously all activities that will enhance the quality. Occupational Health and Environment.
- The Company will disclose information honestly, about the relationship of a company's operations with Occupational Safety, Health and Environment issues.

ix. Responsibility to Society and Public

The Company has the policy to operate the business for the benefit of the economy and society. The Company also gives the importance of preservation of local tradition where the Company's business unit is located. In addition, it is also the policy of

the Company to be a good citizen and to fully comply with laws and relevant regulations. To support the policy as mentioned above, the Company shall regularly proceed with activities that will create a contribution to society and also implant consciousness to all levels of the employees for them to have serious and continued responsibility to society in order to be always sustained as a good organizational culture.

- No action which will be affected with natural resources and the environmental damaging.
- Support the activity of beneficial and creative social stakeholders regularly.
- Create a sense of social responsibility among employees at all levels in the organization, the continuous and serious.
- Controls ensure compliance with strictly in accordance with the intent of laws and regulations issued by the compliance regulatory authorities.
- No help or support to avoid compliance with laws or regulations.
- Cooperate with the compliance regulatory authorities and report the information about the violation or non-compliance with laws or regulations per unit.
- No any acted or involved in bribery or corruption or the use of their authority to seek personal benefits.

Principle for conducting business

In order to achieve the highest benefit from business operation for shareholders, the Board of Directors has the policy to give importance equally and alongside with the achievement as per the target and the using method to reach such success.

The Board of Directors has specified the target and method to achieve the targeted success, as indicated in Visions, Commitment and, Organization Culture. The Company has specified the requirements in this Business Ethic Manual to provide the clarity and convenience to directors, executives, and employees to be aware of the compliance standard expected by the Company, and to use as the guideline for work which has included the treatment to employees, shareholders, customers, business partners, business competitors, and public society as a whole.

Vision and Mission

- Vision
Being a leader of business integration in the production, sale and purchase, the chemical storage service provider in Thailand and Southeast Asia regions with sustainable profits.
- Mission
 - i. Continuous growth with stability and sustainable way in order to achieve the vision.
 - ii. Transparent business management with a successful investment will favor long-term growth and achieve the target.
 - iii. Focus on the importance of Human Resource Development to increase their potential and work effectiveness keep up with ASEAN.
 - iv. entrepreneurship in pursuance of corporate social responsibility

▪ Organization Culture

Manage company business to achieve the vision and mission on the attainment of a basic customer satisfaction and the highest beneficially of our stakeholders with operations.

- i. Providing with steadily short-and long-term goals firmly.
- ii. By supporting with the moral and professional ethical standards.
- iii. By supporting with the challenge of creative thinking and final decision making. Working as a team
- iv. By supporting with the human resource capability and full of potential.
- v. By supporting with generosity towards employees and society.

Conflict of Interest

The Company deems it as an important policy to not allow directors, executives, and employees to use their position for their own benefit. Therefore, the Company has indicated the requirements to comply by the Board of Directors, Executives, and Employees as follows:

1. Avoid doing related to the self that may pose a conflict of interest with the Company, except in cases where the transaction is required for the benefit of the Company, made the list, as do the items to third parties (Arm's Length Basis). The Board of Directors, Executives or Employees. Key stakeholders in the list. It must not be considered approved.
2. In the event the directors, executives, employees, or any family member are involved or become a shareholder in the business that competes with the business of the Company or any business which may create a conflict of interest with the Company, such must be informed to the Chairman of the Board in writing.
3. In the event directors, executives, employees are director, partner or consultant in other company or business organization, of the holding of such position shall not be against the Company's interest and the performance in the Company.
4. In the event of entering into the connected transaction under the announcement of The Stock Exchange of Thailand, the criteria, methods and disclosure of connected transaction information to the listed company shall be strictly complied with.
5. The connected transactions must be reviewed or approved by the Audit Committee and the Board of Directors of the Company, respectively. The case with the Audit Committee or any Director of the Company. Stakeholders in regard The Audit Committee or the Director shall not have taken part in the consideration of related it.

For the group of Mr. Nuttaphob Ratanasuwanthawee as a major shareholder of the Company. ("Nuttaphob's group") which at present the main business of the Company for Mr. Nuttaphob's main business would like to clarify as follows.

Main business of the Company	Main business of Mr. Nuttaphob's group
(1) Chemical distributions: Ammonia, Ammonium hydroxide and Sulfuric acid.	(1) Business of logistics services that is the product transportation both land and marine.
(2) Services: Warehouse services, Logistics and Liquid storage services and Port services	(2) Business of vessels and tug boats rental services and (3) Business of port services

The first 2 businesses of the group of Mr. Nuttaphob are (1) Business of logistics services that are the product transportation both land and marine (2) Business of vessels and tug boats rental services are not the businesses compete to the Company's core

businesses, which absolutely would cause a conflict of interest with the Company in accordance with the rules in the Notification of the Capital Market Supervisory Board.

For the business of port services, the Company's port services located at Map Ta Phut Industrial Estate, Rayong. The Company's port is the dedicated port for the Company's business only or the case for the necessity of bringing the goods of others through the port and be approved by IEAT. The Company's port is also a Deep Sea Port capable of accommodating a large vessel up to 60,000 tonnes (DWT), but the business operation for port services of the Nuttaphob's group that operated by NP Marine Co., Ltd., is a container shipping services and operates container shipping business located in Surat Thani as the type of coastal port with cannot accommodate large vessels due to geographical conditions and accommodating not more than 3,000 Tonnes (DWT). In addition, most of the customers of NP Marine Co., Ltd. are the transportation vessel for the type of container and vehicles, and there are routes between Surat Thani and Laem Chabang including port management services.

For other companies in the Nuttaphob's group has the objectives to operate the services of the port. Currently, there are no business activities, and no revenue from core business with the purpose to provide services for coastal vessels and to serve only target customers in the port area only that located outside the Map Ta Phut Industrial Port and absolutely does not intend to compete with the Company's port service business.

At present, the Company operates the dedicated port in the lease area of the Company at Map Ta Phut Industrial Estate, Rayong. On 12 April 2018, Mr. Nuttaphob has a letter of Non-competition Undertaking written to the Company to commit the Company about in the future, if the Company plans to expand the port service business beyond the current lease area or Mr. Nuttaphob or the Company in the Nuttaphob's group plans to expand the port service business beyond the area of Mr. Nuttaphob or businesses in the Nuttaphob's group in the future or If the Company in the Nuttaphob's group has not started commercial operation will start the commercial operation for the port services, Mr. Nuttaphob will provide the first right to operate the terminal services with the Company to prevent the conflict of interest. If the Company does not intend to operate the port service business in such area, Mr. Nuttaphob, or the Nuttaphob's group, will be engaged in the service of the port in that area. The letter is effective from the date of this letter until the date on which Mr. Nuttaphob shall hold the Company's shares in ration below 10% of total issued shares or 10% of the total voting rights of the Company.

Thus, the businesses of port services of the Nuttaphob's group are not the businesses compete to the Company's core businesses, which absolutely would cause a conflict of interest with the Company in accordance with the rules in the Notification of the Capital Market Supervisory Board.

Port services business Company in the Nuttaphob's group are as follows:

#	Company	Major business purpose	Registered capital (Baht)	Shareholding Ratio of Mr. Nuttaphob Ratanasuwanthawee	Business operation
1. The company that started commercial operations.					
(1)	NP Marine Co., Ltd.	Port services Tug boats or rental of shipping vessels	300,000,000	98.33%	Port services for container and shipping containers services and the container vessels at Surat Thani Province and Coastal port services including port operator services.
2. The company that is not started the commercial operations.					
(1)	NP Songkhla Port Co., Ltd.	Port services Logistics Transportation and Loading and unloading	1,000,000	99.96%	Currently not operation and no revenue because currently is in process of EIA report that provided a port service at Songkhla Province to accommodate cargo ships and crew between onshore and an oil rig.
(2)	NP Samui Port Co., Ltd.	Port services Logistics Transportation and Loading and unloading	1,200,000,000 ⁽¹⁾	100.00% ⁽²⁾	Currently not operation and no revenue from the core business and in the progress of Feasibility study to develop as the terminal to accommodate Cruise ship at Samui, Surat Thani Province.
(3)	Port Operation and Services Co., Ltd.	Port services Transportation and Loading and unloading	1,000,000 ⁽³⁾	99.98%	The company established to manage the port. Currently not operation and no revenue from the business.

Remarks:

(1) Registered capital 1,200,000,000 Baht, Paid up capital 1,176,020,000 Baht.

(2) Direct shareholder 0.08% and indirect shareholder through SC Management Co., Ltd. 99.92%

(3) Registered capital 1,000,000 Baht, Paid up capital 250,000 Baht.

Business Ethics

The Company issued regulations regarding ethics and those prohibited acts against the management and employees to be adhered by the management and employees as practice guideline in honesty and good faith to all groups of stakeholders, public and society. All management and employees signed, acknowledged and agreed to adhere therewith, effective from April 1, 2002 and the Company has followed up their performance under the said practice guideline constantly and has set disciplinary punishment as well.

The Company has improved its Codes of Conduct for the business to be consistent with the current situation. Furthermore, the development of this Codes of Conduct is aimed to be guidelines for the management and employees to act in honesty and faithful manners to all groups of stakeholders, public, and social. The latest version was revised in 2019 and announced to directors, executives, and employees to acknowledge and act strictly. This Codes of Conduct was effective since 7 November 2019.

Checks and Balances of Non-Executive Directors

The Board of Directors has 11 members, comprising:

- | | |
|---|------------|
| - Executive Directors | 3 members; |
| - Non-Executive Directors | 5 members; |
| - Independent Director being as Audit Committee | 3 members. |

Therefore, the Company's Independent Directors are 3 members (Independent Director being as Audit Committee), equivalent to 27% of all directors.

Centralization or Separation of Position

The Chairman is not the same person of Chief Executive Officer from clearly separating power and duties in order to prevent from a situation where any person having unlimited power and there are Non-executive Directors, equivalent to 45.45% of all directors and there are Independent Directors, equivalent to 27% of all directors, establishing the checks and balances and review of the management.

Board of Directors' Meeting

1. At a meeting of the Board of Directors, at least one half of the total number of directors shall be present to form a quorum. In case the Chairman of the Board of Directors is not present at the meeting or is not able to perform the duty and if there is a Vice Chairman of the Board of Directors, the Vice Chairman of the Board of Directors present at the meeting shall chair the meeting. If there is no Vice Chairman of the Board of Directors or there is a Vice Chairman of the Board of Directors, but he/she is not present at the meeting or is not able to perform the duty, the directors present at the meeting shall elect one of the directors to chair the meeting.

Decisions at the meeting shall be made by majority vote.

Each director is entitled to one vote, but a director with a vested interest in a matter is not entitled to vote on that matter. In case of a tie vote, the Chair shall have a casting vote.

2. The Board of Directors shall hold meetings at least every 3 months at located of the corporate head office, branches office or any other place as the Board of Directors shall determine. However, the Board of Directors could participate the meeting through electronic devices according to the announcement of the National Council for Peace and Order No. 74/2014, Ministry of Information and Communication Technology, and laws related to the following meeting which might have any additional adjustment. Directors shall attend all Board of Director Meeting and Shareholder meeting, except if there is any necessary issue.
3. The Chairman of the Board of Directors or the person in charge shall send meeting notices with agenda items and supporting documents to the directors at least 7 days prior to the meeting date to allow time for the directors to study before the meeting. The exception may occur if there is an urgent issue which will protect the benefits of the

Company, the appointment of the meeting could be noticed by an alternative way and the meeting date would be brought forward.

4. While there is a vote for the resolution in the Board of Director meeting, there should be at least 2 out of 3 of all directors who attend the meeting.
5. The Company Secretary shall take and prepare the minutes of a meeting and keep the minutes and supporting documents.

The Board of Directors has several meetings during a year. Agendas are expressly specified and there are agendas for following up the operating performance periodically as appropriate and the invitation notices with the meeting's agendas and documents shall be delivered to all directors at least 7 days before the meeting date. In 2020, there were 8 Board of Directors meetings in total, each of these meetings took 1-3 hours. The record of each meeting's conduct was made in the form of minutes presented to the Board of Directors for approval and was kept with concerned persons to be checkable.

Report of the Board of Directors

The Board of Directors shall be responsible for consolidated financial statements of the Company and its subsidiary company and financial information as shown in the annual report. The said financial statement shall be prepared in accordance with generally accepted standards in Thailand by selecting an appropriate policy to adhere consistently. The Board of Directors shall use careful discretion and the best estimation to prepare and shall disclose sufficiently significant information in the notes to financial statement

The Board of Directors shall provide and maintain efficient internal control system to reasonably ensure that such accounting information has been recorded accurately, completely and sufficiently to keep the assets and to know weak points in order to prevent from corruption or significant misconduct. All this, the Board of Directors has appointed the Audit Committee comprising of non-executive directors to oversee the quality of such financial report and internal control system and the Audit Committee has also given its opinion in the Board of Directors' meeting.

Investor Relations

The Board of Directors has placed importance to accurate, complete, an updated disclosure of financial report and general information thoroughly including significant information which has affected to the price of the Company's securities by disseminating the said information to investors and concerned persons through the Stock Exchange of Thailand's communication channel.

Sub-Committee

Board of Directors of NFC Public Company Limited is comprised of the Board of Directors, the Executive Committee, the Risk Management Committee and the Audit Committee as follows:

Board of Directors

Item	Name - Surname		Position
1	Gen. Montree	Sungkasap ¹	Chairman of the Board of Directors
2	Mr. Nuttaphob	Ratanasuwanthawee	Vice Chairman of the Board of Directors
3	Mr. Suppakit	Duyapich ^{1,2}	Director
4	Mr. Yongyos	Palanitisena ¹	Director
5	Dr. Sunee	Sornchaitanasuk	Director
6	Mr. Wiboon	Rasmeepaisarn	Director
7	Mrs. Bongkot	Rungkornpaisarn	Director
8	Mr. Kijja	Smunyahirun ¹	Director
9	Mr. Nataphong	Ratanasuwanthawee	Director
10	Mr. Virasak	Sutantawibul	Independent Director
11	Assoc. Prof. Dr. Seri	Wongmonta	Independent Director
12	Mrs. Aree	Termwattanapakde	Independent Director

Remarks:¹ Director has been appointed in the Annual General Shareholders for the year 2020 on 29 April 2020.² Mr. Suppakit Duyapich has resigned from Director of the Company effective on 1 September 2020.**Duties and Responsibilities of the Board of Directors**

1. To oversee the Corporate Governance with an ethic, for example, making Code of Business Conduct for Directors, Management and employees of the Company as well as acknowledge rules and follow up on the implementation.
2. To consider approval of the business policies, targets, operation plans, business strategies and annual budgets of the Company.
3. To consider the appointment of a person who possesses qualifications and does not possess any characteristics prohibited under the Public Company Act B.E. 2535 (1992) and the laws governing securities and exchange and any relevant rules, regulations and/or notifications to be Director in case there is a vacancy due to a cause other than retirement by rotation.
4. To consider the appointment of Independent Directors by taking into consideration qualifications and prohibited characteristics under the laws governing securities and exchanges, notifications of the Capital Market Supervisory Board, including relevant rules, regulations and/or notifications of the Capital Market Supervisory Board, SET or propose to a shareholders' meeting for such appointment.
5. To consider the appointment of Audit Committee members who have qualifications under the laws governing securities and exchange notifications of the Capital Market Supervisory Board, including rules, regulations and/or notifications of the SET.
6. To consider the appointment of Executive Directors from among the directors or the management of the Company and prescribe their roles, powers, duties and responsibilities.
7. To consider the appointment of sub-committee to assist in the operation according to the Board of Director's responsibilities
8. To appoint and change the names of Directors who can have the power to sign to bind the Company.

9. To nominate other people to manage the operations of the Company under the control of the Board or authorize the person to have power for the period of time, as the Board deems appropriate. The Board may remove or change the power of the person.
10. To consider approval of transactions relating to acquisition or disposition of assets, except where such transactions require approval by a shareholders' meeting. Such approval must comply with the notifications of the Capital Market Supervisory Board, and/or SET's relevant rules, regulations and/or notifications.
11. To consider approval of connected transactions, except where such transactions require approval from a shareholders' meeting. Such approval must comply with the Capital Market Supervisory Board and/ or SET's relevant rules, regulations and/or notifications.
12. To consider approval for interim dividend payment when it considers that the Company has sufficient profits to do so and to report such payment to the following shareholders' meeting. The Board of Directors shall elect a Director to be the Chairman. If it is deemed appropriate, the Board of Directors may consider electing one or many directors to be Vice Chairman, who shall be assigned by the Chairman to perform duties to conduct the Company's business according to the Articles of Association. The Board of Directors shall meet at least once every three months.
13. To perform with responsibility, caution, and faithfulness and conduct the Company's business according to the laws, Company's objectives, Articles of Association, and resolutions of the shareholders' meeting, except for matters required by law to be approved at shareholders' meetings, entering into connected transactions, and any purchase or sale of material assets under the regulations of the SET or those prescribed by other government authorities.
14. To perform duties with responsibility and caution, like a person with common sense, it will conduct business under the same situation.
15. To perform duties with honesty, the highest beneficially of the Company. The aim is appropriate and it will not conduct conflicts with the benefit of the Company significantly.
16. To provide with the Company's Secretary which he/she will respond on behalf of the Company or the Board of Directors in regard to the registration committee, the notice of the meeting, the meeting report of the Board of Directors and/or Shareholders of including with the annual report.
17. To determine the Company's visions, missions, directions and strategy by fully express opinions and share information that is beneficial for the determination of the Company's direction.
18. To review and approve the Company's key strategies, policies, objectives, plans, and financial goals as well as oversee and monitor the management team to consistently follow the set out plans to ensure effective and efficient implementation of visions, direction, and strategies.
19. To oversee that the Company has a credible accounting system, financial statements and audit system as well as efficient and effective internal auditing process
20. To consider key risk factors and determine comprehensive risk management strategy as well as oversee that the management teamwork under an efficient risk management system and predict possible risks from new business opportunities.
21. To established guidelines for the careful consideration of transactions involving possible conflicts of interest for the Company and its shareholders, whereby anyone having an interest in any agenda item must disclose such interest to the meeting, and foregoes the right to take part in deciding on that item.

22. Must have a self-evaluation annually in order to be a guideline to examine the performance of the Board of Directors
23. To provide each group of shareholders with communication channels as well as monitor that the Company has accurate, transparent, and credible information disclosure with high standard.

Executive Committee

Item	Name - Surname		Position
1	Mr. Nuttaphob	Ratanasuwanthawee	Chairman of the Executive Committee
2	Mr. Yongyos	Palanitisena ¹	Executive Committee
3	Mrs. Bongkot	Rungkornpaisarn	Executive Committee
4	Mr. Kijja	Smunyahirun ¹	Executive Committee
5	Mr. Nataphong	Ratanasuwanthawee	Executive Committee

Remark:

¹ Director has been appointed in the Annual General Shareholders for the year 2020 on 29 April 2020.

Duties and Responsibilities of Executive Committee

1. To consider an annual budget allocation as proposed by the management before presenting it to the Board of Directors for approval including to consider and approve a change and addition to the annual budget allocation which approved by the Board of Directors of not exceeding 15% during the period of which no meeting of the Board of Directors and then present it to the Board of Directors for information in next meeting.
2. To approve issues regarding improvement, change, reduction or expansion of the factory beyond the Business Plan and such issues will be presented to the Board of Directors to rectify in the next meeting.
3. To approve new investments including joint ventures with other entrepreneurs in urgent case and such investment will be presented to the Board of Directors to rectify.
4. To supervise and monitor and to be an advisor for the management regarding policies on finance, marketing, personnel administration and operations.
5. To approve recruiting the Chief Executive Officer, Deputy Chief Executive Officer, President, Executive Vice President, Senior Vice President, Managing Director included executive management of the Company and subsidiaries. The Executive Committee will consider the qualified persons have the knowledge, skills, and experience that are beneficial to the Company's operation and able to manage to achieve the objectives that the Board of Directors assigned and Executive Committee shall propose to the Board of Directors for approval.
6. To perform other activities as assigned by the Board of Directors.

Audit Committee

Item	Name - Surname		Position
1	Mr. Virasak	Sutantawibul	Independent Director and Chairman of Audit Committee
2	Assoc. Prof. Dr. Seri	Wongmonta	Independent Director and Audit Committee
3	Mrs. Aree	Termwattanapakdee*	Independent Director and Audit Committee

Remarks:

* The Audit Committee has sufficient knowledge and experience to review the reliability of the financial statements.

Duties and Responsibilities of the Audit Committee

1. To review the Company's financial report to ensure that it is accurate and sufficient disclosure in accordance with generally accepted accounting principles.
2. To review the Company's internal control (Internal Control) system and Internal Audit to ensure that they are appropriate and efficient.
3. To review the Company's compliance with the law on securities and exchange, the Stock Exchange of Thailand's regulations, and the laws relating to the Company's business.
4. To consider, select and nominate an independent person to be the Company's Auditor, and to propose such person's remuneration, propose to the Board of Directors Consider and approve for approval at the shareholders' meeting as well as to attend a non-management meeting with the Auditor at least once a year.
5. To consider the independence of the internal audit department, approve the audit plan, budget and manpower of the Internal Audit Department as well as to approve, appoint, transfer, dismiss the chief of the internal audit department.
6. To review the Connected Transactions or the transactions that may lead to conflicts of interests, to ensure that they comply with the laws and the Stock Exchange of Thailand's regulations, and are reasonable and for the highest benefit of the Company.
7. Prepare the report of the Audit Committee and signed by the Chairman of the Audit Committee and disclosed in the annual report of the Company according to the SET regulation and consist of at least the following information:
 - an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - an opinion on the adequacy of the Company's internal control system,
 - an opinion on the compliance with the law on securities and exchange, the Stock Exchange of Thailand's regulations, or the laws relating to the Company's business,
 - an opinion on the suitability of the Auditor,
 - an opinion on the transactions that may lead to conflicts of interests,
 - the number of the Audit Committee's meetings, and the attendance of such meetings by each committee member,
 - an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and
 - other transactions which should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board of Directors; and
8. To engage an advisor or specialist to give opinion or consultation as necessary. The Company is responsible for expenses according to the regulations of the Company.
9. To invite the management or any relevant person of the Company attending in meetings or giving additionally related information.
10. To review the Audit Committee's charter at least once a year as necessary to be up-to-date and suitable for the environment of the organization and present to the Board of Directors for approval in the event where there is any change thereof or present the Board of Directors for information in the event of no change.
11. To perform any other activities as assigned by the Board of Directors, with the approval of the Audit Committee.

Risk Management Committee

Item	Name - Surname	Position
1	Gen. Montree Sungkasap	Chairman of Risk Management Committee
2	Mr. Suppakit Duyapich ¹	Risk Management Committee
3	Mr. Yongyos Palanitisena ¹	Risk Management Committee
4	Dr. Sunee Sornchaitanasuk	Risk Management Committee
5	Mr. Wiboon Rasmeepaisarn	Risk Management Committee

Remarks:

¹ Director has been appointed in the Annual General Shareholders for the year 2020 on 29 April 2020.

² Mr. Suppakit Duyapich has resigned from Director of the Company and Risk Management Committee effective on 1 September 2020.

Duties and Responsibilities of Executive Committee

1. Determine the guidelines, advice on policies and guidelines relating to the management of risks relating to the Company's business operations appropriately and effectively to the Board of Directors.
2. Define risk management plan and risk management process throughout the organization.
3. Monitor and evaluate the implementation of the risk management framework throughout the organization.
4. To perform any other activities as assigned by the Company's Board of Directors, with the approval of the Risk Management Committee.
5. To review the Risk Management Committee's charter at least once a year as necessary to be up-to-date and suitable for the environment of the organization and present to the Board of Directors for approval in the event where there is any change thereof or present the Board of Directors for information in the event of no change.

Recruitment and appointment of Director and Executive ManagementRecruitment of the independent Director

1. Holding shares not exceeding one per cent of the total number of shares with voting rights of the company, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director.
2. Neither being nor used to be an executive director, employee, staff, advisor who receives a salary, or controlling person of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than 2 years. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the Company.

3. Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including the spouse of a child, executive, major shareholder, controlling person, or person to be nominated as an executive or controlling person of the Company or its subsidiary company.
4. Neither having nor used to have a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgement, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years.

The term business relationship under the first paragraph shall include any normal business transaction, rental or lease of immovable property, the transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or his counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the Company or twenty million baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of the value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions *mutatis mutandis*. The consideration of such indebtedness shall include indebtedness occurred during one year prior to the date on which the business relationship with the person commences.

5. Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years.
6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years.
7. Not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to the major shareholder;
8. Not undertaking any business in the same nature and competition to the business of the Company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives a salary or holding shares exceeding one per cent of the total number of shares with voting rights of other company which undertakes business in the same nature and competition to the business of the Company or its subsidiary company;
9. Not having any other characteristics which cause the inability to express independent opinions concerning the Company's business operations.

Recruitment of the Director and Executive Management

The Company allows directors and shareholders to participate in the nomination of qualified directors. The Company submits the names of qualified nominees to the meeting of the Board of Directors and the chairman of the meeting for voting on such persons.

Director

1. The Board of Directors comprising not less than 5 directors, and not less than one half of the total number of directors must have a residence in the Kingdom. Directors may be the Company's shareholders or not.
2. The Board of Directors shall be voted by the meeting of shareholders under the following criteria and procedure:
 - 2.1 Each shareholder shall have one vote per share.
 - 2.2 Each shareholder shall exercise all votes applicable under 2.1 appointing one or more person to be a director, provided that any of the votes shall not be divisible.
 - 2.3 The candidates receiving the highest votes in respective sequence equal to the number of directors which should be elected at such time shall be elected directors, the chairman shall have a casting vote.
3. At every Annual General Meeting, one-third (1/3) of the directors, or, if their number is not a multiple of three, then the number nearest to one-third (1/3) shall retire from office.
 The directors who retire in the first and second years after the registration of the Company shall be determined by drawing lots. In every subsequent year, the directors who have been longest in office shall retire
4. In addition to the retirement by rotation, the directors shall retire upon:
 - 4.1 death
 - 4.2 resignation
 - 4.3 disqualification or being of the forbidden by law
 - 4.4 retirement by a resolution of a meeting of shareholders
 - 4.5 retirement by the court's order.
5. A director who resigns shall tender the resignation letter to the Company, and this resignation will be effective from the date on which the resignation is delivered to the Company. The director who resigns under the first paragraph may also notify the registrar.
6. In the case of a director is vacated otherwise than by rotation, the Board of Directors may elect a person, who is qualified and is not of the forbidden nature under the law, to replace such director at the following meeting of the Board of Directors unless the remaining tenure of the director is less than two (2) months.
 The person who is as elected as the new director shall retain the position during such period only as the vacating director was entitled to retain the same.
 The resolution of the Board must be as specified in the first paragraph above and shall consist of votes of not less than three-fourths of the remaining directors.
7. A meeting of shareholders may pass a resolution retiring any director before the time of his retirement by rotation by a vote of not less than three-fourths (3/4) of the number of the shareholders present and entitled to vote and having

shares in the aggregate not less than one half of the number of shares held by the shareholders present and entitled to vote.

Executive Management

Due to the Company has not yet appointed the Recruitment and Remuneration Committee. Therefore, in recruiting the Chief Executive Officer, Deputy Chief Executive Officer, President, Executive Vice President, Senior Vice President, Managing Director included executive management of the Company and subsidiaries. The Executive Committee will consider the initial refinement the qualified persons have the knowledge, skills, and experience that are beneficial to the Company's operation and understand the business of the Company as well and able to manage to achieve the objectives that the Board of Directors assigned and Executive Committee shall propose to the Board of Directors for approval.

Monitoring and Supervising the Operations of the Subsidiary Company and Associate Companies

In the past, the Company has and appoints persons to be the subsidiary company's director and management to control, supervise and manage the operations of the subsidiaries to maintain the benefits of the Company's investments (Currently, Rayong Bulk Terminal Company Limited is in the process of receivership. The authority to supervise the assets of the subsidiary belonging to the official receiver.)

Qualifications of the Chief Financial Officer and Accountant Supervisor

Since the Company listed on the SET prior to 1 January 2018, the qualification criteria for the Chief Financial Officer and Accountant Supervisor who will be effective and applicable to the Company from 1 January 2019 are as follows:

1. The Chief Financial Officer has the required qualifications due to passing and continuously undertaking the training course on accounting, in accordance with the conditions and criteria prescribed by the SEC.
2. The Accountant Supervisor is the accountant as stipulated by the Notification of the Department of Business Development, and has continuously passed and undertaken the training course on accounting, in accordance with the conditions and criteria prescribed by the SEC.

At present, the Company's Chief Financial Officer and Accountant Supervisor is Miss Dudduen Boonsue, graduated Bachelor Degree in Accounting and Master's Degree Master of Information Technology works as Senior Vice President (Accounting and Information Technology) of the Company. She has experiences in accounting and finance not less than 3 years in the last 5 years and passed the CFO's Orientation course and training courses regarding accounting not less than 6 hours per calendar year.

Moreover, the Company's Accountant Supervisor is Miss Banchuen Wannarat, graduated Bachelor Degree in Accounting and works as Budgeting and Project Management Division Manager since 2018. She has experiences in accounting and finance not less than 3 years in the last 5 years and passed the training courses regards to accounting not less than 6 hours per calendar year.

Supervision of Internal Information Use

NFC Public Company Limited is the Company which registered in Securities and Exchange of Thailand. The Company has an essential policy to manage and proceed for equity and justice to all shareholders. Therefore, internal information or substantial data regarding the variation of securities price which has not disclosed to the public, it shall be deemed as internal information for engaging of business and confidential of the Company. In the event that aforesaid internal information to be

disclosed to the public, it will impact the share value of the Company which be sale and purchase in Securities and Exchange. Hence, director, executive and every rank of personnel must keep internal information as confidential and not to disclose internal information to the third person or exploitation from sale and purchase of securities in bad faith or detriment of Company whether direct or indirect and not disclose confidential information of the Company to a business competitor, even though director, executive and personnel will no longer be a director, an executive and personnel of the Company. The Company has the policy to prevent taking internal information of the Company for exploitation as follows:

1. To inform the director and executive to understand duties and obligations of the report of Company's securities held by themselves, couple and children below legal age including the report of Company's securities transfer according to Section 59 and the penalty of Section 275 subject to the Securities and Exchange Act 1992.
2. To limit access to internal information. Only director, executive, personnel or concerned person as necessary and stipulate authorization of a person who has the authority to disclose information of the Company.
3. To submit a circular informing blackout period of Company's securities and prohibit to disclose internal information, balance sheet information within 1 month prior disclose information to the public and within 24 hours after disclose aforesaid information to director, executive including concerned person (couple and children below the legal age of director and executive) and any management to perform terms in such period.
4. To keep confidential information of the Company and prevent confidential document or data of the Company to not disclose or expose to an unconcerned person which might create a detriment to the Company.
5. To stipulate rules and regulations regarding strictly security of computer and information technology of the Company.

Audit Fee

Audit Fee

The Annual General Shareholders Meeting 2019 has approved the Company's Auditor remuneration for the year 2020 in the amount of 1,250,000 Baht.

Non-Audit Fee

- None -

Applying the Good Corporate Governance Code for Listed Company 2017 (CG Code)

The Company has applied the code for the good corporate governance for listed company 2017, from the Securities and Exchange Commission, and business ethics to its activities appropriately. Besides, the Company also explains the reason why some of the code could not have complied.

Good Corporate Governance Code for Listed Company	Explanation from the Directors
<p>The board should set up the policy that the Independent Director should not be held in the position continuously more than 9 years from their first assigned into this position. If there will be the extension, the Board must reasonably consider according to their needs.</p>	<p>Since the Independent Directors, who held the position continuously more than 9 years, are knowledgeable, skillful, and experienced on management, marketing, as well as creating the firm's image. They also know the information about the Company and be able to provide advice on communication with the investors. Moreover, they could shape the Company's image and create reliability to the shareholders. So the Company would be supported by stakeholders and allowed to trade its shares in the SET again. Therefore, the Board agreed to continue proposing them as the Directors and Independent Directors. Furthermore, the election has already been approved in the shareholder meeting.</p>
<p>The Board should consider hiring an external consultant to help in setting up a guideline and giving advice on performance evaluation of the Board, at least every 3 years. This should also be disclosed in the annual report.</p>	<p>The Board and the Sub-committee have a performance evaluation at least once per year. So they can consider the work results and problems, in order to solve those issues and improve their work. Therefore, in the Company's view, the existing evaluation process is already sufficient.</p>

Corporate Social Responsibility



Corporate Social Responsibility

Corporate Social Responsibility - CSR is one of principles NFC Fertilizer Public Company Limited has placed importance for its business operations. The Company realizes that the organization's sustainable growth must depend on vision, ability with moral and ethics for a business operation with the principal of Good Governance and community and social responsibilities as well.

CSR in process

The Company has focused for performing the work in accordance with the principles, policies and operational directions as specified by the Board of Directors in transparency, good governance, and, taking into account of the interest of all groups of stakeholders under the law and business ethics.

The Company has given importance to the rights of all groups of stakeholders, by fairly treating them whether they are employees, debtors under the business rehabilitation plan, trade account payables during the time of performing under the business rehabilitation plan, customers, and shareholders as well as communities and the environment surrounding the factory. In the past, the Company placed importance to the environment and safety by operating the factory to be in accordance with the rules and regulations of Map Ta Phut Industrial Estate strictly.

All this, the Company has well realized that the employees are an invaluable resource of the Company as a starting point of responsibilities in the vision and mission of the organization. The Company, therefore, has emphasized to develop its management and employees to be talented and good under the same roof of the corporate culture. The Company has prioritized the management and development of personnel to obtain knowledge, expertise, profession including being happy at work and having awareness of social responsibilities. In addition, the Company has placed the employees equally, given appropriate and fair remuneration and welfares and has provided systems of communications and entertaining activities in the organization implementing a good relationship between the employees and the management. Furthermore, the Company has provided them with personal protective equipment as necessary according to the nature of work and has strict rules and procedures on working at the Company's factory and pier area.

In addition, the Company aims for providing goods and service users with the highest benefit of quality and fair price by

- Yearly customer visit will be participated by the Company's top management to build trustiness, good relationship and gathering suggestion from the customer.
- Quarterly preventive maintenance of the Company's tank and equipment located at the customer's plant will be done by the professional teams.
- Providing operation procedure and safety standard seminar to customers as per their request.
- Providing communication or complaint system in case of having the poor quality of goods and services. Referred from Zero Complaint Policy.

Besides, the Company considers that occupational health, safety and environment management as an integral part of engaging the main business for distribution of chemicals products such as Ammonium, Ammonium Hydroxide and Sulfuric acid and Services such as Warehouse services, Logistics and Liquid storage service. Therefore, all activities must comply with the law and international standards. The Company has fostered and created the awareness of the priority of keeping the quality of occupational health, safety and environment, and the implementation of social responsibility to employees and concern

persons in order to prevent from causing an impact to the quality of life of the communities surrounding the Company, society and environment.

CSR after process

The Company operates its business, at the same time, implement the policy continuously on the corporate social responsibility and environment. This leads to an essential target which is the sustainable development, comprises of economic, social, and environment, in the local communities around the Company's location.

The Company has coordinated and supported activities of communities and government agencies regularly and continuously. In 2020, the Company has supported and arranged a social activity of Industrial Estate Authority of Thailand, the Marine Department, local police station and government agencies and has participated in support of projects relating to education, religion and traditions in the communities surrounding the factory as same as over a past year.

Environmental: The Company participated in the beach cleaning project at Rayong Province, planted mangrove forest and releasing aquatic animals in order to restore aquatic animals populations and to raise awareness among local communities of the importance of conserving marine resources.



Educational: The Company supported Thailand National Children's Day 2020 by provided the scholarship, learning materials, gifts and free lunch in many areas and supported monastic scholarship for Buddhist monk at Nongfab temple.



Social:

The Company joined several activities, including social, religious, and culture, with the communities located around the organization to create a good relationship, for example offering Kathina ropes to various temples .Donating second-hand clothing, bags, shoes and household items, which will be resold to raise funds to support children’s scholarships at the Yuvabadhana Foundation. Supporting funds for medical supplies to prevent the outbreak of the New Coronavirus 2019 (COVID-19) for the safety and good hygiene of the communities around the Wang Tanod basin Chantaburi Province. The Company also helped to build up knowledge and understanding of sustainable fishing and aquaculture practices for small fishing boat group to ensure that fishery resources are harvested in a sustainable way and that our food supply chain is kept in balance.

**Anti-Corruption**

The Company has communicated all level of director, management and employees by specifying that all process of operations will comply with the scope of law strictly or if any fault arising in the process of operations due to negligence, will be punished by the government without finding ways to avoid such offence. In 2020, the Company has officially announced the policy and guideline in protecting and anti-corruption.

Internal Control and Risk management



Internal Control and Risk management

In the Audit Committee's meeting no. 1/2021 on February 23, 2021 with 3 Audit Committees had a meeting considered the adequacy of the Company's internal control system based on the assessment by the Office of the Securities and Exchange Commission (SEC) as proposed by the management to ensure that the Company has adequate internal control system and conclude the evaluated the Internal Control system of the Company in 5 compositions as Organizational internal control, Risk evaluation, Operational control, Information technology and communications system, and Follow-up system. The Audit Committee had an opinion that the Company's Internal Control system is appropriate and adequately which the Company had provided sufficient personnel to perform the work in accordance with the system proficiently including the system of Follow up, Control and operation of the Company and Subsidiary and preventing the assets of the Company and its subsidiaries from being misused by the directors or executives without sufficient adequate authority for internal control.

In the year 2020, there were no material issues relating to conflicts of interests, fraud, or irregularities or defects in the internal control system. Violation of the Securities and Exchange Act of the Stock Exchange of Thailand or any law concerned to the business of the Company.

The Audit Committee has assigned the Internal Audit Department which is an internal control system auditor who is knowledgeable and capable the Company's internal control system. The results of the internal control audit were reported to the Audit Committee. In summary, the components of internal control are as follows.

1. Control Environment

The Company has an organizational structure that is divided into functional departments according to job functions. However, the reporting department directly reports to the Chief Executive Officer.

- Due to Regulatory Compliance, the Company has prepared The "Ethics and Code of Conduct for business" was approved by the Board of Directors on 25 February 2016, covering the policy of good corporate governance, Code of Conduct, Principles qualifications of the Board of director and appointment, Principles Code of Conduct for business. In addition, the Company has developed a Code of Conduct for Employees to set up the guidelines for the conduct of duties and tasks that all employees should be entrusted with honesty, transparency, morality and ethics. The manual has been approved by Chief Executive Officer and announced on January 1, 2016. Furthermore, the business ethics and code of conduct has been revised in 2019 and was announced on 7 November 2019.
- The Company has set a yearly budget for 2020, which covers revenue forecasting for each product and service revenue and estimated the expenses, funding of investment for purpose of business planning with the Corporate KPIs and the KPIs are used to measure the performance of each business department.
- The Company provides job descriptions covering all job positions that identify the basic responsibilities of employees and identified the position responsibility, qualifications of the position, training programs, performance indicators, and the chain of command that consist with the current organizational structure.
- The Company has a policy for succession plan which has been approved by Chief Executive Officer and announced on February 29, 2016 and revised on July 25, 2016, the Company set the policy of succession plan for management comply with the human resource development policy by developing management and employees under the same corporate culture to prepare personnel for capacity and The rate is right to rotate the vacancies with the Company's growth plan.

2. Risk Assessment

The Company recognized the importance of risk management under the changes that affect the business both from internal and external factors. Risk management policies and risk assessment guides have been prepared and approved by the Board of Directors' meeting on February 25, 2016, and in the year 2017, the policy and guidelines were reviewed by the Risk Management Committee to Covers responsibilities, Risk Assessment Procedure, Criteria used in risk assessment and consideration the response to risk, identify and evaluate the key of risks and risk management measures. The Risk Management Committee is responsible for overall risk management that is the responsibility of all units to manage and control the risk to an acceptable level.

3. Control Activities

- The Company has documented the power of action to set the authority and the approval process for important business transactions such as Organization Management, Investment Management, Human Resources Management, Accounting, Finance and Credit and procurement presented to the Board of Directors and approved at the Board of Directors' Meeting on March 24, 2016.
- The Company has established policies, guidelines and important operating manuals in writing, sales, procurement, finance and accounting and human resources.
- The Company has issued power of attorney to conduct financial transactions with financial institutions. The Company and the management of the Company Is the authority in the transaction. The power of attorney was approved at the Board of Directors' meeting on 15 December 2020.
- To maintain the fixed assets of the Company requires that each department has the responsibility for maintaining the fixed assets under the responsibility of that department that the Company has fixed asset counts on a yearly basis.
- The Company has set up a framework for the directors, executives and employees in the conflict of interest. This is part of the Ethics and Code of Conduct Handbook and the transaction manual. The guide covers the following key areas:
 - Avoid making transactions that are related to yourself that may cause a conflict of interest with the Company. Except in cases where it is necessary to do so for the benefit of the Company, such transaction is the same as the transaction with third parties (Arm's Length Basis). The directors, executives or employees of the stakeholders related to the transaction must have no authority in the approval.
 - In case of the directors, executives, employees or family members engaging in direct or indirect participation in transactions that may cause a conflict of interest or a shareholder in a business that competes with the business of the Company, must notify in writing to the Chief Executive Officer and the Chairman of the Board in writing.
 - In the case of the director, executive or employee is a partner or an advisor in a company or other business organization. The position will not be contrary to the interests of the Company and direct duties in the Company.
 - In the case of the transaction is a related transaction according to the requirements of the Corporate Governance must comply with the rules, procedures and disclosure strictly.
 - Related transactions must be reviewed or consideration from the Audit Committee and the Board of Directors, respectively. In case of any Audit Committees or Directors have a stake in the related transaction, the Audit Committee or Director of the Company must be no consideration in such related transaction.
 - The Company monitors the operation of subsidiaries by appointing the Company's employee to be the Board of Directors and Executives in the subsidiary and Management of the Company's subsidiaries who the Company

assigned must communicate the Company policy to the subsidiary and monitors the operation of the subsidiary (currently Rayong Bulk Terminal Co., Ltd. that is the Company in the process of being secured. The authority to supervise the assets of the subsidiary. It is the official receiver.

4. Information and Communication

- The Company provides executives management meetings on a monthly basis to provide each section with a report on the performance, problems, obstacles and plans of the Company to the meeting. Deputy Chief Executive Officer and President is a Chairman of the meeting and is a meeting Secretary and executives management from department manager level up to attend the meeting.
- The Company pays attention to safety in information technology and electronic data storage. The policy is established an information security policy which is reviewed and approved and announcement on August 1, 2018, by the Information Department, who made Back up tape a daily, weekly, monthly and annual backup keep in bank safe with performing a data recovery test. (Restoration)
- The Company appoints the Chief Corporate Affairs Officer to be responsible for communicating the Company's information to third parties such as information about the Company, Products & Services, Investor Relations and Corporate Governance.
- The Company has set up a channel for complaints about Corporate Governance and Business ethics and assigned the office of Directors department to be the receivers of complaints or suggestions. The directors, executives and employees, as well as all stakeholders, can send the complaints to be made through verbal, telephone, facsimile, email and correspondence. The Company will keep the information confidential. The policy has been announced to staff through the company's public relations.

5. Monitoring

- Supervisors monitor whether the work meets the set goals or not. If there is a defect or failure to meet the plan, it has been resolved immediately and reports directly to management. The management has evaluated whether the outcome based on the policy and the Company's plans are effective and efficient or not. The findings from the follow-up evaluation, the Audit Committee and the executive management paid attention to the improvement and continuously follow up and evaluate and report to the Board of Directors for acknowledgment.
- Internal Audit Department is an independent department and report directly to the Audit Committee acting for confident and counseling to make the process work within the organization, Corporate Governance, Risk management and Good internal control. The Internal Audit Department has monitored the activities follow an annual audit plan approved by the Audit Committee by preparing a monitoring plan based on the Company's strategic direction and the major risks that affect the operation. Covering all aspects of the Company's business process every 2 years, with regular follow-up on recommendations from audit and communicate to management for corrective action. The audited outcome si reported to The Audit Committee on a quarterly basis.
- The Company realizes the importance of the internal control system by assigning the internal audit department which is competent and have potential to be the auditor of the Company's internal control system and able to audit the internal control system continuously and reported the results of internal control assessment to the Audit Committee for

acknowledgement and the Audit Committee agreed that the Company has adequate and appropriate internal control system.

Head of the Internal Audit department and Head of Compliance department of the Company

Head of the Internal Audit department

The Audit Committee has assigned the Internal Audit Division Manager acting as an interim the Head of the Internal Audit department while the recruiting process of qualified persons to perform duties. The consideration and approval of the appointment, dismissal, transfer of the position of Internal Audit Manager and the Secretary of the Audit Committee must be approved or approved by the Audit Committee.

Duties:

1. Review and report accuracy and credibility of financial information and other non-financial information.
2. Review working system which have significant impacts on operations and report that has been operated in compliance with policies, plans and regulations including complying with the Securities and Exchange (SEC) laws, Stock Exchange of Thailand (SET) requirements or laws relevant to the Company's businesses.
3. Review appropriateness of assets management system including testing whether the assets actually exists and is used effectively.
4. Review appropriateness of the organization's internal control system for development and improvement to be more effective and appropriate.
5. Review internal control system of information technology to ensure that processed information is correct, complete, reliable and in a timely manner, and keeping information secure.

Head of Compliance department

The Company assigned Mr. Chaiyuth Promkird, the Office of Directors Department Manager to be the head of the compliance department to supervise the compliance with the regulations of government or others according to the Company business effective since 1st January 2020 onwards.

Duties:

The supervisor is responsible for overseeing the Company's business operations. The Company and its subsidiaries comply with the laws, rules, regulations, policies and regulations of related government agencies such as the Securities and Exchange Commission and the Stock Exchange of Thailand or other related. In order to comply with the Compliance Policy. The Board of Directors, Executive Committee, Audit Committee, Risk Management Committee, Executives, departments or sections and employees throughout the organization must comply with the law. Employees should be aware that all employees have the duty and responsibility to study and understand the relevant laws include relevant regulations in responsible work and correctly follow the rules strictly.

Related Transactions



Related Transactions

Related transactions arising among the Company and its subsidiary company and those who may conflict for the year ended December 31, 2020 as indicated in the notes to financial statement No. 9 are important items as shown in the table below. The Audit Committee has considered the reasonableness of the transaction as follows:

Company name	Nature of relationship	Related transaction	Amount (Million baht)		
			2018	2019	2020
SC Carrier Company Limited	<ul style="list-style-type: none"> jointly directors are: Mr. Nuttaphob Ratanasuwanthawee and Mr. Nataphong Ratanasuwanthawee jointly executives are: Mr. Nuttaphob Ratanasuwanthawee 	Revenue from Warehouse services	1.04	1.05	1.05
		Revenue from Sale of assets	-	-	-
		Ammonia transportation fee	55.94	48.55	39.73
		Rental and services, Office building	1.92	-	-
		Expense of repairing equipment, Storage and storage of Ammonia	1.55	2.07	1.21
		Land rental with a warehouse building at Surat Thani	0.36	-	-
		Electricity and water supply, office building	0.26	-	-
		Others Expenses	0.06	0.01	0.02
		Trade Account Receivable and Other Accounts Receivable	0.19	0.19	0.28
		Trade Account Payable and Other Accounts Payable	8.39	2.14	5.17
		Deposits	-	-	-
		Advance Payment	-	10.45	22.80
SC Management Company Limited	<ul style="list-style-type: none"> jointly shareholders are: Mr. Nuttaphob Ratanasuwanthawee of 99.35% shares Mr. Nataphong Ratanasuwanthawee of 0.65% shares Mrs. Bongkot Rungpornpaisarn of 1 share jointly directors are: Mr. Nuttaphob Ratanasuwanthawee Mrs. Bongkot Rungpornpaisarn and 	Revenue from Port services	5.59	7.08	7.16
		Revenue from Warehouse services	1.23	2.10	1.54
		Revenue from Sale of assets	0.60	-	-
		Interest income	-	0.34	0.64
		Land rental with warehouse building, Rangsit warehouse	1.08	1.08	1.12
		Employee transportation fee	0.97	1.20	1.38
		Maintenance expenses	0.22	0.04	-
		Others expenses	-	0.04	-

Company name	Nature of relationship	Related transaction	Amount (Million baht)		
			2018	2019	2020
	■ jointly executives are: Mr. Nuttaphob Ratanasuwanthawee	Purchase of computer	0.02	-	0.30
		Trade Account Receivable and Other Accounts Receivable	0.87	2.68	1.25
		Trade Account Payable and Other Accounts Payable	7.34	7.34	7.36
NP Marine Company Limited	■ jointly shareholders are: Mr. Nuttaphob Ratanasuwanthawee of 98.33% shares Mr. Nataphong Ratanasuwanthawee of 1.67% shares Mrs. Bongkot Rungpornpaisarn of 1 share Mr. Wiboon Rasmeepaisarn of 1 share	Revenue from Warehouse services	3.82	0.97	0.38
		Land rental with warehouse building, Surat Thani warehouse	0.36	0.72	0.75
		Electricity and water supply at Surat Thani warehouse	0.06	0.05	0.05
		Ammonia Truck Weighing Service fee	0.03	0.03	0.03
	■ jointly executive is: General Montree Sungkasap	Trade Account Receivable and Other Accounts Receivable	0.68	0.05	0.10
		Trade Account Payable and Other Accounts Payable	0.08	0.08	0.08
		Office Service Fee	-	-	0.02
SCG Logistics Company Limited	■ jointly shareholders are: Mr. Nuttaphob Ratanasuwanthawee of 99.86% shares Mr. Nataphong Ratanasuwanthawee of 0.14% shares Mrs. Bongkot Rungpornpaisarn of 1 share Mr. Wiboon Rasmeepaisarn of 1 share	Revenue from Warehouse services	0.60	0.22	0.06
		Revenue from Sale of Assets	0.01	-	-
		Trade Account Receivable and Other Accounts Receivable	0.06	0.03	0.01
		Purchase of assets	-	-	0.39
	■ jointly directors are: Mr. Nuttaphob Ratanasuwanthawee Mrs. Bongkot Rungpornpaisarn and Mr. Nataphong Ratanasuwanthawee ● jointly executive is: Mr. Nuttaphob Ratanasuwanthawee				
SC Offshore Service Company Limited	■ jointly shareholders are: Mr. Nuttaphob Ratanasuwanthawee of 97.67% shares	Revenue from Port services	0.02	0.61	-
		Revenue from Warehouse service	-	0.03	-

Company name	Nature of relationship	Related transaction	Amount (Million baht)		
			2018	2019	2020
	Mr. Nataphong Ratanasuwanthawee of 2.33% shares ■ jointly directors are: Mr. Nuttaphob Ratanasuwanthawee Mrs. Bongkot Rungkornpaisarn and Mr. Nataphong Ratanasuwanthawee ■ jointly executive is: Mr. Nuttaphob Ratanasuwanthawee	Others Expenses	0.03	0.01	0.01
		Trade Account Receivable and Other Account Receivable	-	0.01	-
		Trade account Payable and Other Accounts Payable	0.03	-	-
SCENA Offshore Company Limited	■ jointly shareholders are: Mrs. Bongkot Rungkornpaisarn of 1 share ■ jointly directors are: Mr. Nuttaphob Ratanasuwanthawee Mrs. Bongkot Rungkornpaisarn and Mr. Nataphong Ratanasuwanthawee ■ jointly executive is: Mr. Nuttaphob Ratanasuwanthawee	Revenue from Port services	-	-	0.01
Thai International Dockyard Company Limited	■ jointly shareholders are: Mr. Nuttaphob Ratanasuwanthawee of 1 share and Mr. Nataphong Ratanasuwanthawee of 1 share ■ jointly directors are: Mr. Nuttaphob Ratanasuwanthawee Mrs. Bongkot Rungkornpaisarn and Mr. Nataphong Ratanasuwanthawee ■ jointly executive is: Mr. Nuttaphob Ratanasuwanthawee	Advance Payment	-	-	0.21
SC Auto Logistics Company Limited	■ jointly shareholders are: Mr. Nuttaphob Ratanasuwanthawee of 85.33% shares and Mr. Nataphong Ratanasuwanthawee of 6.04% shares ■ jointly directors are: Mr. Nuttaphob Ratanasuwanthawee	Revenue from Sale of assets	0.04	-	-

Company name	Nature of relationship	Related transaction	Amount (Million baht)		
			2018	2019	2020
	Mrs. Bongkot Rungkornpaisarn and ■ Mr. Nataphong Ratanasuwanthawee ■ jointly executive is: Mr. Nuttaphob Ratanasuwanthawee				
Chemicals and Aromatics (Thailand) Company Limited	■ jointly directors are: Mr. Nuttaphob Ratanasuwanthawee Mr. Nataphong Ratanasuwanthawee ■ jointly executive is: Mr. Nuttaphob Ratanasuwanthawee	Purchase of assets Trade account Payable and Other Accounts Payable	0.08 4.79	1.60 4.71	- 4.71
N Holding Company Limited	■ jointly shareholders are: Mr. Nuttaphob Ratanasuwanthawee of 99.99% share and Mr. Nataphong Ratanasuwanthawee of 1 share Mrs. Bongkot Rungkornpaisarn of 1 share ■ jointly directors are: Mr. Nuttaphob Ratanasuwanthawee Mrs. Bongkot Rungkornpaisarn and Mr. Nataphong Ratanasuwanthawee ■ jointly executive is: Mr. Nuttaphob Ratanasuwanthawee Mrs. Bongkot Rungkornpaisarn Mr. Nataphong Ratanasuwanthawee Miss Dudduen Boonsue	Rental and services, Office building	1.92	3.84	4.14
		Electricity and water supply, office building	0.27	0.23	0.21
		Advertising and Public Relations Expenses	-	0.18	-
		Others Expenses	-	0.06	0.03
		Trade account Payable and Other Accounts Payable	0.42	0.51	0.38
		Deposits	0.96	0.96	0.38
Strategic Port Link Co., Ltd.	■ jointly shareholders are: Mr. Nuttaphob Ratanasuwanthawee of 90.00% share and Mr. Nataphong Ratanasuwanthawee of 10.00% share Mrs. Bongkot Rungkornpaisarn of 1 share ■ jointly directors are: Mr. Nuttaphob Ratanasuwanthawee Mrs. Bongkot Rungkornpaisarn and Mr. Nataphong Ratanasuwanthawee	Purchase of assets	-	0.03	-

Company name	Nature of relationship	Related transaction	Amount (Million baht)		
			2018	2019	2020
	<ul style="list-style-type: none"> jointly executive is: Mr. Nuttaphob Ratanasuwanthawee 				

Necessity and reasonableness of the transaction

1. The Company had the transaction with SC Carrier Co., Ltd., which is a business operator licensed to be an Ammonia carrier from the Department of Industrial Works by using of Ammonia transport vehicles is authorized and regularly inspected by the Land Transport Department and meets the standards law. As well as the drivers have the license required by law for the safety of life and property in transportation to act as an Ammonia carrier by truck from the place of delivery of the origin of the plant in Rayong, Pathum Thani and Surat Thani to the place of delivery of the goods as agreed by the parties. The prices and conditions are stated at market price and with normal commercial terms and the price of SC Carrier Co., Ltd. charges for similar goods to other customers which is the normal business and the purpose is not interchanged in benefits.
2. The Company had the transaction with NP Marine Co., Ltd., with the objective to lease land and buildings on land at Bang Kung Sub-district, Mueang District, Surat Thani, the total area of 2,749.50 square meters included in the transaction with SC Management Co., Ltd. with the objective to lease land and buildings on land at Bueng Yitho Sub-district, Thanyaburi District, Pathum Thani Province, the total area of 2,509 square meters to continue business from acquisition a part of the business from C&A related to the distribution of Ammonia and Ammonium hydroxide products to sell to the end customers are fully integrated. The price and conditions are as market prices as transactions with third parties. This is the normal business and the purpose is not interchanged in benefits.
3. The Company had the transaction with N holdings Co., Ltd. for the purpose of renting and servicing for the head office building, 3rd floor, SC Group Building, 88, Bangna Nuea Sub-district, Bangna District, Bangkok, the total area of 800 square meters for the purpose of office used. This is normal business. The prices and conditions are stated at market price and with normal commercial terms. This is the normal business and the purpose is not interchanged in benefits.
4. The Company had the transaction with SC Carrier Co., Ltd., NP Marine Co., Ltd., SCG Logistics Co., Ltd., SC Offshore Services Co., Ltd., SCENA Offshore Co., Ltd., Thai International Dockyard Co., Ltd., SC Auto Logistics Co., Ltd., Chemicals and Aromatics (Thailand) Co., Ltd. and N holdings Co., Ltd. such as Service income, Revenue from Sale of Property, Assets purchase, and Rental and services fee. The price and conditions are as market prices as transactions with third parties and the purpose is not interchanged in benefits.

Audit Committee opinion

The Audit Committee of the Company considers and review related transactions or inter-transactions with persons who may have conflicts of interest or stakeholders regularly by reviewed quarterly to ensure that the transaction complies with the regulations of the Stock Exchange of Thailand and the good practices of the Company. The Audit Committee has the opinion that the Company has complied with the relevant laws and regulations on related transactions. There are no transactions that may lead to a conflict of interest. The transactions that a company engages with a person who may have conflicts is a normal business transaction and is equivalent to a transaction with a third party. The related party transactions have the same terms and conditions of trade as those made with outsiders.

Policy or Trend of Future Connected Transactions

In the case of a related transaction, the Company is aware of the duties to comply with the Securities and Exchange Act., The Notification of the Capital Market Supervisory Board and the SET Notification effective for the Company and the related transaction Company manual. Such transactions must not be transacted or inter-changed benefits of the Company or the Company shareholders. However, it must be the transaction that the Company takes into account the maximum benefit of the Company and all shareholders.

Management Discussion and Analysis



Management Discussion and Analysis

An overview of business operations and significant changes.

In 2020, ending on December 31, 2020, there was approval in the Extraordinary General Meeting for the NFCW Co., Ltd, held 100% shares by the Company, to invest in area development to support and service for the operators of structure assembly and pipe system yard and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig structure Project which located in a general industrial area; No.2 Map Ta Phut Industrial Estate, I-2 road, Map Ta Phut Sub-District, Mueang Rayong District, Rayong Province, in order to provide area development service for customers who want to use area behind the port, operators of structure assembly and pipe system yard, and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig project with full facilities and in the same month, there was also a decision from the Board of Directors meeting on raising the registered capital of NFCW shares for 195 million Baht to support the area development to support and service for the operators of structure assembly and pipe system yard and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig structure Project.

In November 2020, NFCW Co., Ltd signed the land lease agreement for industrial, at Map Ta Phut Industrial Estate, phase 1 in area approximately 50-1-44 rai to area development service for customers who want to use area behind the port, operators of structure assembly and pipe system yard, and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig project with full facilities.

In December 2020, the Company made a payment for paid up capital totaling 117 million Baht to NFCW Co., Ltd., for the area development service for customers who want to use area behind the port, operators of structure assembly and pipe system yard, and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig Project. The rest of the capitals will be called as deem necessary for the project.

Operating Results of the Company and its subsidiaries

The yearly performance ended on 31 December 2020. The Company and its subsidiaries had a net loss of 9.255 million Baht which can be classified into shareholders equity lost 8.76 million Baht which decreased 25.73 million Baht, accounted for 74.60% comparing to the profit for the shareholders in the previous year which was loss 34.49 million Baht. Moreover, it was effect from the Company's revenue which was 719.26 million Baht, decreased 462.36 million Baht or 39.13% compared to 2019. Revenue from the sales was from the chemical products which was 615.68 million Baht, decreased 465.07 million Baht or 43.03%. However, the revenue from services was 103.61 million Baht, increased 2.71 million Baht or 2.69%. According to the 2020 performance, the gross profit of the Company declined 16.85 million Baht which accounted for 8.99%. Other income decreased 10.85 million Baht or 39.73%, the total expenses dropped 13.18 million Baht or 6.68%, finance costs decreased 1.19 million Baht or 7.25% and Income tax expense decreased 39.03 million Baht or 108.03%. Besides, non-controlling interests in subsidiaries (loss) decreased by 0.03 million Baht or 6.52%.

The yearly performance ended on 31 December 2019. The Company and its subsidiaries had a net loss of 34.95 million Baht which can be classified into shareholders equity lost 34.49 million Baht which increased 85.89 million Baht, accounted for 167.10% comparing to the profit for the shareholders in the previous year which was 51.40 million Baht. Moreover, it was effect from the Company's revenue which was 1,181.65 million Baht, decreased 1.66 million Baht or 0.14% compared to

2018. Revenue from the sales was from the chemical products which was 1,080.75 million Baht, decreased 5.17 million Baht or 0.48%. However, the revenue from services was 100.90 million Baht, increased 6.83 million Baht or 7.26%. According to the 2019 performance, it was founded that, in 2018, the Company has recognized deferred tax income expenses at 36.13 million Baht. The gross profit of the Company declined 44.43 million Baht which accounted for 19.16%. Other income decreased 13.03 million Baht or 91.25%, the total expenses dropped 6.09 million Baht or 3%, and finance costs increased 13.58 million Baht or 470.86%. Besides, non-controlling interests in subsidiaries decreased by 0.02 million Baht.

Therefore, the significant changes in the Company and its subsidiary can be summarized as follows:

Revenues from sales and services

- In 2020, the Company and its subsidiaries had total revenues from sales and services of 719.29 million Baht, an decreased 462.36 million Baht or 39.13%, compared to the year 2019 with revenues from sales and services of 1,181.65 million Baht, revenue from sales of chemical products was 615.68 million Baht, decreased 465.07 million Baht or 43.03%. Sale of Sulfuric acid decreased 329.92 million Baht or 51.14% due to the sulfuric acid price decreased because supply in the global market is scarce. Sales volume increased 66,681 tons or 23.16%. Sales of Ammonia decreased 136.76 million Baht or 33.47% due to the ammonia price decreased because supply in the global market is scarce, so the average sale price per ton is declined from sale volume decreased 6,143 tons or 31.34%. Sales of Ammonium Hydroxide increased 1.61 million Baht or 5.95% due to lower average sale price per ton, while the higher sale volume of 723 Tons or 14.22%. Total service income was 103.61 million Baht, increased 2.71 million Baht or 2.69% compared to last year due to. Revenue from warehouse service increased 4.08 million Baht or 10.633% due to expansion of service area and the number of customers increased. Revenue from Logistic & Liquid warehouse service was unchanged. Revenue from Port Service decreased 1.37 million Baht or 13.47% due to the decrease of the Company's terminal revenue.
- In 2019, the Company and its subsidiaries had total revenues from sales and services of 1,181.65 million Baht, an increased 1.66 million Baht or 0.14%, compared to the year 2018 with revenues from sales and services of 1,179.99 million Baht, revenue from sales of chemical products was 1,080.75 million Baht, increased 5.17 million Baht or 0.48%. Sale of Sulfuric acid increased 146.22 million Baht or 29.31% due to the sulfuric acid price increased because supply in the global market is scarce. Sales volume decreased 17,053 tons or 5.59%. Sales of Ammonia decreased 156.98 million Baht or 27.76% from sale volume decreased 7,140 tons or 26.66% because the key customer bought less due to their changes in the production process so the average sale price per ton is declined. Sales of Ammonium Hydroxide decreased 5.59 million Baht or 26.04% due to lower average sale price per ton, while the higher sale volume of 1,569 Tons or 44.63%. Total service income was 100.90 million Baht, increased 6.83 million Baht or 7.26% compared to last year due to. Revenue from warehouse service increased 5.81 million Baht or 17.83% due to expansion of service area and the number of customers increased. Revenue from Logistic & Liquid warehouse service decreased 0.80 million Baht or 0.15%. Revenue from Port Service increased 1.10 million Baht or 12.13% due to the rise of the Company's terminal revenue.

Cost of sales and services

- In the year 2020, the Company and its subsidiaries had the cost of sales and services of 548.68 million Baht, an decreased 445.51 million Baht or an decreased of 44.81% from the previous year. Cost of chemical products decreased 449.43

million Baht or 46.11% because the costs of Sulfuric acid rose by 357.18 million Baht or 53.24%. While the costs of Ammonia dropped 92.75 million Baht or 33.03%, costs of Ammonium Hydroxide increased 0.50 million Baht or 2.18%. As a result, the gross margin of chemical products decreased 15.64 million Baht or 14.75% affecting to gross margin ratio increased to 14.69% from the prior year at 9.81% due to the surge of the chemical product costs in the world market trend. Cost of services also increased 3.92 million Baht or 20.10% compared to the previous year.

- In the year 2019, the Company and its subsidiaries had the cost of sales and services of 994.19 million Baht, an increase of 46.09 million Baht or an increase of 4.86% from the previous year. Cost of chemical products increased by 44.70 million Baht or 4.81% because the costs of Sulfuric acid rose by 162.09 million Baht or 31.85% from the cost of the chemical production increased according to the world market prices. While the costs of Ammonia dropped 121.72 million Baht or 30.24% from 7,178 tons or 26.81% decline of sales, costs of Ammonium Hydroxide rose 4.33 million Baht or 23.24% from 1,569 tons or 44.63% growth of sales. As a result, the gross margin of chemical products decreased by 49.87 million Baht or 31.98% affecting to gross margin ratio dropped to 9.81% from the prior year at 14.36% due to the surge of the chemical product costs in the world market trend. Cost of services also increased by 1.39 million Baht or 7.68% compared to the previous year.

Other income

- In the year 2020, the Company and its subsidiaries had other income of 16.46 million Baht, showing a decreased of 10.85 million Baht or 39.73% from the same period of last year. Resulting from Net Gypsum Revenues decreased 17.31 million Baht. Gain on sales of investment decreased 4.38 million Baht. Interest from Saving Accounts decreased 3.04 million Baht. Accrued expenses (Reversed) increased 9.72 million Baht. Gain from exchange rate increased 2.93 million Baht. Others income increased 1.23 million Baht.
- In the year 2019, the Company and its subsidiaries had other income of 27.31 million Baht, showing an increase of 13.03 million Baht or 91.25% from the same period of last year. Resulting from Net Gypsum Revenues increased by 11.37 million Baht. Interest from Saving Accounts increased by 0.03 million Baht. Insurance claim compensation and other miscellaneous income increased by 0.20 million Baht. Provision for outdated inventory decreased by 0.67 million Baht. Gain on sales of fixed assets decreased by 0.60 million Baht. Gain from exchange rate decreased by 1.68 million Baht. Gain on sales of investment increased by 4.38 million Baht.

Total cost

- In the year 2020, the Company and its subsidiaries had total expenses of 184.00 million Baht, showing a decrease of 13.18 million Baht or 6.68% from the same period of last year. Resulting from transaction to the customers decreased. Selling expensed decreased by 4.51 million Baht or 2.93, resulting from depreciation decreased 16.73 million Baht due to demolition unused factory building, employee expensed decreased by 13.33 million Baht, professional service expenses decreased by 12.59 million Baht, other administrative expenses decreased by 1.02 million Baht, provision for impairment of assets for sale increased by 28.28 million Baht and estimated demolition costs increased by 10.88 million Baht.
- In the year 2019, the Company and its subsidiaries had total expenses of 197.18 million Baht, a decrease of 6.09 million Baht or 3.00% from the previous year. Selling expenses decreased by 5.28 million Baht or 10.90%, due to the dropped of transportation cost affected by the decline of Ammonia production. Administrative expenses decreased by 0.81 million

Baht or 0.52% resulted from lower employee expenses (reversal of accrued bonuses for 2018) comparing to the previous year.

Deferred income tax

- In the year 2020, the Company and its subsidiary had deferred income tax of 2.90 million Baht, thus, net loss for the year was 9.25 million Baht or equivalent to 0.0081 Baht per share.
- In the year 2019, the Company and its subsidiaries had deferred income tax of 36.13 million Baht, thus, net loss for the year was 34.95 million Baht or equivalent to 0.0317 Baht per share.

Profitability

- In the year 2020, the Company and its subsidiary had a gross profit margin of 23.72% the gross profit margin increased from the previous year due to the profitability of the chemical products. Especially in the ammonia business.
- In the year 2019, the Company and its subsidiaries had a gross profit margin of 15.86% the gross profit margin decreased from the previous year due to the profitability of the chemical products. Especially in the Ammonia business.

Asset Management

- In the year 2020, the Company and its subsidiary had an account receivable turnover ratio of 3.12 times and average collection period of 115 days, while the inventory Account receivable turnover ratio was 8.74 times and average selling period was 41 days, return on assets of 0.15%.
- In the year 2019, the Company and its subsidiary had an account receivable turnover ratio of 5.47 times and average collection period of 66 days, while the inventory Account receivable turnover ratio was 9.93 times and average selling period was 36 days, return on assets of 1.34%.

Liquidity and adequacy of capital

- In the year 2020, the Company and its subsidiary had a liquidity ratio of 0.69 times, decreased by approximately 0.96 times compared to 2019, with an average collection period of 115 days, sales period of 41 days and the repayment period of 173 Days, resulting in a 17 days cash cycle. In the year 2020, the Company had an operating loss and net cash from operating activities of 386.11 million Baht. In addition, the Company and its subsidiary had a debt to equity ratio of 0.29 times, an decrease of 2.07 times compared with 2019 and the interest coverage ratio is 26.59 times.
- In the year 2019, the Company and its subsidiary had a liquidity ratio of 1.65 times, decreased by approximately 0.89 times compared to 2018, with an average collection period of 66 days, sales period of 36 days and the repayment period of 54 Days, resulting in a 48 days cash cycle. In the year 2019, the Company had an operating loss and net cash from operating activities of 240.43 million Baht. In addition, the Company and its subsidiary had a debt to equity ratio of 0.29 times, a decrease of 0.12 times compared with 2018 and the interest coverage ratio is (15.85) times.

Financial position of the Company and its subsidiary company

For the year ended December 31, 2020, the Company and its subsidiaries had total assets of 2,839.62 million Baht, total liabilities of 1,914.27 million Baht, non-controlling interests - loss of 2.17 million Baht and equity attributable to owners of the Company of 927.52 million Baht or book value of 0.85 Baht per share, and as of December 31, 2019. The Company and its subsidiaries had total assets of 1,202.47 million Baht, total liabilities of 268.72 million Baht, non-controlling interests - loss of 1.68 million Baht, and equity attributable to owners of the Company of 935.43 million Baht or book value of 0.86 Baht per share. The details are as follow:

- In 2020, the Company and its subsidiary had total asset 2,839.62 million Baht, increased by 1,637.15 million Baht or 136.15% compared to the end of the year 2019. Cash and cash equivalents 108.77 million Baht, increased by 21.27 million Baht or 24.31% from net cash provided from operating activities compared to the end of previous year. Trade accounts receivable and other current account receivables were 179.03 million Baht, decreased by 19.58 million Baht or 9.86% due to the classification of prepaid expenses as a right of use assets in according with the Thai Financial Standards No.16 Lease liabilities, Other Receivable Revenue Department and Advance Payment to Suppliers. Inventories were 41.77 million Baht, decreased by 36.72 million Baht or 46.78% from Ammonia decreased 33.82 million Baht. Supplies and others decreased by 9.39 million Baht due to due to the allowance for deteriorated goods for sale. Goods in transit Sulfuric acid increased by 6.24 million Baht, Gypsum bags increased by 0.18 million Baht, Ammonium Hydroxide increased by 0.07 million Baht or 51.92%. Deposit as collateral for Trade Credit Facilities with Financial Institutions decreased. Non-current assets or disposal groups classified as held for sale increased by 13.98 million Baht due to demolition unused factory buildings and disposal scrap metal after demolition to non-related company. Property, plant and equipment (PPE) 1,318.93 million Baht, increased by 933.02 MB. or 241.77% due to from Purchase and investment of PPE during the year of 813.81 million Baht, which consists of invest Fuel Tank Farm project of NFCT about 807.27 million Baht. the purchase of assets and equipment of NFC 6.54 million Baht, net depreciation decreased by 21.67 million Baht. Right of use asset increased by 976.97 million Baht from TFRS 16 adoption in the year 2020. Other non-current asset of Baht 161.82 million Baht decreased by 241.56 million Baht or 59.88% due to amortized for the advance of subsidiaries' construction Fuel Tank Farm project.
- In 2019, the Company and its subsidiary had total asset decreased by 224.11 million Baht or 15.71% compared to the end of the year 2018. The current asset decreased by 537 million Baht or 57.98%. Cash and short-term investments of 87.5 million Baht, decreased by 498.71 million Baht or 85.07% from the operating cash flow because a temporary investment has been made to invest project in a subsidiary. Trade accounts receivable and other current account receivables were 201.44 million Baht, increased by 50.95 million Baht or 33.86% from the increase on Other Receivable Revenue Department, Advance Payment to Suppliers. Inventories were 78.49 million Baht, decreased by 39.35 million Baht or 33.39% from Ammonia decreased 38.61 million Baht, and Supplies and others decreased by 0.44 million Baht due to sold during the year. Others current asset of 21.87 million Baht, decreased by 50.08 million Baht or 69.60% from the Deposit as collateral for Trade Credit Facilities with Financial Institutions decreased. Property, plant and equipment (PPE) of 385.91 million Baht, decreased by 17.07 million Baht or 4.24% due to the depreciation of building and building improvements, machinery and office supplies Land improvements and vehicles increased by 105.55 million Baht, and Purchase of PPE during the year of 89.43 million Baht, which consists of the purchase of assets and equipment of NFC

4.93 million Baht, and invest project of NFCT about 84.50 million Baht Other non-current assets of 413.62 million Baht, increased 367.23 million Baht or 791.61% due to advance payment for the construction project of a subsidiary.

- In the year 2020, the Company and its subsidiary had total liabilities of 1,914.27 million Baht, increased by 1,645.55 million Baht. or 612.37% compared to the end of the year 2019. The short-term loan from the financial institution of 93.51 million Baht, increased by 10.43 million Baht or 12.552% from decremental usage credit facilities (LC/TR) with financial institutions. Trade accounts payable and other current accounts payable of 374.72 million Baht, increased by 221.80 million baht or 145.04% this was mainly due to Trade accounts payable decreased by 17.01 million Baht while other accounts payable increased by 238.81million Baht from an increase of customer's advance payment for goods increased by 4.32 million Baht, while liability payable to IEAT decreased by 41.11 million Baht. Unearned revenue increased by 3.56 million Baht and other accounts payable increased by 3.67 million Baht. Current portion of lease liabilities increased by 41.08 million Baht according to adopt in The Thai Financial Standards No.16, Long - term loans from financial institutions increased by 489.16 million Baht due to NFCT Tank Farm Project. Lease liabilities of 884.95 million Baht according to adopt in The Thai Financial Standards No.16
- In 2019, the Company and its subsidiary had total liabilities of 268.72 million Baht, decreased by 146.77 million Baht. or 35.32% compared to the end of the year 2018. The liabilities could be divided into 236.00 million Baht of current liabilities and 32.72 million Baht of non-current liabilities. The short-term loan from the financial institution of 83.08 million Baht, decreased by 133.38 million Baht or 61.62% from decremental usage credit facilities (LC/TR) with financial institutions. Trade accounts payable and other current accounts payable of 152.92 million Baht, increased by 5.02 million baht or 3.39% this was mainly due to Trade accounts payable increased by 0.97 million Baht while other accounts payable increased by 4.05 million Baht from an increase of customer's advance payment for goods increased by 4.32 million Baht, while liability payable to IEAT decreased by 4.05 million Baht accrued bonus increased 3.41 million Baht and other accounts payable increased by 0.37 million Baht
- In the year 2020, the Company and its subsidiary had shareholders' equity of 925.35 million Baht, decreased by 8.40 million Baht or 0.90% compared to 2019 due to the Company's operating results had a net loss of 7.91 million Baht. Other components of equity due to the revaluation surplus of assets decreased 49.41 million Baht, mostly due to demolition unused factory buildings and disposal scrap metal after demolition to unrelated company and had non-controlling interests loss of 0.49 million Baht. At present, the Company has a paid-up capital of 815.88 million Baht or ordinary shares 1,087.83 million shares at par value 0.75 Baht.
- In the year 2019, the Company and its subsidiaries had shareholders' equity of 933.75 million Baht, decreased by 77.34 million Baht or 7.65% compared to 2018 due to the Company's operating results had a net loss of 30.11 million Baht, had non-controlling interests loss of 0.46 million Baht, and paid the dividend of 46.78 million Baht in 2nd Quarter/2019. At present, the Company has a paid-up capital of 815.88 million Baht or ordinary shares 1,087.83 million shares at par value 0.75 Baht.

Impact of the situation of the outbreak of New Coronavirus 2019 (COVID-19)

1. Operation

The Company did not have any direct effect from the situation of the outbreak of New Coronavirus 2019 (COVID-19). The company could normally operate. Although the demand of Ammonia was slightly decreased especially MSG manufacturer which improved the production system to be more effective while applied Ammonia less than ordinary system. In addition, the suspended production of some customers also effected to the demand of goods or materials.

The selling of Sulfuric Acid segment, although the company's income from Sulfuric Acid was lower from the continuously decrease of global price due to the epidemic of COVID-19 which effected to market forces, the oversupply of Sulfuric Acid also made the price much lower than usual. However, at the bottom year 2020, the price of Sulfuric Acid started increase while the company's Sulfuric Acid total sale volume was increased 66,681 metric tons.

During the epidemic of COVID-19 situation, the company had strictly controlled the inspection and screening both internal and external people entering into the company and also adjusted some operation process as new normal practice to prevent the epidemic of COVID-19. In year 2020 the company still kept the same market share which the main customers have been the good partners more than 10 years. The company has increased the confident to the customers and at the same time the company also is reliable by customers due to the company's supply chain management from purchasing process, inventory management and delivery to match with each customer's requirement. Moreover, the company has trying to find more new customers to increase the company's sale volume and company profit as well.

2. Financial

The Company did not have any effect from the situation of the outbreak of New Coronavirus 2019 (COVID-19). Therefore, the Company has high liquidity for operation and also support loan and increase capital to subsidiaries from their investment. The Company also punctual payment to all account payable by without penalty charge including debt from financial institute (Trust Receipt).

According to the Company's dividend policy, the Company earned net profit, based on the separate financial statements, which have been appropriated as legal reserve not less than 5%. Thus, the remaining net profit to be paid as dividend. Since the Company deems necessary to reserve cash for working capital and plans to invest in property development of the Company so as to generate sustainable income for the shareholders, the Board of Directors deems it appropriate to propose the Shareholders' Meeting to consider and approve the omission of dividend for the operation result of the Company in the Year 2020.

3. Balance Sheet and Performance

The Company did not have any effect from the situation of the outbreak of New Coronavirus 2019 (COVID-19), as the Company and its subsidiaries' total assets increased from the past year, most of them from NFCT Company Limited ("NFCT"), invested in tanks for fuel oil storage project ("Project"). Currently, the Project is under construction as according to the plan, At the end of 2020 the progress is more than 70%.

Furthermore, In 2020 NFCW Company limited ("NFCW") a subsidiary which is 100 percent by the Company, invested in area development to support and service for the operators of structure assembly and pipe system yare, and the operators of

dismantling/cutting yard for the conveying pipe part of oil rig project ("Project"), to provide area development service for customers who want to use area behind the port, operators of structure assembly and pipe system yard, and the operators of dismantling/cutting yard for the conveying pipe part of oil rig project with full facilities, which is the assets acquisition transaction and as according to the plan.

4. Contractual Obligations

The Company did not have any effect from the situation of the outbreak of New Coronavirus 2019 (COVID-19). Due to the year 2020, the business partners and/or a counter party of the Company and its subsidiaries had not amendment, change to material contractual terms is threats to contractual rights or ability to fulfil obligations from COVID-19 situation.

5. Threats to Viability

From the above, the Company did not have any significant effect from the situation of the outbreak of New Coronavirus 2019 (COVID-19). Therefore, the Company and its subsidiaries have the ability to operate continuously.

In this regard, the investing in projects of the Company and its subsidiaries, the Company applies feasibility study tools to assess any projects before investing which will help to control and limit the risk to an acceptable level.

Factors which may impact the operations in future

Due to the Company has income from relying on a few of major customers which if the customer has changed the Business model or changing technology in the production process may affect the amount of product use and Company sales amount, and the policies to stimulate the economy of the government may affect consumer's consumption.

The Environmental factors due to the Company operates business activities that may cause health and environmental hazards which may cause an accident or mistake in operation, may affect to shareholders, business development plans of the Company, including the image of the Company in short-term and long-term significance.

Significant Financial Information



Significant Financial Information

Financial Statement

Auditors

The auditors of NFC Public Company Limited for the year 2020, Mr. Jirote Sirirorote, Certified Public Accountant No. 5113, from Karin Audit Company Limited.

Summary of Auditor's Report

■ **Accounting Period 1 January - 31 December 2020**

The auditor has expressed his opinion on the consolidated financial statements of NFC Public Company Limited and its subsidiary as at 31 December 2020, the consolidated and the separate statements of comprehensive income, the consolidated and the separate statements of changes in shareholders' equity, Consolidated and separate statements of cash flows for the year then ended, Notes to the consolidated, the consolidated and the separate operating results, the financial statements are prepared in accordance with Thai Financial Reporting Standards.

Key audit matters to investigate were 1) Non-current assets or disposal groups are classified as held for sale, The Company has been destroyed unused factory building and disposed debris from the destruction. However, recoverable amount from debris disposal as of Baht 13.98 million. The book value of factory building reclassified as current assets held for sale of Baht 30.92 million. Therefore, recorded impairment in the year of Baht 16.94 million. 2) Valuation of buildings and equipment, as well as, assets acquired through a business combination with a fair value estimated by an independent appraiser which is 184.42 million Baht or 12% of the Group's total assets. 3) Deferred income tax assets which have not been recorded at the amount of 193.68 million Baht because the recognition of deferred income tax assets needed to be based on opportunities for implementation at the discretion of the management. The expectation to make good use of the following asset depends on several factors, including the appropriateness of temporary tax differences and the adequacy of future taxable profits, to support the recognition.

■ **Accounting Period 1 January - 31 December 2019**

The auditor has expressed his opinion on the consolidated financial statements of NFC Public Company Limited and its subsidiary as at 31 December 2019, the consolidated and the separate statements of comprehensive income, the consolidated and the separate statements of changes in shareholders' equity, Consolidated and separate statements of cash flows for the year then ended, Notes to the consolidated, the consolidated and the separate operating results, the financial statements are prepared in accordance with Thai Financial Reporting Standards.

Key audit matters to investigate were 1) Valuation of buildings and equipment, as well as, assets acquired through a business combination with a fair value estimated by an independent appraiser which is 385.91 million Baht or 32% of the Group's total assets. 2) Deferred income tax assets which have not been recorded at the amount of 280.93 million Baht because the recognition of deferred income tax assets needed to be based on opportunities for implementation at the discretion of the management. The expectation to make good use of the following asset depends on several factors, including the appropriateness of temporary tax differences and the adequacy of future taxable profits, to support the recognition.

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARY

Summary of financial position	For year ended		For year ended		For year ended	
	December 31, 2018		December 31, 2019		December 31, 20120	
	(Thousand Baht)	%	(Thousand Baht)	%	(Thousand Baht)	%
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	288,083	20.19	87,500	7.28	108,770	3.83
Temporary investments in available - for - sale	298,132	20.90	0.00	0.00	0.00	0.00
Trade and other current receivables	150,492	10.55	198,609	16.52	179,030	6.30
Inventories	117,835	8.26	78,485	6.53	41,767	1.47
Current tax assets	0.00	0.00	2,830	0.24	2,109	0.07
Other current financial assets	0.00	0.00	19,528	1.62	9,387	0.33
Other current assets	71,954	5.05	2,346	0.20	1,702	0.06
Non-current assets or disposal groups classified as held for sale	0.00	0.00	0.00	0.00	13,980	0.49
Total Current Assets	926,496	64.95	389,298	32.37	356,745	12.56
NON - CURRENT ASSETS						
Investment in subsidiary	0.00	0.00	12,917	1.07	12,129	0.43
Property, plant and equipment	402,980	28.25	385,913	32.09	1,318,934	46.45
Right of use assets	0.00	0.00	0.00	0.00	976,968	34.40
Intangible assets	2,643	0.18	2,133	0.18	1,519	0.04
Deferred tax asset	45,397	3.18	8,825	0.73	11,509	0.41
Other non - current assets	49,065	3.44	403,384	33.55	161,816	5.70
Total Non - Current Assets	500,085	35.05	813,172	67.63	2,482,875	87.44
TOTAL ASSETS	1,426,581	100.00	1,202,470	100.00	2,839,620	100.00

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARY

Summary of financial position	For year ended		For year ended		For year ended	
	December 31, 2018		December 31, 2019		December 31, 2020	
	(Thousand Baht)	%	(Thousand Baht)	%	(Thousand Baht)	%
LIABILITIES AND SHAREHOLDERS' EQUITY						
CURRENT LIABILITIES						
Bank overdraft and short-term loan from financial institution	216,460	15.17	83,080	6.91	93,508	3.29
Trade and other current payables	147,901	10.37	152,918	12.72	374,721	13.20
Current portion of lease liabilities	0.00	0.00	0.00	0.00	41,080	1.45
Current provisions for employee benefit	588	0.04	0.00	0.00	7,303	0.26
Total Current Liabilities	364,949	25.58	235,998	19.63	516,612	18.19
NON - CURRENT LIABILITIES						
Long-term loans from financial institutions	0.00	0.00	0.00	0.00	489,164	17.23
Lease liabilities	0.00	0.00	0.00	0.00	884,951	31.16
Deferred tax liabilities	35,793	2.51	18,427	1.53	18,367	0.65
Non-current provisions for employee benefit	11,326	0.79	10,876	0.90	1,762	0.06
Other non - current provisions	3,420	0.24	3,420	0.29	3,420	0.12
Total Non - Current Liabilities	50,539	3.54	32,723	2.72	1,397,664	49.22
TOTAL LIABILITIES	415,488	29.12	268,721	22.35	1,914,276	67.41
SHAREHOLDERS' EQUITY						
Share capital - ordinary share						
Authorized share capital	897,462	62.91	897,462	74.63	897,462	31.61
Issued and paid share capital	815,875	57.19	815,875	67.85	815,875	28.73
Surplus (Deficit) from business combination under the common control	(255,264)	(17.89)	(255,264)	(21.23)	(255,264)	(8.99)
Retained earnings						
Legal reserve	9,350	0.66	22,550	1.88	24,380	0.86
Unappropriated	292,379	20.50	235,287	19.57	274,954	9.68
Other components of shareholder's equity	149,969	10.51	116,979	9.72	67,565	2.37
Total equity attributable to owners of the company	1,012,309	70.96	935,427	77.79	927,511	32.66
Non-controlling interests of subsidiary	(1,216)	(0.08)	(1,678)	(0.14)	(2,168)	(0.08)
TOTAL SHAREHOLDERS' EQUITY	1,011,093	70.88	933,749	77.65	925,342	32.59
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,426,581	100.00	1,202,470	100.00	2,839,620	100.00

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARY

Summary of Operating Results	For year ended		For year ended		For year ended	
	December 31, 2018		December 31, 2019		December 31, 2020	
	(Thousand Baht)	%	(Thousand Baht)	%	(Thousand Baht)	%
REVENUES						
Revenue from sales of chemical products	1,085,919	92.03	1,080,746	91.46	615,676	85.60
Revenue from services	94,074	7.97	100,907	8.54	103,609	14.40
Total Revenues from Sales and Services	1,179,993	100.00	1,181,653	100.00	719,285	100.00
COSTS OF SALES AND SERVICES						
Cost of chemical products sold	929,993	78.82	974,691	82.49	525,259	73.04
Cost of services	18,111	1.53	19,498	1.65	23,415	3.26
Total Costs of Sales and Services	948,104	80.35	994,189	84.14	548,674	76.28
Gross profit	231,889	19.65	187,464	15.86	170,611	23.72
Other income	14,283	1.21	27,309	2.32	16,456	2.29
Profit Before Expenses	246,172	20.86	214,773	18.18	187,067	26.01
Selling expenses	48,435	4.10	43,152	3.65	34,479	4.79
Administrative expenses	154,840	13.12	154,031	13.04	149,516	20.79
Financial costs	2,831	0.24	16,410	1.39	15,220	2.12
Total expenses	206,106	17.47	213,593	18.08	199,217	27.69
Profit (Loss) Before income Tax expense	40,066	3.40	1,180	0.10	(12,150)	(1.69)
Income (Expense) Tax	10,852	0.92	(36,127)	(3.06)	2,896	0.40
NET PROFIT (LOSS) FOR THE YEAR	50,918	4.32	(34,947)	(2.96)	(9,254)	(1.29)

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARY

Summary Statement of Cash Flows	Ended December 31		
	2018	2019	2020
	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Net Cash provided from (Used in) Operating Activities	77,764	113,592	386,110
Net Cash provided from (Used in) Investing Activities	(118,560)	(134,017)	(805,377)
Net Cash provided from (Used in) Financing Activities	216,461	(180,157)	440,537
NET INCREASE (DECREASE) CASH AND CASH EQUIVALENTS	175,665	(200,582)	21,270
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	112,418	288,083	87,500
CASH AND CASH EQUIVALENTS AT END OF PERIOD	288,083	87,500	108,770

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARY

Statement of Cash Flows	Ended December 31		
	2018	2019	2020
	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Cash Flows from Operating Activities			
Profit (Loss) before income Tax expense	40,066	1,179	(12,149)
Portion of the Company before business combination under common control	0	0	0
Profit (Loss) Before income Tax expense - Net	40,066	1,179	(12,149)
Adjustments to reconcile profit (Loss) to net cash provided from (used in)			
Adjustment on financial costs	2,831	16,410	15,220
Adjustment on Trade and other receivable (Increase) Decrease	25,139	30,114	3,189
Adjustment on Other receivable from other operations (Increase) Decrease	0	(81,009)	16,390
Adjustment on Inventories (Increase) Decrease	(44,779)	55,294	102,719
Adjustment on Other assets (Increase) Decrease	(48,291)	37,058	(34,612)
Adjustment on Trade and other payable Increase (Decrease)	1,892	5,655	(18,649)
Adjustment on Other payable from other operations Increase (Decrease)	0	(821)	252,997
Adjustment on Other Liabilities Increase (Decrease)	(250)	0	0
Depreciation Depletion and Amortization charge	108,368	106,179	122,157
Adjustment on Impairment loss (Reverse)	(703)	(5,517)	(30,236)
Adjustment on Provisions liabilities (Reverse)	(874)	(15,613)	12,290
Adjustment on Unrealized (Gain) loss on exchange rate	(122)	117	(5)
Adjustment on Doubtful debt (Reverse)	1,042	(52)	0
Adjustment on loss from inventories devaluation (Reversal)	(671)	(10,427)	(66,000)
Adjustment on loss from Write-off pier lease right	0	97	(449)
Adjustment on loss (gain) on disposal of non-current assets	693	379	51,710
Adjustment other on cash from investment or borrowings	(4,128)	(8,543)	(7,306)
Net Cash provided from (Used in) Operating Activities	80,213	130,500	407,266
Interest expenses	(2,449)	(15,924)	(18,735)
Other cash provided (Used) - Provisions for employee benefit	0	(984)	(2,422)

Statement of Cash Flows	Ended December 31		
	2018	2019	2020
	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Net Cash provided from (Used in) Operating Activities	77,764	113,592	386,110
Cash Flows from Investing Activities			
Proceeds from disposal of Equity Instruments or debt Instruments from other parties	0	305,899	0
Cash paid for equity Instruments or debt Instruments from other parties	(98,957)	0	
Cash paid for acquisitions of property, plan and equipment	(21,301)	(89,430)	(808,497)
Cash paid for deposit Assets in progress	0	(355,000)	0
Proceeds from disposal of property, plan and equipment	725	475	2,032
Cash paid for purchase of intangible assets	(511)	(123)	(36)
Loans to related parties	0	(28,500)	(27,000)
Proceeds from short-term loans to related parties	0	28,500	27,000
Other Proceeds (cash paid) from Operating Activities-Provision for employee benefit	(2,513)	(984)	0
Proceeds from Interest received	3,997	4,162	1,124
Net Cash provided from (Used in) Investing Activities	(118,560)	(134,017)	(805,377)
Cash Flows from Financing Activities			
Proceeds from the issuance of the share capital	1	0	0
Proceeds from long - term loans	0	0	495,346
Proceeds from loans	216,460	(133,380)	10,428
Cash paid for interest	0	(46,777)	0
Dividends paid	0	0	(65,237)
Net Cash provided from (Used in) Financing Activities	216,461	(180,157)	440,537
NET INCREASE (DECREASE) CASH AND CASH EQUIVALENTS	175,665	(200,583)	21,270
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	112,418	288,083	87,500
CASH AND CASH EQUIVALENTS AT END OF PERIOD	288,083	87,500	108,770

Financial Ratios**NFC PUBLIC COMPANY LIMITED AND SUBSIDIARY**

For the Year Ended December 31			
	2018	2019	2020
(LIQUIDITY RATIOS)			
■ Current Ratio (Times)	2.54	1.65	0.69
■ Quick ratio (times)	2.02	1.21	0.56
■ Cash Ratio (Times)	0.31	0.38	1.03
■ Account Receivable Turnover (Times)	5.79	5.49	3.12
■ Average collection period (days)	62.17	65.59	115.22
■ Inventory turnover (times)	9.78	9.93	8.74
■ Receivable conversion period (days)	36.82	36.26	41.21
■ Account Payable Turnover (Times)	8.98	6.61	2.08
■ Payable convention period (days)	40.10	54.46	173.10
■ Cash Cycle (Days)	58.88	47.61	(16.67)
(PROFITABILITY RATIOS)			
■ Gross Profit Margin (%)	19.65%	15.86%	23.72%
■ Operating Profit Margin (%)	3.64%	(4.87) %	4.27%
■ Cash to Profit Ratio (%)	186.74%	(197.20)%	1,258.01%
■ Net Profit Margin (%)	4.36%	(2.92) %	(1.22)%
■ Return on Equity (%)	5.21%	(3.54) %	(0.94)%
(EFFICIENCY RATIOS)			
■ Return on Assets (%)	3.32%	1.34%	0.15%
■ Return on Fixed Assets (%)	33.78%	31.38%	14.69%
■ Total Assets Turnover (Time)	0.91	0.90	0.36
(FINANCIAL POLICY RATIOS)			
■ Debt to Equity Ratio (Time)	0.41	0.29	2.07
■ Interest Coverage Ratio (Time)	33.17	(5.72)	26.56
■ Obligation coverage Ratio (cash basis) (Time)	3.32	(1.07)	0.47
■ Dividend Payout Ratio (%)	0.00	0.00	0.00

Summary of financial position and operating Performance of subsidiary

(Unit: Million
Baht)

Item	Rayong Bulk Terminal Co., Ltd.			NFCT Co. Ltd.			NFCW Co. Ltd.		
	2018	2019	2020	2018*	2019	2020	2018*	2019	2020
Total Assets	57.41	55.42	53.24	4.59	832.99	1,921.45	0.99	0.98	619.90
Total Liabilities	64.67	65.44	66.18	3.60	507.56	1,601.17	0.02	0.02	506.78
Total Shareholders' Equity	(7.26)	(10.02)	(12.95)	0.99	325.43	320.28	0.98	0.96	113.12
Net Income	0.42	0.26	0.01	0.01	0.21	0.18	0.00	0.00	0.00
Net Profit	(2.85)	(2.76)	(2.93)	(0.01)	(0.56)	(4.94)	(0.02)	(0.02)	(4.84)
Book value per share (Baht)	(0.10)	(0.13)	(0.17)	98.75	99.83	98.24	97.80	96.09	57.71

Remark* NFCT Co., Ltd. And NFCW Co., Ltd. Register company August 2, 2018

Others

Investors can study the information of the Company that issued additional securities from the annual registration statement (form 56-1) of the Company as shown in www.set.or.th.

Auditor's Report and Financial Statement



Auditor's Report and Financial Statement for the year ended on December 31, 2020**INDEPENDENT AUDITOR'S REPORT**

To The Shareholders of NFC Public Company Limited

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

Non-current assets or disposal groups are classified as held for sale**Risk**

As discussed in Note 11 to the financial statements, The Company has been destroyed unused factory building and disposed debris from the destruction. However, recoverable amount from debris disposal as of Baht 13.98 million. The book value of factory building reclassified as current assets held for sale of Baht 30.92 million. Therefore, recorded impairment in the year of Baht 16.94 million and it was materiality to financial statements. I reported this issue because it was emphasis for auditing that happened during the year by mine.

Risk Responses of Auditor

My audit procedures responded to the risk referred to above are as follows:

- I audited the Company's meeting report that was authorized by policy.
- I audited the contract between the Company and purchaser that certainly agreed to finish the purchasing in the year with agree price.
- I audited the factory building's book value and other related accounts have been recorded for comparison the recoverable amount from disposal and recognised the impairment amount are as mention above.

Revaluation of plant and equipment**Risk**

As discussed in Note 14 to the financial statements, The Company values its plant and equipment, including those assets acquired in a business combination, at fair value which is determined by an independent appraiser. The valuation process requires judgement and significant estimates to be made by management. As at December 31, 2020, Plant and Equipment of The Company the amount of Baht 184.42 million, represents 12 percent of total assets of the Company.

Risk Responses of Auditor

My audit procedures responded to the risk referred to above are as follows:

- Evaluating the competence, independence and objectivity of the appraiser and verified their qualification.
- Discussing with the appraiser the rationale for the approach used to measure the fair value of plant and equipment.
- Assessing the appropriateness of the assumption used and data used in the valuation.
- Comparing the results derived from the appraisal with external sources of data.
- To Assess of asset condition during attendance fixed asset count.
- Reviewed accounting records by company to ensure that accounting records of asset are correct.

Deferred Tax Assets**Risk**

As discussed in Note 17 to the financial statements, The Group and The Company has not yet recorded deferred tax asset amount Baht 72.61 million and Baht 193.68 million, respectively because recognition of deferred tax assets needs to be based on the probability of utilization which is subject to management's judgment. Expectation of such assets utilization is depended on many factors, including appropriateness of temporary difference, and sufficiency of future taxable profit.

Risk Responses of Auditor

My audit procedures responded to the risk referred to above are as follows:

- Evaluated the Company management's judgment regarding sufficiency of future taxable profit that will be available to utilize tax losses. Evaluation focused on the reasonableness of future cash flow projection and preparation process of cash flow projection.

- Tested reliability of calculation and compared with the latest annual budget approved by the Company's board of directors.
- Enquired the Company's management regarding a key assumption, long term growth rate, and compared with historical performance, economic conditions and industrial trend.

Emphasis of Matter

As explained in the Note 4.2 to the financial statements for the impact of the COVID-19, The Group has prepared the accompanying interim financial for the year ended December 31, 2020 by electing Accounting Treatment Guidance on "Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situations" announced by The Federation of Accounting Professions. However, in my conclusion this case is not qualified.

Other Matter

The financial statements of NFC Public Company Limited and its subsidiaries as at December 31, 2019 were audited by another auditor in firm as mine, who issued her audit report date February 27, 2020 expressed an unqualified opinion.

Other Information

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 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 financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation, whether.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control if 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 financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Jirote Sirirorote

Mr. Jirote Sirirorote

Certified Public Accountant (Thailand)

Registration No. 5113

Karin Audit Company Limited

Bangkok, Thailand.

February 23, 2021

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	108,769,955	87,500,475	82,947,895	84,288,675
Trade and other current receivables	7, 8	179,029,834	198,608,576	153,751,790	128,698,895
Short-term loan	8	-	-	502,100,000	484,000,000
Inventories	9	41,766,741	78,485,291	41,764,899	78,484,102
Current tax assets		2,109,033	2,829,998	2,109,033	2,829,998
Other current financial assets	10	9,387,441	19,528,000	9,385,000	19,528,000
Other current assets		1,702,170	2,345,677	1,702,170	2,345,677
Non-current assets or disposal groups classified as held for sale	11	13,980,000	-	13,980,000	-
Total Current Assets		356,745,174	389,298,017	807,740,787	800,175,347
NON - CURRENT ASSETS					
Other non - current financial assets	12	12,128,584	12,917,347	12,128,584	12,917,347
Investment in subsidiaries, joint ventures and associated	13	-	-	443,999,400	326,999,400
Property, plant and equipment	14	1,318,933,513	385,913,108	184,423,070	297,995,796
Right of use assets	15	976,968,444	-	121,163,875	-
Other intangible assets other than goodwill	16	1,518,912	2,133,280	1,420,021	2,048,959
Deferred tax asset	17	11,508,565	8,824,742	20,198,732	8,824,742
Other non - current assets	18	161,816,337	403,383,982	490,649	1,061,941
Total Non - Current Assets		2,482,874,355	813,172,459	783,824,331	649,848,185
TOTAL ASSETS		2,839,619,529	1,202,470,476	1,591,565,118	1,450,023,532

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Bank overdraft and short-term loan from financial institutions	19	93,508,018	83,079,597	93,508,018	83,079,597
Trade and other current payables	20, 8	374,721,345	152,918,123	121,499,752	171,422,727
Current portion of lease liabilities	22	41,080,311	-	39,360,248	-
Current provisions for employee benefits	23	7,302,992	-	6,551,600	-
Total Current Liabilities		516,612,666	235,997,720	260,919,618	254,502,324
NON - CURRENT LIABILITIES					
Long - term loans from financial institutions	21	489,163,605	-	-	-
Lease liabilities	22	884,951,232	-	106,661,876	-
Non - current provisions for employee benefits	23	1,761,778	10,876,232	1,737,231	10,863,050
Other non - current provisions		18,367,056	18,427,183	18,367,056	18,427,183
Other non - current liabilities		3,420,000	3,420,000	3,420,000	3,420,000
Total Non - Current Liabilities		1,397,663,671	32,723,415	130,186,163	32,710,233
TOTAL LIABILITIES		1,914,276,337	268,721,135	391,105,781	287,212,557
<u>LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)</u>					
SHAREHOLDERS' EQUITY					
Share capital - ordinary share					
- Authorized share capital					
1,196,616,362 shares of Baht 0.75 each	25	897,462,271	897,462,271	897,462,271	897,462,271
Issued and paid share capital					
- Authorized share capital 1,087,833,056 shares					
of Baht 0.75 each	25	815,874,792	815,874,792	815,874,792	815,874,792
Surplus (Deficit) from business combination under the common control		(255,263,602)	(255,263,602)	(255,263,602)	(255,263,602)
Retained earnings					
Legal reserve		24,380,200	22,550,000	24,380,200	22,550,000
Unappropriated		274,955,016	235,287,323	547,902,715	462,671,086
Other components of shareholder's equity		67,565,232	116,978,699	67,565,232	116,978,699
Total equity attributable to owners of the company		927,511,638	935,427,212	1,200,459,337	1,162,810,975
Non-controlling interests of subsidiaries		(2,168,446)	(1,677,871)	-	-
TOTAL SHAREHOLDERS' EQUITY		925,343,192	933,749,341	1,200,459,337	1,162,810,975
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,839,619,529	1,202,470,476	1,591,565,118	1,450,023,532

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	2020	2019	2020	2019
REVENUES					
Revenue from sales of chemical products		615,675,848	1,080,746,084	615,675,848	1,080,746,084
Revenue from services		103,609,389	100,906,974	106,229,389	103,526,974
Total Revenues from Sales and Services	8, 32	719,285,237	1,181,653,058	721,905,237	1,184,273,058
COSTS OF SALES AND SERVICES					
Cost of chemical products sold		525,259,479	974,691,073	525,259,479	974,691,073
Cost of services		23,415,216	19,498,408	23,415,216	19,750,835
Total Costs of Sales and Services	8, 32	548,674,695	994,189,481	548,674,695	994,441,908
Gross profit		170,610,542	187,463,577	173,230,542	189,831,150
Other income	8, 32	16,456,158	27,308,687	50,159,952	323,493,449
Profit Before Expenses		187,066,700	214,772,264	223,390,494	513,324,599
Selling expenses	32	34,479,396	43,151,566	34,479,396	43,151,566
Administrative expenses	32	149,516,315	154,031,637	148,734,814	153,747,217
Financial costs	32	15,219,842	16,410,058	15,207,776	16,357,037
Total expenses		199,215,553	213,593,261	198,421,986	213,255,820
Profit (Loss) Before income Tax expense		(12,148,853)	1,179,003	24,968,508	300,068,779
Tax income (Expense)		2,895,599	(36,126,759)	11,635,163	(36,126,759)
NET PROFIT (LOSS) FOR THE YEAR		(9,253,254)	(34,947,756)	36,603,671	263,942,020
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR					
Items that will be reclassified subsequently to profit or loss					
Unrealized Gain (Loss) on available-for-sale investments		-	2,599,836	-	2,599,836
Items that will not be reclassified subsequently to profit or loss					
Gains (losses) on remeasurements of defined benefit plans		847,105	1,780,670	1,044,691	1,780,670
Total comprehensive income (Loss) for the year		(8,406,149)	(30,567,250)	37,648,362	268,322,526
ALLOCATION OF INCOME (LOSS)					
Portion of the Company's Shareholders		(8,762,679)	(34,485,721)	36,603,671	263,942,020
Portion of non-controlling interests in subsidiaries		(490,575)	(462,035)	-	-
		(9,253,254)	(34,947,756)	36,603,671	263,942,020
ALLOCATION OF COMPREHENSIVE INCOME (LOSS)					
Portion of the Company's shareholders		(7,915,574)	(30,105,215)	37,648,362	268,322,526
Portion of non-controlling interests in subsidiaries		(490,575)	(462,035)	-	-
		(8,406,149)	(30,567,250)	37,648,362	268,322,526
Basic Earnings (Loss) per Share					
Basic Earnings (Loss) per Share	26	(0.0081)	(0.0317)	0.0336	0.2426
Weight average number of common shares (Thousand Shares)		1,087,833,056	1,087,833,056	1,087,833,056	1,087,833,056

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE YEAR ENDED DECEMBER 31

Equity attributable to the Company's shareholders										(Unit : Baht)	
Paid-up share capital	Surplus (Deficit) from business combination under common control	Legal reserve	Retained earnings	Other components of equity				Total shareholders' equity of the Company	Non controlling interests of Subsidiaries		Total
				Available-for-sale investments	Surplus on assets Revaluation	Gains (losses) on remeasurements of defined benefits	Total other components of partners' equity				
CONSOLIDATED F/S											
Balance as at January 1, 2019	815,874,792	(255,263,602)	9,350,000	292,378,678	(2,599,836)	159,528,410	(6,959,446)	149,969,128	1,012,308,996	(1,215,836)	1,011,093,160
Dividend	-	-	-	(46,776,569)	-	-	-	-	(46,776,569)	-	(46,776,569)
Total comprehensive income (Loss) for the year	-	-	-	(34,485,721)	2,599,836	-	1,780,670	4,380,506	(30,105,215)	(462,035)	(30,567,250)
Transfer to retained earnings (Loss) - net of income tax	-	-	-	37,370,935	-	(42,549,711)	5,178,776	(37,370,935)	-	-	-
Other - Legal reserve	-	-	13,200,000	(13,200,000)	-	-	-	-	-	-	-
Balance as at December 31, 2019	815,874,792	(255,263,602)	22,550,000	235,287,323	-	116,978,699	-	116,978,699	935,427,212	(1,677,871)	933,749,341
Total comprehensive income (Loss) for the year	-	-	-	(8,762,679)	-	-	847,105	847,105	(7,915,574)	(490,575)	(8,406,149)
Transfer to retained earnings (Loss) - net of income tax	-	-	-	50,260,572	-	(49,413,467)	(847,105)	(50,260,572)	-	-	-
Other - Legal reserve	-	-	1,830,200	(1,830,200)	-	-	-	-	-	-	-
Balance as at December 31, 2020	815,874,792	(255,263,602)	24,380,200	274,955,016	-	67,565,232	-	67,565,232	927,511,638	(2,168,446)	925,343,192

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31

SEPARATE F/S	Paid-up share capital	Surplus (Deficit) from business combination under common control	Legal reserve	Retained earnings	Other components of equity				(Unit : Baht)
					Available-for-sale investments	Surplus on assets revaluation	Gains (losses) on remeasurements of defined benefits	Total other components shareholders' equity	
Balance as at January 1, 2019	815,874,792	(255,263,602)	9,350,000	221,334,700	(2,599,836)	159,528,410	(6,959,446)	149,969,128	941,265,018
Dividend	-	-	-	(46,776,569)	-	-	-	-	(46,776,569)
Total comprehensive income (Loss) for the year	-	-	-	263,942,020	2,599,836	-	1,780,670	4,380,506	268,322,526
Transfer to retained earnings (Loss) - net of income tax	-	-	-	37,370,935	-	(42,549,711)	5,178,776	(37,370,935)	-
Other - Legal reserve	-	-	13,200,000	(13,200,000)	-	-	-	-	-
Balance as at December 31, 2019	815,874,792	(255,263,602)	22,550,000	462,671,086	-	116,978,699	-	116,978,699	1,162,810,975
Total comprehensive income (Loss) for the year	-	-	-	36,603,671	-	-	1,044,691	1,044,691	37,648,362
Transfer to retained earnings (Loss) - net of income tax	-	-	-	50,458,158	-	(49,413,467)	(1,044,691)	(50,458,158)	-
Other - Legal reserve	-	-	1,830,200	(1,830,200)	-	-	-	-	-
Balance as at December 31, 2020	815,874,792	(255,263,602)	24,380,200	547,902,715	-	67,565,232	-	67,565,232	1,200,459,337

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	2020	2019	2020	2019
Cash Flows from Operating Activities				
Profit (Loss) before income Tax expense	(12,148,853)	1,179,003	24,968,508	300,068,779
Adjustments to reconcile profit (Loss) to net cash provided (Used)				
Adjustment on financial costs	15,219,842	16,410,058	15,207,776	16,357,037
Adjustment on Trade receivable (Increase) Decrease	3,188,845	30,114,050	2,419,149	29,265,374
Adjustment on Other receivable from other operations (Increase) Decrease	16,389,897	(81,008,764)	5,663,002	(18,206,416)
Adjustment on Inventories (Increase) Decrease	102,718,875	55,293,618	102,719,528	55,294,807
Adjustment on Other assets (Increase) Decrease	(34,611,871)	37,058,168	9,974,729	49,668,350
Adjustment on Trade payable Increase (Decrease)	(18,648,371)	5,654,796	(14,488,534)	3,555,676
Adjustment on Other payable from other operations Increase (Decrease)	252,997,055	(821,090)	(31,493,186)	(4,768,659)
Depreciation Depletion and Amortisation charge				
- Depreciation of property, plant and equipment	83,876,645	105,545,810	83,822,282	105,540,626
- Depreciation of right of use assets	37,638,790	-	37,638,790	-
- Amortization of other intangible assets other than goodwill	641,074	632,970	619,644	623,791
Adjustment of loss on Impairment Asset (Reverse)				
- Loss on Impairment Asset held for sale	16,943,178	-	16,943,178	-
- Loss on Impairment Asset (Reverse)	(48,391,266)	(5,517,066)	(48,391,266)	(5,517,066)
- Loss on Impairment long-term investments	1,211,863	-	1,211,863	-
Adjustment on Provisions liabilities (Reverse)	12,289,924	(15,613,382)	11,781,342	(15,626,564)
Adjustment on Unrealized (Gain) loss on exchange rate	(4,790)	117,026	(4,790)	73,377
Adjustment on Bad debt and allowance for doubtful accounts (Reverse)	-	(52,000)	769,696	796,676
Adjustment on loss from inventories devaluation (Reverse)	(66,000,325)	(10,426,519)	(66,000,325)	(10,426,519)
Other adjustments with non cash	(448,506)	97,051	(461,689)	97,051
Adjustment on loss (Gain) on disposal of non current assets	51,710,015	379,114	51,710,015	379,114
Adjustment other on cash from investment or borrowings	(7,305,860)	(8,543,488)	(34,998,545)	(8,427,614)
Net Cash provided from (Used in) Operating Activities	407,266,161	130,499,355	169,611,167	498,747,820
Interest expenses	(18,735,091)	(15,923,791)	(10,347,922)	(15,870,770)
Other cash provided (Used) - Provisions for employee benefit	(2,421,730)	(984,000)	(2,421,730)	(984,000)
Net Cash provided from (Used in) Operating Activities	386,109,340	113,591,564	156,841,515	481,893,050

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	2020	2019	2020	2019
				(Unit : Baht)
	CONSOLIDATED F/S		SEPARATE F/S	
	2020	2019	2020	2019
Cash Flows from Investing Activities				
Investment in subsidiaries Increase	-	-	(117,000,000)	(325,000,000)
Cash paid for acquisitions of property, plant and equipment	(808,496,866)	(89,429,601)	(6,541,337)	(4,930,163)
Cash paid for purchase of intangible assets	(36,000)	(123,550)	-	(30,050)
Cash paid for deposit Assets in progress	-	(355,000,000)	-	-
Proceeds from disposal of property, plant and equipment	2,032,285	474,865	2,032,285	474,865
Proceeds from disposal of debt Instruments from other parties	-	305,899,126	-	305,899,126
Loans to related parties	(27,000,000)	(28,500,000)	(45,100,000)	(512,500,000)
Proceeds from short-term loans to related parties	27,000,000	28,500,000	27,000,000	28,500,000
Proceeds from Interest received	1,123,664	4,162,147	1,093,803	4,046,274
Net Cash provided from (Used in) Investing Activities	(805,376,917)	(134,017,013)	(138,515,249)	(503,539,948)
Cash Flows from Financing Activities				
Proceeds from long - term loans	495,345,800	-	-	-
Cash received (paid) from short - term loans	10,428,421	(133,380,256)	10,428,421	(133,380,256)
Dividends paid	-	(46,776,569)	-	(46,776,569)
Cash paid for decreasing lease liabilities	(65,237,164)	-	(30,095,467)	-
Net Cash provided from (Used in) Financing Activities	440,537,057	(180,156,825)	(19,667,046)	(180,156,825)
NET INCREASE (DECREASE) CASH AND CASH EQUIVALENTS	21,269,480	(200,582,274)	(1,340,780)	(201,803,723)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR (NOTE 6)	87,500,475	288,082,749	84,288,675	286,092,398
CASH AND CASH EQUIVALENTS AT END OF YEAR (NOTE 6)	108,769,955	87,500,475	82,947,895	84,288,675

Additional disclosure for the cash flow

1. In order to prepare the cash flow statements, Cash and Cash Equivalents which Cash Equivalents refer to bank accounts and short term investment in promissory note by the repayment not over 3 months.
2. During the year 2020, subsidiary made the transaction by transferring advance payment for construction project to construction to progress in amount of Baht 228.27 million.
3. During the year 2020, The Group has office rental agreement which it was reclassified to lease liabilities for the consolidated financial statements in amount of Baht 435.58 million and the separate financial statements in amount of Baht 155.86 million on January 1, 2020. This reclassification was affected by the new lease standard. (Note 4.2)
4. During the year 2020, The Group has calculated the depreciation of right of use and recognized to work in progress in amount of Baht 11.12 million

NFC PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENT

DECEMBER 31, 2020

1. GENERAL INFORMATION

The Company registered its incorporation in accordance with the Thai Civil and Commercial Code as a limited company in the year 1982. The Company changed its status to a public company on October 13, 1995. The major shareholder of the Company is Mr. Nuttaphob Ratanasuwanthawee.

The principle business of the Company is the sale of chemical products and other chemical related services. In addition, the Company provides pier and warehouse services. Its factory, warehouse and offices are located at:

- | | | |
|-------------|---|---|
| Factory and | : | No. 2, I - 2 Road, Map Ta Phut Industrial Estate, Tambol Map Ta Phut, Muang District, Rayong, Thailand. Currently not in fertilizer manufacturing operations, but still run production of ammonium hydroxide. |
| Warehouse | : | No. 9/25 Moo 4, Bueng Yitho District, Amphur Thanyaburi, Pathum Thani, Thailand. |
| | : | No. 105/10 Moo 2, Surat - Pak Nam Road., Bangkung District, Amphur Muang, Surat Thani, Thailand. |
| Office | : | 88 SC Group Building 3rd Floor, The Park Land Road (Bangna - Trad Km.5), Bangna Nuea Sub - District, Bangna District, Bangkok, Thailand. |

The Company has 83.25% investment in a subsidiary, (Rayong Bulk Terminal Co., Ltd.), whose business objective is to provide wharf frontage services and warehouse services. However, the operations of the subsidiary have ceased as a result of the termination of the joint operating agreement with Industrial Estate Authority of Thailand ("IEAT") which was terminated by the Central Bankruptcy Court.

The Company has 100% investment in "NFCT Co., Ltd" and 100% "NFCW Co., Ltd" which conducting liquid warehouse services and warehouse and yard services business, respectively.

2. BASIS OF FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATIONStatus of the subsidiary

In 2011, the Central Bankruptcy Court placed Rayong Bulk Terminal Co., Ltd. into receivership resulting in the subsidiary suspending its operations. During 2015, the Central Bankruptcy Court dismissed the subsidiary's appeal against the receivership and the Agreement for Joint Development of Construction of the Pier Area between the subsidiary and IEAT was terminated.

Subsequently, The Group and the Company have withdrawn the various claims and disputes against IEAT, and all parties have agreed in principle to commence the operation of the pier area to the subsidiary to earn income. In addition, the subsidiary has proposed a debt repayment schedule at the Creditors' meeting on October 7, 2015, which is still under their consideration. Postponing The Creditors' meeting (33rd) on July 22, 2021.

3. BASIS OF FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

3.1 Coronavirus disease 2019 Pandemic

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

3.2 Basis for financial statements preparation

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

The financial statements in English language have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or interpretation in two different languages, the Thai version of the financial statements shall main.

3.3 Principles of consolidation

These consolidated financial statements include the financial statements of NFC Public Company Limited and its subsidiaries which are under its control with more than 50 percent voting rights are as follows:

Company's Name	Nature of business	Percentage of holding (%)	
		December 31, 2020	December 31, 2019
Rayong Bulk Terminal Co., Ltd.	Provide wharf frontage		
	services and warehouse	83.25	83.25
	services		
NFCT Co., Ltd.	Liquid warehouse services	100.00	100.00
	business		
NFCW Co., Ltd.	Warehouse and yard		
	services business.	100.00	99.97

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

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

The total assets of subsidiaries as at December 31, 2020 and 2019 and total revenues of subsidiaries for the year ended December 31, 2020 and 2019 before eliminating, as included in the consolidated financial statements presented in term of percentages are as follows:

	Percentage of subsidiaries's total assets		Percentage of subsidiaries's total revenues	
	to consolidated total assets		to consolidated total revenues	
	December 31, 2020	December 31, 2019	For the years ended December 31, 2020	2019
Rayong Bulk Terminal Co., Ltd.	1.27	2.37	-	-
NFCT Co., Ltd.	45.90	35.61	-	-
NFCW Co., Ltd.	14.73	0.04	-	-

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

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

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Financial reporting standards that became effective in the current year

During the year, the Group and the Company has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group and the Company financial statements. However, the new standard involves changes to key principles, which it was conclude as below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of 5 accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
--------	------------------------------------

TFRS 9	Financial Instruments
--------	-----------------------

Accounting standard:

TAS 32	Financial Instruments: Presentation
--------	-------------------------------------

Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
----------	---

TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments
----------	---

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

This standard does not have any significant impact on The Group and the Company financial statements.

TFRS 16 Leases

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

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

The Group and the Company adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognized as an adjustment to the retained earnings as at January 1, 2020, and the comparative information was not restated. According to an Accounting Treatment Guidance, the new adjustment and reclassification due to changes in accounting policy will be recognize on the financial statements as at January 1, 2020.

The impact due to changes in accounting policy was reported in Note 4.2

4.2 Impact of first-time adoption of new accounting standard

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

Thai Financial Reporting Standards No. 16 Leases

During the year 2020 the Group and the Company are adopting Thai Financial Reporting Standards No.16 Leases. Where the Group and the Company is the lessee, leases are recognized as a right-of-use asset and a corresponding liability at the commencement date.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is measured at cost, which is initially measured at the present value of the lease payments. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease liability is initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in the lease, if that can be readily determined. If that rate cannot be readily determined, the Group and the Company uses the Group and the Company incremental borrowing rate.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as expense in the statement of income.

The Group and the Company made the transaction by adjustment the change to retain earning as at January 1, 2020 and without adjustment in the previous financial statement for preparation.

The affect form New Thai Financial Report Standards to consolidate and separate financial statements as at January 1, 2020 are as follows:

(Unit : Baht)

	CONSOLIDATED F/S		
	December 31, 2019	TFRS 16	January 1, 2020
Statement of financial position			
Assets			
Non-current assets			
Right-of-use assets	-	470,506,322	470,506,322
Liabilities			
Current liabilities			
Current portion of lease liabilities	-	35,022,792	35,022,792
Non-current liabilities			
Lease liabilities	-	400,560,394	400,560,394

(Unit : Baht)

	SEPARATE F/S		
	December 31, 2019	TFRS 16	January 1, 2020
Statement of financial position			
Assets			
Non-current assets			
Right-of-use assets	-	171,172,228	171,172,228
Liabilities			
Current liabilities			
Current portion of lease liabilities	-	36,048,234	36,048,234
Non-current liabilities			
Lease liabilities	-	119,817,193	119,817,193

On January 1, 2020, The Group and the Company has right of use assets are higher value than lease liabilities due to advanced payment on the separate and consolidated financial statements in a total of Baht 14.73 million and Baht 21.74 million, respectively. Furthermore, there is security deposit of lease agreements in a total Baht of 0.58 million and Baht 13.18 million, respectively.

On adoption of TFRS 16, the Group and the Company recognized lease liabilities in relation to leases which had previously been classified as operating leases under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group and the Company incremental borrowing rates. The Group and the Company weighted average incremental borrowing rate applied to the lease liabilities on January 1, 2020 was range between 4.75% to 5.00%.

For leases previously classified as finance leases applying TAS 17, the Group and the Company recognized

the carrying amount of the lease asset and lease liability immediately before adoption of TFRS 16 as the carrying amount of the right-of-use asset and the lease liability at the date of initial application.

	(Unit : Baht)	
	CONSOLIDATED F/S	SEPARATE F/S
Operating lease commitments disclosed as at December 31, 2019	758,800,354	171,690,831
(Less) Contracts reassessed as service agreements	(1,836,000)	(1,836,000)
Add Leasehold improvement contracts for determined right of use	6,912,000	6,912,000
(Less) Deferred interest expenses	(328,293,167)	(20,901,404)
Additional lease liabilities from TFRS 16 adoption	435,583,187	155,865,427
Finance lease liabilities as at December 31, 2019	-	-
Lease liabilities recognised as at January 1, 2020	435,583,187	155,865,427
Of which are:		
Current lease liabilities	35,022,792	36,048,234
Non-current lease liabilities	400,560,395	119,817,193
	435,583,187	155,865,427

The recognized right-of-use assets relate to the following types of assets:

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	December	January	December	January
	31, 2020	1, 2020	31, 2020	1, 2020
Land and land improvement	970,143,818	461,593,115	114,339,249	162,259,021
Building and building improvement	6,824,626	8,913,207	6,824,626	8,913,207
Total right-of-use assets	976,968,444	470,506,322	121,163,875	171,172,228

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

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

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

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

- Not to take into account forward-looking information when determining expected credit losses, in cases where The Group and the Company uses a simplified approach to determine expected credit losses.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

4.3 Revenue and expenditure recognition

Revenue from sales

Sales of goods are recognised at the point in time when control of the asset is transferred to the customer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Revenue arrangements with multiple deliverables are allocated between the element in proportion to the delivered products and the obligations to be performed in providing services that are included in the contract using the basis of standalone selling prices of different products or services as obligated in the contract.

Revenue from service

Service income is recognized when the Group and the Company have completed the service and the economic benefit is derived from the success of that transaction. Income is shown without VAT.

Interest income is recognized on a time proportion basis that reflects the effective yield on the asset.

Cost of service is recognized principally based on services rendered.

Other expenses are recognized based on an accrual basis during the year.

4.4 Cash and cash equivalents

Cash and cash equivalents represent cash on hand, deposits with financial institutions with maturity of less than three months, short-term highly liquid investments with original maturities of three months or less, without restriction of usage or obligation.

Restricted deposits with bank are presented under non - current assets in the statement of financial position.

4.5 Related companies

Related companies comprise enterprises and individuals that control or are controlled by the Company,

whether directly or indirectly, or which are under common control with the Company.

They also included associated companies and individuals which directly or indirectly own a voting interest in the Group and the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and directing the Company's operations.

4.6 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined by weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory less all attribute discounts and allowances. Net realizable value is estimated selling price in the ordinary course of business less necessary costs to make inventories ready for sales. The Company set up provision for slow – moving and defective inventories, where necessary, from the consideration of market situation and the aged inventories.

4.7 Acquisitions from entities under common control

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with the Guideline issued in 2009 by the FAP.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at the carrying amounts recognised as if they had been included in the Group consolidated financial statements from initiation using the accounting policies of the Group. The components of equity of the acquired entities are added to the same components within Group equity. Any cash paid for the acquisition is recognised directly in equity.

4.8 Investments

Investment in subsidiaries

Investment in subsidiaries in the separate financial statements are stated at cost net of impairment losses.

Other investment

Equity securities which are not marketable are stated at cost net of impairment losses.

4.9 Property, plant and equipment

The Company values its property, plant and equipment, as follows:

- | | |
|--|---|
| a) Building and factory, Building improvement, Port building, berth, Wearhouse and conveying system, machinery and equipment, Fertilizer packing equipment, Moving equipment Electricity, water supply, waste water treatment other utilities and vehicles | - at appraised value determined by an independent appraiser |
| b) Other fixed assets | - at cost |

The subsidiaries values its property, plant and equipment at cost.

Cost is measured by the cash or cash equivalent price of obtaining the asset to bring it to the location and condition necessary for its intended use. Buildings and equipment are presented in the statement of financial position at cost less accumulated depreciation and allowance for loss on impairment (if any). The Company arranges for re-appraisal of assets by independent appraiser once every three to five years. The Company records the differences incurred from revaluation as follows:

- When an asset value increased as a result of a revaluation, the increase amount is recognized in other comprehensive income and credited to a “Revaluation surplus of assets”. However, a revaluation increase is recognized as reversal of impairment to the extent that it reverses a revaluation decrease of the same asset previously recognized as an expense in statements of profit or loss and other comprehensive income.
- When an asset’s carrying amount is decreased as a result of a revaluation, the decrease is recognized as an expense in statement of profit or loss and other comprehensive income. However, a revaluation decrease is charged directly against any related “Revaluation surplus of assets” to the extent that the decrease does not exceed the amount held in the revaluation surplus in respect of that same asset.

Upon the disposal of the revalued plant and equipment, the relevant portion of the revaluation surplus realized in respect of the previous valuation is released from the plant and equipment valuation surplus directly to retained earnings (deficit).

The Group and the Company depreciates its land improvements, plant and equipment by the straight - line method, over the estimated useful lives of the assets based on the segregation of components of assets, if each part is significant with different useful lives. Estimated useful lives of the assets are as follows:

	Years
Land improvement	25
Building and factory	5 - 25
Pier	10 - 20
Office improvement	5 - 10
Machinery and equipment	5 - 20
Furniture, fixtures and office equipment	5 - 6
Experimental instrument	5 - 20
Vehicles	5

Expenditures for expansion, renewal and betterment are capitalized. Repair and maintenance costs are recognized as an expense when incurred.

4.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are 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.

4.11 Leases

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

4.11.1 The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use the underlying assets and lease liabilities based on lease liabilities based on lease payments.

a) Right-of-use assets

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

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

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

b) Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, and amounts expected to be payable under residual value guarantees. Moreover, the lease

payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

c) Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.12 Intangible assets

On the date of acquisition, intangible assets are measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated (if any) impairment losses.

Intangible assets with finite lives are amortized on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is charged to the income statement.

A summary of the intangible assets with finite useful lives is as follows:

Computer software	5	years
-------------------	---	-------

Amortization is included in the calculation of performance.

4.13 Right to use pier

The subsidiary depreciates its acquisition cost of right to use pier by the straight-line method over the joint operating agreement period and writes off upon the termination of the agreement.

4.14 Assets not used in operations

Assets not used in operations are presented at carrying amount at the date when the assets are retired from active use, less allowance for impairment.

4.15 Impairment of assets

Property and equipment and other non - current assets are reviewed for impairment whenever events or changes in circumstances indicate that the recoverable amount of asset is lower than its carrying amount. An impairment loss is recognized as an expense in the statements of profit or loss and other comprehensive income, for asset carried at cost, or treated as a deduction of revaluation increment in the case that the asset is carried at revalue amount to the extent that the impairment loss does not exceed the revaluation increment formerly accounted for on the same asset. A reversal of impairment loss is recognized as income or treated as a revaluation increment when there is an indication that the impairment loss recognized for the asset no longer exists or had decreased. Such a reversal should not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

4.16 Foreign currency translation

The Group and the Company translated foreign currency transactions into Thai Baht for bookkeeping purposes at the exchange rates prevailing at the dates of the transactions. Balances of monetary assets and liabilities, denominated in foreign currency, at the closing date are translated into Baht at the exchange rates at that date. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities, denominated in foreign currencies, are recognized as gain or loss in the statements of profit or loss and other comprehensive income.

4.17 Employee benefits

Current employment benefits

Salaries, wages, bonuses and contribution to the social security are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plan

The Group and the Company and their employees have jointly established a provident fund plan whereby monthly contributions are made by employees and the Group and the Company. The fund's assets are held in a separate trustee fund. The Group and the Company contributions are recognised as expenses incurred.

Defined benefit plan

The Group and the Company have obligations in respect of the severance payments they must make to employees upon retirement under the labour law. The Group and the Company set up provision for the obligation under the defined benefit plan based on the amounts determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains or losses arising from post-employment benefits are recognised immediately in other comprehensive income and transferred to the retained earnings.

The defined benefits liability comprises the present value of the defined benefit obligation, fair value of plan assets and actuarial gains (losses).

4.18 Income tax

The income tax expense recognized in profit or loss for the year comprises deferred income taxes and current income tax not recognized in statement of profit or loss and other comprehensive income or directly in equity.

Current income tax

Current income tax is the expected tax payable or claimable on the taxable profit or loss for the year, which is different from profit or loss in the financial statements, using income tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to income tax payable in respect of previous years.

Deferred income tax

Deferred income taxes are calculated using the liability method on temporary differences between the accounting amounts of assets and liabilities and the amounts used for tax computation purpose. Deferred income taxes are calculated at the income tax rates that are expected to be applied to the temporary differences when they reverse, using income tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the Revenue Department on a net basis or when tax assets and liabilities will be realized simultaneously.

4.19 Earnings (loss) per share

Basic earnings (loss) per share

Basic earnings per share are determined by dividing the net income (loss) for the years by the weighted average number of common shares paid up during the year.

Diluted earnings (loss) per share

The diluted earnings loss per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has dilutive potential ordinary shares are warrants for existing shareholder. The convertible share is assumed to have been converted into ordinary shares. For the warrant, a calculation is made to determine the number of shares that could have been acquired at fair value based on the monetary value of the subscription rights attached to outstanding share options. (Determine from average price of ordinary shares of the Company shares in these year.) The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the warrant. The difference is added to the denominator as an issue of ordinary shares for no consideration. No adjustment is made to earnings.

4.20 Financial instruments

The Group and the Company have no policy to speculate in or be engaged in the trading of any financial derivative instruments.

Financial instruments carried in the statement of financial position include cash and cash equivalents, trade accounts receivable, trade accounts payable and loans from financial institutions. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

4.21 Segment reporting

Segment results that are reported to the Group's executive committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4.22 Use of accounting estimates

When preparing the financial statements, management undertake judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

4.23 Provisions for liabilities and expenses, and contingent assets

The Group and the Company recognize provisions for liabilities and expenses in the financial statements when the Group and the Company have present legal or constructive obligations as a result of past events with probable outflow of resources to settle the obligation, and where a reliable estimate of the amount can be made. The contingent asset will be recognized as a separate asset only when the realization is virtually certain.

5. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION, JUDGMENTS AND CAPITAL RISKMANAGEMENT

5.1 Critical accounting estimates, assumption and judgments

5.1.1 Impairment of receivables

The Group and the Company set up allowance for doubtful accounts to reflect impairment of trade accounts receivable relating to estimated losses that may result from non-collection of customer accounts. The allowance is based on consideration of historical collection experience couple with a review of outstanding receivables at the statements of financial position date.

5.1.2 Allowance for decline value and defective inventories

The Company maintains an allowance for decline value and defective inventories to reflect impairment of inventories. The allowance is based on consideration of inventory turnovers and deterioration of each categories.

5.1.3 Impairment of investments

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

5.1.4 Plant and equipment

Management regularly determines the estimated useful lives and residual values of The Group and the Company plant and equipment and intangible assets, and will revise the depreciation where useful lives and residual values previously estimated have changed or subject to be written down for their technical obsolescence or if they are no longer in use.

5.1.5 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 and the Company apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group and the Company measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

- Level 1: Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2: Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3: Use of unobservable inputs such as estimates of future cash flows

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

5.1.6 Leases

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for The Group and the Company to exercise either the extension or termination option. After the commencement date, The Group and the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

To consider the type of lease agreement as either a operating lease or financial lease, The management of The Group's and the company will be consider by reviewing the condition term and detail on agreement that who transfer the risk and advantage of leased asset agreement.

5.1.7 Impairment of assets

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

5.1.8 Post-employment benefits under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary increases, mortality rates and other demographic factors. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality tables for the country. Actual post-retirement costs may ultimately differ from these estimates.

5.1.9 Litigation

The Group and the Company have the lawsuit disputes. Management use judgement to assess the results of litigations. However, actual results could differ from the estimates.

5.2 Capital risk management

The Company's objectives in the management of capital are to safeguard their ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure, the Company may issue new shares or issue new debentures to finance debts or sell assets to reduce debts.

6. CASH AND CASH EQUIVALENTS

The outstanding balances as at December 31, 2020 and 2019 are as follows:

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Cash on hand	48,095	70,009	38,690	59,549
Cash deposit with financial institutions	108,721,860	87,430,466	82,909,205	84,229,126
Total	108,769,955	87,500,475	82,947,895	84,288,675

Cash at bank - saving accounts bear interest at the floating rate of depository banks.

7. TRADE AND OTHER CURRENT RECEIVABLES

Balances of trade and other receivables as at December 31, 2020 and 2019 are as follows:

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Trade receivables				
Related companies	1,642,089	2,951,981	27,765,210	28,305,406
Others	94,683,624	96,562,577	90,099,507	91,978,460
Total	96,325,713	99,514,558	117,864,717	120,283,866
<u>Less</u> Allowance for doubtful accounts	(40,063,956)	(40,063,956)	(61,602,960)	(60,833,264)
Trade receivable - Net	56,261,757	59,450,602	56,261,757	59,450,602
Other current receivables				
Other receivables - Related companies	-	-	49,707,412	15,802,670
Other receivables	124,090,446	140,480,343	49,104,990	54,767,992
<u>Less</u> Allowance for doubtful accounts	(1,322,369)	(1,322,369)	(1,322,369)	(1,322,369)
Trade receivables and other current receivables - Net	179,029,834	198,608,576	153,751,790	128,698,895

Aging analysis of trade receivable are as follows:

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Not yet due	44,531,732	47,207,071	45,195,132	47,870,471
Over due :				
Not over 3 months	11,730,025	12,243,531	11,744,942	12,267,781
3 months to 6 months	-	-	23,398	72,239
6 months to 12 months	-	-	67,981	752,187
Over 12 months	40,063,956	40,063,956	60,833,264	59,321,188
Total	96,325,713	99,514,558	117,864,717	120,283,866
<u>Less</u> Allowance for doubtful accounts	(40,063,956)	(40,063,956)	(61,602,960)	(60,833,264)
Net	56,261,757	59,450,602	56,261,757	59,450,602

During the year, the movements in allowance for doubtful accounts are as follows:

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Beginning balance	(41,386,325)	(41,438,325)	(62,155,633)	(61,358,957)
Increase	-	-	(769,696)	(848,676)
Decrease	-	52,000	-	52,000
Ending balance	(41,386,325)	(41,386,325)	(62,925,329)	(62,155,633)

During the year 2019, decreasing in allowance for declining in value of Baht 0.05 million. (Separate : Baht 0.05 million) because they were received from account receivable.

8. RELATED PARTIES TRANSACTIONS

The Company has significant transactions with its below related parties. These transactions are negotiated based on agreed upon bases which might be different from the bases used for transactions with unrelated parties. The related parties include the following:

Company's Name	Type of Business	Relationship
Rayong Bulk Terminal Co., Ltd.	Wharf frontage services and warehouse services	Subsidiary company Co-shareholders/ co- directors/ co-management team
NFCT Co., Ltd.	Liquid warehouse services	Subsidiary company Co-shareholders/ co- directors/ co-management team
NFCW Co., Ltd.	Warehouse and Yard services	Subsidiary company Co-shareholders/ co- directors/ co-management team
SC Management Co., Ltd.	Marine Logistics	Co-shareholders and directors/ co-management team
Strategic Port Link Co., Ltd.	Land Logistics	Co-shareholders and directors/ co-management team
SCG Logistics Co., Ltd.	Land and Marine Logistics	Co-shareholders and directors/ co-management team
SC Offshore Services Co., Ltd.	Offshore services	Co-shareholders and directors/ co-management team
NP Marine Logistics Co., Ltd.	Land and Marine Logistics	Co-shareholders and directors/ co-management team
Thai International Dockyard Co., Ltd.	Shipyards and Offshore Engineering work.	Co-shareholders and directors/ co-management team
N Holding Co., Ltd.	Office space rental service and facilities to use the office space.	Co-shareholders and directors/ co-management team
SC Auto Logistics Co., Ltd.	Land Logistics	Co-shareholders and directors/ co-management team
SC Corporation Co., Ltd.	Liquid petroleum warehouse services	Co-shareholders and directors team
NP Marine Co., Ltd.	Wharf frontage services, warehouse services and Marine Logistics	Co-shareholders and directors team
SC Carrier Co., Ltd.	Land Logistics	Co-directors and co-management team

Company's Name	Type of Business	Relationship
Chemicals and Aromatics (Thailand) Co., Ltd.	Distribution of chemicals	Co-directors and co-management team
SCENA Offshore Co., Ltd.	Marine Logistics	Co-directors and co-management team

The pricing policies for particular types of transactions are explained further below:

Type of Transaction	Pricing Policies
Revenue from sale of goods	Market price
Revenue from the rendering of services	Market price
Revenue from interest loan	
NFCT Co., Ltd.	Interest rate 5.84 - 6.87 percent per annum
SC Management Co., Ltd.	Interest rate 7.10 - 7.15 percent per annum
Purchase goods	Market price
Rental and services fee	Market price

Significant balances with related parties for the year ended December 31, 2020 and 2019 are as follows:

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	For the year ended December 31,			
	2020	2019	2020	2019
<u>Revenues from services and other income</u>				
Rayong Bulk Terminal Co., Ltd.	-	-	2,620,000	2,620,000
NFCT Co., Ltd.	-	-	33,904,742	296,406,045
SC Management Co., Ltd.	9,336,962	9,521,143	9,336,962	9,521,143
NP Marine Co., Ltd.	375,000	968,312	375,000	968,312
SCG Logistics Co., Ltd.	59,175	228,933	59,175	228,933
SC Offshore Services Co., Ltd.	4,880	644,145	4,880	644,145
SC Carrier Co., Ltd.	1,046,613	1,054,779	1,046,613	1,054,779
SCENA Offshore Co., Ltd.	7,500	-	7,500	-
N Holding Co., Ltd	-	1,200	-	1,200
Total	10,830,130	12,418,512	47,354,872	311,444,557

Services fees

Rayong Bulk Terminal Co., Ltd.	-	-	-	252,427
SC Carrier Co., Ltd.	40,960,280	50,635,618	40,960,280	50,635,618
SC Management Co., Ltd.	2,501,028	2,367,659	2,501,028	2,367,659
NP Marine Co., Ltd.	851,311	802,980	851,311	802,980
SC Offshore Services Co., Ltd.	9,600	9,600	9,600	9,600

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	For the year ended December 31,			
	2020	2019	2020	2019
N Holding Co., Ltd.	4,386,355	4,311,509	4,386,355	4,311,509
Total	48,708,574	58,127,366	48,708,547	58,379,793
<u>Purchase assets</u>				
SC Management Co., Ltd.	300,000	-	300,000	-
SC Carrier Co., Ltd.	127,000	-	127,000	-
SCG Logistics Co., Ltd	392,523	-	392,523	-
Chemicals and Aromatics (Thailand) Co., Ltd	-	1,600,000	-	1,600,000
Strategic Port Link Co., Ltd.	-	26,000	-	26,000
Total	819,523	1,626,000	819,523	1,626,000
<u>Sale asset</u>				
SC Carrier Co., Ltd.	2,700	-	2,700	-
Total	2,700	-	2,700	-
<u>Key management personnel compensation</u>				
Current employee benefits	27,497,079	36,671,008	27,497,079	36,671,008
Post-employment benefits	3,197,057	1,315,232	3,197,057	1,315,232
Total	30,694,136	37,986,240	30,694,136	37,986,240

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

	CONSOLIDATED F/S		SEPARATE F/S	
	December	December	December	December
	31, 2020	31, 2019	31, 2020	31, 2019
<u>Trade and other receivables</u>				
Rayong Bulk Terminal Co., Ltd.	-	-	26,123,121	25,353,425
SC Management Co., Ltd.	1,250,786	2,677,299	1,250,786	2,677,299
NP Marine Co., Ltd.	99,510	49,220	99,510	49,220
SCG Logistics Co., Ltd	12,463	31,928	12,463	31,928
SC Carrier Co., Ltd.	277,056	186,686	277,056	186,686
SC Offshore Services Co., Ltd.	2,274	6,848	2,274	6,848
NFCT Co., Ltd.	-	-	49,707,412	15,802,670

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Total	1,642,089	2,951,981	77,472,622	44,108,076
<u>Less</u> Allowance for doubtful accounts	-	-	(26,123,121)	(25,353,425)
Net	<u>1,642,089</u>	<u>2,951,981</u>	<u>51,349,501</u>	<u>18,754,651</u>
<u>Deposit</u>				
N Holding Co., Ltd.	384,000	960,000	384,000	960,000
Total	<u>384,000</u>	<u>960,000</u>	<u>384,000</u>	<u>960,000</u>
<u>Shot-term loan</u>				
NFCT Co., Ltd.	-	-	502,100,000	484,000,000
Total	<u>-</u>	<u>-</u>	<u>502,100,000</u>	<u>484,000,000</u>
<u>Advance payments</u>				
SC Carrier Co., Ltd.	22,800,000	10,450,000	22,800,000	10,450,000
Thai International Dockyard Co., Ltd.	210,183	-	210,183	-
Total	<u>23,010,183</u>	<u>10,450,000</u>	<u>23,010,183</u>	<u>10,450,000</u>
<u>Trade and other payables</u>				
Rayong Bulk Terminal Co., Ltd.	-	-	56,342,719	56,342,719
SC Management Co., Ltd.	7,359,393	7,337,993	218,401	197,000
SC Carrier Co., Ltd.	5,174,688	2,139,690	4,981,168	1,946,170
Chemicals and Aromatics (Thailand) Co., Ltd.	4,709,398	4,709,398	-	-
NP Marine Co., Ltd.	79,849	76,446	79,849	76,446
N Holding Co., Ltd.	378,499	508,717	378,499	508,717
SC Offshore Services Co., Ltd.	856	856	856	856
Total	<u>17,702,683</u>	<u>14,773,100</u>	<u>62,001,492</u>	<u>59,071,908</u>
<u>Unearned revenue from service</u>				
Rayong Bulk Terminal Co., Ltd.	-	-	8,000,000	10,000,000
<u>Employee benefits obligation</u>				
Key management personnel	<u>7,872,711</u>	<u>8,800,248</u>	<u>7,872,711</u>	<u>8,800,248</u>

Movements during the year ended December 31, 2020 on loans to related parties were as follows:

(Unit : Baht)

	CONSOLIDATED F/S			
	January			December
	1, 2020	Increase	Decrease	31, 2020
Shot-term loan to related parties				
related party				
SC Management Co., Ltd.	-	27,000,000	(27,000,000)	-

The Company has loans to related companies in amount of Baht 27.00 million comprise of non negotiable promissory note at interest rate at 7.10 - 7.15 per annum.

(Unit : Baht)

	SEPARATE F/S			
	January			December
	1, 2020	Increase	Decrease	31, 2020
Shot-term loan to related parties				
related parties				
NFCT Co., Ltd.	484,000,000	18,100,000	-	502,100,000
SC Management Co., Ltd.	-	27,000,000	(27,000,000)	-
Total	484,000,000	45,100,000	(27,000,000)	502,100,000

The Company has loans to related companies in amount of Baht 502.10 million, it comprises of non negotiable promissory note in amount of Baht 502.10 million at interest rate 5.84 - 6.87 per annum and maturity when called.

The significant transactions between the Company and its related parties reflected in the Company financial statements as at December 31, 2020 and January 1, 2020 as follows:

(Unit : Baht)

	CONSOLIDATED F/S			
	January			December
	1, 2020	Increase	Decrease	31, 2020
SC Management Co., Ltd.				
Lease liabilities	2,610,000	-	(1,080,000)	1,530,000
Deferred interest expenses	(156,329)	-	100,437	(55,892)
Lease liabilities - net	2,453,671	-	(979,563)	1,474,108
NP Marine Co., Ltd.				
Lease liabilities	1,740,000	-	(720,000)	1,020,000
Deferred interest expenses	(104,220)	-	66,959	(37,261)
Lease liabilities - net	1,635,780	-	(653,041)	982,739

(Unit : Baht)

	CONSOLIDATED F/S			
	January		December	
	1, 2020	Increase	Decrease	31, 2020
N Holding Co., Ltd.				
Lease liabilities	9,216,000	-	(2,304,000)	6,912,000
Deferred interest expenses	(878,792)	-	373,007	(505,785)
Lease liabilities - net	8,337,208	-	(1,930,993)	6,406,215

9. INVENTORIES

As at December 31, 2020 and 2019 the Company has inventories as follows:

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	December	December	December	December
	31, 2020	31, 2019	31, 2020	31, 2019
Finished goods - Chemical products	27,999,615	61,830,892	27,999,615	61,830,892
Supplies and others	20,899,404	96,293,524	20,897,562	96,292,335
Goods in transit	6,539,174	32,652	6,539,174	32,652
Total	55,438,193	158,157,068	55,436,351	158,155,879
Less Allowance for declined value of inventories	(4,729)	(4,729)	(4,729)	(4,729)
Allowance for defective inventories	(13,666,723)	(79,667,048)	(13,666,723)	(79,667,048)
Net	41,766,741	78,485,291	41,764,899	78,484,102

During the year, the movements of allowances for declined value and defective inventories are as follows:

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	December	December	December	December
	31, 2020	31, 2019	31, 2020	31, 2019
Beginning balance	(79,671,777)	(90,098,296)	(79,671,777)	(90,098,296)
Increase	(8,255,333)	(4,784)	(8,255,333)	(4,784)
Decrease	74,255,658	10,431,303	74,255,658	10,431,303
Ending balance	(13,671,452)	(79,671,777)	(13,671,452)	(79,671,777)

As at December 31, 2020 The Company has reverse allowance of inventory amounting of Baht 74.26 million because the Company's sold of Supplies and others. (As at December 31, 2019 the Company reversal of allowance for declining in inventories value because the Company's used and sold of goods was Baht 10.43 million).

10. OTHER CURRENT ASSETS

As at December 31, 2020 and 2019 the Company has other current assets follows:

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	December	December	December	December
	31, 2020	31, 2019	31, 2020	31, 2019
Guarantee obligation not over 1 year	9,387,441	19,528,000	9,385,000	19,528,000

11. NON-CURRENT ASSETS OR DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE

(Unit : Baht)

	CONSOLIDATED F/S AND SEPARATE F/S				
	December				December
	31, 2019	Increase	Decrease	Transfer In / Transfer Out	31, 2020
Property (Note 14)	-	-	-	30,923,178	30,923,178
<u>Less</u> Impairment of Property	-	-	-	(16,943,178)	(16,943,178)
Net	-	-	-	13,980,000	13,980,000

The Board of Directors' Meeting No. 3/2020 on May 12, 2020 resolved to demolition unused factory buildings and disposal scrap metal after demolition to unrelated company of Baht 13.98 million. Consequently, The Company has applied to transfer received Plant, Property and Equipment in amount of Baht 30.92 million and classified Buildings as Non - Current assets or disposal groups classified as held for sale. The Company has recognized loss in impairment of buildings in amount of Baht 16.94 million on statement of Profit or Loss and Other Comprehensive Income.

12. OTHER NON - CURRENT FINANCIAL ASSETS

As at December 31, 2020 and 2019 the Company has other non current liabilities consisting of deposits that have guarantee obligation over 1 year, amount of Baht 10.66 million and Baht 10.24 million respectively.

13. INVESTMENT IN SUBSIDIARIES COMPANY

Investment in subsidiaries as at December 31, 2020 and 2019 are as follows:

	SEPARATE F/S							
	Percentage of		Baht					
	shareholding		Paid - up capital		At cost		Dividend income	
	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Dec
	31, 2020	31, 2019	31, 2020	31, 2019	31, 2020	31, 2019	31, 2020	31, 2019
<u>Subsidiaries company</u>								
Rayong Bulk Terminal								
Co., Ltd.	83.25	83.25	764,000,000	764,000,000	636,000,000	636,000,000	-	-
NFCT Co., Ltd.	100.00	100.00	326,000,000	326,000,000	325,999,700	325,999,700	-	-
NFCW Co., Ltd.	100.00	99.97	118,000,000	1,000,000	117,999,700	999,700	-	-
<u>Less</u> Impairment of								
investment					(636,000,000)	(636,000,000)	-	-
Net					443,999,400	326,999,400	-	-

The Extraordinary General Meeting of Shareholders of NFCT Company Limited (“NFCT”) no. 1/2019, on June 10, 2019 resolved, to increase the registered capital from the original registered capital of Baht 1 million to a new registered capital of Baht 326 million by issuing 3,250,000 new ordinary shares at a par value of Baht 100 per share and NFCT has registered capital increase, and amending the Memorandum of Association of Article 5 the Department of Business Development Ministry of Commerce Completed in July 23, 2019.

The Extraordinary General Meeting of Shareholders of NFCW Company Limited (“NFCW”) no. 1/2020, on October 8, 2020 resolved, to increase the registered capital from the original registered capital of Baht 1 million to a new registered capital of Baht 196 million by issuing 1,950,000 new ordinary shares at a par value of Baht 100 per share and NFCW has registered capital increase, and amending the Memorandum of Association of Article 5 the Department of Business Development Ministry of Commerce Completed in December 3, 2020.

According to The Board of Directors' Meeting No. 1/2020 on October 19, 2020 propose to the shareholders' meeting to consider and approve for NFCW Company Limited (“NFCW”), a subsidiary which the Company holds 100 % shares, to invest in area development to support and service for the operators of structure assembly and pipe system yard (Steel Fabrication and Modularization), and the operators of dismantling/cutting yard for the conveying pipe parts of oil rig structure (De-Commissioning) project which has the cost of the project or asset acquisition value of Baht 4,415.72 million.

Non-controlling interest

Details of non-wholly owned subsidiaries which have material non-controlling interests as at December 31, 2020 and 2019, are as follows;

(Unit : Baht)

Company's name	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	
	2020	2019	2020	2019	2020	2019	2020	2019
	(%)	(%)						
Rayong Bulk Terminal Co., Ltd.	16.75	16.75	(2,169,030)	(1,678,460)	(490,575)	(462,035)	-	-

14. PROPERTY, PLANT AND EQUIPMENT

Consisted of:

CONSOLIDATED F/S												(Unit : Baht)	
	Land improvement		Building and improvement		Machinery and equipment		Office equipment		Vehicles		Assets in progress	Spare part	Total
	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation			
Assets - cost													
As at December 31, 2019	70,548,069	-	187,087,651	218,200,193	336,179,317	118,681,017	12,602,473	2,398	6,112,619	-	88,425,255	46,525,166	1,084,364,158
Purchase	-	-	-	-	216,302	-	371,889	-	1,116,383	-	811,717,027	392,000	813,813,601
Disposal	-	-	-	-	(13,783,292)	-	(40,897)	-	-	-	-	(45,451,824)	(59,276,013)
Write off	-	-	-	-	(46,741)	-	(24,679)	-	-	-	-	-	(71,420)
Adjust	-	-	-	-	-	-	-	-	-	-	(13,181)	-	(13,181)
(Transfer out) (Note 11)	-	-	(55,649,184)	(66,598,818)	(698,845)	(277,050)	-	-	-	-	-	-	(123,223,897)
Transfer in (Transfer out)	-	-	4,725,352	-	1,439,527	-	-	-	-	-	(6,158,801)	(6,078)	-
Transfer from (Note 15)	-	-	-	-	-	-	-	-	-	-	11,123,413	-	11,123,413
Transfer from (Note 18)	-	-	-	-	-	-	-	-	-	-	228,265,000	-	228,265,000
As at December 31, 2020	70,548,069	-	136,163,819	151,601,375	323,306,268	118,403,967	12,908,786	2,398	7,229,002	-	1,133,358,713	1,459,264	1,954,981,661

CONSOLIDATED F/S (Continued)												(Unit : Baht)	
	Land improvement		Building and improvement		Machinery and equipment		Office equipment		Vehicles		Assets in progress	Spare part	Total
	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation			
Accumulated depreciation													
As at December 31, 2019	38,295,825	-	106,599,894	131,595,170	150,830,149	59,063,676	9,471,531	1,427	2,025,559	-	-	-	497,883,231
Depreciation for the year	1,579,527	-	22,816,487	27,667,288	15,419,773	14,014,519	1,126,389	401	1,252,261	-	-	-	83,876,645
Depreciation for disposal	-	-	-	-	(5,518,897)	-	(14,816)	-	-	-	-	-	(5,533,713)
Depreciation for write off	-	-	-	-	(39,060)	-	(14,789)	-	-	-	-	-	(53,849)
(Transfer out) (Note 11)	-	-	(41,739,065)	(49,951,721)	(436,777)	(173,156)	-	-	-	-	-	-	(92,300,719)
As at December 31, 2020	39,875,352	-	87,677,316	109,310,737	160,255,188	72,905,039	10,568,315	1,828	3,277,820	-	-	-	483,871,595
Allowance for impairment of assets													
As at December 31, 2019	28,340,898	-	-	-	130,734,066	-	30,962	-	3,062	-	-	41,458,831	200,567,819
Decrease - disposal	-	-	-	-	(8,264,392)	-	-	-	-	-	-	(40,126,874)	(48,391,266)
As at December 31, 2020	28,340,898	-	-	-	122,469,674	-	30,962	-	3,062	-	-	1,331,957	152,176,553
Net book value of assets													
As at December 31, 2020	2,331,819	-	48,486,503	42,290,638	40,581,406	45,498,928	2,309,509	570	3,948,120	-	1,133,358,713	127,307	1,318,933,513

CONSOLIDATED F/S (Unit : Baht)

	Land improvement		Building and improvement		Machinery and equipment		Office equipment		Vehicles		Assets in progress		Total
	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	
Assets - cost													
As at December 31, 2018	70,548,069	-	185,681,801	218,200,193	332,555,714	118,681,017	12,299,706	2,398	4,512,619	-	4,222,001	-	1,001,404,418
Purchase	-	-	-	-	584,214	-	214,426	-	1,600,000	-	86,989,579	-	89,429,601
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	(6,371,045)
Write off	-	-	-	-	-	-	(1,765)	-	-	-	-	-	(1,765)
Transfer in (Transfer out)	-	-	1,405,850	-	3,039,389	-	90,106	-	-	-	(2,786,325)	-	(97,051)
As at December 31, 2019	70,548,069	-	187,087,651	218,200,193	336,179,317	118,681,017	12,602,473	2,398	6,112,619	-	88,425,255	-	1,084,364,158
Accumulated depreciation													
As at December 31, 2018	36,720,614	-	75,595,810	93,991,538	131,789,563	43,480,569	8,370,137	1,027	913,070	-	-	-	390,862,328
Depreciation for the year	1,575,211	-	31,004,084	37,603,632	17,563,729	15,583,107	1,103,159	400	1,112,489	-	-	-	105,545,811
Depreciation for write off	-	-	-	-	-	-	(1,765)	-	-	-	-	-	(1,765)
Depreciation Increase*	-	-	-	-	1,476,857	-	-	-	-	-	-	-	1,476,857
As at December 31, 2019	38,295,825	-	106,599,894	131,595,170	150,830,149	59,063,676	9,471,531	1,427	2,025,559	-	-	-	497,883,231
Allowance for impairment of assets													
As at December 31, 2018	28,340,898	-	-	-	130,734,066	-	30,962	-	3,062	-	-	-	207,561,742
Decrease - disposal	-	-	-	-	-	-	-	-	-	-	-	-	(5,517,066)
Transfer in (Transfer out)	-	-	-	-	1,476,857	-	-	-	-	-	-	-	(1,476,857)
Decrease*	-	-	-	-	(1,476,857)	-	-	-	-	-	-	-	(1,476,857)
As at December 31, 2019	28,340,898	-	-	-	130,734,066	-	30,962	-	3,062	-	-	-	200,567,819
Net book value of assets													
As at December 31, 2019	3,911,346	-	80,487,757	86,605,023	54,615,102	59,617,341	3,099,980	971	4,083,998	-	88,425,255	-	385,913,108

* The effect of reversal of impairment must not exceed the book value that should be

(Unit : Baht)

SEPARATE F/S

	Land improvement		Building and improvement		Machinery and equipment		Office equipment		Vehicles		Assets in progress		Total
	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation			
Assets - cost													
As at December 31, 2019	70,548,069	-	187,087,651	218,200,193	336,179,317	118,681,017	12,539,324	2,398	6,112,619	-	565,908	46,525,166	996,441,662
Purchase	-	-	-	-	216,302	-	211,389	-	-	-	5,721,648	392,000	6,541,339
Disposal	-	-	-	-	(13,783,292)	-	(40,897)	-	-	-	-	(45,451,824)	(59,276,013)
Write off	-	-	-	-	(46,741)	-	(24,679)	-	-	-	-	-	(71,420)
(Transfer out) (Note 11)	-	-	(55,649,184)	(66,598,818)	(698,845)	(277,050)	-	-	-	-	(6,158,801)	(6,078)	(123,223,897)
Transfer in (Transfer out)	-	-	4,725,352	-	1,439,527	-	-	-	-	-	-	-	-
As at December 31, 2020	70,548,069	-	136,163,819	151,601,375	323,306,268	118,403,967	12,685,137	2,398	6,112,619	-	128,755	1,459,264	820,411,671
Accumulated depreciation													
As at December 31, 2019	38,295,825	-	106,599,894	131,595,170	150,830,149	59,063,676	9,466,347	1,427	2,025,559	-	-	-	497,878,047
Depreciation for the year	1,579,527	-	22,816,487	27,667,288	15,419,773	14,014,519	1,108,640	401	1,215,647	-	-	-	83,822,282
Depreciation for disposal	-	-	-	-	(5,518,897)	-	(14,816)	-	-	-	-	-	(5,533,713)
Depreciation for write off	-	-	-	-	(39,060)	-	(14,789)	-	-	-	-	-	(53,849)
(Transfer out) (Note 11)	-	-	(41,739,065)	(49,951,721)	(436,777)	(173,156)	-	-	-	-	-	-	(92,300,719)
As at December 31, 2020	39,875,352	-	87,677,316	109,310,737	160,255,188	72,905,039	10,545,382	1,828	3,241,206	-	-	-	483,812,048
Allowance for impairment of assets													
As at December 31, 2019	28,340,898	-	-	-	130,734,066	-	30,962	-	3,062	-	-	41,458,831	200,567,819
Decrease - disposal	-	-	-	-	(8,264,392)	-	-	-	-	-	-	(40,126,874)	(48,391,266)
As at December 31, 2020	28,340,898	-	-	-	122,469,674	-	30,962	-	3,062	-	-	1,331,957	152,176,553
Net book value of assets													
As at December 31, 2020	2,331,819	-	48,486,503	42,290,638	40,581,406	45,498,928	2,108,793	570	2,868,351	-	128,755	127,307	184,423,070

(Unit : Baht)

SEPARATE F/S

	Land improvement		Building and improvement		Machinery and equipment		Office equipment		Vehicles		Assets in progress		Total
	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	Cost	Revaluation	
Assets - cost													
As at December 31, 2018	70,548,069	-	185,681,801	218,200,193	332,555,714	118,681,017	12,299,706	2,398	4,512,619	-	798,943	-	997,981,360
Purchase	-	-	-	-	584,214	-	151,277	-	1,600,000	-	2,553,290	-	4,930,163
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	(6,371,045)
Write off	-	-	-	-	-	-	(1,765)	-	-	-	-	-	(1,765)
Transfer in (Transfer out)	-	-	1,405,850	-	3,039,389	-	90,106	-	-	-	(2,786,325)	-	(97,051)
As at December 31, 2019	70,548,069	-	187,087,651	218,200,193	336,179,317	118,681,017	12,539,324	2,398	6,112,619	-	565,908	-	996,441,662
Accumulated depreciation													
As at December 31, 2018	36,720,614	-	75,595,810	93,991,538	131,789,563	43,480,569	8,370,137	1,027	913,070	-	-	-	390,862,328
Depreciation for the year	1,575,211	-	31,004,084	37,603,632	17,563,729	15,583,107	1,097,975	400	1,112,489	-	-	-	105,540,627
Depreciation for write off	-	-	-	-	-	-	(1,765)	-	-	-	-	-	(1,765)
Depreciation Increase*	-	-	-	-	1,476,857	-	-	-	-	-	-	-	1,476,857
As at December 31, 2019	38,295,825	-	106,519,894	131,595,170	150,830,149	59,063,676	9,466,347	1,427	2,025,559	-	-	-	497,878,047
Allowance for impairment of assets													
As at December 31, 2018	28,340,898	-	-	-	130,734,066	-	30,962	-	3,062	-	-	-	207,561,742
Decrease - disposal	-	-	-	-	-	-	-	-	-	-	-	-	(5,517,066)
Transfer in (Transfer out)	-	-	-	-	1,476,857	-	-	-	-	-	-	-	-
Decrease*	-	-	-	-	(1,476,857)	-	-	-	-	-	-	-	(1,476,857)
As at December 31, 2019	28,340,898	-	-	-	130,734,066	-	30,962	-	3,062	-	-	-	200,567,819
Net book value of assets													
As at December 31, 2019	3,911,346	-	80,487,757	86,605,023	54,615,102	59,617,341	3,042,015	971	4,083,998	-	565,908	-	297,995,796

* The effect of reversal of impairment must not exceed the book value that should be

As at December 31, 2020 the assets of company were distributed to unrelated parties in amount of Baht 5.35 million and loss on sale of asset in amount of Baht 3.32 million. The value of assets and loss were already recorded in the statement of Profit or Loss and Other Comprehensive Income.

As at December 31, 2019 the assets of company were distributed to unrelated parties in amount of Baht 0.85 million and loss on sale of asset in amount of Baht 0.38 million. The value of assets and loss were already recorded in the statement of Profit or Loss and Other Comprehensive Income.

As at December 31, 2020 The Group has expenses recognized as part to work in progress follows:

	(Unit : Baht)
	CONSOLIDATED F/S
Bank charge	4,539,192
Financial cost	5,316,735
Direct labor	9,529,014
Consultant fee	8,442,600
Other direct expenses	4,292,049
Depreciation of right of use assets	11,123,413
Total	43,243,003

During the year 2020, the Group has recorded financial costs is part of work in progress for an amount of Bath 5.32 million.

As at December 31, 2020 and 2019, the assets and equipment of the Group and the Company has been fully amortize of depreciation, but it is still using. The cost before amortize depreciation has amount of Bath 244 million and Bath 244 million, respectively (For The Company: Bath 244 million and Bath 244 million, respectively).

As at December 31, 2020 and 2019, the fair value of the land according to the report of the appraisal assessed using the market approach method, Which they adjust book value by comparing with price of land located nearly its. The fair value is in the second level of the hierarchy of fair value (Note 5).

As at December 31, 2020 and 2019, the fair value of the Building and Machinery by the report of the appraisal assessed using the Cost method. The fair value is in the second level of the hierarchy of fair value (Note 5)

15. RIGHT - OF - USE ASSET

The movement transactions for the year ended December 31, 2020 as follow:

(Unit : Baht)

	CONSOLIDATED F/S			
	Land	Land with structure	Building	Total
Cost				
January 1, 2020	459,957,334	1,635,780	8,913,208	470,506,322
Increase	569,796,617	-	-	569,796,617
Revised agreement/write off	(14,009,787)	-	-	(14,009,787)
December 31, 2020	1,015,744,164	1,635,780	8,913,208	1,026,293,152
Accumulated depreciation				
January 1, 2020	-	-	-	-
Depreciation for the year *	46,557,333	678,793	2,088,582	49,324,708
December 31, 2020	46,557,333	678,793	2,088,582	49,324,708
Net book value of assets				
As at December 31, 2020	969,186,831	956,987	6,824,626	976,968,444

(Unit : Baht)

	SEPARATE F/S			
	Land	Land with structure	Building	Total
Cost				
January 1, 2020	160,623,240	1,635,780	8,913,208	171,172,228
Revised agreement/write off	(11,807,059)	-	-	(11,807,059)
December 31, 2020	148,816,181	1,635,780	8,913,208	159,365,169
Accumulated depreciation				
January 1, 2020	-	-	-	-
Depreciation for the year *	35,433,919	678,793	2,088,582	38,201,294
December 31, 2020	35,433,919	678,793	2,088,582	38,201,294
Net book value of assets				
As at December 31, 2020	113,382,262	956,987	6,824,626	121,163,875

During the year 2020, the subsidiary has calculated the depreciation of right of use and recognized to work in progress in amount of Baht 11.12 million (Note 14).

* During the year, the Group has elected to apply Accounting Treatment Guidance on “The temporary relief measures for additional accounting alternatives to alleviate the impacts from COVID-19 outbreak” which the Group has received reduction in lease payments by lessors in amount of Baht 0.59 million. The Group reversed depreciation of right-of-use assets and interest on lease liabilities recognized in each period in proportion to the reduction, with any differences then recognized in profit or loss.

16. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

(Unit : Baht)

CONSOLIDATED F/S					
	January 1, 2020	Additions	Disposol	Tranfer in / Tranfer out	December 31, 2020
Computer software	3,162,553	36,000	(14,550)	-	3,184,003
Less : Accumulated Amortization	(1,029,273)	(641,074)	5,256	-	(1,665,091)
Net	2,133,280	(605,074)	(9,294)	-	1,518,912

(Unit : Baht)

SEPARATE F/S					
	January 1, 2020	Additions	Disposol	Tranfer in / Tranfer out	December 31, 2020
Computer software	3,069,053	-	(14,550)	-	3,054,503
Less : Accumulated Amortization	(1,020,094)	(619,644)	5,256	-	(1,634,482)
Net	2,048,959	(619,644)	(9,294)	-	1,420,021

17. DEFERRED TAX ASSET AND LIABILITIES

Deferred tax asset and liabilities are as follows :

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Deferret tax asset	39,017,947	38,069,417	37,090,040	38,069,417
Deferred tax liability	(27,509,382)	(29,244,675)	(16,891,308)	(29,244,675)
Deferred tax asset (liabilities) - net	11,508,565	8,824,742	20,198,732	8,824,742

The movements in deferred income tax asset and liabilities are as follows :

(Unit : Baht)

	CONSOLIDATED F/S			
	Recognised as income			
	(expense)			
	January	Statement of	Shareholders'	December
	1, 2020	income	equity	31, 2020
Deferred tax asset (liabilities) :				
Allowance for doubtful accounts - Account				
Receivables	12,166,653	153,938	-	12,320,591
Impairment of investments	468,493	242,372	-	710,865
Provisions for employee benefits	2,172,610	(49,087)	(310,569)	1,812,954
Allowance for impairment on Gypsum	3,685,437	(12,026)	-	3,673,411
Tax losses carried forwarded 5 years	19,576,223	(1,572,939)	-	18,003,284
Right of use asset	-	(8,121,232)	-	(8,121,232)
Surplus on asset revaluation	(29,244,674)	12,353,366	-	(16,891,308)
Net	8,824,742	2,994,392	(310,569)	11,508,565

(Unit : Baht)

	CONSOLIDATED F/S			
	Recognised as income			
	(expense)			
	January	Statement of	Shareholders'	December
	1, 2019	income	equity	31, 2019
Deferred tax asset (liabilities) :				
Allowance for doubtful accounts - Account				
Receivables	88,600	12,078,053	-	12,166,653
Impairment of investments	468,493	-	-	468,493
Provisions for employee benefits	2,382,797	234,981	(445,168)	2,172,610
Allowance for impairment on Gypsum	7,158,612	(3,473,175)	-	3,685,437
Tax losses carried forwarded 5 years	75,180,269	(55,604,046)	-	19,576,223
Surplus on asset revaluation	(39,882,102)	10,637,428	-	(29,244,674)
Net	45,396,669	(36,126,759)	(445,168)	8,824,742

(Unit : Baht)

	SEPARATE F/S			
	Recognised as income			
	(expense)			
	January 1, 2020	Statement of income	Shareholders' equity	December 31, 2020
Deferred tax asset (liabilities) :				
Allowance for doubtful accounts - Account				
Receivables	12,166,653	153,938	-	12,320,591
Impairment of investments	468,493	242,372	-	710,865
Provisions for employee benefits	2,172,610	(253,671)	(261,173)	1,657,766
Allowance for impairment on Gypsum	3,685,437	(12,026)	-	3,673,411
Tax losses carried forwarded 5 years	19,576,223	(1,417,752)	-	18,158,471
Right of use asset	-	568,936	-	568,936
Surplus on asset revaluation	(29,244,674)	12,353,366	-	(16,891,308)
Net	8,824,742	11,635,163	(261,173)	20,198,732

(Unit : Baht)

	SEPARATE F/S			
	Recognised as income			
	(expense)			
	January 1, 2019	Statement of income	Shareholders' equity	December 31, 2019
Deferred tax asset (liabilities) :				
Allowance for doubtful accounts - Account				
Receivables	88,600	12,078,053	-	12,166,653
Impairment of investments	468,493	-	-	468,493
Provisions for employee benefits	2,382,797	234,981	(445,168)	2,172,610
Allowance for impairment on Gypsum	7,158,612	(3,473,175)	-	3,685,437
Tax losses carried forwarded 5 years	75,180,269	(55,604,046)	-	19,576,223
Surplus on asset revaluation	(39,882,102)	10,637,428	-	(29,244,674)
Net	45,396,669	(36,126,759)	(445,168)	8,824,742

Income tax expenses for the years ended December 31, 2020 and 2019 are as follows :

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2020	2019	2020	2019
The amount of deferred income tax expense relating to the initial and reversal of temporary differences	2,895,599	(36,126,759)	11,635,163	(36,126,759)
Income tax expense	2,895,599	(36,126,759)	11,635,163	(36,126,759)

Deferred tax assets have not been recognized in respect of the following items:

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Deductible temporary differences				
Impairment of defective inventories - supplies	2,734,290	15,934,355	2,734,290	15,934,355
Impairment of investment in subsidiary company	-	-	127,200,000	127,200,000
Depreciation expense and Impairment of assets	30,435,311	40,113,564	30,435,311	40,113,564
Balance of Tax losses carried forwarded 5 years	39,435,662	98,919,279	33,314,407	42,093,007
Total	72,605,263	154,967,198	193,684,008	225,340,926

The Group and the Company recorded deferred income tax assets for loss carry forward based on the forecasted utilization of such loss carry forward.

18. OTHER NON - CURRENT LIABILITIES

As at December 31, 2020 and 2019 the subsidiary has restricted deposit with financial institutions in amount of Baht 5.50 million and 5.49 million, respectively. Moreover there is restricted deposit with Legal Execution Department in amount of Baht 5.35 million and Baht 5.57 million, respectively. The subsidiary can withdraw the restricted deposit with Legal Execution Department by the approval from the meeting of the creditors or the Official Receiver meeting.

As at December 31, 2020 and 2019 the subsidiary has advance payment of construction costs in amount of Baht 126.74 million and Baht 355.00 million, respectively to a company which is the Engineering, procurement and construction of storage facilities (EPC) contractors for the fuel depot project. During the year 2020, the subsidiary made the transaction by transferring advance payment construction project to construction work in progress in amount of Baht 228.27 million (note 14).

19. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term borrowings from financial institutions as at December 31, 2020 and 2019 comprise the following:

(Unit : Baht)

CONSOLIDATED F/S AND SEPARATE F/S

Type	Currency	December 31, 2020				December 31, 2019			
		Foreign currency	Baht or equivalent	Interest rate (% per annum)	Due within	Foreign currency	Baht or equivalent	Interest rate (% per annum)	Due within
Bank overdrafts	THB	-	-	5.25	-	-	-	5.50	-
Trust receipts	USD	3,031,085	93,508,018	4.25	January - April, 2021	2,739,857	83,079,597	5.00 - 5.38	March - May, 2020
Total			<u>93,508,018</u>				<u>83,079,597</u>		

20. TRADE AND OTHER CURRENT PAYABLES

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	December	December	December	December
	31, 2020	31, 2019	31, 2020	31, 2019
Trade payables				
Related companies	17,025,079	13,990,081	4,981,168	1,946,170
Others	9,552,387	31,240,546	9,552,387	27,080,709
Trade payables - net	26,577,466	45,230,627	14,533,555	29,026,879
Other current payables				
Other payables - Related companies	677,604	783,019	57,020,324	57,125,738
Other payables - Other	27,151,502	21,719,328	21,857,156	17,632,887
Construction payable - Other	272,694,850	-	-	-
Unearned revenue - Related companies	-	-	8,000,000	10,000,000
Advance received - Other	2,857,414	11,295,306	2,857,414	11,295,306
Advance deposit - Other	12,000,000		12,000,000	
Accrued benefit expenses	32,762,509	73,889,843	5,231,303	46,341,917
Trade and other current payables - Net	374,721,345	152,918,123	121,499,752	171,422,727

As at December 31, 2020, Accrued compensation expense and debt under joint operating agreement of subsidiary are in the process of repayment negotiated with IEAT in the portion occurred before the receiving order was Baht 27.53 million. (December 31, 2019: Baht 27.53 million).

As at December 31, 2020, The Company received advance deposit of Baht 12 million from this unrelated company as a collateral under the Memorandum of Understanding (MOU) in the Study, Planning and Land Leasehold Distribution.

21. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

(Unit : Baht)

	CONSOLIDATED F/S	
	December 31, 2020	December 31, 2019
Financial institutions	489,163,605	-
Less Current portion	-	-
Long-term loans from financial institutions - Net	489,163,605	-

Movements in long - term loans from financial institutions for the year ended on December 31, 2020 and 2019 were as follows:

	(Unit : Baht)	
	CONSOLIDATED F/S	
	December 31, 2020	December 31, 2019
Beginning balance	-	-
Borrow	495,345,800	-
<u>Less</u> Amortization of finance fee	(6,182,195)	-
Ending balance	489,163,605	-

As at December 31, 2020, the subsidiary has a long term loan from the financial institution amounting to Baht 489.16 million and interest of fixed and Thai Baht Interest Rate Fixing (THBFI6 M) per annum base on the financial institution, by repayment of principle within May, 2023 until May, 2032. According to the conditions to borrow loans from the financial institution, The subsidiary have to provide all insurance under the EPC agreement for a guarantee.

Including ensure that the Debt Service Coverage Ratio for each Relevant period, not be less than 1.10 fold and the Total Interest Bearing Debt to Total Equity for each Relevant period, not exceed 7 fold (will be calculate since, 2022).

22. FINANCIAL LIABILITIES

Movements in financial lease agreements for the year ended on December 31, 2020 and 2019 were as follows:

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	December	December	December	December
	31, 2020	31, 2019	31, 2020	31, 2019
As at January 1,	763,876,354	-	176,766,831	-
Increase	959,025,942	-	-	-
Revised agreement	19,916,952	-	21,215,325	-
<u>Less</u> Payment	(65,237,164)	-	(30,095,467)	-
<u>Less</u> Deferred interest expenses	(751,550,541)	-	(21,864,565)	-
As at December 31,	926,031,543	-	146,022,124	-
<u>Less</u> Current portion	(41,080,311)	-	(39,360,248)	-
Net	884,951,232	-	106,661,876	-

23. PROVISIONS FOR EMPLOYEE BENEFITS

- Employee benefits expense

Expenses recognized for employee benefits are analysed below:

	(Unit : Baht)	
	CONSOLIDATED F/S AND SEPARATE F/S	
	2020	2019
Salaries and wages	45,485,285	58,291,727
Social security costs	538,807	796,328
Pensions - defined benefit plans	649,818	2,252,793
Total	46,673,910	61,340,848

- Movements in employee benefits obligation for the years ended December 31, 2020 and 2019 are as follows :

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2020	2019	2020	2019
Defined benefit obligation as at January 1,	10,876,232	11,913,983	10,863,050	11,913,983
Current service cost	1,475,322	1,752,224	966,469	1,739,314
Interest expense	193,827	419,863	186,906	419,591
Re-measurement - actuarial loss (gain) from				
- changes in financial assumptions	(1,058,881)	(2,225,838)	(1,305,864)	(2,225,838)
<u>Less Debt decreased from payment</u>	<u>(2,421,730)</u>	<u>(984,000)</u>	<u>(2,421,730)</u>	<u>(984,000)</u>
Defined benefit obligation as at December 31,	9,064,770	10,876,232	8,288,831	10,863,050
Wholly unfunded	9,064,770	10,876,232	8,288,831	10,863,050
Provisions for employee benefits				
- Current provisions for employee				
benefits	7,302,992	-	6,551,600	-
- Non current provisions for employee				
benefits	1,761,778	10,876,232	1,737,231	10,863,050
Total	9,064,770	10,876,232	8,288,831	10,863,050

Actuarial gains or losses occurred from the change in the salaries and wages and other factors for the computation of post-employee benefits are presented under shareholders' equity.

- Principal actuarial assumptions at the reporting date for the years ended December 31, 2020 and 2019 are as follows:

	CONSOLIDATED F/S	
	December 31, 2020	December 31, 2019
Discount rates (% per annum)	0.86	1.58-2.11
Salary growth rate (% per annum)	4.36	5.31
Turnover rate (% per annum)	16	13
Retirement age (Years)	60	60

	SEPARATE F/S	
	December 31, 2020	December 31, 2019
Discount rates (% per annum)	0.86	1.58
Salary growth rate (% per annum)	4.36	5.31
Turnover rate (% per annum)	16	13
Retirement age (Years)	60	60

The present value of the defined benefit obligation was measured using the projected unit credit method.

- Defined benefit plan expenses

Amounts recognized in profit or loss related to The Group and the Company defined benefit plans are as follows:

	(Unit : Baht)			
	CONSOLIDATED		SEPARATE F/S	
	2020	2019	2020	2019
Current service cost	1,475,322	1,752,224	966,469	1,739,314
Net interest expense	193,827	419,863	186,906	419,591
Total expenses recognized in profit or loss	1,669,149	2,172,087	1,153,375	2,158,905

The current service cost is included in employee benefits expense. The net interest expense is included in finance costs.

- Amounts recognized in other comprehensive income related to the Group and the Company defined benefit plans are as follows:

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	2020	2019	2020	2019
Actuarial loss (gain) from :				
- changes in financial assumptions	(1,058,881)	(2,225,838)	(1,305,864)	(2,225,838)
- experience adjustment	(2,421,730)	(984,000)	(2,421,730)	(984,000)
Total expense were recognized in other comprehensive income	(3,480,611)	(3,209,838)	(3,727,594)	(3,209,838)

All expenses summarised above were included within items that will not be reclassified subsequently to profit or loss in the statement of profit or loss and other comprehensive income.

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

(Unit: Baht)

	Change of the present value of the employee benefit obligations increase (decrease)	
	CONSOLIDATED F/S	SEPARATE F/S
Discount rate		
Discount rate Increase 0.50%	(98,126)	(95,187)
Discount rate Decrease 0.50%	102,496	99,365
Salary increase rate		
Salary increase rate Increase 0.50%	95,733	92,726
Salary increase rate Decrease 0.50%	(92,604)	(89,747)
Turnover rate		
Turnover rate Increase 0.50%	(80,597)	(78,527)
Turnover rate Decrease 0.50%	85,524	83,217

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

(Unit : Baht)

	CONSOLIDATED F/S	SEPARATE F/S
Within 1 year	7,302,992	6,551,600
Over 2 and up to 5 years	1,800,902	1,800,902
Over 6 and up to 10 years	1,042,412	865,061
Over 11 and up to 15 years	1,200,281	1,146,233
Total	11,346,587	10,363,796

24. DIVIDEND

On April 29, 2020, the Annual General Meeting of the Company's shareholders for 2020 has resolved the omission of dividend.

On April 29, 2019, The Annual General Meeting of the Company's shareholders approved a dividend payment for the operation result of the Company for the year 2018 at the rate of Baht 0.043 per share, amounting to approximately Baht 46,776,821. The date to determine the names of shareholders who are entitled to receive dividend (Record Date) is April 5, 2019. The dividend payment date is was on May 17, 2019.

25. SHARE CAPITAL AND WARRANTS

25. (A) Share capital

On April 3, 2019, Rights Adjustment of Warrant to Purchase the Company's Ordinary Share No.1 Reference is made to the Board of Director Meeting No.3/2019 of NFC Public Company Limited, held on March 20, 2019, has resolved to propose to the Annual General Meeting for the year 2019 to consider the dividend payment for the operation result for the year 2018 at the rate 0.043 baht per share or equivalent to 92.99 percent of earning per share after deduct legal reserve. Therefore, the dividend payment falls within the criteria under clause 6.5 of the Terms and Conditions which the Company is required to make the right adjustment when the Company pay dividend at a rate higher than 50% of the Net Profit of the Company financial statement (audited) after deducted by retained loss, legal reserve, minority interest and income tax on the operating performance in such accounting period throughout the terms of warrants. Therefore, the Company has to adjust the exercise price and ratio according to the formula and method in the terms of warrants as follows:

	Before Adjustment	After Adjustment
Exercise Price	6.50 Baht/Share	6.48350 Baht/Share
Ratio	1 unit of warrant: 1 ordinary share	1 unit of warrant: 1.00255 ordinary shares

25. (B) Warrants

Warrants

Warrants to purchase ordinary shares No.1 (NFC-W1)

The Company issued warrants to purchase the Company's ordinary shares offering to the existing shareholders. The details are as follows:

Warrant trading symbol	: NFC-W1
Secondary market	: SET
Trading date	: January 08, 2019
Number of listed warrants (Unit : Warrants)	: 108,781,159
Exercise ratio (Warrant : Common stock)	: 1 : 1.00255
Exercise price (Baht per share)	: 6.48350
Term of warrants	: 3 years from the issuance date of the Warrant (December 14, 2018)

Warrant price (baht per unit)	: 0.00
First exercise date	: June 28, 2019
Last exercise date	: December 13, 2021

As at December 31, 2020, the outstanding balance of unexercised warrants to purchase ordinary share is 108,781,159 units.

26. BASIC EARNINGS (LOSS) PER SHARE

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

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	For the year ended December 31,			
	2020	2019	2020	2019
Profit (loss) attributable to equity holders of the Company	(8,762,679)	(34,485,721)	36,603,671	263,942,020
Weight average number of common shares	1,087,833,056	1,087,833,056	1,087,833,056	1,087,833,056
Basic earnings (loss) per shares (Baht)	(0.0081)	(0.0317)	0.0336	0.2426

Diluted earnings (loss) per share calculated by dividing profit (loss) for the period attributable to ordinary shareholders by the weighted average number of ordinary shares issued during the period which adjusted by the number of diluted equivalent ordinary shares, assuming that the dilutive equivalent ordinary shares are converted to all ordinary shares. The Company has diluted equivalent shares which is warrants to purchase ordinary shares. The Company calculates the number of dilutive equivalents based on their fair value and the monetary value of the share options price accompanying the warrants. (Determined from the average price of the Company's ordinary shares during the period).

This calculation is made to determine the number of ordinary shares to be added to ordinary shares held by third parties in the calculation of diluted earnings (losses) per share, without any adjustment in net profit. However, the Company does not calculate diluted earnings per share for the three-month and nine-month periods ended December 31, 2020 because the fair value of common stock is lower than the exercise price of ordinary shares.

27. STATUTORY RESERVE

The Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered share capital. The statutory reserve is not available for dividend distribution.

28. PROVIDENT FUND

The Group and the Company and its employee have jointly established a provident funds in accordance with the Provident Fund Act B.E. 2530. Both the Group and the Company and its employee contributed to the fund monthly at the rates specified in the regulation of provident fund. The fund, which is managed by MFC Asset Management Public Company Limited, will be paid to employees upon termination in accordance with the fund rules.

During the years 2020 and 2019, the Group and the Company contributed Baht 0.65 million and 2.25 million, respectively.

29. EXPENSES BY NATURE

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2020	2019	2020	2019
Change in inventories and work in process	(36,718,550)	(39,350,033)	(36,719,203)	(39,351,222)
Purchases of goods	488,540,929	935,341,040	488,540,276	935,339,851
Depreciation and amortization	122,156,509	106,178,780	122,080,716	106,164,417
Salaries, wages and employee compensation	56,508,364	73,448,281	55,930,662	73,436,004
Professional fees	5,156,170	19,956,392	4,901,534	19,733,592
Compensation paid to IEAT	20,671,388	64,375,556	20,671,388	64,375,556
Allowance for doubtful accounts (Reverse)	-	(52,000)	769,696	796,676
Allowance for impairment Inventory (Reverse)	(66,000,325)	(10,426,519)	(66,000,325)	(10,426,519)
Allowance for impairment Asset (Reverse)	(48,391,266)	(5,517,066)	(48,391,266)	(5,517,066)
Allowance for impairment Asset held for sale	16,943,178	-	16,943,178	-
Allowance for impairment long-term investments	1,211,863	-	1,211,863	-

30. FINANCIAL INSTRUMENTS

Financial instruments carried on the consolidated statement of financial position and the separate statement of financial position include cash and cash equivalents, restricted deposits, trade account receivables, other receivables, investment in subsidiaries, other long-term investment, trade account payables, unearned revenue from sales and services, accrued compensation expense and debts under joint operating agreement and business rehabilitation plan, short-term loans and accrued interest from related companies. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies (Note 4).

The financial risks of the Group and the Company associate with these financial instruments. The management policies on these risks are described below:

30.1 Liquidity risk

Liquidity risk arises from the possibility that customers may not be able to settle obligations to the Group and the Company within the normal terms of trade. To manage this risk, the Group and the Company periodically assess the financial viability of customers.

30.2 Interest rate risk

Interest rate risk means the risk that the value of financial instruments will change because the changes of interest rate. The Group is exposed to interest rate risk relating primarily to its deposits, short term loans and loans from financial institutions. So the Group is exposed to the risk of the fluctuation in the future market rate.

Significant financial assets and liabilities as at December 31, 2020 and 2019 classified by type of interest rates are summarized in the table below :

(Unit: Million Baht)

	CONSOLIDATED F/S						
	Floating interest rate		Fixed interest rate		Non-interest bearing		Interest rate per annum (%)
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	
Financial assets							
Cash and cash equivalents	108.63	87.07	-	-	0.14	0.43	0.05 - 0.30
Trade and other current receivables	-	-	-	-	179.03	198.61	-
Other current financial assets	9.39	19.53	-	-	-	-	0.05 - 0.25
Other non - current financial assets	10.66	10.24	-	-	1.47	2.68	0.25

(Unit: Million Baht)

CONSOLIDATED F/S

	Floating interest rate		Fixed interest rate		Non-interest bearing		Total		Interest rate per annum (%)
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	
Financial liabilities									
Bank overdraft and short-term loan from financial institution	-	-	93.51	83.08	-	-	93.51	83.08	4.25
Trade and other current payables	-	-	-	-	374.72	152.92	374.72	152.92	-
Long - term loans from financial institutions	489.16	-	-	-	-	-	489.16	-	3.95
Current portion of lease liabilities	-	-	41.08	-	-	-	41.08	-	4.25 - 5.00
Lease liabilities	-	-	884.95	-	-	-	884.95	-	4.25 - 5.00

30.3 Credit risk

Credit risk is the risk that a counter party is unable or unwilling to meet a commitment that it entered into with the Group and the Company. The risk is controlled by the application of credit approvals, limits and monitoring procedures.

The carrying amount of accounts receivable recorded in the statement of financial position and consolidated statement of financial position net of allowance for doubtful accounts, if any, represents the maximum exposure to credit risk.

30.4 Foreign exchange risk

The Company has exposure to foreign exchange rate risk because the Company has assets dominated in foreign currencies. However, the management believe that the risk does not have a significant impact on the Company's financial statements as the Company has arranged foreign exchange forward contracts as disclosed Note 34.2

As at December 31, 2020 and 2019 the Group has financial assets and financial liabilities denominated in foreign currencies are as follow:

	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Financial liabilities				
Accounts payable (USD)	299,810	129,290	299,810	129,290

Fair value of financial instruments

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction. Fair values are obtained from quoted market prices, discounted cash flow models or net asset values as appropriate.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments.

The book value of cash and cash equivalents, restricted deposits, trade accounts receivable and other receivable – are quite close to their fair values due to the relatively short-term maturity of these financial instruments.

Investment in subsidiaries and other long-term investment, for which there is no quoted market prices - fair value cannot be properly calculated.

Trade accounts payable and unearned revenue from sales and services - the carrying values approximate their fair values due to the relatively short-term maturity of these financial instruments.

31. DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. Fair values have been determined for measurement and/or disclosure purposes based on the following methods

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

The fair value of investments in equity securities - available-for-sales, are determined by reference to their quoted bid prices at the reporting date.

The fair value of long-term borrowings is taken to approximate the carrying value because most of these financial instruments bear interest at market rates.

Fair values and the carrying values of financial assets and liabilities other than the aforementioned were as follows:

(Unit: Baht)

	CONSOLIDATED F/S AND SEPARATE F/S							
	Level 1		Level 2		Level 3		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Financial assets measured at fair value								
Property ,Plant and equipment	-	-	178,966,842	284,368,213	-	-	178,966,842	284,368,213

32. SEGMENT REPORTING

The segment financial information of the Group and the Company company for the year ended December 31, 2020 and 2019 are as follows:

(Unit : Baht)

	CONSOLIDATED F/S			
	For the year ended December 31,			
	2020			
	Chemical	Service Chemical Storage Tank	Port Service and Other	Total
Revenues from sales of chemical product - net	615,675,848	-	-	615,675,848
Revenues from the rendering of services	54,960,000	-	48,649,389	103,609,389
Cost of chemical product sold	(525,259,479)	-	-	(525,259,479)
Cost of services	(11,680,916)	-	(11,734,300)	(23,415,216)
Gross profit	133,695,453	-	36,915,089	170,610,542
Other income	15,302,032	183,570	404,928	15,890,530
Gypsum revenues net of related expenses	565,628	-	-	565,628

(Unit : Baht)

CONSOLIDATED F/S				
For the year ended December 31,				
2020				
	Chemical	Service Chemical Storage Tank	Port Service and Other	Total
Selling expenses	(34,479,396)	-	-	(34,479,396)
Administrative expenses	(93,822,152)	(1,077,397)	(3,077,344)	(97,976,893)
Loss on impairment of other long - term investment	(1,173,377)	-	(38,486)	(1,211,863)
Expenses from underutilized fixed assets	-	-	(50,321,193)	(50,321,193)
Expenses from temporary closed port	-	-	(6,366)	(6,366)
Profit (Loss) from operation before financial costs and income Tax	20,088,188	(893,827)	(16,123,372)	3,070,989
Financial costs	(14,725,165)	(11,696)	(482,981)	(15,219,842)
Tax income (Expense)	6,723,371	(4,048,297)	220,525	2,895,599
Net profit (Loss) for the year	<u>12,086,394</u>	<u>(4,953,820)</u>	<u>(16,385,828)</u>	<u>(9,253,254)</u>
Property, plant and equipment	98,031,383	1,102,829,448	118,072,682	1,318,933,513
Right-of-use assets	6,824,626	287,487,317	682,656,501	976,968,444
Other assets	290,171,361	196,823,458	56,722,753	543,717,572
Total assets	<u>395,027,370</u>	<u>1,587,140,223</u>	<u>857,451,936</u>	<u>2,839,619,529</u>

(Unit : Baht)

CONSOLIDATED F/S				
For the year ended December 31,				
2019				
	Chemical	Service Chemical Storage Tank	Port Service and Other	Total
Revenues from sales of chemical product - net	1,080,746,084	-	-	1,080,746,084
Revenues from the rendering of services	54,960,000	-	45,946,974	100,906,974
Cost of chemical product sold	(974,691,073)	-	-	(974,691,073)
Cost of services	(10,153,878)	-	(9,344,530)	(19,498,408)
Gross profit	150,861,133	-	36,602,444	187,463,577
Other income	8,634,992	208,553	77,992	8,921,537
Gypsum revenues net of related expenses	18,387,150	-	-	18,387,150
Selling expenses	(43,151,566)	-	-	(43,151,566)

(Unit : Baht)

CONSOLIDATED F/S

For the year ended December 31,

2019

	Chemical	Service Chemical Storage Tank	Port Service and Other	Total
Administrative expenses	(82,501,161)	(726,166)	(1,487,034)	(84,714,361)
Expenses from underutilized fixed assets	-	-	(69,309,607)	(69,309,607)
Expenses from temporary closed port	-	-	(7,669)	(7,669)
Profit (Loss) from operation before financial costs and income Tax	52,230,548	(517,613)	(34,123,874)	17,589,061
Financial costs	(16,067,579)	(52,871)	(289,608)	(16,410,058)
Tax income (Expense)	(35,487,125)	-	(639,634)	(36,126,759)
Net profit (Loss) for the year	675,844	(570,484)	(35,053,116)	(34,947,756)
Property, plant and equipment	130,563,022	87,917,311	167,432,775	385,913,108
Right-of-use assets	-	-	-	-
Other assets	325,225,667	448,662,594	42,669,107	816,557,368
Total assets	455,788,689	536,579,905	210,101,882	1,202,470,476

(Unit : Baht)

SEPARATE F/S

For the year ended December 31,

2020

	Chemical	Service Chemical Storage Tank	Port Service and Other	Total
Revenues from sales of chemical product - net	615,675,848	-	-	615,675,848
Revenues from the rendering of services	54,960,000	-	51,269,389	106,229,389
Cost of chemical product sold	(525,259,479)	-	-	(525,259,479)
Cost of services	(11,680,916)	-	(11,734,300)	(23,415,216)
Gross profit	133,695,453	-	39,535,089	173,230,542
Other income	47,995,765	-	1,598,559	49,594,324
Gypsum revenues net of related expenses	565,628	-	-	565,628
Selling expenses	(34,479,396)	-	-	(34,479,396)
Administrative expenses	(93,870,061)	-	(3,331,697)	(97,201,758)
Loss on impairment of other long - term investment	(1,170,325)	-	(41,538)	(1,211,863)

(Unit : Baht)

SEPARATE F/S

For the year ended December 31,

2020

	Chemical	Service Chemical Storage Tank	Port Service and Other	Total
Expenses from underutilized fixed assets	-	-	(50,321,193)	(50,321,193)
Profit (Loss) from operation before financial costs and income Tax	52,737,064	-	(12,560,780)	40,176,284
Financial costs	(14,686,513)	-	(521,263)	(15,207,776)
Tax income (Expense)	11,236,355	-	398,808	11,635,163
Net profit (Loss) for the year	49,286,906	-	(12,683,235)	36,603,671
Property, plant and equipment	98,031,383	-	86,391,687	184,423,070
Right-of-use assets	6,824,626	-	114,339,249	121,163,875
Other assets	1,285,978,173	-	-	1,285,978,173
Total assets	1,390,834,182	-	200,730,936	1,591,565,118

(Unit : Baht)

SEPARATE F/S

For the year ended December 31,

2019

	Chemical	Service Chemical Storage Tank	Port Service and Other	Total
Revenues from sales of chemical product - net	1,080,746,084	-	-	1,080,746,084
Revenues from the rendering of services	54,960,000	-	48,566,974	103,526,974
Cost of chemical product sold	(974,691,073)	-	-	(974,691,073)
Cost of services	(10,153,877)	-	(9,596,958)	(19,750,835)
Gross profit	150,861,134	-	38,970,016	189,831,150
Other income	299,319,317	-	5,786,982	305,106,299
Gypsum revenues net of related expenses	18,387,150	-	-	18,387,150
Selling expenses	(43,151,566)	-	-	(43,151,566)
Administrative expenses	(82,813,136)	-	(1,624,474)	(84,437,610)
Expenses from underutilized fixed assets	-	-	(69,309,607)	(69,309,607)
Expenses from temporary closed port	-	-	-	-
Profit (Loss) from operation before financial costs and income Tax	342,602,899	-	(26,177,083)	316,425,816

(Unit : Baht)

SEPARATE F/S				
For the year ended December 31,				
2019				
	Chemical	Service Chemical Storage Tank	Port Service and Other	Total
Financial costs	(16,042,348)	-	(314,689)	(16,357,037)
Tax income (Expense)	(35,431,726)	-	(695,033)	(36,126,759)
Net profit (Loss) for the year	291,128,825	-	(27,186,805)	263,942,020
Property, plant and equipment	130,563,022	-	167,432,774	297,995,796
Right-of-use assets	-	-	-	-
Other assets	1,152,027,736	-	-	1,152,027,736
Total assets	1,282,590,758	-	167,432,774	1,450,023,532

Property, plant and equipment of each segment represent the segmental operating assets, while other assets principally represent cash and cash equivalents, trade account receivables, other receivables, inventories, other current assets, investments and other non-current assets.

Major Customer

Major customer for external revenue is Saksri Industry Co., Ltd. and IVIC (Thailand) Co., Ltd.

33. LONG – TERM AGREEMENTS

From starting the operations, the Company has to pay for the shipping in and out of goods passing through the pier, at the rate of Baht 6.1 per ton based on actual quantity of goods passing through. The said rate will be increased by 4% per annum from the rate of previous year. From the year 2002, if the actual quantity of goods passing through is less than 700,000 tons per annum, The Company will have to pay an amount equivalent to 700,000 tons per annum.

34. COMMITMENT

As at December 31, 2020 and 2019

34.1 The Group and the Company have commitment related to the rental and service charges to the related companies with the rental operation agreement as follows:

(Unit : Baht)		
CONSOLIDATED F/S AND SEPARATE F/S		
Year	December 31, 2020	December 31, 2019
Due within one year	2,040,000	1,836,000
More than 1 year but less than 5 years	3,360,000	

According to adopt in The Thai Financial Standards No.16 Lease liabilities, all operating leases in the previous year are required to consider about conditions and classify to financial lease which it affected to commitments from the previous year was decreased. Leases was not classified to financial lease will be service agreements and operating leases.

34.2 Forward foreign currency exchange contracts

As at December 31, 2020 and 2019, the settlement date on open forward contracts ranged between 6 months to 12 months. The local currency amounts to be received and contractual exchange rates of the outstanding contracts as follows:

	CONSOLIDATED F/S AND SEPARATE F/S					
	Foreign currency contract amount		Contract rate		(Unit : Baht)	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Foreign currency						
USD	1,225,648	1,801,290	29.80 - 31.12	30.15 - 30.32	37,478,340	54,375,630

Fair value

The net fair value of forward foreign exchange contracts as at December 31, 2020 and 2019, is unfavorable forward foreign exchange contracts are liabilities amount Baht 20,458 and asset amount Baht 12,749 respectively.

34.3 Contingent Liabilities

	CONSOLIDATED F/S		SEPARATE F/S	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Credit facility for letter of credit and trust receipt				
Credit facility (USD)	5,000,000	10,000,000	5,000,000	10,000,000
Used credit facility (USD)	3,031,085	2,739,857	3,031,085	2,739,857
Balance of credit facility (USD)	1,968,915	7,260,143	1,968,915	7,260,143
Credit facility for foreign exchange contract				
Credit facility (USD)	10,000,000	10,000,000	10,000,000	10,000,000
Used credit facility (USD)	1,225,648	1,801,290	1,225,648	1,801,290
Balance of credit facility (USD)	8,774,352	8,198,710	8,774,352	8,198,710
Executive credit card credit limit				
Credit facility (Baht)	700,000	700,000	700,000	700,000
Used credit facility (Baht)	62,313	84,445	62,313	84,445
Balance of credit facility (Baht)	637,687	615,555	637,687	615,555
Credit facility for loans				
Credit facility (Baht)	1,100,000,000	1,100,000,000	-	-
Used credit facility (Baht)	495,345,800	-	-	-
Balance of credit facility (Baht)	604,654,200	1,100,000,000	-	-
Credit facility for overdraft				

	CONSOLIDATED F/S		SEPARATE F/S	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Credit facility (Baht)	5,000,000	5,000,000	5,000,000	5,000,000
Used credit facility (Baht)	-	-	-	-
Balance of credit facility (Baht)	5,000,000	5,000,000	5,000,000	5,000,000
Credit facility for letter of guarantee				
Credit facility (Baht)	400,844,920	403,844,920	50,844,920	53,844,920
Used credit facility (Baht)	363,083,539	365,945,727	49,174,760	51,800,160
Balance of credit facility (Baht)	37,761,381	37,899,193	1,670,160	2,044,760

As at December 31, 2020, The Group has other current and non-current financial assets as collateral for credit facilities received from financial institutions. Including a director to guarantee the credit limit as well.

As of December 31, 2020, The Company has other current financial assets, Claim Including the insurance benefits of the company as collateral for credit lines received from financial institutions Under the business collateral agreement mutually agreed.

35. RECLASSIFICATION

Certain accounting entires in the financial statements for the year 2019 have been reclassified in accordance with the announcement of the Department of Business Development dated December 26, 2019 regarding the determination of the required condensed items in the 2019 financial statements.

(Unit : Baht)				
Account	Consolidated	Seperate	Previously Account	Reclassified Account
Fixed deposit for a period not exceeding one year.	10,238,810	10,238,810	Temporary investment	Other current financial assets
Withholding tax	2,829,998	2,829,998	Trade and other current receivables	Current tax assets

36. SUBSEQUENT EVENT

The Board of Directors' Meeting No. 1/2021 on January 20, 2021, resolved to acknowledge the payment of 1,950,000 ordinary shares at a par value of Baht 23 per share of NFCW Company Limited (3rd installment) amount of Baht 5.85 million on January 14, 2021.

The Executive Committee Meeting No. 1/2021 on January 20, 2021 approved to demolition unused factory buildings and disposal scrap metal after demolition to unrelated company of Baht 9.98 million.

37. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of director on February 23, 2021.



บริษัท เอ็นเอฟซี จำกัด (มหาชน) NFC PUBLIC COMPANY LIMITED

สำนักงานใหญ่ : เลขที่ 88 อาคาร เอสซี กรุ๊ป ชั้น 3 ถนนเดอะพาร์คแลนด์
แขวงบางนาเหนือ เขตบางนา กรุงเทพฯ 10260

Head Office : No. 88 SC Group Building, 3rd Fl., The Park Land Rd.,
Bangna Nuea, Bangna, Bangkok 10260
Tel. +66 2 348 0580 Fax : +66 2 348 0579

โรงงาน : เลขที่ 2 ถนนไอ-สอง นิคมอุตสาหกรรมมาบตาพุด ต.มาบตาพุด
อ.เมืองระยอง จ.ระยอง 21150

Plant : No. 2, I-2 Rd., Map Ta Phut Industrial Estate,
Map Ta Phut District, Amphur Muang, Rayong 21150
Tel. +66 38 68 3644 Fax. +66 38 68 4382



www.nfc.co.th