



SIAMGAS

Annual Report 2020



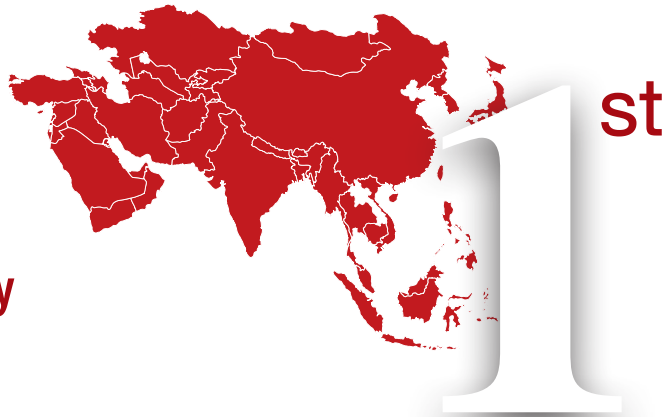
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VISION

**To be a Leading Energy
Provider in the World**



MISSION

SGP has advantages with readiness to support business expansion such as the expansion of energy market and the floating of gas price. In addition, SGP has created business competitive edge and developed potential of upstream business by creating distribution network to deliver the Company's products and service to all regions efficiently both domestic and overseas. The Development was focused on these important areas:

- Plan to add more facilities such as depot, terminal, filling plant, and gas station as well as efficient logistic which cover all services area.
- To continuously develop human resource for higher operation capability, effectiveness and security.
- To place importance on policies regarding product security, service and practices within organization.
- To focus on well living standard of people by providing premium product and service, especially security and convenience aspects in budget and fair price.
- To emphasize environment preservation, ethical business conduct, responsibility towards society, shareholders and other related parties.



**We are ready to develop
our potential in all aspects.**



**We have two large
LPG storages in China.**



**We adhere to the principles
of good corporate governance
and conduct business with
transparency.**

Thailand



STRONG BASE ■ GLOBAL VISION ■ POWER RELATED



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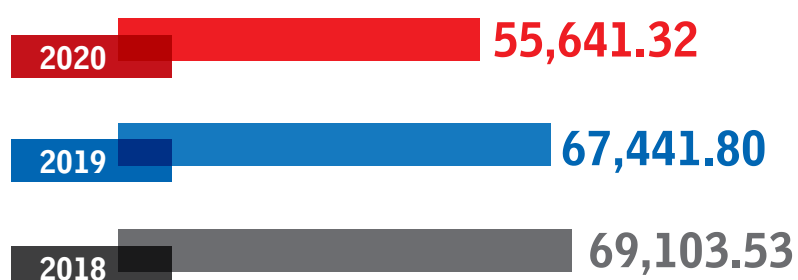


FINANCIAL CONCLUSION

		2018	2019	2020
Financial Data				
Asset	Million Baht	35,804.44	41,439.17	41,387.81
Liabilities	Million Baht	25,675.62	29,550.66	28,524.28
Equity	Million Baht	9,986.67	11,080.37	12,469.97
Paid-up Capital	Million Baht	918.93	918.93	918.93
Revenue from sales, Transportation, and Services	Million Baht	68,552.48	67,076.55	55,123.61
Total Revenue	Million Baht	69,103.53	67,441.80	55,641.32
Gross profit	Million Baht	2,260.43	3,250.72	3,760.76
EBITDA	Million Baht	2,651.49	3,314.92	4,326.89
Net Profit (owners of the parent)	Million Baht	871.18	1,359.92	2,061.84
Earning per Share	Baht	0.47	0.74	1.12
Financial Ratio				
Net profit margin	Percent	1.26	2.11	3.77
Return on Equity (R.O.E)	Percent	8.11	12.92	16.97
Return of Asset (R.O.A)	Percent	2.59	3.68	5.07
Debt to Equity ratio	Times	2.53	2.49	2.22
Interest bearing debt ratio	Times	1.61	1.34	1.31
Liquidity Ratio	Times	1.05	0.94	1.39
Stock Data				
Share price as of	Baht	8.50	9.70	10.00
Market capitalization	Million Baht	15,621.84	17,827.27	18,378.63
Book Value	Baht	5.43	6.03	6.79
Dividend	Baht	0.45	0.35	0.50

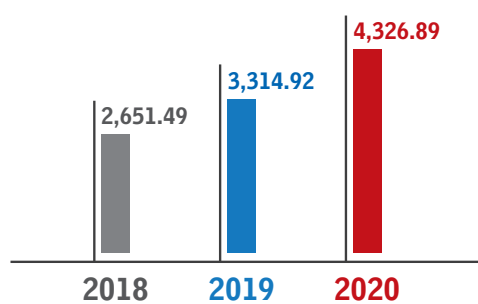
Total Revenue

Million Baht



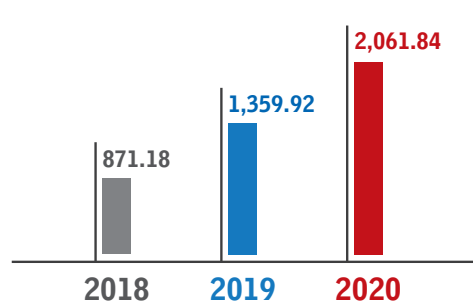
EBITDA

Million Baht



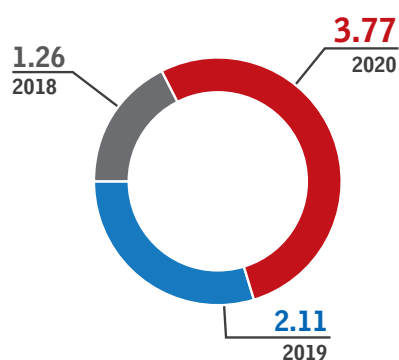
Net Profit

Million Baht



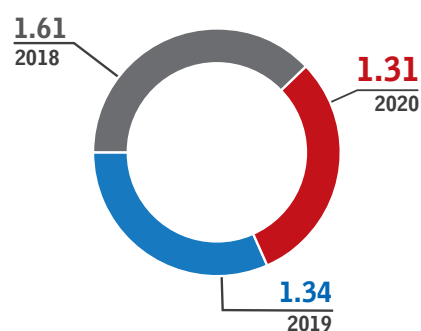
Net profit margin

Percent



Interest bearing debt

Times



MESSAGE FROM CHAIRMAN



Dear Shareholders,

In the year 2020, it is a year that over the world including Thailand have impacted from COVID-19 pandemic which impacted global economic and led to lower energy demand. This is due to the governments declared state of emergency to control the spreading of COVID-19 virus by temporary stop social activities such as closing department store and tourist attraction as well as restricted the entering or departing of the country during that period. The governments also asked for cooperation from government agencies and private organization to work from home. These are the measures enforced globally. Thus it impacted sales of LPG both domestic and overseas. However, the Company tried to adjusted to mitigate impact from this situation by managing cost of goods and inventories efficiently. The Company also tried to reduce unnecessary expenses in order to pass through this situation smoothly.

For the financial results, the Company has total revenue in 2020 amount 55,641.32million baht, decreasing from 67,441.80 million baht. Net profit attributable to the owners of the parent is 2,061.84 million baht increasing from 1,359.92 million baht or increase 51.62%. The Board of

For the investment activity, Siam Quality Steel Co., Ltd. (“SQS”), a subsidiary of the Company has purchased shares of Lihn Gas Cylinder Company Limited (“Linh”) in the proportion of 97.56%. The investment in Linh enhanced the LPG cylinder manufacturing business under SQS. It also reduced raw material cost and increased distribution channel overseas from current customers of Linh.

Directors consider and view that the business operation is improving and propose to the shareholders’ meeting to consider on dividend payout at 0.40 baht per share for the second-half-year operations of 2020. When including the interim dividend for the first-half-year of 2020 at the rate of 0.10 baht per share, the total dividend paid for the year 2020 is 0.50 baht per share.

For the investment activity, Siam Quality Steel Co., Ltd. (“SQS”), a subsidiary of the Company has purchased shares of Lihn Gas Cylinder Company Limited (“Linh”) in the proportion of 97.56%. The investment in Linh enhanced the LPG cylinder manufacturing business under SQS. It also reduced raw material cost and increased distribution channel overseas from current customers of Linh..

For the year 2021, the Company expected that the COVID-19 situation will be improving due to the vaccine has been introduced in several countries including Thailand. In addition, an understanding of COVID-19 prevention is increasing with people return to normal living. This couple with the government stimulus plan to support businesses to normal situation especially the service sector by encouraging people to travel with more spending. This will lead to higher demand for energy in the year 2021 compared to the previous year. The Company expected that, the LPG sales volume will be at 3.73 million tons or

equivalent to 15% sales volume growth. The sales volume growth overseas and domestic are expected at 15.8% and 12.2% respectively. For domestic, the Company will focus on the retail sales of LPG in household sector and industrial sector, which will recover quickly when the situation improved. In addition, the Company has introduced application to order LPG which aim to access to new users. For the overseas market, the Company will focus on Chinese market and offshore trading, in which both market account for the sales volume of LPG in the proportion of 67.5% of total sales volume of the Company.

On behalf of the Board of Directors, I would like to express my sincere gratitude to all shareholders, investors, partners, customers, employees, and other relevant parties including the financial institutions in Thailand and overseas for their continual and valuable supports which greatly contribute to the successful businesses of the Company today. Please rest assured that we shall operate business prudently, carefully and under code of ethics and corporate governance for sustainable development to maximize profits for all related parties with aims to become the prosperous organization that grows together with Thailand and Asia, pursuant to our vision statement.



Mr. Worawit Weeraborwornpong
Chairman

AUDIT COMMITTEE REPORT

To the Shareholders

The Audit Committee of Siamgas and Petrochemicals Public Company Limited comprises of 3 independent directors who possess completed qualifications set forth by the Office of the Securities and Exchange Commission (SEC), namely:

- | | |
|-----------------------------|---------------------------------|
| 1. Mr. Viroj Klangboonkrong | Chairman of the Audit Committee |
| 2. Mr. Harn Chiocharn | Member of the Audit Committee |
| 3. Mrs. Sudjit Divari | Member of the Audit Committee |

During the Year 2020, the Audit Committee held 16 meetings and all members attended the meetings together with the officers from the Internal Audit Office, the Management and the External Auditors to review the audit's plans and scope, including to acknowledge results of the audit works. In addition, the Audit Committee also held 1 meeting without the presence of the Management to discuss and listen to independent opinion of the External Auditors.

The Audit Committee independently worked and expressed their opinions within the scope of duties and responsibilities assigned by the Board of Directors and according to the Audit Committee's charter that is in compliance with the best practice guidelines of the Audit Committee specified by the Stock Exchange of Thailand. The Audit Committee performed duties are summarized below:

1. Financial Statements

- Reviewed significant data and information in the quarterly and annual financial statements of the Company for the Year 2020 and its subsidiaries with the External Auditor and the Management by questioning, discussing and advising on certain issues and matters relating to the Company and its subsidiaries' financial reports. The External Auditor confirmed that he/she performed the works independently and obtained a kind cooperation

with the Management, Deputy Managing Director & Chief Financial Officer confirmed that the Company's accounting systems were effective and data had been correctly and completely recorded pursuant to the International Financial Reporting Standards.

2. Internal Control and Risk Management

- The Audit Committee reviewed the adequacy of the internal control systems of the Company and its subsidiaries by considering the reports from the Internal Auditors and the External Auditors that assessed effectiveness and adequacy of the internal control systems, risk management including compliance with policies and approved authority of its management practices.

3. Internal Audit Systems

- Supervised and oversaw the internal audit systems by considering the independence of the Internal Audit Office, its scope of responsibilities and annual audit plan as well as considered and reviewed the audit report and monitored the implementation of solutions as mentioned in the audit report. Gave advice to improve the audit performance and considered the appropriateness of the budget, workforce, training and personnel development as well as approved on appointment, transfer and dismissal of Chief Audit Executive.

4. Good Corporate Governance

- Promoted good corporate governance for transparency and creditability by reviewing the operations according to the specified system, along with anti-corruption policy and practice. Reviewed self-evaluation form regarding anti-corruption measurement as the prerequisite before entering into approving process of Thai Private Sector Collective Action Against Corruption (CAC). Consequently, the Company was certified as a

member of the CAC on March 9, 2017 and the Company was recertified as a member of Thai Private Sector Collective Action Against Corruption (CAC) on November 4, 2019.

5. Legal and Regulatory Compliance

- Attended the meeting with the Management and the officers from the Internal Audit Office to review the Company's operations in order to ensure that the Company operated its business in compliance with related laws and regulations.
- Monitored progress of litigation involving the Company.
- Acknowledged reports from the External Auditor that there is no issues to be presented to the Audit Committee according to Section 89/25 of the Securities and Exchange Act.

6. Related Party Transactions and Transactions with Potential Conflict of Interest

- The Audit Committee acknowledged reports from the Management, the Internal Auditors and the External Auditors on the connected transactions and transactions with conflict of interest pursuant to the measures specified by the Office of SEC.

7. Nomination and Remuneration of the External Auditors for 2021

- The Audit Committee proposed to the Company's Board of Directors to recommend at the Annual General Meeting of Shareholders for the appointment of 1. Mr. Chaisiri Ruangritchai, Certified Public Accountant (Thailand) No. 4526 and/or 2. Ms. Amornrat Pearmpoonvatanasuk Certified Public Accountant (Thailand) No.4599 and/or 3. Mr. Pongthavee Ratanakoses, Certified Public Accountant (Thailand) No. 7795 and/or 4. Mr. Boonrueng Lerdwiseswit, Certified Public Accountant (Thailand) No. 6552, auditors of PricewaterhouseCoopers ABAS Ltd. (PwC) as the Company and its subsidiaries' auditor for fiscal year 2021, and determination of the remuneration. The Audit Committee is of the view that the External Auditors of the Company have independence, possess professional skills, suitable experiences and qualifications set forth by the Office of SEC.

8. The Maintenance of the Audit Committee Quality

- The Audit Committee reviewed the charter of the Audit Committee and carried out self-assessment in alignment with the Best Practice guideline as defined by the Stock Exchange of Thailand by completed the questionnaire prepared by audit committee members in respect to the efficiency of the Audit Committee's performance. The self-assessment showed that the Audit Committee performed mainly of their duties in accordance with the roles and responsibilities.

9. Others

- Reviewed the information disclosed to the SET and the Office of SEC, as disclosed in the Company's annual report for year 2020 (Form 56-2) and in the annual information disclosure form as at December 31, 2020 (Form 56-1).
- Reported the Audit Committee's activities to the Board of Directors by quarterly.

In conclusion, The Audit Committee have fully performed their duties and responsibilities as specified in the Audit Committee's Charter as approved by the Board of Directors, with adequate knowledge, competence and due professional care. The Audit Committee is of the opinion that the Company's financial report is significantly correct and in accordance with Generally Accepted Accounting Standards, with effective and appropriate internal control system, risk management and internal audit. In addition, the Company's operations have been complied with applicable laws and regulations relating to the Company's businesses.

On behalf of the Audit Committee



(Mr. Viroj Klangboonkrong)
Chairman of the Audit Committee
February 23, 2021

BOARD OF DIRECTORS



1. **Mr. Worawit Weeraborwornpong**
Chairman



2. **Mrs. Patchara Weeraborwornpong**
Director



3. **Mr. Supachai Weeraborwornpong**
Managing Director



4. **Miss Patcharawadee Weeraborwornpong**
Director



5. **Mr. Somchai Ko - prasobsuk**
Director



6. **Mr. Viroj Klangboonkrong**
Independent Director and
Chairman of Audit Committee



7. **Mr. Harn Chiocharn**
Independent Director
and Member of Audit Committee



8. **Mrs. Sudjit Divari**
Independent Director
and Member of Audit Committee



9. **Mrs. Jintana Kingkaew**
Secretary of the Board of Directors

EXECUTIVE BOARD



3 2 1 4

1. **Mr. Worawit Weeraborwornpong**
Chairman

2. **Mrs. Patchara Weeraborwornpong**
Executive director

3. **Mr. Supachai Weeraborwornpong**
Executive director

4. **Miss Patcharawadee Weeraborwornpong**
Executive director

MANAGEMENT TEAM



5 3 1 2 4

1. **Mr. Supachai Weeraborwornpong**
Managing Director

2. **Miss Patcharawadee Weeraborwornpong**
Deputy Managing Director - Purchasing

3. **Mrs. Jintana Kingkaew**
Deputy Managing Director - Accounting
/ Financial / Procurement

4. **Mr. Anuwat Poosantipong**
Deputy Managing Director - Sale
and Marketing

5. **Mr. Somchai Ko - prasobsuk**
Assistant Managing Director - Terminal
/ Filling Plant / Transportation

BOARD OF DIRECTORS, EXECUTIVES, AND CONTROL AUTHORITIES

Siamgas and Petrochemicals Public Company Limited

Mr. Worawit Weeraborwornpong

Age 74 years

Position : Chairman

Educational Credential : An honorary doctorate of Rajamangala University of technology Thanyaburi
Bachelor's degree of Bangkok Thonburi University

Other Academic

Certificate of Thai Institute of Director (IOD)
Directors Accreditation Program (DAP)

Relationship in Management Family

Husband of Mrs. Patchara Weeraborwornpong
and Father of Mr. Supachai Weeraborwornpong
and Miss Patcharawadee Weeraborwornpong

Working Experience

1975 - 2005 Chairman SIAMGAS INDUSTRY CO., LTD.
2008 - 2011 Director SIAM ETHANOL EXPORT CO., LTD.

Other Current Position

Since 2020 Director FAREAST MYGAZ SERVICES SDN. BHD.
Since 2019 Director Siam Tank Terminal CO., LTD.
Since 2019 Director TROPICAL GAS PTE LTD.
Since 2018 Director SIAM LNG COMPANY LTD.
Since 2018 Director PACIFIC GAS BANGLADESH LTD.
Since 2017 Director ASIATECH INFRASTRUCTURE CO., LTD.
Since 2017 Director SIAMGAS J&J INTERNATIONAL LTD.
Since 2017 Director SIAMGAS BANGLADESH LTD.
Since 2017 Director MSN INTERNATIONAL LIMITED
Since 2017 Director ASIATECH ENERGY PTE. LTD.
Since 2017 Director MYANMAR LIGHTING IPP (COMPANY) LTD.
Since 2016 Chairman Siamgas and Petrochemicals PCL.
Since 2016 Director SIAMGAS J&J INTERNATIONAL LTD.
Since 2016 Director SIAMGAS BANGLADESH LTD.
Since 2016 Director SIAMGAS GLOBAL INVESTMENT PTE. LTD
Since 2016 Director SIAMGAS POWER PTE.LTD.
Since 2015 Director SIAMGAS MYANMAR CONSORTIUM PTE. LTD.
Since 2014 Director FAREAST PETROLEUM SON. BHD
Since 2013 Director MYGAZ SND. BHD.
Since 2013 Director CITYGAS NORTH CO., LTD.
Since 2012 Director Siam Suksawat Co., Ltd.
Since 2010 Director SIAM OCEAN GAS AND ENERGY LIMITED
Since 2010 Director SINO SIAMGAS AND PETROCHEMICALS CO., LTD.
Since 2010 Director SIAMGAS HK Company Limited
Since 2010 Director SINGGAS (LPG) PTE Limited
Since 2010 Director SUPERGAS Company Limited
Since 2008 Director Siam Quality Steel Co., Ltd.
Since 2004 Chairman Uniquegas and Petrochemicals PCL.

Shareholder ratio (As of 31 December 2020)

Common share 723,763,198 shares (39.38% of total shares)

Mrs. Patchara Weeraborwornpong

Age 71 years

Position : Director / Executive Director

Educational Credential : Diploma

Other Academic

Certificate of Thai Institute of Director (IOD)
Directors Accreditation Program (DAP)

Relationship in Management Family

Wife of Mr. Worawit Weeraborwornpong
and Mother of Mr. Supachai Weeraborwornpong
and Miss Patcharawadee Weeraborwornpong

Working Experience

2008 - 2011 Director SIAM ETHANOL EXPORT CO., LTD.
1984 - 1985 Director SIAMGAS INDUSTRY CO., LTD

Other Current Position

Since 2019 Director SIAM TANK TERMINAL CO., LTD.
Since 2005 Director Siamgas and Petrochemicals PCL.
Since 2004 Director Uniquegas and Petrochemicals PCL.
Since 1994 Director Bobae Tower Co., Ltd.
Since 1992 Managing Director
Prom Maharaj Land Development Co., Ltd.

Shareholder ratio (As of 31 December 2020)

Common share 100,000,000 shares (5.44% of total shares)

Mr. Supachai Weeraborwornpong

Age 47 years

Position : Director / Managing Director

Educational Credential : M.B.A. Sasin Graduate Institute of
Chulalongkorn University
B.S. Civil Engineering Michigan
State University, U.S.A.

Other Academic

Certificate of Thai Institute of Director (IOD)
Directors Accreditation Program (DAP)

Relationship in Management Family

Son of Mr. Worawit Weeraborwornpong
and Mrs. Patchara Weeraborwornpong

Working Experience

2008 - 2011 Director SIAM ETHANOL EXPORT CO., LTD.
2003 - 2005 Director SIAMGAS INDUSTRY CO., LTD.
1995 - 2002 Deputy Managing Director TALAT NOI COMPLEX
CO., LTD.

Other Current Position

Since 2020 Director LINH GAS CO., LTD.
Since 2020 Director FAREAST MYGAZ SDN. BHD.
Since 2019 Director RUAMUR PTE. LTD.
Since 2019 Director Siam Tank Terminal Co., LTD.
Since 2018 Director SIAM LNG COMPANY LTD.
Since 2018 Director PACIFIC GAS BANGLADESH LTD.
Since 2017 Director TSM COMPANY LIMITED
Since 2017 Director ASIATECH INFRASTRUCTURE CO., LTD
Since 2017 Director SOUTHERN MYANMAR DEVELOPMENT CO., LTD.
Since 2017 Director MSN INTERNATIONAL LIMITED
Since 2017 Director ASIATECH ENERGY PTE. LTD.
Since 2017 Director MYANMAR LIGHTING IPP (COMPANY) LTD.
Since 2017 Director PT SIAMINDO DOJO TERMINAL
Since 2016 Director SIAMGAS J&J INTERNATIONAL LTD.
Since 2016 Director SIAMGAS BANGLADESH LTD.
Since 2016 Director SIAMGAS GLOBAL INVESTMENT PTE.LTD.
Since 2016 Director SIAMGAS POWER PTE.LTD
Since 2015 Director SIAMGAS MYANMAR CONSORTIUM PTE. LTD.
Since 2014 Director FAREAST PETROLEUM SDN. BHD.
Since 2013 Director MYGAZ SDN. BHD.
Since 2013 Director CITYGAS NORTH CO., LTD.
Since 2012 Director Siam Suksawat Co., Ltd.
Since 2010 Director SIAM OCEAN GAS AND ENERGY LIMITED
Since 2010 Director SINO SIAMGAS AND PETROCHEMICALS CO., LTD.
Since 2010 Director SIAMGAS HK Company Limited
Since 2010 Director SINGGAS (LPG) PTE Limited
Since 2010 Director SUPERGAS Company Limited
Since 2008 Director Siam Quality Steel Co., Ltd.
Since 2005 Managing Director Siamgas and Petrochemicals PCL.
Since 2004 Managing Director Uniquegas and Petrochemicals PCL.

Shareholder ratio (As of 31 December 2020)

Common share 102,742,000 shares (5.59% of total shares)

Miss Patcharawadee Weeraborwornpong

Age 32 years

Position : Director / Deputy Managing Director

Educational Credential : M.A. Business Management with Finance,
Regents Business School London
B.S.C. Applied Business Management,
Imperial College

Other Academic

Certificate of Thai Institute of Director (IOD)
Directors Accreditation Program (DAP)

Relationship in Management Family

Daughter of Mr. Worawit Weeraborwornpong
and Mrs. Patchara Weeraborwornpong

Other Current Position

Since 2020 Director LINH GAS CO., LTD.
Since 2020 Director / Deputy Managing Director
Siamgas and Petrochemicals PLC.
Since 2020 Director / Deputy Managing Director
Uniquegas and Petrochemicals PLC.
Since 2020 Director Siam Tank Terminal Co., Ltd.
Since 2020 Director Linh Gas Cylinder Co., Ltd.
Since 2017 Director Siam Quality Steel Co., Ltd.
Since 2018 Director Siam LNG Co., Ltd.
Since 2012 Director Lucky Carrier Co., Ltd.
Since 2012 Director Siam Lucky Marine Co., Ltd.
Since 2011 Director PROMMAHARAJ Land Development Co., Ltd.
Since 2011 Director Great China Millennium Co., Ltd.
Since 2011 Director BOVORN PONG CO., LTD.
Since 2011 Director/Deputy Managing Director THAVORN SIN
PATTANA CO., LTD.
Since 2008 Director Siam Ethanol Export Co., Ltd.

Share holder ratio (As of 31 December 2020)

Common share 85,000,000 shares (4.62% of total shares)

Mr. Somchai Ko - prasobsuk

Age 58 years

Position : Director / Assistant Managing Director**Educational Credential** : Bachelor degree in Business
Administration faculty of
The University of the Thai Chamber
of Commerce**Other Academic**Certificate of Thai Institute of Director (IOD)
Directors Accreditation Program (DAP)**Relationship in Management Family**

- None -

Working Experience

2004 - 2012 Director CHEMICALS GAS TRANSPORT CO., LTD.
 2004 - 2011 Director UNIQUEGAS INTERNATIONAL CO., LTD.
 2004 - 2011 Director UNIQUEGAS TRADING CO., LTD.
 2004 - 2011 Director UNIQUEGAS CARRIER CO., LTD.
 2004 - 2011 Director UNIQUEGAS MARINE CO., LTD.

Other Current Position

Since 2020 Director LINH GAS CO., LTD.
 Since 2019 Director SIAM TANK TERMINAL CO., LTD.
 Since 2018 Director SIAM LNG COMPANY LTD.
 Since 2017 Director PT SIAMINDO DOJO TERMINAL
 Since 2016 Director SIAMGAS GLOBAL INVESTMENT PTE. LTD.
 Since 2011 Director Siam Lucky Marine Co., Ltd.
 Since 2005 Assistant Managing Director
 Siamgas and Petrochemicals PCL.
 Since 2005 Director Lucky Carrier Co., Ltd.
 Since 2004 Assistant Managing Director
 Uniquegas and Petrochemicals PCL.

Shareholder ratio (As of 31 December 2020)

- None -

Mr. Viroj Klangboonkrong

Age 76 years

Position : Independent Director
Chairman of Audit Committee**Educational Credential** : Bachelor degree in Engineering
faculty of Chulalongkorn University
Master degree in
Business Administration of
Thammasat University
Mechanical Engineering of
Asian Institute of Technology (AIT)**Other Academic**Certificate of Thai Institute of Director (IOD)
Directors Accreditation Program (DAP)
Directors Certificate Program (DCP)
Audit Committee Program (ACP)
Finance for Non-Finance Director (FND)**Relationship in Management Family**

- None -

Working experience

2003 - 2006 Independent director
and Member of Audit Committee
Ratchaburi Electricity Generating Holding PCL.
 2002 - 2005 Director General
Department of Energy, Ministry of Energy
 2001 - 2002 Senior Chief Engineer
Department of Public works,
Ministry of Interior
 1997 - 2001 Chief Engineer Department of Public works,
Ministry of Interior
 1992 - 1997 Director of Division control
Department of Public works,
Ministry of Interior

Other Current Position

Since 2008 Independent director
and Chairman of Audit Committee
Uniquegas and Petrochemicals PCL.
 Since 2006 Independent director
and Chairman of Audit Committee
Siamgas and Petrochemicals PCL.

Shareholder ratio (As of 31 December 2020)

Common share 1,890,000 shares (0.10% of total shares)

Mr. Harn Chiocharn

Age 75 years

Position	: Independent Director	Since 2020	Director TRUE ENERGY POWER LOPBURI CO., LTD.
	Member of Audit Committee	Since 2020	Director RUNGAKERAYA ENGINEERING (SA-KAEO) CO., LTD.
Educational Credential	: Bachelor degree in Law faculty at Thammasat University	Since 2020	Director IS POWER GREEN CO., LTD.
	Degree in government with private class 6, National Defence College	Since 2020	Director IS SUN FARM CO., LTD.
		Since 2020	Director MAE SARIANG SUANSANG CO., LTD.
		Since 2020	Director J.P.MANGKANG CO., LTD.
Other Academic		Since 2020	Director GREEN POWER SOLAR CO., LTD.
	Certificate of Thai Institute of Director (IOD)	Since 2020	Director GREEN SOLAR FARM CO., LTD.
	Directors Accreditation Program (DAP)	Since 2020	Director SUN LARSO CO., LTD.
Relationship in Management Family		Since 2020	Director WANG RUNGROJ CO., LTD.
	- None -	Since 2019	Vice Chairman / Deputy Chief Executive Officer INTER FAR EAST ENERGY CORPORATION PUBLIC CO., LTD.
Working experience			
2005 - 2013	Independent director and Member of Audit Committee	Since 2019	Director KOH TAO WIND CO., LTD.
	Thai Industry and engineering service PCL.	Since 2019	Director INTER FAR EAST WIND INTERNATIONAL CO., LTD.
2006 - 2007	Managing Director	Since 2019	Director INTER FAR EAST CAP MANAGEMENT CO., LTD.
	Bangkok First Investment & Trust PCL.	Since 2019	Director INTER FAR EAST THERMAL POWER CO., LTD.
Feb - May 2006	Advisor	Since 2019	Director SOMPRASONG INTERNATIONAL CO., LTD.
	Bangkok First Investment & Trust PCL.	Since 2019	Director GREEN ENERGY TECHNOLOGY IN (THAILAND) CO., LTD.
2006	Director Expressway Authority of Thailand		
	Ministry of Transport	Since 2019	Director CR SOLAR CO., LTD.
July - Oct 2005	Deputy Managing Director	Since 2019	Director SOMPOOM SOLAR POWER CO., LTD.
	Asset Management Corporation	Since 2019	Director J.P. SOLAR POWER CO., LTD.
May - July 2005	(Acting) Managing Director	Since 2019	Director ISENERGY CO., LTD.
	Asset Management Corporation	Since 2019	Director SUNPARK CO., LTD.
2005	Director Market Organization	Since 2019	Director SUNPARK 2 CO., LTD.
	Ministry of Interior	Since 2019	Director SCAN INTER FAR EAST ENERGY CO., LTD.
2003 - 2005	Assistant Managing Director	Since 2019	Director WANG KARNKHA RUNGROJ CO., LTD.
	Asset Management Corporation	Since 2019	Director MAE SARIENG SOLA CO., LTD.
2000 - 2003	Director of Corporate security and Legal document	Since 2019	Director A.P.K. DEVELOPMENT CO., LTD.
	Asset Management Corporation	Since 2019	Director DHARA DHEVI HOTEL CO., LTD.
		Since 2019	Director DHARA DHEVI CO., LTD
		Since 2019	Director INTER FAR EAST BUSINESS CO., LTD.
		Since 2019	Director CLEAN CITY CO., LTD.
		Since 2019	Director INTER FAR EAST SOLAR CO., LTD.
		Since 2019	Director UNIVERSAL PROVIDER CO., LTD.
		Since 2008	Independent director and Member of Audit Committee Uniquogas and Petrochemicals PCL.
		Since 2006	Independent director and Member of Audit Committee Siamgas and Petrochemicals PCL.
Other Current Position			
Since 2020	Director SOMPRASONG MALERT CO., LTD.		
Since 2020	Director SOMPRASONG MARUAY		
Since 2020	Director SCAN POWER		
Since 2020	Director SCAN SOMMART CO., LTD.		
Since 2020	Director SMART TREE CO., LTD.		
Since 2020	Director		
	INTER FAR EAST ENGINEERING & CONSTRUCTION CO., LTD.		
Since 2020	Director SUN RENEWABLE CO., LTD.		
Since 2020	Director U SOLAR CO., LTD.		
Since 2020	Director U RENEWABLE CO., LTD.		

Shareholder ratio (As of 31 December 2020)

Common share 20,000 shares (0.001% of total shares)

Mrs. Sudjit Divari

Age 73 years

Position : Independent director
Member of Audit Committee

Educational Credential : Bachelor degree in Accounting, Faculty of Commerce and Accounting at Chulalongkorn University
Master degree in Business Administration, Faculty of Commerce and Accounting at Thammasat University
MBA State University of California at Fresno, U.S.A.

Other Academic

Certificate of Thai Institute of Director (IOD)
Directors Accreditation Program (DAP)
Directors Certificate Program (DCP)
Audit Committee Program (ACP)
IT Governance of Cyber resilience Program (ITG)

Relationship in Management Family

- None -

Working experience

2019 - 2020 (Acting) Chairman of the Board Director and Chairman of Audit Committee SBEY Credit Foncier Co., Ltd.
2008 - 2019 Independent director and Chairman of Audit Committee Credit Foncier Lynn Phillip Mortgage Co., Ltd.
May 2016 - March 2017 Independent director and Member of Audit committee NAVANAKORN PLC.
Sep. - Nov. 2014 Director and Member of Audit Committee Singha Estate PCL.
2004 - Sep.2014 Director and Member of Audit Committee Rasa Property Development PCL.
1999 - 2011 Director and Chairman of Audit Committee Wave Entertainment PCL.
1999 - 2011 Executive Director United Factoring (1993) Co., Ltd.
2004 - 2007 Director and Chairman of Audit Committee Sunwood industry PCL.

Other Current Position

Since 2008 Independent director and Member of Audit Committee Uniquegas and Petrochemicals PCL.
Since 2006 Independent director and Member of Audit Committee Siamgas and Petrochemicals PCL.

Shareholder ratio (As of 31 December 2020)

- None -

Mrs. Jintana Kingkaew

Age 61 years

Position : Secretary of the Board
Deputy Managing Director

Educational Credential : Bachelor degree in Accountancy in Auditing Major at The University of the Thai Chamber of Commerce
Master degree in Business Administration at Kasetsart University
Master degree in Finance at Kasetsart University
Certificate of Capital Market Academy (CMA)

Other Academic

Certificate of Thai Institute of Director (IOD)
Directors Accreditation Program (DAP)

Relationship in Management Family

- None -

Working experience

1989 - 2003 Deputy Managing Director SIAMGAS INDUSTRY CO., LTD.
1983 - 1989 Assistant Managing Director SIAMGAS INDUSTRY CO., LTD.
1981 - 1983 Accounting and Finance Manager SIAMGAS INDUSTRY CO., LTD.

Other Current Position

Since 2004 Deputy Managing Director Uniquegas and Petrochemical PCL.
Since 2003 Deputy Managing Director Siamgas and Petrochemicals PCL.

Shareholder ratio (As of 31 December 2020)

Common share 916,000 shares (0.05% of total shares)

Mr. Anuwat Poosantipong

Age 57 years

Position : Deputy Managing Director

Educational Credential : Bachelor degree in Engineering at
Chulalongkorn University
Master degree of Business
Administration at NIDA

Other Academic

- None -

Relationship in Management Family

- None -

Other Current Position

Since 2004 Deputy Managing Director
Uniquegas and Petrochemical PCL.

Since 2004 Deputy Managing Director
Siamgas and Petrochemical PCL.

Shareholder ratio (As of 31 December 2020)

- None -

POLICY AND OVERVIEW OF BUSINESS OPERATIONS

1. Policy and Overview of Business Operations

1.1 Overview of Vision, Objective, Target or Strategic Operation of SGP and Group of Companies

SGP aims to be one of the leading energy operator in the World. Currently the Company operates LPG business both in Thailand and Overseas. For Overseas business, the Company has LPG terminal and depot in China, Singapore, Malaysia, and Vietnam. The Company always looks for an opportunity to invest in other potential countries.

The Company also invests in LPG logistic business which are land transport and marine transport business with aim to deliver LPG to customers rapidly and covers all regions. One other important business in the group is LPG cylinder manufacturer which produces quality cylinders and distribute to customers constantly.

In addition, the Company also looks for an opportunity to invest in other energy businesses to keep the Company's sustainable growth in energy business. Currently, the Company has invested in two power plants in Myanmar and oil storage and deep-sea port business at Koh Si Chang District, Chonburi Province.

Vision

Siamgas commits to be an energy leader in the world.

Mission

SGP has advantages and readiness to support business expansion, for instance, the growth of the market and gas floating price in the market. Regarding to creating of business competitive edge, SGP has developed potentials

of upstream business and built effective products and services distribution networks with nationwide coverage and expanded business to the neighboring countries. For such development, SGP puts emphasis on the followings:

- Plan to increase facilities, warehouses, gas filling plants and service stations including gas tankers and gas trucks.
- Develop human resources continually to develop potential and increase capability for achievement operations results with efficiency and safety.
- Place importance on policy concerning product safety, service rendering including operations within the organization.
- Focus on well livelihood of the public by providing excellent products and services people, particularly on safety, convenience and at reasonable and fair prices.
- Perform business in ethical manner pursuant to governance principles and against all types and kinds of corruption, place importance on environment preservation as well as having responsibilities to society, community as well as shareholders and all related parties

1.2 Business Operations

SGP and its subsidiaries' core businesses are energy and related businesses.

- 1) Trading of LPG, ammonia, and other petrochemicals operated under SGP and Unique Gas and Petrochemicals PCL.
- 2) Transportation of petroleum, LPG, ammonia, and other petrochemicals operated under the 2 subsidiaries as follows: Lucky Carrier Co., Ltd., and Siam Lucky Marine Co., Ltd.

- 3) LPG Cylinder and Auto-gas tank manufacturing operated by Siam Quality Steel Co., Ltd., a subsidiary of SGP and indirect subsidiary Linh Gas Co, Ltd. (“LIN”)
- 4) Ethanol Manufacturing and Trading operated by Siam Ethanol Export Company Co., Ltd., a subsidiary of SGP
- 5) Oil retail business operated by Siam Suksawat Co., Ltd., a subsidiary of SGP.
- 6) Container terminal service business operated by SGP.
- 7) Joint venture business operated by a joint venture company, Siam Nathalin Co., Ltd., by engaging in food and beverage distribution business.
- 8) Trading of Natural Gas and Liquefied natural gas operated by Siam LNG Co., Ltd., a subsidiary of SGP.
- 9) Liquid Tank Farm and Deep Sea Port Operated by indirect subsidiary Siam Tank Terminal Co. Ltd. (Previous name : Thai Public Port Co., Ltd.) and holding shares through Siam LNG Co., Ltd.

Overseas operations include 11 businesses as follows:

- 1) LPG trading in China operated by a wholly owned subsidiary, Sino Siam Gas and Petrochemicals Co., Ltd. (“ZSS”) and Siam Ocean Gas and Energy Co., Ltd. (“SOG”)
- 2) LPG trading in Vietnam operated by a wholly owned subsidiary, Super Gas Co., Ltd. (“SGV”) And a joint venture company, Citygas North Co., Ltd. (“CGN”)
- 3) LPG trading in Singapore operated by a wholly owned subsidiary, SingGas (LPG) Pte. Ltd. (“SIN”), SiamGas Trading Pte. Ltd. (“SGT”) and indirect subsidiary through SINGGAS (LPG) PTE. LTD. Which is TROPICAL GAS PTE. LTD. (“TPC”)



- 4) Petrochemicals trading in Malaysia operated by a wholly owned subsidiary, Mygaz Sdn. Bhd. (“MGM”), and Far East Petroleum Sdn. Bhd. (“FEP”) and direct joint venture SGGAS SDN. BHD. (“SGG”)
- 5) LPG Trading in Bangladesh operated by indirect subsidiary, SIAMGAS J&J INTERNATIONAL LTD. (“SJJ”) and SIAMGAS BANGLADESH LTD. (“SGB”) and PACIFIC GAS BANGLADESH LTD. (“PGB”)
- 6) LPG Trading in Indonesia operated by Indirect joint venture, PT SIAMINDO DJOJO TERMINAL (“SID”) and KMA SIAM LIMITED (“KSL”)
- 7) Combine Cycle Power Plant operated by Indirect Associate which are MYANMAR LIGHTING (IPP) CO., LTD. (“MLP”) and ASIATECH ENERGY PTE. LTD. (“AEP”)
- 8) Holding company business (Business where main revenues derive from being the holding company) operated by SGP’s subsidiaries, i.e. SIAM GAS HK LTD. (“SHK”), SIAMGAS POWER PTE. LTD. (“SPW”) and SIAMGAS GLOBAL INVESTMENT PTE. LTD. (“SGI”)
- 9) Power Plant and transmission line operated by Indirect associate which are Southern Myanmar Development Co., Ltd. (“SMD”) and Asiatech Infrastructure Co., PTE. LTD. (“AIC”),
- 10) Provide Energy Service operated by Indirect Associate which is RUAMUR PTE. LTD. (“RUM”)
- 11) Transportation Service operated by Indirect Subsidiary FAR EAST MYGAZ SERVICES SDN. BHD. (“FMG”)

SGP's Core Business

The core business of SGP is LPG distribution under "SIAMGAS" trademark through its 25 LPG filling plants including those 12 locations owned and operated by the company (COCO, company owned - company operated filling plants), 13 locations where the property rented to agents (CODO, company owned - dealer operated filling plants), and also through 66 agent filling plants for cooking segment. SGP also distributes LPG to auto-gas users through 42 company owned - company operated auto-gas stations (COCO), and other 273 dealer owned - dealer operated autogas stations (DODO).

At present, SGP has altogether 34 subsidiaries in the group including directly owned companies as follows:

15 direct subsidiaries which are

1. UNIQUE GAS AND PETROCHEMICALS PCL. ("UGP"),
2. LUCKY CARRIER CO., LTD. ("LCR"),
3. SIAMQUALITY STEEL CO., LTD. ("SQS"),
4. SIAM ETHANOL EXPORT CO.,LTD. ("SEE"),
5. SIAM SUKSAWAT CO., LTD.("SSW"),
6. SIAM LUCKY MARINE CO., LTD.("SLM"),
7. SIAMGAS HK CO., LTD. ("SHK"),
8. SUPER GAS CO., LTD.("SGV"),
9. SINGGAS (LPG) PTE. LTD. ("SIN"),
10. SIAM GAS TRADING PTE. LTD. ("SGT"),
11. MYGAZ SDN. BHD. ("MGM"),
12. SIAMGAS POWER PTE. LTD. ("SPW")
13. SIAMGAS GLOBAL INVESTMENT PTE. LTD. ("SGI")
14. FAR EAST PETROLEUM SDN. BHD.("FEP")
15. SIAM LNG CO., LTD. ("SLNG")

Also, there are 9 companies owned through SGP's subsidiaries including

16. SINO SIAM GAS AND PETROCHEMICALS CO., LTD. ("ZSS")
17. SIAM OCEAN GAS AND ENERGY LTD. ("SOG").
18. SIAMGAS J&J INTERNATIONAL LTD. ("SJJ")
19. SIAMGAS BANGLADESH LTD. ("SGB")
20. PACIFIC GAS BANGLADESH LTD. ("PGB")
21. TROPICAL GAS PTE. LTD. ("TPG")
22. FAR EAST MYGAS SERVICES SDN. BHD. ("FMG")
23. LINH GAS CYLINDER CO., LTD. ("LIN")
24. SIAM TANK TERMINAL CO., LTD. ("STT")

The Company has 3 joint venture companies which are

25. SGGAS SDN. BHD. ("SGG")
26. CITYGAS NORTH CO., LTD. ("CGN")
27. SIAM NATALIN CO., LTD. ("SNL")

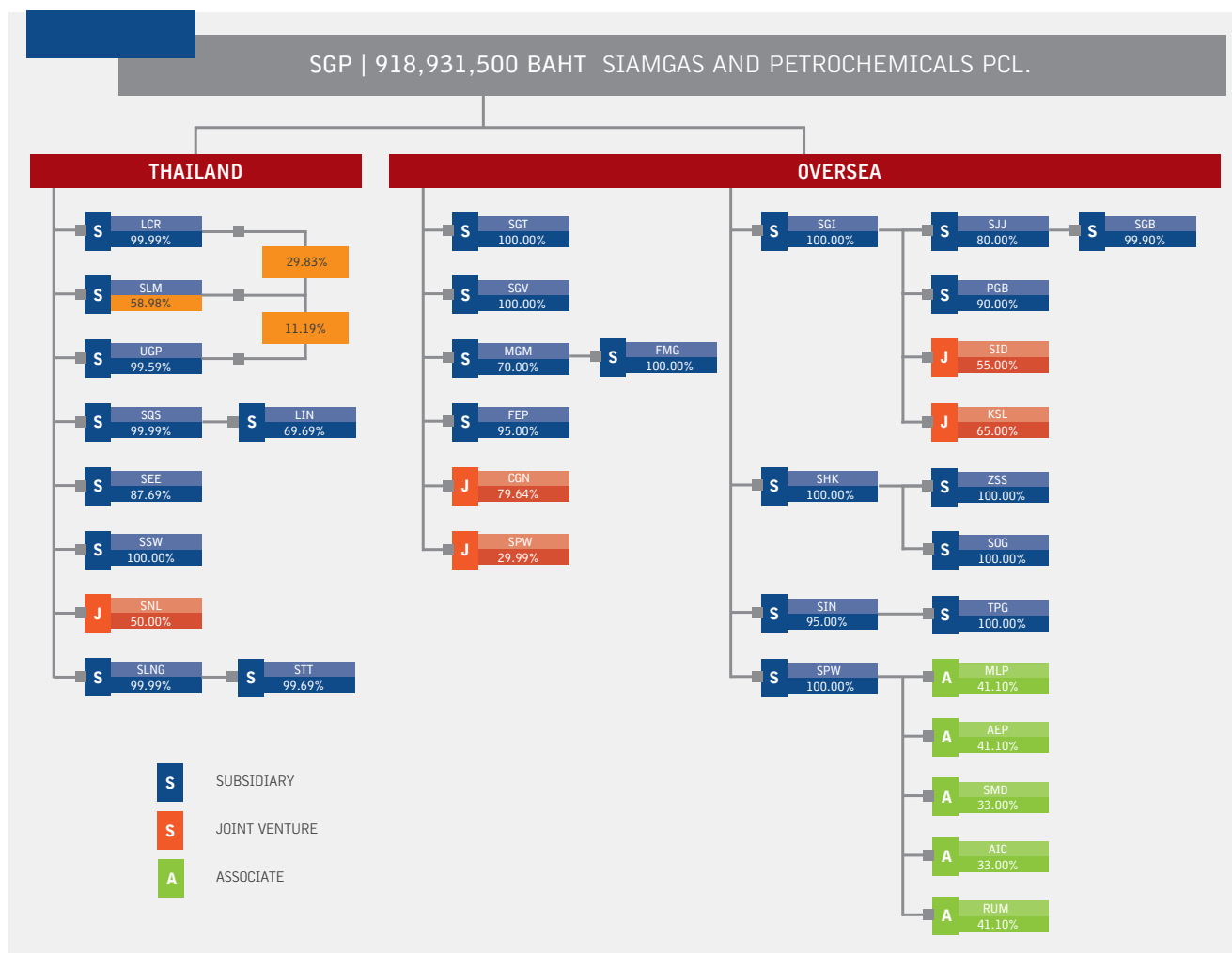
2 Indirect joint venture is

28. PT SIAMINDO DJOJO TERMINAL ("SID")
29. KMA SIAM LIMITED ("KSL")

5 Indirect Associates which are

30. MYANMAR LIGHTING (IPP) CO., LTD. ("MLP")
31. ASIATECH ENERGY PTE. LTD. ("AEP")
32. SOUTHERN MYANMAR DEVELOPMENT CO., LTD. ("SMD")
33. ASIATECH INFRASTRUCTURE CO., PTE. LTD. ("AIC")
34. RUAMUR PTE. LTD. ("RUM")

1.3 SGP's and its subsidiaries' Business Structure



BUSINESS OPERATIONS OF SGP'S SUBSIDIARIES

UNIQUE GAS AND PETROCHEMICALS PUBLIC COMPANY LIMITED. ("UGP")

UGP, established on January 12, 1982, has its current registered capital of 200 million baht and paid-up capital of 105 million baht. SGP is its current major shareholder holding 99.59 % of the paid-up capital. The business of UGP is filling and distributing LPG, ammonia, and other petrochemicals such as butane, propane, and propellant under "Unique Gas" trademark, and UGP operates its business as a trader under section 7 of Fuel Trade Act, B.E. 2543.

At present, UGP has 2 LPG terminals, 19 company owned - company operated filling plants, 79 dealer owned - dealer operated filling plants, and 42 dealer owned - dealer operated auto-gas stations. Most of UGP customers are LPG filling plants, LPG retailers, LPG auto-gas stations, and industrial users. UGP also has a license for oil transportation under section 12 of Fuel Trade Act, B.E. 2543.

LUCKY CARRIER COMPANY LIMITED (“LCR”)

LCR was established on August 13, 1991 with its current registered and paid-up capital of 70 million baht. SGP is the major shareholder holding 99.99% of the paid up capital. The business of LCR is transportation of LPG and oil by road tankers under section 12 of Fuel Trade Act, B.E. 2543. LCR provides LPG transportation services nationwide to its customers who are mainly SGP and UGP.

The fleet of LCR is comprised of 30 oil road tankers with combined capacity of 1,149,000 liters, 310 LPG road tankers with combined capacity of 3,495 tons, 28 Ammonia road tankers with combined capacity of 356 tons and 3 road tankers for other chemical products with combined capacity of 106,000 liters. LCR also has one LNG truck with loading capacity of 36,321 liters.

SIAM LUCKY MARINE COMPANY LIMITED (“SLM”)

SLM was established on June 1, 2011 with the paid up capital of 590.02 million baht in which SGP, LCR and UGP hold shares of 59.0%, 29.8% and 11.2% respectively.

SLM operates marine transportation of petroleum and LPG in Thailand and overseas, and has a license for oil transportation under section 12 of Fuel Trade Act, B.E. 2543. Most of LPG customers include SGP and UGP. Currently, SLM has 24 LPG tanker vessels with the combined loading capacity of 236,305 tons, and 2 ammonia tanker vessels with the combined loading capacity of 1,795 tons.

SIAM QUALITY STEEL COMPANY LIMITED (“SQS”)

SQS was established on June 27, 2008 with registered and paid-up capital of 70 million baht with SGP as its major shareholder holding 99.99% of the paid-up capital. The business of SQS are manufacturing and distributing LPG containers including LPG cylinders for cooking usage and LPG canisters for automobiles. Most of SQS business is manufacturing LPG cylinders for SGP Group.

SIAM ETHANOL AND EXPORT COMPANY LIMITED (“SEE”)

SEE was established on June 23, 2004 with its current registered and paid-up capital of 975 million baht. SGP is its major shareholder holding 87.69% interest in equity. The business of SEE are producing and distributing ethanol from agricultural feed stocks such as molasses and cassava. The plant of SEE is located at 88 Moo 8, Tumbol Nonglalo, Umphur Ban-Kai, Rayong province. SEE plant is capable of producing 100,000 liters of 95% or food grade ethanol per day for export.

SEE had its machines test-run in November 2008 and started commissioning to produce 95% ethanol in March 2009. Until 2010, SEE had a major machinery development for its plant for the production of 99.5% or fuel grade ethanol used in transportation sector which is expected to start commissioning in the 2nd quarter 2011.

SEE ceased its business operation since 2013 due to excessive cost of feedstock used for production as a result of low volume of raw materials, i.e. sugarcane and cassava produced and available in the market.

In addition, when comparing with the selling price, it would not worth to keep on running the plant, so the operation has been ceased and it is currently under the business disposition.

SIAM SUKSAWAT COMPANY LIMITED (“SSW”)

SSW was established on August 28, 2012 with its current registered and paid-up capital of 100 million baht. SGP is its major shareholder holding 99.99% of shares with objective to render business of distribution of gasoline for automobile. SSW realized revenue from distribution of gasoline under the brand “Bangchak”. Currently SSW has 8 gasoline stations.

SIAM LNG COMPANY LIMITED. (“SLNG”)

On May 3, 2018, the Company has established Siam LNG Company Limited (“SNG”), in Thailand, with 10 million shares at par value of baht 100, totaling baht 1,000 million and paid-up capital of baht 385.00 million. The Company owned 100% of total shares. The business objective is petroleum product, natural gas, and LNG distribution.

LINH GAS CYLINDER CO., LTD. (“LIN”)

LIN is an indirect subsidiary which the Company holds shares through SQS in the proportion of 69.69%. LIN was registered in Thailand on December 19, 1977 with registered and paid up capital amount 25.63 million baht with an objective to produce and distribute LPG cylinders for household and transportation sectors. It is licensed to produce LPG cylinders in accordance with TIS (for domestic gas cylinders) and has been granted a license to manufacture gas cylinders for export to countries around the world such as England, Ireland, Australia, New Zealand, Bangladesh, Pakistan, Myanmar, Cambodia, Laos, Israel, South Africa etc.

SIAM TANK TERMINAL CO., LTD. (“STT”)

STT is an indirect subsidiary which the Company holds share through SLNG in the proportion of 99.69% with registered capital of 840.0 million baht. Currently STT operate oil storage and deep sea port at Si-Chang island, Chonburi district. STT has 14 oil storage tanks with storage capacity of 345.72 million liters. It also has 4 deep sea berths which can accommodate vessels from 5,000 - 100,000 DWT and able to load crude oil, gasoline base, diesel, and JET-A1

SIAM NATHALIN COMPANY LIMITED (“SNL”)

SNL is a joint venture company registered in Thailand with registered capital of 1 million baht to operate a petroleum transportation business by very large carrier (vessel). SGP with Nathalin Company Limited set up

SNL by holding 50% or 0.50 million baht of registered and paid-up capital in quarter 3 of 2010. However, presently the marine transportation business has not yet been operated.

Furthermore, during 2016, business objectives of SNL have been added to include distribution of all kinds of food and beverage. Presently, SNL has revenues from selling food and beverages under “Café Amazon” brand with one shop.

SIAM GAS TRADING PTE. LTD. (“SGT”)

SGT is a 100% own subsidiary with registered capital of USD 368,148 or equivalent to 12.83 million baht. SGT is a registered company in Singapore with objective to trade LPG to countries in the region.

SUPERGAS COMPANY LIMITED (“SGV”)

SGV is a 100% own subsidiary with registered capital of VND 276,455.57 million or equivalent to 425.50 million baht. SGV is registered company in Vietnam with objective to trade and distribute LPG in Vietnam. SGV terminal and filling plant is located at Go Dau a Port, Phuoc Thai Commune, Long Thanh District, Dong Nai Province, Vietnam

MYGAZ SDN. BHD. (“MGM”)

MYGAZ is a subsidiary which SGP directly holds 70.0% shares and is registered in Malaysia to operate petroleum distribution business with registered capital equals to 50.0 million Malaysian ringgit or approximately baht 402.78 million. MGM has an objective to trade and distribute petroleum product in Malaysia under trademark “MYGAZ”.

Currently, MGM has 3 depot with filling plants in which 2 of them are located at NORTHPORT and PENANG and one of them is located in East Malaysia at Kota Kinabaru.

FAR EAST PETROLEUM SDN. BHD. (“FEP”)

FEP is a subsidiary which the Company holds share in the proportion of 95%. FEP registered in Malaysia with paid up capital of Ringgit 10.0 million or equivalent to Baht 88.71 million. FEP operates LPG trading business.

FAR EAST MYGAZ SERVICES SDN.BHD. (“FMG”)

FMG is a 100% own subsidiary with registered capital of MYR 2,000 or equivalent to 14,427 baht. FMG is a registered company in Malaysia with petroleum transportation in Malaysia as an objective.



CITYGAS NORTH COMPANY LIMITED (“CGN”)

CITYGAS NORTH is a joint venture which SGP holds 79.6% shares and is registered in Vietnam to operate liquefied petroleum gas distribution business with registered capital of 188.22 million baht. CGN has an objective to operate LPG trading business in Northern part of Vietnam with terminal and filling plant located at NGO QUYEN STREET, NGO QUYEN DISTRICT, HAI PHONG CITY VIETNAM.

SG GAS SDN. BHD. (“SGG”)

SGG is a holding company registered in Malaysia with total registered capital of 1,000,000 Malaysian Ringgit or approximately baht 9.99 million which SGP holds 29.99% shares interest. SGG operates petroleum distribution business.

SIAMGAS GLOBAL INVESTMENT PTE. LTD. (“SGI”)

SGI is a 100% subsidiary in Singapore with registered and paid up capital of SGD 2.13 million at SGD 1.00 per share or equivalent to Baht 69.53 million with objective to be a holding company.

SIAMGAS J&J INTERNATIONAL LTD. (“SJJ”)

SJJ is an indirect subsidiary which the Company holds shares indirectly through SGI (100% subsidiary) in the proportion of 80% of the registered capital of SJJ. Currently SJJ registered in Bangladesh with 48,625 shares at par value of 100 BDT or equivalent to 4.86 million BDT.

SJJ was set up for selling petroleum and petrochemical product in Bangladesh.

SIAMGAS BANGLADESH LTD. (“SGB”)

SGB is an indirect subsidiary which the Company holds shares indirectly through SJJ (80% subsidiary) in the proportion of 99.90% of the registered capital of SGB. Currently SGB registered in Bangladesh with 1,000 shares at par value of 100 BDT or approximately baht 0.04 million. SGB was set up for selling petroleum and petrochemical product in Bangladesh.

PACIFIC GAS BANGLADESH LTD (“PGB”)

PGB was established in Bangladesh with registered share capital amount 4,000 shares at a par value of BDT 10,000 or approximately baht 15.25 million. PGB is an indirect subsidiary which the Company holds shares indirectly through SGI (100% subsidiary). The business objective is petroleum product distribution in Bangladesh.

PT SIAMINDO DJOJO TERMINAL. (“SID”)

SID is an indirect joint venture which the Company holds shares indirectly through SGI (100% subsidiary) in the proportion of 55% of the registered capital of SID. Currently SID registered in Indonesia with 20,000 shares at par value of 1 million IDR or approximately baht 50.00 million. SID was set up for selling petroleum product in Indonesia.

KMA SIAM LIMITED (“KSL”)

KSL is a joint venture which the Company holds shares indirectly through SGI (100% subsidiary) in the proportion of 65% of the registered capital of KSL. Currently KSL registered in Myanmar with registered capital of 23,042.61 million kyat or equivalent to 491.44 million baht. KSL was set up for selling petroleum product in Myanmar.

SIAMGAS HK LIMITED (“SHK”)

SHK was established on August 20, 2009 with its current registered and paid-up capital of 4,087.68 million baht. SGP holds 100% equity interest in SHK. SHK operates as a holding and petroleum trading company. SHK was set up for business investment in China by firstly purchasing 100% share interest in Chevron Ocean Gas & Energy Limited (COGEL) from Chevron China Limited. In this acquisition, transfer transaction was completed on June 30, 2011. Secondly SHK invested in another project by purchasing 100% equity interest in BP Zhuhai LPG Limited (BPZH) from Shine Top International Investment Limited (SHINE TOP) holding 49% shares and from BP Global Investment Limited (BP GLOBAL) holding 51% shares, and the share transfer transaction was completed on December 24, 2010.

SINO SIAMGAS AND PETROCHEMICALS COMPANY LIMITED (“ZSS”)

ZSS is a subsidiary which SGP indirectly holds 100% shares and paid-up capital of 2,086.86 million baht. ZSS is a fully integrated petroleum distribution business in China. The facilities of ZSS include depot, jetty for importing, exporting, and throughput, facilities for distribution by vessel tankers and road tankers, and an LPG cylinder filling plant. SGP purchased 100% equity interest of BP Zhuhai Limited on December 24, 2010, and now operates the business under ZSS.

ZSS operates LPG trading business in China under brand “SGGAS”. ZSS has a large carven storage with storage capacity of 200,000 metric tons and has deep sea port which can accommodate Very Large Gas Carrier (VLGC). The facility also include 4 spheres storage with storage capacity of 3,000 metric tons and 2 bullet storage with storage capacity of 100 metric tons.

ZSS sells LPG to the household in the form of cylinder under 4 sizes which are 2 KG, 5 KG, 15 KG, and 50 KG. ZSS also sells LPG to filling plant and factories in bulk by truck tanker and vessel tanker.





SIAM OCEAN GAS & ENERGY LTD. (“SOG”)

SOG is a subsidiary which SGP indirectly holds 100% shares and paid-up capital of 4,938.45 million baht. ZSS and is registered in China. SOG is a fully integrated petroleum distribution business in China. The facilities of SOG include depot, jetty for importing, exporting, and throughput, facilities for distribution by vessel tankers and road tankers, and SGP purchased 100% equity interest of SOG on June 30, 2011.

SOG operates LPG trading business in China under brand “SGGAS” with large cavern storage and storage capacity of 100,000 metric tons. SOG has a deep sea port which can accommodate Very Large Gas Carrier (VLGC). SOG sells LPG to filling plant and factories such as ceramic factories in bulk by truck tanker and vessel tanker.

SINGGAS (LPG) PRIVATE LIMITED (“SIN”)

SIN is a subsidiary which the Company holds 95%. SIN is a registered company in Singapore with registered capital of SGD 14.30 million or equivalent to 336 million baht. SIN has an objective to operate LPG trading business in Singapore under brand “SINGGAS”.

SIN has one filling plant which is located in the South Western part of Singapore and two central stores in the Northern and Eastern part of Singapore.

SIN sells LPG in the form of cylinders which comprises of 12.7 KG, 14 KG, and 50 KG. The customers are household, restaurant, hawker center, and industrial.





TROPICAL GAS PTE LTD. ("TPG")

TPC is an indirect subsidiary which the Company holds shares indirectly through SGI (100% subsidiary) in the proportion of 100% of the registered capital of TPC. Currently TPC registered in Singapore with registered capital of 20,000 SGD or equivalent to 440,936 baht. TPC operate petroleum product distribution in Singapore.

SIAMGAS POWER PTE. LTD. ("SPW")

SPW registered as a juristic person in Singapore on July 5, 2016 with 71,980,000 shares at par value of 1 Singapore dollar. SGP holds 100% of registered capital and paid-up share with objective to be a holding company in electrical energy business.

SPW acquired 30% of investments in 230 MW combined cycle power plant from Myanmar Lighting (IPP) Co., Ltd. ("MLIPP"), in Myanmar. Total investments were 48 million US dollar (or approximately 1,688.16 million baht, by referring to average exchange rate of the Bank of Thailand as of July 15, 2016 where 1 US dollar equaled to 35.17 baht). Sales and Purchase Agreement has been executed on July 18, 2016. Currently, SPW holds 41.1% share in MLP.

On November 9, 2017, Siam Gas Power Pte. Ltd. ("SPW") a subsidiary of the Company has set up joint ventures to operate power plant and transmission line in Myanmar. SPW invested in 3 companies which are Southern Myanmar Development Co., Ltd. ("SMD"), TSM Co., Ltd. ("TSM") and Asiatech Infrastructure Company Pte Ltd. ("AIC") in the same proportion of 33% of registered and paid up capital in each company, with a total consideration of USD 0.03 million or equivalent to Baht 0.80 million

MYANMAR LIGHTING (IPP) CO., LTD. ("MLP")

MLP is an indirect associate which the Company holds shares indirectly through SPW in the proportion of 41.1% of registered capital of MLP. Currently, MLP registered in Myanmar with 93,800 shares at par value of Kyat 100,000 per share or approximately baht 235.44 million. MLP operates combine cycle power plant with capacity of 230 MW in Myanmar. MLP has 30 years PPA contracts.

ASIATECH ENERGY PTE. LTD. ("AEP")

AEP is an indirect associate which the Company holds shares indirectly through SPW in the proportion of 41.1% of registered capital of AEP. Currently, AEP registered in Singapore with 100 shares at par value of SGD 1.00 or approximately baht 0.003 million or equivalent to 2,682 baht. AEP is service company for energy business.



SOUTHERN MYANMAR DEVELOPMENT CO., LTD. (“SMD”)

SMD is an indirect associate which the Company holds shares indirectly through SPW in the proportion of 33% of registered capital of SMD. Currently, SMD registered in Myanmar with 10,850 Million Kyat or approximately baht 222.89 million. SMD has an objective to operate power plant and power line.

SMD 10 MW diesel power plant is located at ANIN city, Myanmar and distribute electricity to ANIN city and nearby cities.

ASIATECH INFRASTRUCTURE CO., PTE. LTD. (“AIC”)

AIC is an indirect associate which the Company holds shares indirectly through SPW in the proportion of 33% of registered capital of AIC. Currently, AIC registered in Singapore with 100 shares at par value of SGD 1.00 or approximately baht 0.0024 million. AIC is service company for energy business.

RUAMUR PTE. LTD. (“RUM”)

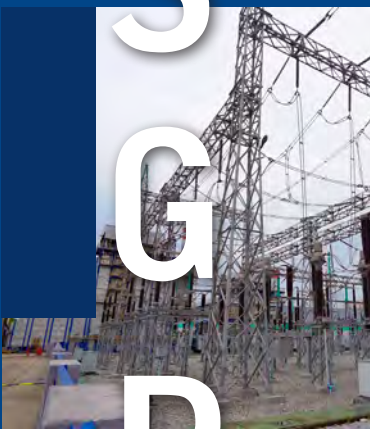
Ruamur is an indirect subsidiary which the Company holds shares indirectly through SPW (100% subsidiary) in the proportion of 41.1% of the registered capital of RUM. Currently, RUM registered in Singapore with 1,000 shares at par value of SGD 1.00 per share.

RUM is technical service provider for power business.

Myanmar










STRONG BASE ■ GLOBAL VISION ■ POWER RELATED



OVERVIEW OF SGP'S SUBSIDIARIES

Company		Paid-up Capital	Share holdingportion	Type of Business
		(Million Baht)	%	
1	UGP 	105.00	99.59	Filling and distributing LPG, ammonia and other petrochemicals under the license as an LPG Trader under Section 6 (Fuel Trader under Section 7)
2	LCR 	70.00	99.99	Land transportation of LPG and petroleum under the license as LPG and Petroleum Transportation Service Provider.
3	SLM 	590.02	58.98 41.02 ¹	LPG Ammonia and oil transportation by vessel tankers under the fuel transportation license.
4	SQS 	70.00	99.99	Manufacturing and distributing LPG cylinders and auto-gas tanks.
5	SEE 	975.00	87.69	Manufacturing and distributing ethanol (business close down)
6	SSW 	100.00	100.00	Direct subsidiary - Petroleum distribution (retail distribution of gasoline for automobile under "Bangchak" brand)
7	SLNG 	385.00	99.99	Direct Subsidiary - Petroleum product, natural gas, and LNG distribution.

Company		Paid-up Capital	Share holdingportion	Type of Business
		(Million Baht)	%	
8	LIN 	25.63	69.69 ⁸	Indirect subsidiary - cylinder manufacture and service business.
9	STT 	840.00	99.69 ⁶	Indirect subsidiary - oil tank farm and deep sea port service business.
10	SNL 	1.00	50.00	Joint Venture - Food and beverage distribution business under “Café Amazon” brand.
11	SGT 	12.83	100.00	LPG trading in Singapore.
12	SGV 	425.50	100.00	LPG and petroleum distribution - Vietnam.
13	MGM 	120.66	70.00	Direct subsidiary - Petroleum distribution in Malaysia.
14	FEP 	88.71	95.00	Direct Subsidiary - Petroleum distribution in Malaysia.

Company		Paid-up Capital	Share holding portion	Type of Business
		(Million Baht)	%	
15	FMG 	0.01	100.00 ⁹	Indirect subsidiary - petroleum transportation business in Malaysia.
16	CGN 	188.22	79.64	Joint venture - Petroleum distribution in Vietnam.
17	SGG 	9.99	29.99	Direct Joint Venture - Petroleum distribution in Malaysia.
18	SGI 	69.53	100.00	Holding Company in Singapore.
19	SJJ 	2.14	80.00 ³	Indirect Subsidiary - Selling petroleum and petrochemical product in Bangladesh.
20	SGB 	0.04	99.90 ⁴	Indirect Subsidiary Selling petroleum and petrochemical product in Bangladesh.
21	PGB 	15.25	90.00 ³	Indirect Subsidiary Selling petroleum and petrochemical product in Bangladesh.

Company		Paid-up Capital	Share holdingportion	Type of Business
		(Million Baht)	%	
22	SID 	50.00	55.00 ³	Indirect Joint Venture - Selling petroleum product in Indonesia.
23	KSL 	491.44	65.00 ³	Indirect Joint Venture - Selling petroleum product in Indonesia.
24	SHK 	4,087.68	100.00	Holding company and petroleum distribution – Hong Kong.
25	ZSS 	2,086.86	100.00 ²	Full scale of LPG and petroleum distribution including bulk-breaking terminal and jetties for import and re-export by vessel tankers, and facilities for domestic sales in cylinders through filling plant, and in bulk by road tankers - Zhuhai City, South China.
26	SOG 	4,938.45	100.00 ²	Full scale of LPG and petroleum distribution including bulk-breaking terminal and jetties for import and re-export by vessel tankers, and in bulk by road tankers Shantou City, South China.
27	SIN 	336.01	95.00	LPG and petroleum distribution - Singapore.
28	TPG 	0.44	100.00 ⁷	Indirect subsidiary - Petroleum distribution.

Company		Paid-up Capital (Million Baht)	Share holdingportion %	Type of Business
29	SPW 	2,464.86	100.00	Holding Company in Singapore.
30	MLP 	235.44	41.10 ⁵	Indirect Associate - Combine Cycle Power plant in Myanmar.
31	AEP 	0.024	41.10 ⁵	Indirect Associate - Service Company on energy business.
32	SMD 	206.39	33.00 ⁵	Indirect Associate - Diesel power plant and power line in Myanmar.
33	AIC 	0.0024	33.00 ⁵	Indirect Associate - Service Company on energy business.
34	RUM 	0.023	41.10 ⁵	Indirect subsidiary - Technical Provider to power bussiness.

Note

¹. The Company holds share indirectly thorough LCR และ UGP². The Company holds share indirectly thorough SGHK³. The Company holds share indirectly thorough SGI⁴. The Company holds share indirectly thorough SJJ⁵. The Company holds share indirectly thorough SPW⁶. The Company holds share indirectly thorough SLNG⁷. The Company holds share indirectly thorough SIN⁸. The Company holds share indirectly thorough SQS⁹. The Company holds share indirectly thorough MGM

Relationship with the business of the major shareholders

The company and its subsidiaries structure are not related, depended, or competed with the other businesses of the major shareholders.

Singapore



STRONG BASE ■ GLOBAL VISION ■ POWER RELATED



BUSINESS OPERATION

History and Key Development



Siamgas and Petrochemicals Public Company Limited, formerly known as VSPP Development Company Limited, was established on January 17, 2001 with initial registered capital of 500,000 baht, and the objective to trade and distribute liquefied petroleum gas (LPG) under the trademark of “SIAMGAS”. SGP was appointed an agent for Siam Gas Industry Company Limited (IGS) which was a fuel trader under section 7 of the Fuel Trade Act, B.E. 2543. At that time, the Weeraborwornpong Group was the major shareholder of SGP and also IGS. However, the Weeraborwornpong Group has sold all IGS shares to outsiders. Later on June 30, 2006, SGP started its business from LPG auto-gas station, and then expanded to LPG filling plant business.

SGP has continuously restructured its business by expanding its operations to trading of LPG and other petrochemical products, as well as other related businesses for example transportation of petroleum by both road tankers and vessel tankers. With regard to its expansion, on December 27, 2004, SGP acquired the business of Unique Gas and Petrochemicals Public Company Limited (UGP), who operated LPG, ammonia, and other petrochemicals business. On March 31, 2005, SGP invested in Lucky Carrier Company Limited (LCR) who was the Oil and LPG transportation service provider. Then, on September 1, 2005, SGP purchased all major assets for LPG business operations from IGS such as lands, property lease rights, buildings, equipments, tools, LPG cylinders, LPG terminals, trademark, and patents.

Since 2005, SGP has changed the name to Siamgas and Petrochemicals Public Company Limited, and obtained the license as a Fuel Trader under section 7 trading LPG, ammonia, and other petrochemicals under the trademark of “SIAMGAS” and “UNIQUE GAS”, and license for transporting LPG and other products. SGP has altogether 8 subsidiaries which are the directly held subsidiaries - Unique Gas and Petrochemicals Public Company Limited and Lucky Carrier Company Limited and other 6 companies of which shares are held through the subsidiaries including Lucky Marine Company Limited, Chemicals Gas Transport Company Limited, Unique Marine Company Limited, Unique Gas Trading Company Limited, Unique Gas International Company Limited, and Unique Gas Carrier Company Limited.

Since 2008, SGP has been listed in the Stock Exchange of Thailand, starting to trade its shares under the symbol of “SGP” on June 3, 2008, and have major development as follows:

Year 2008

- SGP established Siam Quality Steel Company Limited (SQS) with the registered capital of 70 million baht on June 27, 2008 with the purpose to purchase all assets for the operations of LPG cylinder manufacturing and distribution of Universal Metal Drum Company Limited from Sukhumvit Asset Management Company Limited in an amount of 123.30 million baht.
- SGP acquired 28 million shares of Siam Ethanol Export Company Limited (SEE) (par value 10 baht) in the total amount of 280 million baht from Vivon Corporation Company Limited, and Mr. Kritpong Patcharapinyopong who are not related to SGP. Therefore, SGP has become the major shareholder holding 70% equity stakes in SEE since October 7, 2008.
- SGP purchased a piece of land for new terminal construction from Thai Krieng Group Public Company Limited on December 30, 2008. The purchased estate comprises 89-3-40 rais land, and buildings located at 33 Moo 4, Suksawat Road, Bangchak, Phrapradaeng, Samut Prakan.

Year 2009

- SGP established Siam Gas HK Limited (“SHK”), a direct subsidiary, in which SGP holds 100% share interest, was incorporated in Hong Kong Special Administrative Region of the People’s Republic of China on August 20, 2009. Its primary objectives are a holding company and trading of petroleum product.

Year 2010

- SGP purchased 100% equity interest in Super Gas Company Limited (SGV) from Shanghai Crown Company Limited at 11.5 million USD and SGP directly holds 100% of registered and paid-up capital on March 2, 2010. The Company has an objective to invest in LPG business in Vietnam.
- SGP purchased 100% share capital of Shell Gas (LPG) Singapore Private Limited (SGLS) from Shell Gas (LPG) Holdings B.V. at 15.0 million SGD and SGP directly holds 100% of registered and paid-up capital on July 15, 2010. Shell Gas (LPG) Singapore Private Limited (SGLS) has been renamed to SingGas (LPG) Private Limited (SIN). On December 28, 2010, SGP sold its 5% equity stake to Thousand Stars Corporate Limited. The Company has an objective to invest in complete LPG business in Singapore.
- SGP established UNITED GAS & PETROCHEMICALS SDN. BHD. (“UNITED”) as its subsidiary in which SGP holds 100% share interest. UNITED was registered in Malaysia in quarter 3 of 2010 in order to operate and distribute petroleum products in Malaysia. On August 9, 2013, the meeting of the Board of Directors has resolution to dissolve UNITED because this subsidiary has not yet operated any business and for purposes of managerial benefits and appropriateness. Dissolution of UNITED shall not have any impact to operations of the Company.
- SGP and Siam Nathalin Company Limited jointly formed a joint venture of which 50% share capital held by SGP in quarter 3 of 2010.
- SGP purchased 100% of equity interest in BP Zhuhai LPG Limited (BPZH) a wholly owned by SHINE TOP INTERNATIONAL INVESTMENT LIMITED (“SHINE TOP”) (49%) and BP Global Investments Limited (BP GLOBAL) (51%) at 101.0 USD through Siamgas HK Company Limited on September 29, 2010, and the transaction was completed on

Year 2011

December 24, 2010. The Company is now renamed to Sino Siam Gas and Petrochemicals Company Limited (“ZSS”) ZSS was registered in China in order to operate the integrated LPG business comprising of storage terminal, jetties for import and export, terminal throughput services, as well as bulk breaking for redistribution via vessel tankers, road tankers, and cylinder filling plant.

- SGP purchased 100% equity interest in Chevron Ocean Gas & Energy Limited (COGEL) from Chevron China Limited through Siamgas HK Company Limited (SHK). a wholly owned subsidiary of SGP, at 51.0 USD and placed a deposit on September 29, 2009, However, the business handover was completed on June 30, 2011. The Company is now renamed to Siam Ocean Gas and Energy Limited (“SOG”). SOG was registered in China in order to operate the integrated LPG business comprising of storage terminal, jetties for import and export, terminal throughput services, as well as bulk breaking for redistribution via vessel tankers and road tankers
- SGP established Siam Gas Trading Private Limited (SGT) of which 100% share capital owned by SGP. SGT was registered in Singapore on May 27, 2012 with the purpose to do import and export LPG business in foreign countries. Business operation has been commenced since January 2013.
- SGP had completed merging its 5 marine transportation subsidiaries including Lucky Marine Company Limited, Unique Gas Trading Company Limited, Unique Gas International Company Limited, and Unique Gas Carrier Company Limited into Siam Lucky Marine Company Limited which SGP holds shares directly through its subsidiaries 99.99% of paid up registered capital since June 1, 2011.

Year 2012

- SGP issued subordinated, unsecured bonds with bond holder representative totally 4,500.0 million baht on February 6 - 8, 2012 with objective to reduce loan interest burden and to release all of collateral SGP placed with the financial institutions.
- SGP established Siam Suksawat Co., Ltd. (“SSW”) as its subsidiary on August 28, 2012 of which 99.99% of its registered and paid-up capital held by SGP with purpose to render container terminal services.

Year 2013

- SGP reduced its registered capital by repurchasing 31,068,500 shares. Schedule for share repurchase project was from August 3, 2009 to February 2, 2010 and schedule to dispose such repurchased shares was from February 3, 2010 to February 2, 2013. Pursuant to the ministerial regulation of the Ministry of Commerce Re: “Rules and procedures governing a company repurchasing its own shares, disposing of such repurchased shares, and writing off such repurchased shares B.E. 2544”, it is specified that upon completion of disposition period of 3 years, if the company cannot dispose all of such repurchased shares or does not dispose them, the company must reduce its paid-up capital by writing off such repurchased share which have not been disposed. Therefore, SGP has a resolution to reduce its registered capital of 31,068,500 shares on February 22, 2013 from totally 950,000,000 ordinary shares to be 918,931,500 shares. Such capital reduction has been registered with the Ministry of Commerce already on March 6, 2013.

Year
2014

Year
2015

- SGP purchased 79.64% of ordinary shares of Shell Gas Hai Phong Limited (“SGH”) at 0.3 million USD from Shell Gas (LPG) Holding B.V. Deposit has been placed on October 3, 2012 and business handover was completed on January 18, 2013. This company is renamed to “Citygas North Company Limited” with objective to expand liquefied petroleum gas business in Vietnam.
- SGP purchased 100% of ordinary shares of Shell Gas (LPG) Vietnam Ltd. (“SHV”) from Shell Gas (LPG) Holding B.B. at 0.1 million USD. Deposit has been placed on October 3, 2012 and business handover was completed on January 18, 2013. This company is renamed to “Citygas Company Limited” with objective to expand liquefied petroleum gas business in Vietnam.
- SGP purchased assets and liquefied petroleum gas business of Shell Timur SDN. BHD. (“STSB”) in East Malaysia at 10.0 million Malaysian ringgit through Mygas SDN. BHD. (“MGM”). MGM is a subsidiary which SGP directly holds 70% of registered and paid-up capital and is registered in Malaysia to operate liquefied petroleum gas business in Malaysia. Deposit has been placed on October 3, 2012. Handover of all assets and liquefied petroleum gas business have been completed on May 29, 2013.
- SGP issued subordinated, unsecured bonds with bondholder representative totally 1,300 million baht on January 27 - 29, 2014 with objective to use for business operation and refinancing.
- SGP issued subordinated, unsecured bonds with bondholder representative totally 2,000 million baht on January 26 - 29, 2015 with objective for business operation and expansion including for refinancing.
- Merging of two of SGP’s subsidiaries, SUPERGAS CO., LTD. (“SGV”) and CITYGAS CO., LTD. (“CGV”), in Vietnam had completed on October 19, 2015, and SGV has operated business on SGP’s behalf with objective to strengthen of business operation in Vietnam. However, all of assets, liabilities and obligations of CGV have been transferred to SGV in order to comply with the civil and commercial Code law governing mergers of company limited in Vietnam.
- SGP had established SIAMGAS MYANMAR CONSORTIUM PTE. LTD. (“SMC”) as subsidiary of SGP with total registered capital of 100 Singapore dollar or approximately 2,566 baht (Exchange rate at 25.66 baht per 1 Singapore dollar). SGP holds 80% of registered capital and paid-up shares. SMC had registered as a juristic person in Singapore on November 30, 2015 with objective to be a holding company.
- SGP had established FAR EAST PETROLEUM SDN. BHD. (“FEP”) as subsidiary of SGP with total registered capital of 400,000 Malaysian Ringgit and holding 100% of shares on November 7, 2015. On February 24, 2015, SGP increased registered capital and paid-up shares of FEP from 400,000 Malaysian Ringgit to 10,000,000 Malaysian Ringgit with objective to operate petroleum distribution business and warehouse in Malaysia. Such capital increase made NAS GAS SDN. BHD. (“NAS GAS”), a non-related company with SGP, became a joint investor in the proportion of 30% of paid up capital, or in the

Year 2016

amount of MYR 3,000,000 or equivalent to 25,380,000 baht. Thus, the Company's proportion of registered capital and paid-up shares in FEP is 70% or in the amount of MYR 7,000,000 or equal to 59,220,000 baht (Exchange rate is MYR 1 = 8.46 baht). This joint investment is considered as a joint venture (under joint venture contract)

- SGP issued subordinated, unsecured bonds with bondholder representative totally 3,000 million baht on January 28-29, 2016 with objective for business operation and expansion including repayment of existing subordinated bonds.
- SIAMGAS POWER PTE. LTD. ("SPW"), as subsidiary that SGP holds 100% of registered capital and paid-up shares with total investments of 24 million US dollar, or equivalent to approximately 844.08 million baht (exchange rate is 1 US dollar = 35.17 baht). SPW has registered as a juristic person in Singapore on July 5, 2016 with objective to be a holding company in electrical energy business.
- On 18 July 2016, Siam Gas Power Pte. Ltd. ('SPW'), which is a subsidiary of the Company, entered into a share purchase agreement for investment in the combined cycle power plant in Myanmar, with a total consideration of USD 48 million or which are MSN International Limited ('MSN') and Asiatech Energy Pte. Ltd. ('AEPL') at the same proportion of 30% of registered and paid up capital in each company, for the purpose of holding shares in the combined cycle power plant directly.
- SGP established SIAMGAS GLOBAL INVESTMENT PTE. LTD. ("SGI"), a subsidiary, that SGP holds 100% of registered capital and paid-up shares with total investment of 1 Singapore dollar, or equivalent to approximately 26.34 baht (exchange rate is 1 Singapore dollar = 26.34 baht). SGB has registered as a juristic person in Singapore on August 25, 2016 with objective to be a holding company.

Year 2017

- During the period from 23 - 25 January 2017, the Company had proposed to issue and offer unsubordinated and unsecured debenture bond. Total value of debenture bond is Baht 2,000 million. The par value is equal to offering price at Baht 1,000 per unit. Interest is repayment every 3 months.
- On 23 January 2017, the Company entered into the share sales agreement to dispose shares of Far East Petroleum Sdn. Bhd. to third parties in the portion of 30% or 3.00 million shares at a par value of MYR 1.00 each, totalling MYR 3.00 million. The Company made a loss from the disposal of investment in a subsidiary amounting to Baht 3.08 million. As a result, the Company's ownership interest decreased from 100.00% to 70.00% and Far East Petroleum Sdn. Bhd. still be a subsidiary of the Group.
- On 6 February 2017, Siamgas Global Investment Pte. Ltd., established Siamgas J&J International Ltd. (SJJ), incorporated in Bangladesh, with 48,625 shares at a par value of BDT 100.00 each. The business objective is petroleum and petrochemical product distribution in Bangladesh. The Company's ownership is 80% with paid-up capital of BDT 3.89 million or approximately Baht 1.71 million.
- On 22 February 2017, at the Board of Directors' meeting of the Company, the board passed a resolution to approve an increase in share capital of Siam Gas Power Pte. Ltd, incorporated in Singapore with 24.00 million shares at par value of USD 1 each or approximately Baht 859.94 million. The number of shares increased from 24.01 million

shares to 48.01 million shares (with a par value of USD 1 each). As a result, the Company's ownership interest remains unchanged at 100%. The registration was completed on 2 March 2017.

- On 23 May 2017, the transfer of shares in MLP was completed. This has led MSN, AEP and MLP to become indirect associates of the Group in the second quarter of 2017.
- On 6 June 2017, Siamgas Global Investment Pte. Ltd., a subsidiary of the Company, entered into a Joint Venture Agreement with a third party to establish PT Siamindo Djojo Terminal, incorporated in Indonesia, with 0.06 million shares at a par value of IDR 1 million each. The business objective is petroleum product distribution in Indonesia. The Group's ownership is 55% with paid-up capital of IDR 11,000 million or approximately Baht 27.50 million.
- On 23 June 2017, SIAMGAS GLOBAL INVESTMENT PTE. LTD., a subsidiary of the Company, entered into a Joint Venture Agreement with a third party to establish KMA Siam Ltd. The business objective is petroleum product distribution in Myanmar. The group paid an advance payments for investment of USD 0.10 million or approximately Baht 3.24 million in August 2017.
- On 7 July 2017, SIAMGAS GLOBAL INVESTMENT PTE. LTD., registered an increase of its share capital of 0.05 million shares at a par value of USD 1 each or approximately Baht 1.70 million. The number of shares increased from 0.05 million to 0.10 million with a par value of USD 1 each. The Company has already paid the capital increase to SGI. As a result, the Company's ownership remains unchanged at 100%.
- On 16 July 2017, Siamgas J&J International Ltd. which is an indirect subsidiary was established Siamgas Bangladesh Ltd. ("SGB") incorporated in Bangladesh, with 1,000 shares at par value of BDT 100.00 each. The objectives of the business is petroleum and petrochemical product distribution in Bangladesh. The Company's ownership interest is 99.90% with paid-up the capital amounting to BDT 99,900 or approximately Baht 40,679.
- On 12 September 2017, the subsidiary registered an increase of its share capital of 1.00 million shares at par value of USD 1 each or approximately Baht 33.22 million. The number of shares increased from 0.10 million to 1.10 million with a par value of USD 1 each. The Company has already paid the capital increase to SGI. As a result, the Company's ownership remains unchanged at 100%.
- On 1 November 2017, SPW entered into a share purchase agreement for investment in a combined cycle power plant in Myanmar. SPW has additionally purchased shares of three companies which are Myanmar Lighting ("IPP") Co., Ltd. ("MLIPP"), MSN International Limited (MSN) and Asiatech Energy Pte. Ltd. ("AEPL") in the same proportion of 6.1% of registered and paid up capital in each company, in order to increase the shares in the combined cycle power plant, with a total consideration of USD 9.76 million (equivalent to Baht 305.89 million). As a result, SPW's ownership interest will be the portion of 36.10% of registered and paid-up shares and the transferring was completed on 1 February 2018.
- On 9 November 2017, SPW established a power plant and electric transmission line in Myanmar. SPW has investment for three companies which are Southern Myanmar Development Co., Ltd. ("SMD"), TSM Co., Ltd. ("TSM") and Asiatech Infrastructure Co. Pte. Ltd. ("AIC") in the same proportion of 33% of registered and paid up capital in each company, with a total consideration of USD 0.03 million or equivalent to Baht 0.80 million.

Year 2018

- SGP issued unsubordinated, unsecured, and partially guaranteed bonds with bondholders' representative totally 2,000 million baht on February 26 - 27, 2018 to institutional and/or high net worth investors with objective for using as working capital which is not related to the investment in asset of the Company.
- On January 12, 2018, SPW, incorporated in Singapore, registered an increased of its capital of 1 million shares with a par value of USD 1 each or approximately baht 31.72 million. The number of shares increased from 51.02 million shares to 52.02 million shares with a par value of USD 1 each. The Company has already paid the increase to SPW. As a result, the Company's ownership interest remains unchanged at 100%.
- On February 5, 2018, SPW, incorporated in Singapore, registered an increased of its capital of 8.26 million shares with a par value of USD 1 each or approximately baht 262.02 million. The number of shares increased from 52.02 million shares to 60.28 million shares with a par value of USD 1 each. The Company has already paid the increase to SPW. As a result, the Company's ownership interest remains unchanged at 100%.
- On May 3, 2018, the Company has established Siam LNG Company Limited ("SNG"), in Thailand, with 10 million shares at par value of baht 100, totaling baht 1,000 million. The Company owned 100% of total shares. The business objective is petroleum product, natural gas, and LNG distribution.
- On May 16, 2018, SGI, which is a 100% subsidiary, has established Pacific Gas Bangladesh Ltd. ("PGB") in Bangladesh with registered share capital amount 400,000 shares at a par value of BDT 10,000 each. PGB is an indirect subsidiary which the Company holds shares indirectly through SGI (100% subsidiary) in the proportion of 90% of registered share capital of PGB. The business objective is petroleum product distribution in Bangladesh.
- On May 17, 2018, SGI has increased share capital in the amount of 0.68 million shares with par value of USD 1 each, approximately baht 21.27 million. The number of shares (with par value of USD 1 each) increased from 1.10 million shares to 1.78 million shares. As a result, the Company's ownership interest at 100% remains unchanged
- On August 6, 2018, the Company entered into the share purchase agreement with a third party to acquire a 25% shareholding interest or 2.5 million shares of Far East Petroleum Sdn. Bhd. At a par value of MYR 1 each totaling MYR 2.5 million or baht 20.47 million. The payment was made in August 2018. As a result, the Company's ownership interest increased from 70% to 95%.
- On August 20, 2018, SGI has increased share capital in the amount of 0.10 million shares with par value of USD 1 each, approximately baht 3.34 million. The number of shares (with par value of USD 1 each) increased from 1.10 million shares to 1.88 million shares. As a result, the Company's ownership interest at 100% remains unchanged.
- On August 20, 2018, SPW, incorporated in Singapore, registered an increased of its capital of 3.00 million shares with a par value of USD 1 each or approximately baht 100.06 million. The number of shares increased from 60.28 million shares to 63.28 million shares with a par value of USD 1 each. The Company has already paid the increase to SPW. As a result, the Company's ownership interest remains unchanged at 100%.

Year 2019

- In August 2018, SPW entered into a share purchase agreement for acquisition of additional investment in a combined cycle power plant in Myanmar. SPW has additionally purchased shares of three companies which are Myanmar Lighting (IPP) Co., Ltd. (“MLIPP”), MSN International Limited (“MSN”) and Asiatech Energy Pte. Ltd. (“AEPL”) in the same proportion of 5% of registered and paid up capital in each company. in order to increase the shares in the combined cycle power plant, with a total consideration of USD 8 million or equivalent to Baht 262.07 million. The funds come from the net working capital of the Group. SPW paid for shares capital to sellers of USD 2.4 million or equivalent to Baht 62.18 million in August 2018 and paid for the remaining balance of USD 5.60 million or equivalent to Baht 199.89 million to sellers in November 2018. As a result, SPW’s ownership interest was increased to 41.10% of registered and paid-up shares and the transfer of shares was completed on 12 December 2018
- On October 5, 2018, SLM has increased its share capital in the amount of 103 million Baht with 10.30 million shares at par value of 10 Baht each. The group still maintains 100% ownership interest in the subsidiary. The registration was completed in October 2018.
- On October 24, 2018, SGI has increased its share capital amount 150,000 USD with 0.15 million shares at par value of 1 USD or equivalent to 4.95 million Baht. The number of shares increased from 1.88 million shares to 2.03 million shares. The Company’s ownership interest at 100% remains unchanged
- On November 26, 2018, SPW has increased its shares capital amount 185.22 million Baht with 5.60 million shares at par value of 1 USD par shares. The number of shares increased from 63.28 million shares to 68.88 million shares. The Company’s ownership interest at 100% remain unchanged
- SGP issued unsubordinated, unsecured, and partially guaranteed bonds with bondholders’ representative totally 2,000 million baht on December 4 - 6, 2018 to institutional and/or high net worth investors with objective for using as working capital which is not related to the investment in asset of the Company.
- On January 10, 2019, SPW, incorporated in Singapore, registered an increased of its capital of 1.00 million shares with a par value of USD 1 each or approximately baht 32.78 million. The number of shares increased from 68.88 million shares to 69.88 million shares with a par value of USD 1 each. The Company has already paid the increase to SPW. As a result, the Company’s ownership interest remains unchanged at 100%.
- On January 10, 2019, SGI has increased its share capital in the amount of 0.10 million shares with par value of USD 1 each, approximately baht 3.30 million. The number of shares (with par value of USD 1 each) increased from 2.03 million shares to 2.13 million shares. As a result, the Company’s ownership interest at 100% remains unchanged.
- SGP issued unsubordinated, unsecured, bondholders’ representative totally 3,000 million baht on January 25 - 29, 2019 to institutional and individual investors with objective for using as working capital.

- On February 26, 2019, SLM, registered an increased of its capital of 4.00 million shares with a par value of baht 10 which equal to baht 40.0 million. The objective is for obtaining BOI privilege. As a result, the Company's ownership interest in SLM remains unchanged at 100%.
- On April 24, 2019, SPW, incorporated in Singapore, registered an increased of its capital of 1.60 million shares with a par value of USD 1 each or approximately baht 50.91 million. The number of shares increased from 69.88 million shares to 71.48 million shares with a par value of USD 1 each. The Company has already paid the increase to SPW. As a result, the Company's ownership interest remains unchanged at 100%.
- On July 16, 2019, SPW, incorporated in Singapore, registered an increased of its capital of 0.50 million shares with a par value of USD 1 each or approximately baht 15.32 million. The number of shares increased from 71.48 million shares to 71.98 million shares with a par value of USD 1 each. The Company has already paid the increase to SPW. As a result, the Company's ownership interest remains unchanged at 100%.
- On September 3, 2019, SEEC, registered an increased of its capital of 57.50 million shares with a par value of baht 10 which equal to baht 575.0 million. The Company has already paid the increase to SEE. As a result, the Company's ownership interest increased from 70% to 87.69%.
- On September 2, 2019, SINGGAS, a 100% subsidiary of the Company, has purchased 100% shares in Tropical Gas Pte. Ltd. ("TPC") which operates petroleum distribution business in Singapore. The investment is at SGD 1.44 million or equivalent to Baht 32 million.
- On September 24, 2019, Siam LNG Co., Ltd. ("SLNG") which is a subsidiary of the Company, has purchased shares of Thai Public Port Co. Ltd. ("TPP") in the proportion of 40.51% from existing shareholder which is equivalent to Baht 1,361 million. TPP operates liquid tank farm and deep sea port in Koh Sri-Chang district Chonburi province.
- During the third quarter ending September 30, 2019, Southern Myanmar Development ("SMD") which is an indirect associate of the Company, registered an increased of its capital of 1.00 million shares which equal to kyat 10,000 million or approximately baht 204.0 million. The Company's ownership interest remains unchanged at 33%.
- On October 16, 2019, SLNG, a subsidiary of the Company entered into share purchase of Thai Public Port Company Limited (TPP) in the proportion of 30% from existing shareholder in an amount of Baht 1,000 million
- On November 26, 2019, Siam LNG Co., Ltd. ("SLNG"), a subsidiary of the Company purchased additional shares of Thai Public Port Co.,Ltd. In the proportion of 0.69% from existing shareholder in an amount of 23 million baht. TPP operates oil storage service and deep sea port in Si-Chang island, Chonburi province.
- On December 6, 2019, Siam Gas Power Pte. Ltd. a subsidiary of the Company jointly established Ruamur Pte. Ltd. which incorporate in Singapore with a registered share capital of 1,000 shares par value 1 Singapore Dollar. The business objective is to provide technical service regarding the energy business. The Group's ownership interest is 41.10% with the paid-up capital of USD 305.09 or approximately Baht 9,288.

Year 2020

- SGP issued subordinated, unsecured bonds with bondholder representative totally 4,000 million baht on January 20-22, 2020 with objective for business operation and expansion including repayment of existing subordinated bonds.
- On 24 February 2020, TPP changed the name to Siam Tank Terminal Company Limited (STT).
- During the three-month period ended 31 March 2020, Siam Gas Power Pte. Ltd., incorporated in Singapore, registered a capital increase of 0.27 million shares with a par value of USD 1 per share or equivalent to approximately Baht 8.46 million. The number of shares increase from 72.23 million shares to 72.50 million shares. The Company has already fully paid the capital increase. The Company's ownership in this subsidiary remains unchanged at 100%. The registration was completed during the period.
- During the nine-month period ended 30 September 2020, MyGaz Sdn. Bhd. ("MYGAZ") incorporated in Malaysia, registered a capital increase of 38 million shares with a par value of MYR 1.00 per share or equivalent to approximately Baht 282.12 million. The number of shares increase from 12.00 million shares to 50.00 million shares. The Company's ownership in this subsidiary remains unchanged at 70%. The registration was completed during the period.
- On 21 January 2020, SLNG acquired additional 28.49% of the registered and paid-up capital of STT for Baht 932 million. Currently, SLNG holds share in STT in the proportion of 99.69%.
- On 24 June 2020, MyGaz Sdn. Bhd. ("MYGAZ"), which is a subsidiary in Malaysia, established Far East Mygaz Service Snd. Bhd with total registered share capital of 2,000 shares with a par value of MYR 1 per share. The Group owns 100% shareholding interests in this subsidiary. The principal business operation is a transportation business.
- On 1 July 2020, Siam Quality Steel Company Limited ("SQS"), a subsidiary of the Company, entered into a share purchase and sale agreement to acquire the gas cylinder business of Linh Gas Cylinder Co., Ltd. ("Linh") for 178,572 shares, accounted for 69.69% of Linh's registered and paid-up capital, for a total price of Baht 44.64 million. Linh manufactures LPG cylinders and sells cylinders to domestic and overseas.
- During the period ended 31 December 2020, Southern Myanmar Development Co., Ltd. registered the capital increase of 75,000 shares, total of Myanmar Kyat 750 million, equivalent to Baht 16.50 million by converting loans from shareholders to be capital amounting to Baht 4.87 million which representing the Group's portion of Baht 5.45 million and remaining unpaid for shares of Baht 0.58 million. The Company's ownership in this subsidiary remains unchanged at 33.00%
- During the period ended 31 December 2020, MSN International Ltd., has completed the liquidation process on August 2020 according to a resolution of liquidation approval from the board of directors of 2019.
- During the period ended 31 December 2020, TSM Co., Ltd., has completed the liquidation process on September 2020 according to a resolution of liquidation approval from the board of directors of 2019.

REVENUE STRUCTURE

Revenue structure of SGP and subsidiaries in 2018 - 2020

by business

		2018		2019		2020	
Operating Company		Value (Mil.Baht)	%	Value (Mil.Baht)	%	Value (Mil.Baht)	%
Revenue from sales							
LPG products	SGP & UGP	18,528.41	26.81	18,490.80	27.42	13,584.22	24.41
Ammonia products	UGP	1,071.27	1.55	990.89	1.47	876.85	1.50
Other petrochemical products	UGP	710.71	1.03	683.58	1.01	515.50	0.93
LPG cylinders	SQS, LIN	0.00	0.00	9.50	0.01	163.58	0.29
Ethanol products	SEE	0.00	0.00	0.00	0.00	0.00	0.00
Gasoline products	SSW, TPP	623.94	0.90	931.20	1.38	830.90	1.49
LPG product in oversea	SGP UGP SGV SIN ZSS SOG SGT CITYGAS CGN and MGM	47,329.03	68.49	45,728.48	67.80	38,587.50	69.35
Total revenue from sales		68,263.36	98.78	66,837.44	99.09	54,518.57	97.98
Transportation	LCR SLM	249.38	0.36	228.14	0.34	286.71	0.52
Service income	SGP/Subsidiaries	9.44	0.01	13.97	0.02	318.31	0.57
Dividend income	SGP	3.60	0.01	3.37	0.01	2.88	0.01
Other incomes	SGP/Subsidiaries	577.46	0.84	361.88	0.54	514.83	0.92
Total revenue		69,103.24	100.00	67,441.79	100.00	55,641.30	100.00

RISK FACTORS



Risks from Businesses Operations

1. Risks from the government's policy

(1) LPG price deregulation policy

Currently LPG price in Thailand is semi-controlled. The government regulates LPG price by fixing wholesale price with subsidy from oil fund, and setting maximum retail price only for cooking use. However the retail prices for automotive and industrial uses are not capped, but driven by the market. Therefore, LPG is lifted from all wholesale supply points at the same price, or we can say that the LPG wholesale price is the same for any lifting from refineries, gas separation plants, and 5 PTT's depots in Lampang, Nakorn Sawan, Khon Kaen, Surat Thani, and Hat Yai. In this regard, the government uses PTT as its regulating arm due to the fact that PTT is the biggest LPG producer in Thailand. The Department of Internal Trade, Ministry of Commerce considers LPG as necessity goods for Thai people, so LPG becomes a controlled commodity. Any LPG traders who would like to adjust their selling price, must submit the request for consent and approval from The Internal Trade Department.

Since late 2011, the government announced to restructure energy prices including the price of Natural Gas for Vehicle (NGV) as well as that of LPG. Since July 2011, industrial use was the 1st sector of which price has been gradually lifted. Followed by automotive use, its price has also gradually been lifted since January 2012.

The raised portion of the prices is collected by LPG Traders including SGP and UGP and returned to the government oil fund. As at the end of December 2012, the amount of raised portion of LPG prices were at 11.22 baht per kg. and 3.04 baht per kg. for the industrial and automotive uses consecutively. Currently, the price of industrial use is moving in line with the LPG world price.

In the year 2013, the government plan to lift LPG cooking price gradually by increasing the price baht 0.50 per month from September 2013 until the price reach baht 24.82 per kg.



In the year 2014, the government has increased LPG price as follow:

On June 1, 2014, the government announced to hold the LPG price lifting for cooking gas. This causes the price to stall in June instead of increasing by another baht 0.50 per kg. The cooking price is hold at baht 22.63 per kg.

On October 1, 2014, the government announced to lift the LPG price for automotive sector by baht 0.62 per kg. from baht 21.38 per kg. to baht 22.00 per kg. by increasing the fee contribute to oil fund from baht 3.0374 per kg. to baht 3.6168 per kg. The lifting is aim to adjust the price to reflect real market price, reduce the cross category sale, reduce the oil fund burden, and reduce the oil fund contribution from gasoline user.

On October 21, 2014, the government announced to lift the LPG price for automotive sector by another baht 0.63 per kg. This causes the automotive LPG price increase from baht 22 per kg. to baht 22.63 per kg. The lifting is aim to reduce the cross category sale.

On November 18, 2014, the government announced to reduce the subsidy for LPG cooking gas and automotive gas by baht 0.4673 per kg. to reflect the real market price.

This causes the LPG price increase by baht 0.50 per kg., and lift the price from baht 22.63 per kg. to baht 23.13 per kg.

On December 3, 2014, the government has announced to lift the price of cooking and automotive LPG by another baht 1.03 per kg. This causes the LPG cooking and automotive to increase from baht 23.13 kg. to baht 24.16 per kg. to reflect the real market price.

On April 4, 2015, Energy Regulatory Commission approved new LPG price structure from April 2015. Due to the CP Saudi Aramco price (CP) in April is at USD 464 per ton, declined from previous month at USD 20 per ton while the exchange rate slightly depreciated. This resulted in the ex-refinery price which is a precursor price of LPG, using weight average cost at refinery and procurement to calculate, drop by baht 0.37 per kg. This brought the ex-refinery price down from baht 16.58 per kg. to baht 16.21 per kg., and lead the retail LPG price to decline by baht 0.20 per kg. from baht 24.16 per kg. to baht. 23.96 per kg.

In this regards, the government will collect baht 0.19 per kg. for energy stabilization fund as a reserve in the fluctuation time. (source: www.eppo.co.th)

On August 4, 2015, Energy Regulatory Commission announced to reduce the retail LPG price for all sector by another baht 1.00 per kg. This causes retail LPG price decrease from baht 23.95 per kg. to baht 22.96 per kg.

On September 8, 2015, Energy Regulatory Commission announced to reduce the retail LPG price for all sector by another baht 0.67 per kg. This causes retail LPG price decrease from baht 22.96 per kg. to baht 22.29 per kg.

On February 2, 2016, Energy Regulatory Commission announced to reduce the retail LPG price for all sector by another baht 2.00 per kg. This causes retail LPG price decrease from baht 22.29 per kg. to baht 20.29 per kg.

On February 6, 2017, Energy Regulatory Commission announced to increase the retail LPG price for all sector by baht 0.67 per kg. This causes retail LPG price increase from baht 20.29 per kg. to baht 20.96 per kg.

On May 1, 2017, Energy Regulatory Commission announced to reduce the retail LPG price for all sector by baht 0.47 per kg. This causes retail LPG price decrease from baht 20.96 per kg. to baht 20.49 per kg.

On September 5, 2017, Energy Regulatory Commission announced to increase the retail LPG price for all sector by baht 0.66 per kg. This causes retail LPG price increase from baht 20.49 per kg. to baht 21.15 per kg.

Later, Energy Regulatory Commission (“ERC”) announced LPG price restructure in order to make the price announcement reflect the trading price during the month similar to oil market. As well as reflecting the rapid market trading in the spot market and in accordance with the liberalization of LPG business. In order to achieve full competition, ERC agreed to change rules for LPG import price reference from CP price announce monthly to Platt Spot Cargo (FOB Arab Gulf) which announce weekly. (that is, the import price = LPG Cargo + import expenses (X)) The price is announced on a weekly basis every Monday through the EPPO website (www.eppo.go.th) for public acknowledgment Starting from November 2017.

In the future, LPG prices for all sectors including cooking sector in Thailand are likely to be deregulated and oil fund will no longer be used for the price subsidy. When the government deregulates LPG price or fully liberalizes LPG market in Thailand, the selling prices of LPG in Thailand will move along with the LPG world price, and reflect the real cost.

The possible consequence of LPG market liberalization may be risk of traders. Some traders may experience loss, reduced earning. On the other hand, some of them may have higher profit depending on the trend of the world price. If LPG price rises and becomes much higher than any other fuels, some LPG users may consider to switch their energy source to others with lower cost. Thus, this may result in declining demand of LPG as well as less earning of LPG traders including us.

(2) LPG Free Trade Policy for domestic use

According to the World Trade Organization (WTO) agreement related to the Free Trade, this may encourage large-scale foreign corporations with strong financial capability and technologies to enter the local market and result in higher competition. However, those foreign investors or local ones may face some problems in doing LPG business as they are not familiar with market and have no experience in LPG business.

Moreover, relations and networks would also be critical factors and their entrance barrier.

(3) Consumer and Environmental Protection Policy

SGP and UGP are regularly required to get permits in constructing and commissioning their facilities, e.g. terminals, LPG filling plants, and LPG autogas stations from the government. This regulation is stipulated in order to ensure that all of LPG facilities meet safety standard required by the government. In this regard, all operations of SGP and UGP have been strictly complying with the government regulations. Therefore, all of our terminals, LPG filling plants, and LPG autogas stations are well maintained in good condition and meet the standards of the government at all time.

In the future, environmental issues and consumer rights will become more and more essential. Therefore, the government may legislate additional regulations in enhancing safer condition of using LPG for consumers and encourage environmental protection. This may impact our operating profits in the future. However, SGP and UGP, as major LPG operators, have been considered these issues as high priority, and the companies have continuously been developing their product quality and their operational practices to meet safety standard. The companies' LPG cylinders, storage tanks, terminal facilities, LPG filling plants, and LPG autogas stations are safe and for consumers and environment as all these meet the standards and regulations stipulated by the government at all time.

2. Risk from increasing number of LPG traders

Considering domestic LPG consumption (excluding petrochemicals feedstock) in Thailand during 2002 - 2013, it increased from 2,179 tons in 2002 to 4,784 tons in 2013 or the average growth rate was 7.63%. However, if we consider the market growth during the past 5 years or since 2008, the average growth rate was even higher at 9.25%. This growth trend may induce new players or higher competition in domestic LPG market.

	Sale volume	Growth rate
Year	(Million kg.)	(Percent)
2004	2,179	1.51
2005	2,357	8.15
2006	2,691	14.18
2007	3,058	13.65
2008	3,557	16.31
2009	3,483	-2.08
2010	3,885	11.54
2011	4,294	10.53
2012	4,721	9.96
2013	4,784	1.33
2014	4,739	-0.01
2015	4,419	-6.75
2016	4,187	-5.25
2017	4,120	-1.60
2018	4,022	-2.38
2019	3,808	-5.30
2020	3,397	-10.80

Source of data : Energy Policy and Planning Office

For domestic LPG sales volume in 2020 compared to 2019, sales volume decreased by 10.80% from 3,808 million kilograms to 3,397 million kilograms due to COVID-19 pandemic which affects overall domestic economy and leads to lower LPG demand in all sectors.

In year 2010 - 2016, there were 10 new LPG traders under section 7 of Fuel Trade Act, B.E. 2543 entering the market. Most of them have converted themselves from owners of LPG auto-gas stations to LPG traders by complying with regulations and requirements, and meeting specific qualification prescribed by the Ministry of Commerce, for minimum registered capital of 50 million baht, and having a minimum working capital of 100 million baht, having storage tanks to keep with minimum reserved balance inventory of 0.5% of total annual sales, and minimum annual trade (by means of import, procurement, refining, production, or acquisition) of 50,000 tons. However, the new LPG traders need to use capital to invest in creating their brand awareness, competing with the existing traders, as well as meeting the new required reserve balance of 1.0% of annual sales by law effective from September 1, 2011. In this regard, the new LPG traders need double capital in obtaining the additional inventory.

However, if the new LPG traders want to play in the cooking segment, they also need to invest in their new 1 million LPG cylinders at minimum for circulation in the market which requires a large amount of investment not less than a billion baht. These requirements are considered as barrier to entry of Thailand LPG market.

3. Risk from Safety of LPG cylinders

LPG is flammable, so LPG explosion is dangerous and can cause damage to properties and injuries to people. SGP and UGP, as LPG traders and owner of filling plants are liable to any damage of incidents, so this probably has

an impact on the corporate image. However, the processes of LPG cylinder manufacturing are required to meet or comply with the Thai Industrial Standard (TIS) which are stipulated by the Thai Industrial Standard Institute (TISI), Ministry of Industry. Moreover, the Department of Energy Business, Ministry of Energy requires LPG traders to have their cylinders undergone hydrostatic pressure test every 5 years. And every 10 years, each cylinder has to undergo both cylinder hydrostatic pressure test and cylinder expansion test. If any cylinders do not pass the test, they will be no longer usable and need to be scrapped. Therefore, SGP considers the risk from LPG cylinders safety is minor. Not only following strictly the laws and regulations, SGP and UGP also provide a cylinder inspection unit in order to sort out damaged and unusable cylinders from the circulation. SGP also hires the independent third party who is an expert in cylinder inspection together with officers from the Department of Energy Business to inspect SGP's and UGP's cylinders in order to ensure that all cylinders circulating in the market are in safe condition. For the past 5 years, SGP and UGP have never experienced any problems or incidents caused by the cylinders, so SGP is quite confident that the risk from safety of cylinders is little.

4. Risk from Accidents in LPG Terminals, LPG Filling Plants, and LPG Auto-gas Stations

SGP and UGP have their own LPG terminals, LPG filling plants, and LPG auto-gas stations which are considered as assets of SGP and UGP as follows:

Table of Assets of SGP and UGP - LPG Terminals, LPG Filling Plants, and LPG Auto-gas Stations

(Unit: Sites)

	SGP	UGP	TOTAL
LPG Terminal	6	2	8
LPG Filling Plant	25 ¹	19 ²	44
LPG Autogas station	42	-	42

Note : ¹ As at December 31, 2020, SGP operates 12 LPG filling plants by itself (COCO - company own - Company operate) and another 13 filling plants are operate by dealers (CODO - Company own - Dealer operate).

² As at December 31, 2020, UGP operates 16 LPG filling plants by itself (COCO - company own - Company operate) and another 3 filling plants are operate by dealers (CODO - Company own - Dealer operate).

In case there is any accident in the LPG terminals, LPG filling plants, or LPG auto-gas stations of SGP and/or UGP, it may cause a negative impact on the corporate image. However, SGP and UGP strictly design and set standards on construction specifications by following the requirement or regulations of the government. Also each single construction project must be approved by the Department of Energy Business, Ministry of Energy. Moreover, SGP and UGP have insured the property including LPG terminals, LPG filling plants, and LPG auto-gas stations to reduce risk from their operations. The insurance also has coverage for third party. For other filling plants that SGP rents out to the agents, SGP and UGP have written specific clauses in the contract that any damages or losses to the property, third party, and environment caused by operations of the agents, all liabilities are responsible by the agents.

5. Risks from Transportation of LPG

SGP and UGP have their own fleets of road tanker and vessel tankers to transport petroleum, LPG, ammonia, as other petrochemicals products which are operated under SGP's 2 subsidiaries, i.e. LCR and SLM. In addition, UGP of which its core businesses are to operate LPG, ammonia and other petrochemical products distribution business also has its own fleets of LPG road tankers. Therefore, SGP and UGP have risk exposure from unexpected accidents that may affect SGP's corporate image or the group's business operations.

However, all of the 2 subsidiaries above who operate the fleets are registered as Fuel Transportation Providers with licenses granted by the Department of Energy Business. All of the vehicles including petroleum road tankers, LPG road tankers, ammonia road tankers, petroleum vessel tankers, LPG vessel tankers, and ammonia vessel tankers are legally licensed and regularly inspected by the Department of Land Transport, and the Marine Department. All truck drivers and vessel crew members must be

regularly trained by in-house trainers, and obtain their licenses from the Department of Energy Business. This practice will improve their competency and operational skills in such a way to ensure safe operations and their strictly compliance with the laws and regulations. Moreover, the subsidiary transportation companies have insured all of their 27 vessel tankers (Total book value of 27 vessels as at December 31, 2020 was 2,699.80 million baht). Total sum insured in case of damage were 2,318.60 million baht. The Company has purchased insurance coverage for all vessels and also for all of their 371 road tankers for petroleum, LPG and ammonia which also have liability coverage for third party. In this regard, SGP would be able to minimize loss from accidents or unexpected incidents from these vehicles.

6. Risk from being unable to renew land leasing contract for Satupradit Terminal

All LPG terminals of SGP and UGP are situated on their own estates, except for the piece of land under leasing contract where Sathupradit Terminal is situated. If the land lord of Sathupradit Terminal does not renew the contract, SGP's operation will be interrupted and its business will be impacted as Sathupradit Terminal is the strategic facility and the only terminal of SGP which is located in Bangkok Metropolitan. This is considered as a competitive edge of SGP being the center in distributing LPG to high consumption market in Bangkok, and peripheral areas.

Moreover, Sathupradit Terminal is not too far from refineries and gas separation plant in Sriracha and Rayong, and the express-way access is close, so carrying LPG from the supply sources and land distribution LPG to customers are convenient. The leasing contract is on a 3-year term recently expiring on December 31, 2016. However, the contract was renewed and extended to 3 more years and it will expire on December 31, 2019.

Therefore SGP's mitigation to reduce this risk and to meet the future growing business was the acquisition of a 89-3-40 rai piece of land in Phrapradaeng district, Samutprakarn province in 2008 for constructing new jetty and LPG terminal. SGP has passed the environmental impact assessment (EIA) for construction since November 2010, and approved to construct LPG tank in 2015. Currently, the terminal is under construction.

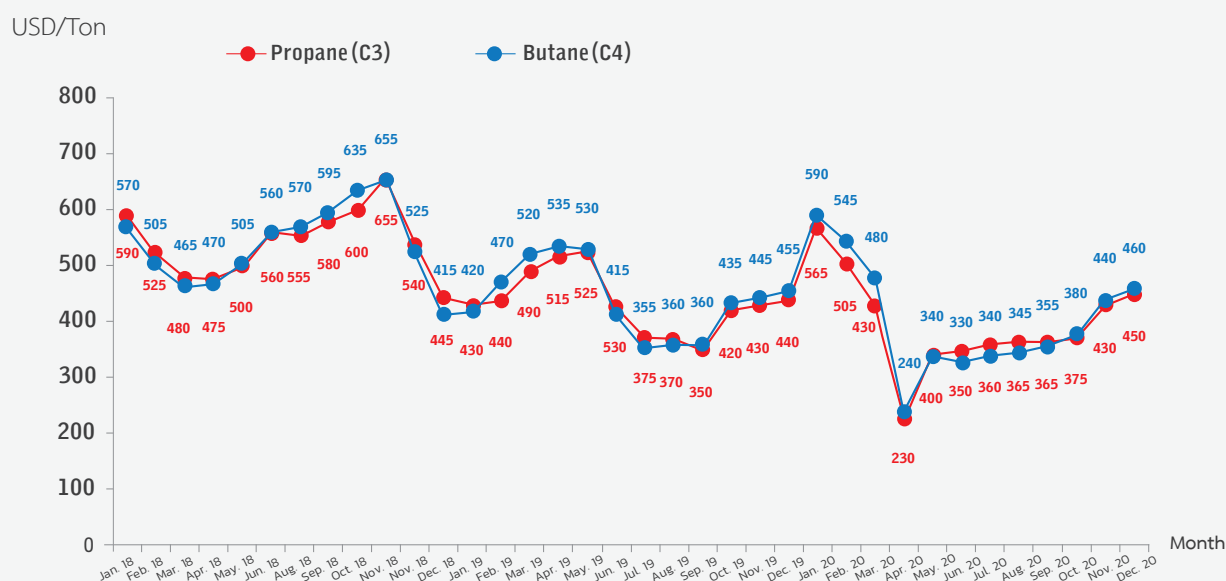
7. Risk from the volatility of the world price of LPG

The supply cost and the selling price of LPG that SGP and its subsidiaries trade in overseas markets are moving along with the LPG world price. Recently, the LPG world price was moving in high volatility fashion resulted by the factors beyond control of SGP, and unavoidably affected SGP. The major factors that had impact on the volatility of the LPG world price were as follows:

- Global and regional economic situations
- Demand, supply, and reserved volume of LPG in global market
- Movement of crude oil price
- Political stability of major petroleum producers and exporters, especially those in the middle-east
- Climate changes
- Competition of substituted energy

The management of SGP had a mitigation policy to manage the risk of LPG supply cost and selling price by entering the purchase and sales agreement with its business partner by fixing price, volume and period as appropriated and to be in line with its business plans. Inventory has been managed to make them adequately for supply in the following month without stocking them in order to reduce risks from changing of LPG prices in the world markets which have been changed every month.

Information on changes of LPG prices by based on world markets from 2018 - 2020



8. Risk from investment in overseas businesses

The company has an investment plan in overseas energy businesses with main objective to expand its business as well as its long term growth. At present, the company has continuously been invested in business overseas, especially in the countries where SGP has never had businesses. Therefore, there may be risks in such investment involved with the following factors:

- Economic situation of the target countries, including that of their trading partners
- Changes in Government Administration of the countries resulting in policy favoring foreign investment, laws, tax regulations, and others related to investment
- Volatility of foreign currency exchange rates
- Know-how of investment & business operations in certain countries
- Investment in green-field projects may need tremendous capital of investment and takes longer time in development as well as longer pay-back period.

In order to mitigate such risk, the company has a policy in performing research and analysis in laws, regulations, government's policy, taxes, and other factors said above in order to derive the assessment of possible impact on the business to be invested, and apply the assessment results in business feasibility and investment project justification. Regarding the post investment period, the company has set up the system in continuous monitoring the project performance as well as its ongoing risks factor. Moreover, the company has been developing its capability and personnel competencies in order to meet its expansion and future investment in foreign countries.

Financial Risks

1. Financial risk factors

SGP and its subsidiaries are exposing to various financial risks such as effect of changes in foreign currency exchange and changes in interest rates. The overall risk management plan of the company related to its finance is to emphasize in the volatility of foreign exchange and to explore effective measures in mitigating risks. The company also selectively considers financial derivatives as tools in reducing risks as appropriate.

The company risk management is performed by the central financial management (Group's financial management) in line with the policy approved by the Board of Directors. The group's financial management team has duties to raise issues, assess, and mitigate risks with close coordination with other functions.

2. Risk from foreign currency exchange

The risks from foreign currency exchange are caused by the movement of foreign currency exchange rates which have impact on the company's and its subsidiaries' financial results this year and the followings. The company and its subsidiaries did not enter into the foreign currency hedging contracts as the impact of changes in foreign currency exchange did not have significant effect on the company's asset and liability in foreign currency. The exchange risk can be separated into two major parts which are



1. The Company sell LPG to customer outside the group through SGT which is a company wholly owned subsidiary. The Company does not expose to currency exchange risk because both purchase and sell transaction are in US dollars currency.
2. The Company sell LPG to subsidiaries in the group through SGT. SGT sells LPG to other subsidiaries in US dollar currency while the subsidiaries in foreign countries sell LPG in local currency. In 2020, SGT's revenues from sales of LPG to companies within the group were approximately 18.12 percent of total revenue of the group of companies. Thus, when the subsidiaries pay for LPG price to SGT, they have to exchange local currency to US dollar. This lead to currency exchange risk. Nonetheless, the finance department monitors and manages the currency exchange in the group to maximize the highest benefit to the group.

3. Risk from fluctuations in interest rates

Financial cost had classified into 3 main parts which are debenture, short-term loan and long-term loan. Short term loan had fixed rate of interest; therefore, it does not affect if interest rate changes. Long-term loan has both fixed and floating interest rate. The proportion of long-term loan with floating interest rate of company's group is 10.76 percent of loan in foreign currencies. In addition the group has partially entered into an interest rate swap contract to reduce risk from interest rate fluctuation and mitigate interest rate risk.

4. Risk from Unable to comply with a financial institution

The loan agreement between company and financial institution had conditions such as maintain of financial ratio which company must follow or might have to receive consent from lender prior to enter into some transaction including incremental loan, capital reduction, change of capital structure, adjust or change plan to use capital, expand business, providing guarantees, mergers or acquisitions of other companies etc.



Currently the only loan agreement which the company has to comply as mention above is loan for purchasing vessels under SLM. SLM must comply with the requirement such as maintain of financial ratio, company must receive consent from lender before enter into transaction and etc. Currently, SLM can comply with all requirement from financial institution and according to agreement of financial institution, SLM can maintain financial ratio under the agreement.

5. Risk from debt with financial institution

At the end of December 31, 2020, the company had debt with financial institution totally 5,888 Million Baht which divided into 2 parts. First, a secured debt was 1,905 Million Thai Baht which equal to 4.60 percent of total asset. Second, the remaining was short-term loan. A secured debt was less than total assets; therefore, if necessity, the company will have sufficient cash flow for repay to bondholders by selling company's assets.



Risk from Business Management

1. Risk from having a group of shareholders holding more than 75% shares

As at December 31, 2020, the Weeraborwornpong Group was the major shareholder holding 55.04% of the total paid-up capital. This made the Weeraborwornpong Group have collectively control and influence on SGP decisions which required the consents from the shareholders' meeting, except for the regulations or the articles of association require the three fourths votes of from the shareholders' meeting. Therefore, the other shareholders have the risk of being unable to collect sufficient votes to check and balance the matters proposed for the shareholders' consideration by the major shareholders.

However, SGP has appointed 3 nonexecutive members on the board of directors, and 3 of them are independent directors and members of audit committee, in order to have check and balance power over the management, to consider the agenda proposed to the shareholders' meeting, and to scrutinize performance of the directors or the management members who represent the major shareholders.

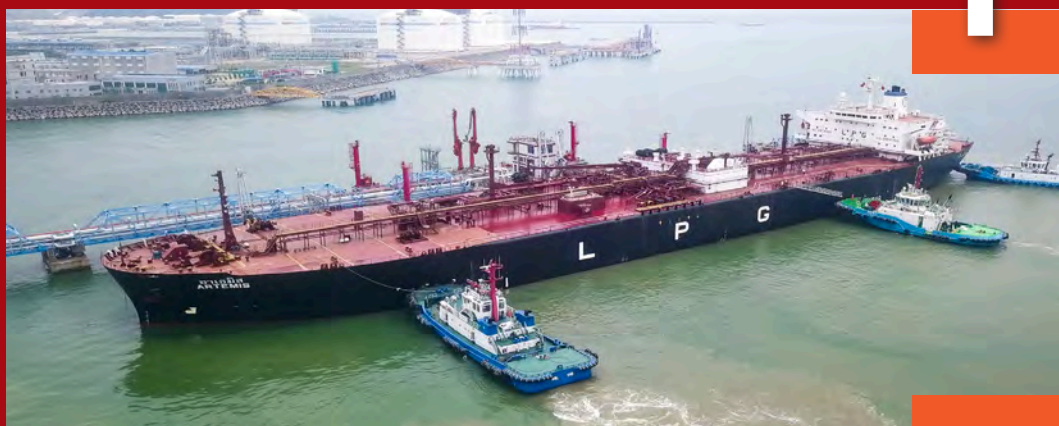
2. Risk of impact from the subsidiaries' operational performance

The group or consolidated performance of SGP does not only rely on SGP's performance itself, but also the subsidiaries' performance. If any of the subsidiaries are facing problems in their operations, the overall performance will be affected especially in the consolidated financial result. The group has solid measures and guidelines in policymaking of SGP as well as its subsidiaries in order to control and audit operations of the subsidiaries by appointing SGP's representatives to be members of the board of directors. These representatives will work in the interest of SGP and help protect SGP's benefits.

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COMPANY INFORMATION



Siamgas and Petrochemicals Public Company Limited

Major Businesses

- 1) Trading and distribution of LPG, Ammonia, and other petrochemical products
- 2) Transporting LPG and other petroleum products
- 3) Manufacturing and distributing LPG cylinders
- 4) Manufacturing and distribution ethanol
- 5) Retail distribution of gasoline
- 6) Liquid tank farm and deep sea port
- 7) Container terminal service
- 8) Joint venture
- 9) Trading and distribution of LNG
- 10) Powerplant

Head Quarter Address

553 The Palladium Bldg 30th FL, Ratchaprarop Road, Makkasan, Ratchathewi, Bangkok 10400 Thailand

Registered Number : 0107548000650

Telephone : +66 2120 9999

Fax : +66 2250 6008

Web Site : www.siamgas.com

Registered Capital : 918,931,500 baht (As of 31 December 2020)

Common Shares : 1,837,863,000 shares

Par Value : 0.50 baht/share

Paid-up Capital : 918,931,500 baht (As of 31 December 2020)

Registrar

Thailand Securities Depository Company Limited

SET Building 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400

Telephone : +66 2009 9000

Fax : +66 2009 9991

Trustee

- None -

Auditor

PricewaterhouseCoopers ABAS Limited

15th Floor Bangkok City Tower 179/74-80 South Sathorn Road,

Thung Maha Mek, Sathorn, Bangkok 10120

Telephone : +66 2344 1000

Financial Advisor

Advisory Plus Company Limited

10th Floor Thanapoom Tower 1550 New Petchburi Road, Makkasan, Rachathewi, Bangkok 10400

Telephone : +66 2652 7859-64

Fax : +66 2652 7867

Frequently use Financial Institution

Krungthai Bank Pcl.

35 Sukhumvit Road, Klong Toey Nua, Wattana, Bangkok 10110

UOB bank Pcl.

191 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120

CAPITAL STRUCTURE

1. SGP's Securities

As of December 31, 2020, SGP had registered and paid-up capital of 918,931,500 baht consisting of 1,837,863,000 common shares at 0.50 baht per share.

2. SGP's Equity Structure

As of August 26, 2020, the major shareholders are as follows:

No	Shareholders' Name	Share	Percent
1.	Weeraborwornpong Family		
	Mr. Worawit Weeraborwornpong	723,763,198	39.38
	Mr. Supachai Weeraborwornpong	102,742,000	5.59
	Mrs. Patchara Weeraborwornpong	100,000,000	5.44
	Miss Patcharawadee Weeraborwornpong	85,000,000	4.62
	Total shares held by Weeraborwornpong Family	1,011,505,198	55.03
2.	MITSUUROKO GROUP HOLDING CO., LTD.	295,035,100	16.05
3.	UOB KAYHIAN PRIVATE LIMITED	206,706,500	11.25
4.	Thai NVDR Co., Ltd.	28,174,663	1.53
5.	Miss Warangkana Kamolthip	13,863,000	0.75
6.	Mr. Sukajin Juengsakul	13,632,700	0.74
	Total	1,568,917,161	85.37

Source: The Stock Exchange of Thailand

3. Issue of other securities

A) Debenture bond

1 st Time	:	Total value of debenture bonds is 2,000.0 million baht. They are rated at A (affirmed by TRIS Rating)
Type of debenture bond	:	Unsubordinated, unsecured and partially guaranteed bounds (85%) with bondholders' representative.
Offered date	:	February 26 - 27, 2018 for institution investors and/or High Net Worth

5 years bond	1 st – 5 th interest rate	3.03% p/a	Maturity date	Feb.28, 2023
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2 st Time	:	Total value of debenture bonds is 2,000.0 million baht. They are rated at A (affirmed by TRIS Rating)
Type of debenture bond	:	Unsubordinated, unsecured and partially guaranteed bounds (70%) with bondholders' representative.
Offered date	:	December 4 - 6, 2018 for institution investors and/or High Net Worth

5 years bond	1 st – 5 th interest rate	3.85% p/a	Maturity date	Dec.7, 2023
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3 rd Time	:	Total value of debenture bonds is 3,000.0 million baht. They are rated at BBB+ (affirmed by TRIS Rating)
Type of debenture bond	:	Unsubordinated, unsecured debenture bonds with bond holding representatives.
Offered date	:	January 25 - 29, 2019 for institution investors and/or investors

3 years bond	1 st – 3 rd interest rate	4.10% p/a	Maturity date	Jan.30, 2022
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4 th Time	:	Total value of debenture bonds is 4,000.0 million baht. They are rated at BBB+ (affirmed by TRIS Rating)
Type of debenture bond	:	Unsubordinated, unsecured debenture bonds with bond holding representatives.
Offered date	:	January 20 - 22, 2020 for institution investors and/or investors

4 years bond	1 st – 4 th interest rate	3.85% p/a	Maturity date	Jan.23, 2024
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B) Bill of Exchange

As of December 31, 2020, Siam Gas and Petrochemicals Public Co., Ltd. has no outstanding Bill of Exchange

DIVIDEND POLICY

The Company has policy of paying dividend to shareholders at no less than 40% of net profit according to the Company's separate financial statement after deduction of corporate income tax, legal reserve and other reserves.

However, the Company may pay the dividend less than the above rate, depending on operating results, financial position, liquidity and the necessity of working capital use for business expansion and other factors relating to the business operation and management as the Board of Directors and/or the shareholders deem appropriated.



MANAGEMENT STRUCTURE

1. Board of directors

Management structure of the company as of December 31, 2020 consists of 4 committees which are Board of Director, Audit Committee, Executive Board and Risk Management Committee.

The Board of Directors and the management of the Company are qualified persons with full qualifications according to Section 68 of the Public Company Limited Act BE 2535 and according to the Notification of the Capital Market Supervisory Board No. TorJor. 39/2559: Application for Approval and Granting of Approval for Offering of Newly Issued Shares, dated 30 September 2016 in all respects. As of December 31, 2020, the Board of Directors consists of 8 persons as follow:

	Name		Position
1.	Mr. Worawit	Weeraborwornpong	Chairman
2.	Mrs. Patchara	Weeraborwornpong	Director
3.	Mr. Supachai	Weeraborwornpong	Director
4.	Miss Patcharawadee	Weeraborwornpong	Director
5.	Mr. Somchai	Ko-prasobsuk	Director
6.	Mr. Viroj	Klangboonkrong	Independent director and Chairman of audit committee
7.	Mr. Harn	Chiocharn	Independent director and Audit committee
8.	Mrs. Sudjit	Divari	Independent director and Audit committee

Mrs. Jintana Kingkaew is a Company Secretary.

2. The Company's authorized signatories

The Company's authorized signatories are any two of Mr. Worawit Weeraborwornpong, Mrs. Patchara Weeraborwornpong, Mr. Supachai Weeraborwornpong, Miss Patcharawadee Weeraborwornpong, Mr. Somchai Ko-prasobsuk sign jointly with the Company's seal affixed.

Detail of Board attendance in the year 2019 and 2020

	Name		2019		2020	
			No. of meeting	No. of attending	No. of meeting	No. of attending
1.	Mr. Worawit	Weeraborwornpong	5	5	6	6
2.	Mrs. Patchara	Weeraborwornpong	5	5	6	6
3.	Mr. Supachai	Weeraborwornpong	5	4	6	6
4.	Miss Patcharawadee	Weeraborwornpong ¹	5	2	6	5
5.	Mr. Somchai	Ko-prasobsuk	5	5	6	6
6.	Mr. Viroj	Klangboonkrong	5	5	6	6
7.	Mr. Harn	Chiocharn	5	5	6	6
8.	Mrs. Sudjit	Divari	5	5	6	6

Note: Miss Patcharawadee has resigned as a company's director in June 2019 and resumed as a company's director in February 2020

3. Audit Committee

The Audit Committee has been delegated by the Board of Directors to responsible for auditing the quality and reliability of accounting system, internal audit, and financial reporting process.

The Board of Director meeting no. 1/2018 held on February 22, 2018 has approved a renewal for the team of audit committee. As of December 31, 2020 The Audit Committee composed of 3 members as follow:

	Name		Position
1.	Mr. Viroj	Klangboonkrong	Chairman of audit committee
2.	Mr. Harn	Chiocharn	Audit committee
3.	Mrs. Sudjit	Divari ^{*/}	Audit committee

Mrs. Chantira Srimounpan is the secretary to the audit committee

Note: ^{*/} Audit Committee who has adequate knowledge and experiences to audit financial statement of the Company

4. Executive Board

As of December 31, 2020 The Executive Board consists of 4 persons as following :

	Name		Position
1.	Mr. Worawit	Weeraborwornpong	Chairman of the Executive Board
2.	Mrs. Patchara	Weeraborwornpong	Member of Executive Board
3.	Mr. Supachai	Weeraborwornpong	Member of Executive Board
4.	Miss Patcharawadee	Weeraborwornpong	Member of Executive Board

5. Risk Management Committee

As of December 31, 2020 Risk Management Committee members compose of 12 members as follow:

	Name		Position
1.	Mr. Supachai	Weeraborwornpong	Chairman
2.	Mrs. Jintana	Kingkaew	Vice Chairman
3.	Mr. Anuwat	Poosantipong	member
4.	Mr. Somchai	Ko-prasobsuk	member
5.	Mr. Winai	Krajangyao	member
6.	Mrs. Wansiri	Pakamathawee	member
7.	Mrs. Piyachat	Wetcha	member
8.	Mr. Choosit	Srisubun	member
9.	Mr. Thitipong	Chitdacha	member
10.	Mr. Adisorn	Chackaew	member
11.	Mrs. Supattra	Srisubun	member
12.	Mr. Nitiphanth	Phummaphanth	member

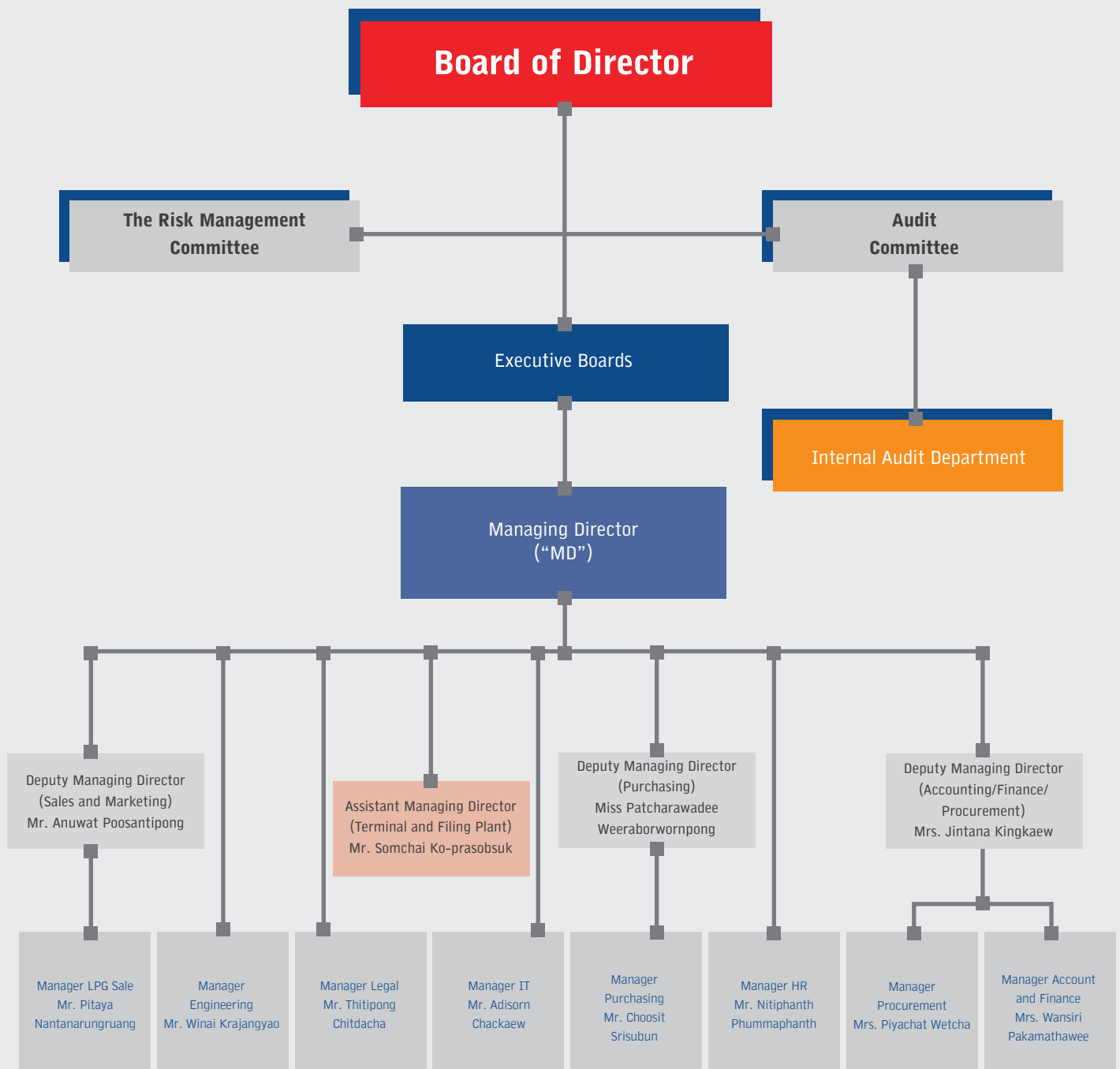
Miss Wipawat Pimpabut is a Risk Management Committee secretary.

6. Management

As of December 31, 2020 management of the company has 5 persons as following:

	Name		Position
1.	Mr. Supachai	Weeraborwornpong	Managing Director
2.	Mr. Anuwat	Poosantipong	Deputy Managing Director - Sale and Marketing
3.	Mrs. Jintana	Kingkaew	Deputy Managing Director - Accounting and Finance/Procurement
4.	Miss Patcharawadee	Weeraborwornpong	Deputy Managing Director - Purchasing
5.	Mr. Somchai	Ko-prasobsuk	Assistant Managing Director - Terminal / Filling Plant

SGP's management structure as of December 31, 2020



Company Secretary

The Board of Directors has resolution to appoint Mrs. Jintana Kingkaew as the Company Secretary on August 8, 2008.

Director and Management Remuneration

(A) Financial Remuneration

• Director

The resolution of the shareholders in the year 2020 as of July 21, 2020 annual general meeting has approved the remuneration for Board of Directors and Audit Committee as follow:

		Meeting allowance (baht/person/time)	Annual remuneration
1.	Chairman	10,000	-
2.	Chairman of Audit Committee	10,000	804,058
3.	Audit Committee	10,000	804,058
4.	Director	10,000	-

The Company does not have any remuneration for other sub-committee such as Executive Board and Risk Management Committee

Meeting allowance (baht)			2019		2020	
			Director	Audit Committee	Director	Audit Committee
1.	Mr. Worawit	Weeraborwornpong	50,000		60,000	
2.	Mrs. Patchara	Weeraborwornpong	50,000		60,000	
3.	Mr. Supachai	Weeraborwornpong	40,000		60,000	
4.	Miss Patcharawadee	Weeraborwornpong ^{1/}	20,000		50,000	
5.	Mr. Somchai	Ko-prasobsuk	50,000		60,000	
6.	Mr. Viroj	Klangboonkrong ^{2/}		210,000		220,000
7.	Mr. Harn	Chiocharn ^{2/}		200,000		220,000
8.	Mrs. Sudjit	Divari ^{2/}		210,000		220,000
Total			210,000	620,000	290,000	660,000

Note : ^{1/} Miss Patcharawadee has resigned as a company's director in June 2019 and resumed as a company's director in February 2020.

^{2/} The Company remunerate additional annual allowance to audit committee in the amount of 804,058 baht.

Executives

Remuneration (baht)	2019	2020
Total person	7	7
- Salary	45,093,324	47,156,988
- Bonus	11,136,665	5,913,183
- Provident fund	1,329,484	1,373,080
- Other	103,500	75,150
Total	57,662,973	54,518,401

(B) Other compensation

- None

7. Staff

Number of employees

As of December 31, 2020 SGP and UGP have number of employees (not including executives) total 2,602 employees

Type of Business	No. of Employees (person)
1. LPG - Domestic	1,067
2. Marine Transportation	422
3. Land Transportation	383
4. Cylinder production and distribution	322
5. Fuel sale and distribution	16
6. Ethanol production	3
7. Oil tank	37
8. LPG Overseas	352
Total	2,602

Employees to other subsidiaries

As of December 31, 2020, total staff of a group of subsidiaries is 2,602 persons. The total compensation in the form of salary is Baht 1,164.00 million

Provident fund

The company has established the provident fund from April 2006 with objectives to build morale and encouraging to the employees and to motivate them to work with the Company for a long term. The Company started contribute to employee's provident fund from April 2006. Currently, SCB asset management is a fund manager.

Human resource development policy

The company realized the important of employees because the appropriate knowledgeable for employee and working position are the main mechanism in successful of organization. Therefore, the Company provides the employees to have knowledge, skill and experience to use in work efficiently. The Company set up several internal staff trainings for different staff levels to train staff regularly

Malaysia



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S
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CORPORATE GOVERNANCE

SGP conducts business with fairness, honesty, and transparency, adhering to the Principles of Good Corporate Governance under the guidelines of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) through SGP's management structure, which consisted of the shareholders' meeting, the Board of Directors, the Sub-committees, the Managing Director and the Management who have vision and responsibility to their duties. There is control mechanism and balance of power to ensure that the management of SGP is transparent and accountability, with respect to equality rights of the shareholders, responsibilities to all stakeholders with complete information disclosure. The Board of Director has specified the policies concerning with the corporate governance and performance of duties of all directors by adherence to best practices of the directors of the listed company (Fiduciary duty) as follow:

1. Performing duties with responsibility and all due circumspection and caution (Duty of Care) refers to a decision made with information that is reliable, adequate, reasonable, and cautious as a good director shall perform under such circumstances.
2. Performing duties with faithfulness and honesty (Duty of Loyalty) refers to the duty to provide benefits to the Company regardless of personal gain or benefit of the director, and act in the best interests of the company, act in a right purpose, no direct or indirect conflict of interest, and does not use chance or information of the Company for his own benefit or others.
3. Performing duties in compliance with laws, objectives, Articles of Association, the resolutions of the Board of Directors and resolutions of Shareholders' Meetings (Duty of Obedience)

The director has to supervise business operation in accordance with rules and regulations both from external relevant supervisory and internal enforcement, which cover compliance with laws, objectives and company regulations, compliance with director resolutions. This also includes compliance with shareholders meeting's resolution and regulations and guidelines issued by the board of director.

4. Disclosing information to shareholders accurately, completely, and transparently with verification and timeliness (Duty of Disclosure). Disclosing information is for the shareholders to make decision which divided into two types as investment decisions or track investment result, and decision to cast voting in the shareholders' meeting, where the board of director has duty to disclose the Company's information in the following guidelines.

- 4.1 The disclosing information is accurate, complete, adequate, true, not false, and not misleading. No concealing of any important information that should be disclosed.
- 4.2 The disclosing information is updated and disclose in timely manner. The disclosing channel is easy and equally to access.

The Board of Director always puts emphasis on corporate governance policies and anti-corruption policies by declaring its intention to join Thai Private Sector Collective Action Against Corruption (CAC) to express its commitment to operate business with honesty, transparency and accountability which can be accepted by all SGP's stakeholders. The CAC Board of Directors approved the Company to be a member by granting a certificate on March 9, 2017. Later on September 13, 2019, SGP has submitted the self-assessment form to request for renewal of certificate on membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) and the certificate has been renewed during the meeting of CAC's Board of Directors on November 4, 2019.

In order to strengthen the corporate governance, SGP has prepared the Corporate Governance Policy and Code of Conduct in writing to be observed by the directors, the executives and the employees at all levels and they have been announced and communicated to all executives and employees who have to sign for acknowledgement and compliance as their practices. Such policy and code placed importance on development of organization by covering 5 aspects, such as rights of the shareholders,

equality treatment of shareholders, consideration on stakeholders' roles, information disclosure & transparency and responsibilities of the directors.

1. Policy on Corporate Governance

The Board of Directors recognizes its roles and responsibilities under the authority delegated by the shareholders to manage the Company efficiently and transparently to enhance confidence of all stakeholders. The Company conducts business under the principles of good corporate governance. Therefore, the corporate governance policies have been established and used as standard practices of the Company which cover the importance principles as follows:

- Treat all shareholders and stakeholders equally and fairly.
- Perform duties with honesty, morality, and prudence to achieve the Company's goals and to maximize the shareholders' benefit as well as to prevent conflicts of interest.
- The Board together with the management shall play important role in formulation of vision, strategy, policy and material work plans as well as establishment of management structure which conforms to and fairly relevance to the Board, the management and the shareholders including planning for suitable management guidelines and business operations.
- The Board of Directors, management, and all employees shall perform duty with determination, dedication and responsibilities for the best interests of the Company and also abide by the corporate governance policy and business ethics of the Company.
- Perform duty with transparently under the internal audit and internal control system. Information must be adequately, on timely and verifiable disclosed to the shareholders and all relevant parties, so that they can be equally well-informed.
- Control and manage risks to be in suitable level with business operations of the Company.
- Operate business with integrity under the legal framework, business ethics and with environment conservation.

The Board also specified that the corporate governance policy must be constantly reviewed annually to make it consistent to the change in business environment, conditions and regulations of the Stock Exchange of Thailand. In addition, the Board has considered and reviewed on implementation of Corporate Governance Code for listed companies 2017 (CG Code) of the Office of the Securities and Exchange Committee with the Company's business context. Any practice which cannot or has not yet been implemented will be recorded with reason explained as per a part of the director's resolution, so that they can be used as reference and practice guidelines of the directors, the executives and the employees. The Company also announced the application of anti-corruption policy which has been certified to be the member of the Thai Private Sector Collective Action Against Corruption (CAC) since 2017 and also received the resolution on renewal of membership of the Thailand Private Sector Collective Action Coalition Against Corruption (CAC) since the end of 2019.

Good corporate governance policy comprises of 5 sections as follows:

Section 1 The right of shareholders

The Company recognizes and focuses on fundamental right of shareholders as the investors in securities and the owners of the company on exercise the shareholders' fundamental right, such as right to be treated equally, right to buy and sell, transfer the securities, right to receive profit sharing from the Company in which the Company will allocate and distribute returns to the shareholders according to the Company's dividend policy which is disclosed under item dividend policy, right to receive adequate information of the Company to cast vote decision via the Stock Exchange of Thailand's website, SGP's website or other channels, right to attend in and vote at the shareholders' meeting whether in an annual general meeting which holds at least once a year or in an extra general meeting which holds when the Company seem appropriate, where voting right of the shareholder shall be pursuant to the number of share he/she held,

right in giving opinion and also making decision in important matter such as providing dividend, the appointment or removal of directors, the appointment of auditors, the approval of transaction which is important and affect the direction of business, the amendment of Article of Association, Memorandum of Association of the Company etc.

In addition to the above fundamental rights, the Company has arranged the following undertakings to enhance and facilitate the shareholders on exercising their rights as follows:

1. The Company will arrange the annual general meeting of shareholders every year which will be within four months after the end of the fiscal year. In each meeting, the Company will provide the meeting invitation together with meeting agenda and adequate details of such agenda, including opinion of the Board to the shareholders 7 (seven) days before the meeting date and it shall be published in the newspaper for 3 (three) consecutive days before the meeting date.
2. In case the shareholders cannot attend the meeting by themselves, the Company open an opportunity to the shareholders to authorize to independent directors or any person as a proxy to attend the meeting on their behalf by using proxy form sent to each shareholder together with a meeting invitation.
3. Before the meeting date, the Company invites the shareholders to give opinion and ask questions in advance of meeting day.
4. On the meeting day, the Company shall equally facilitate all shareholders and institutional investors, oversee safety for shareholders, specify document inspection point and registration point adequately and appropriately. The shareholder can register for attending the shareholders at least 2 hours in advance of the meeting time and thereafter until the meeting has been completed.
5. In the meeting, the Company opens an equal opportunity to shareholders to questioning and giving opinion to the meeting in any topic. In the shareholders' meeting, the directors and executives whose business concerned with the meeting agenda shall attend the meeting to answer in the meeting. Important questions and opinion shall be recorded in the minute of meeting which will be available to be inspected by the shareholders. The Company's Board and management place importance on participation in the general meeting of shareholders. In addition, the Company shall provide the legal advisor to oversee and ensure that the shareholders' meeting has been arranged transparently, correctly and pursuant to the law.
6. The shareholders' meeting shall be conducted in accordance with sequence of the meeting agency specified in the meeting invitation sent to the shareholders in advance. Objectives and reasons of each agenda together with the opinion of the Audit Committee have been specified therein. Before commencement of the meeting, the chairman of the meeting shall assign the Company Secretary to explain method on discussion and voting including method on counting the shareholders' votes in each agenda pursuant to the regulation, for the shareholders' acknowledgement.
7. The Chairman who is regarded as the representative of the whole Board shall attend the shareholders' meeting every time. The top management shall also attend the shareholders' meeting to answer the questions relevant to the Company's business operations to the shareholders. The Sub-committees shall attend the meeting to answer any relevant questions. During the meeting, the Company shall open the opportunity to the shareholder to express opinion and make any inquiry thoroughly before voting and summarizing any meeting resolution of each agenda.
8. The Company shall grant the right to the shareholders to register for participation in the meeting after the meeting has commenced and such shareholders shall also have the right to vote in the agenda which is under consideration and of which resolution has not yet been made.
9. After the meeting, the Company shall prepare the minute of meeting then submit to the Stock Exchange of Thailand and the Office of the Securities and Exchange Committee within the specified period and information recorded must be correctly, completely and clearly which can be inspected by the shareholders.

Section 2 The equitable treatment of shareholders.

The Company has a policy to treat all shareholders with equality and fairness, regardless of gender, age, color nationality, race, religion, social status, political opinion or disability as follows:

1. The Company will provide equal opportunity to all shareholders. Before commencement of the meeting, the chairman of the meeting will provide important information to the shareholders i.e. introduction of the directors, executives, and related person who attending the meeting. The chairman shall in form the voting and counting method to the shareholders before voting time. All shareholders can equally exercise their vote right.
2. The meeting shall be conducted in accordance with the sequence of meeting agenda. The Company does not have a policy to add the meeting agendum without informing the shareholders in advance, so that the shareholders can have time to study information in each agendum before making any decision.
3. The Company shall allocate adequate meeting time and allow shareholders to express their opinions and raise question equally. At the meeting, shareholders are able to vote on every agenda through ballots distributed by the Company on the meeting date.
4. The Company shall facilitate the shareholder who wishes to exercise the right to vote but cannot attend the meeting in person by allowing such shareholder to proxy any independent director or any person to attend on his/her behalf, by using one of proxy forms attached with the meeting invitation. The Company has attach the document and evidence that the meeting participant must present before attending the meeting, proxy method, registration and voting method together with the meeting invitation. In addition, the Company also provides information of the independent directors who do not have any interest in the agenda on selection of the directors as the proxy in the meeting invitation.
5. Voting cards have been provided in all agenda. Voting card shall be provided by each agenda, so that the shareholder can vote as he/she deems appropriated. During the meeting, voting card shall be collected pursuant to agenda. The Company shall provide the staff to facilitate on collecting the voting card in the meeting and combining scores of the shareholders

who attending the meeting in person with the scores of the shareholders who voted in advance in the proxy form in order to announce the result of the vote and resolution of the meeting.

6. The shareholders shall have equal voting right by regarding that each share shall be equal to one vote.

Section 3 The role of stakeholders

The Company has focused and recognized on the right of all interested groups, whether they are internal stakeholders such as employees, executives of the Company or external stakeholders such as shareholders, government, competitor, customer, and etc. The Company recognized that supporting and feedback from all stakeholders will be beneficial to operation and development of the business. Therefore, the Company will comply with the relevant laws and regulations to make sure that fundamental rights of all stakeholders have been preserved and protected. Besides, the Company also encourages cooperation between the Company and the group of stakeholders to support and streng then stability of the Company, pursuant to the guidelines on treatment of main stakeholders of the Company as follows:

Shareholder : The Company is committed to better represent the shareholders in conducting business transparently to create maximum satisfaction for shareholders by taking into account the growth of value of the Company and returns in long-term as well as disclosure of completely, adequately and reliably information.

Employee : The Company recognized the importance of employees by regarding that they are valuable resource of the Company and one of the factors that can lead to success. Hence, the Company emphasizes on the support of capacity development of human resources for maximum benefit of the Company. The Company also encourages the employee participation in creating sound corporate culture, teamwork and enhancement of safety and working atmosphere. The Company also assures

quality of life of the employees throughout the working period and also encourages the employees at all levels to develop their knowledge and capability to increase potential on work operations continually. All employees will be equally and fairly treated and their compensation and welfare shall be suitable and fairly. The Company shall keep employee with talent retention. Establishment of the provident fund, the right to disburse for medical treatment expenses, benefits and welfares have been disclosed in the employees' handbook.

Government : The Company strictly operates business under the provisions of the laws and regulations of the supervisory agency and supports projects of the government sectors by coordinating and ready to provide corporation in providing complete and correct information as per requested by the government sectors with objectives for the best benefits of overall societies and to maintain good relationship with the government sectors.

Competitor : The Company shall treat the competitions pursuant to the free competition framework and will take into consideration fair competition by maintaining the competitive norms/practices.

Customer : The Company is committed to respond to provide good services to the customers to create satisfaction and confidence to the customers by delivering quality products and services, providing adequate and correct information as well as maintaining good relationship with the customers and will not exploit the customers' information.

The Company shall comply with the relevant regulations, laws and rules in order to preserve the rights of these stakeholders. In addition, the Company also provides safe channel where the employees and other person can access to notify the clues on misconduct or file a complaint (whistle blowing channel), the whistle blowing

channel is act as a tool to notify the Company on misconduct or breach of law or any regulation which may bring disrespectful to the Company. The informant or whistle bower can be confident that they shall be protected and there shall be system and personnel to inspect and follow up the matter raised appropriately as per specified in the operating procedures on request/provision of recommendation and whistle blowing.

Section 4 Disclosure and transparency

The Board of Directors recognized the importance on disclosure of correct, complete and transparent information, which include information of the financial report and non-financial general information pursuant to the criteria of SEC and SET (Thailand) and other key information which can affect the Company's stock price and can influence decision-making process of investors and stakeholders of the Company. The Company has disclosed its information technology to shareholders, and investors and the public via media and channel of the Stock Exchange of Thailand and the Company's website, www.siamgas.com.

Disclosure on financial information, particularly in the financial statements, have been reviewed/audited by the Company's auditor to ensure that their substance matter are correctly as per the general certified accounting principles and such information must have an approval from the Audit Committee and the Board of Directors before they shall be disclosed to the shareholders. Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries and financial information appearing in the annual report. Such financial statements have been prepared in accordance with the general accepted accounting standard and Thai Financial Reporting Standards by selecting the appropriated accounting policies and comply with such policies on a regular basis as well as adequately disclosure of information in the financial statements. In this regards, the Audit Committee will review quality of the financial reports and internal control systems, including, the adequate disclosure of important information in notes to the financial statement.

In the work relevant to the investor relations, the Company has established the investor relations department to communicate important information to the shareholders, the investors, the analysts, both within and outside the

country, and other relevant agencies, so that they can conveniently and equally access to the Company's information. As main duties of the Investor Relations Department are relevant to communication and public relations with other agencies as well as disclosure of information pertaining to the Company's performance, therefore the Company has prepared the Investor Relations Code of Conduct to be used as operating guidelines and to assist operations of the Investors Relations Department which must align with ethics and principles of good corporate governance, with details as follows:

1. To perform Investor Relations duties with the best knowledge and ability, responsibility and professionally by adherence to righteousness and equal treatment without discrimination or favor to any particular persons;
2. To strictly comply with the applicable laws, notifications, rules, regulations and practical guidelines of the relevant supervisory authorities, e.g. the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as the Company's Articles of Association and policies.
3. To carefully disclose information, which is significant and necessary for investment decision-making, in an accurate, adequate, timely and fair manner, to avoid misunderstanding or misinterpretation. Do not disclose information which is regarded as trade secret or confidential information, which may make the Group be in disadvantageous position or loss its competitiveness;
4. To open opportunities to all related parties to access and inquire relevant information
5. To maintain confidential information and do not disclose nor use the Company's inside information, which is not publicly available, for personal gain and/or for other benefits wrongfully.
6. To promptly and timely respond to any question or query of shareholders, investors, analysts and all stakeholders.
7. Do not organize meetings or clarify any information to investors and analysts within 15 days prior to the announcement of the Company's quarterly financial statements.
8. Do not trade the Company's securities during the Blackout Period pursuant to the Company's policy on protection of inside information.

The Company places importance on disclosure of correct, complete, transparent and thoroughly information. Activities of the Investor Relations Department in 2020 could be summarized as follows:

Activity	Number/ Year
Company Visit	2
Opportunity Day	4
Conference Call/Telephone Call	6
International & Domestic Road Show	0

Section 5 Responsibilities of the Board of Directors

5.1 Board Structure

The Board has policy which specified that the Board's component must be diversified because it believes that the board diversity is an important element to strengthen balance on idea, quality of work and decision-making efficiency which will be beneficial to the Company's business operations. Hence, the Board's component shall consist of personnel who are knowledgeable, capable, experienced and possess skills in various fields which are in line with strategy of the Company's business operations. In addition, they must have business ethics, good attitude towards the organization, leadership, wide-vision, sufficient time to perform duty, and without having any gender, color, race and religion restriction. Moreover, the Company has specified 10 board skill matrixes that the Board should have knowledge, as follows:

1. energy business;
2. engineering;
3. marketing and competition strategy;
4. accounting, finance and banking;
5. international marketing;
6. legal;
7. economics;
8. internal control and risk management;
9. corporate governance,
10. business administration.

The Company's Board of Directors must be composed of members who have knowledge, ability, and expertise in various fields and acceptable leadership skills. The Board shall take part in determining objectives, targets, vision, mission, policy and guidelines on business operations and

supervision of the Company's performance to ensure compliance with the laws, objectives, regulations and resolution of the shareholders' meeting as well as be well aware of corporate governance principles, conflict of interest and business ethics so that they can closely monitor and supervise the Company's operations. Hence, the Board has appointed the committees to closely follow-up and oversees operations of the Company.

The composition of the Board of Directors shall consist of directors in the number that is suitable for the size and business strategy of the Company. At least one-third (1/3) of the members shall be independent directors and the member of the Audit Committee shall comprise of 3 persons and all of them must be the independent directors who fully possess qualifications as per stipulated by the Office of the Securities and Exchange Committee and the Stock of Thailand. At least 1 of the Audit Committee shall have knowledge and experience to review the credibility of the financial statement.

Currently, Board of Directors composed of 8 directors, 3 of them are non-executive and independent directors and 4 are executive directors.

The Company's article of association requires that at the annual general meeting, one-thirds of the directors, or if the number of directors is not a multiple of three, then the number nearest to one-third must retired from office. The directors retiring from office in the first and second year after the registration of the Company shall be selected by drawing lots. In subsequent years, the director who has held office longest shall retire. A director who vacates office under this section may be re-elected.

In addition, the Board of Directors has appointed the sub-committees, such as the Audit Committee, the Executive Board and the Risk Management Committee to perform specific duties and propose to the Board of Directors for consideration or acknowledgement. The sub-committees have right and duty as set forth in the relevant charters and/or power and duties of each sub-committee.

The Company has clearly divided roles and responsibilities between the Board and the executives where as the Board of Directors has responsibility on policy formulation and supervises the management at the policy's level with objective to add value to the shareholders in the long term while the executives shall manage the work in accordance with the specified policy. Therefore, the Chairman of Board of Directors and Managing Director is not the same person and both positions have been

selected by the Board to ensure that the most suitable individuals will be appointed.

The Company has the Company Secretary who will provide advice on regulations that Board of Directors must know and oversee activities of the Board, including coordinating to ensure compliance with the Board's resolutions.

5.2 Role, Duties, and Responsibility of the Board of Directors

The Board of Directors follows the code of conduct guidance from Stock Exchange of Thailand. The Board of Directors understands the role, duties, and responsibility and will comply with the law, objective, article of association and shareholders' resolution. The Board of Directors will work for the Company benefit and will monitor the management to manage under the policy and plan within the approving budget for the best benefit of the Company and shareholders.

5.3 Conflict of interest policy

The Board of Directors has specified the measure to prevent the conflict of interest policy which may occur from transaction between the Company, or the subsidiaries, and the person who might have conflict of interest. Any person with interest shall not be able to approve such transaction. The Board will supervise the Company's operations to make sure that it strictly follows the rules and regulations under the Securities and Exchange Act and regulations, announcement, order concerning information disclosure, or acquisition and disposal of material assets of the Company, as well as the accounting standards and Thai Financial Reporting Standards specified by the Federation of Accounting Professions. In addition, the Company has assigned the Audit Committee or the auditor or the independent expert, as the case may be, to audit and provide opinion on appropriateness of prices and reasonableness of transactions. The connected transaction will be disclosed in the annual report (Form 56-2) and annual registration statement (Form 56-1).

The Board regarded that conflict of interest is an important policy, so the operating guidelines on conflict of interest have been established to be strictly observed by the directors, executives and employees at all levels.

5.4 Internal control system

The Board of Directors realizes the importance of good internal control system as it can ensure that the Company's operations can be managed and controlled pursuant to the rules and corresponding to the long-term

objectives and targets of the Company. In this regards, the management shall have duty to arrange structure of internal control system which will cover various aspects, such as Control Environment, Risk Management, Control Activities, Information & Communication and Monitoring and they shall be actually implemented so that the Company's operations can be achieved as per target. The Company has appointed internal audit office to monitor the internal control system. The internal audit office will set schedule to audit the operations of depot, filling plant and gas service stations including other relevant systems, both within the country and abroad at least once a year to make sure that the operations shall be transparently and prudently. The Internal Audit Office will directly report to the Audit Committee.

5.5 The Board of Directors' meeting

The Company has a policy to call a Board of Directors meeting at least once every three months, pursuant to the meeting schedule specified in advance throughout the year. The Company may call an extra meeting if necessary. In addition, the Company encourages and urges each director to attend the meeting at least 75 percent of total meetings held during the fiscal year, except there is a necessary or appropriate reason which prevents such director to attend the meeting. The Company will send the invitation notice with complete relevant information to the directors at least 5 working days prior to the meeting. This is to give appropriate time for the directors to consider the information prior to the meeting. The minutes are properly

prepared and the approval minutes are kept for the directors to review when needed. For the Audit Committee, which is the sub-committee, it is specified that this sub-committee shall arrange a meeting at least once a month to consider and review financial report, internal control system, internal audit and risk management, as well as other matters assigned in the Audit Committee Charter.

5.6 The compensation to directors and management

The Company has set up an appropriate compensation for directors and management. The compensation rate is in an adequate and appropriate level to retain the directors and management to work with the Company. The factors used to consider the compensation rate are experience, duties, scope of work and responsibilities. The payment of compensation shall be pursuant to the principle and policy set forth by the Board of Directors, by taking into consideration their duties, responsibilities, performance and the Company's operating results.

5.7 The training for directors and management

The Board of Directors has a policy to encourage and facilitate on provision of trainings and knowledge to the persons relevant to the Company's corporate governance system which shall include the directors, the Audit Committee, the management and the company secretary in order to enhance their knowledge continually and adequately. This includes training courses arranged by the Thai Institute of Directors Association and/or other relevant courses.

List of training courses arranged by Thai Institute of Directors (IOD) Association attended by the Board of Directors

	Name of Directors	Program				
		Director Accreditation Program (DAP) IOD	Director Certification Program (DCP) IOD	Audit Committee Program (ACP)	Finance for Non-Finance Directors (FND)	IT Governance & Cyber Resilience Program (ITG)
1.	Mr. Worawit Weeraborwornpong	Class 50/2006				
2.	Mrs. Patchara Weeraborwornpong	Class 50/2006				
3.	Mr. Supachai Weeraborwornpong	Class 49/2006				
4.	Miss Patcharawadee Weeraborwornpong	Class 140/2017				
5.	Mr. Viroj Klangboonkrong	Class 6/2003	Class 66/2005	Class 3/2004	Class 17/2005	
6.	Mr. Harn Chiocharn	Class 37/2005				
7.	Mrs. Sudjit Divari	Class 34/2005	Class 31/2003	Class 5/2005		Class 12/2019
8.	Mr. Somchai Ko-prasobsuk	Class 122/2015				

5.8 Compliance with the corporate governance principles in other matters

Business Ethic

The Company has set up practical guideline on business ethic for the Board of Directors, the management, and the employees, so that they can adhere for performing duties with integrity, honestly and fairly towards the Company, including on treatment of all stakeholders, public and society, as a whole. The Company also specified monitoring system on compliance with such guidelines constantly as well as publicly announced and specified that all executives and employees must sign for acknowledgement and strictly compliance. In case of violation or non-compliance with such guideline, the appropriated penalty clause shall be imposed.

Conflict of interest

The Board of Directors has set up conflict of interest policy on the basis that all decision making should be for the highest benefit of the Company and the action which may cause the conflict of interest must be avoided. The Company specified that any person who is regarded as the related or connected person of the transaction to be considered must report the Company about such relationship or connection and such person is not allowed to join the meeting to consider or approve the said transaction.

The audit committee will propose the connected transaction and the transaction which may have conflict of interest which have already been thoroughly considered pursuant to the criteria specified by the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) to the Board of Directors and they will also be disclosed in the annual report (Form 56-2) and annual registration statement (Form 56-1)

In addition, the Company has specified operating guidelines on conflict of interest to be observed by the directors, the management and the employees at all levels as follows:

1. All directors, executives and employees at all levels shall have duty and responsibility to prevent conflict of interest and they shall make themselves understand, adhere and correctly comply with.
2. To refrain from performing any act which may cause or may be aware that it can cause conflict of interest. While performing duties, they shall adhere to the Company's interest under uprightness and are subject to the law and business ethics.
3. To oversee and manage transaction relevant to conflict of interest which may occur between oneself and the Company as well as to properly use of the Company's assets with mainly for the Company's benefits.
4. To perform duties for the best interest of the Company; do not exploit for personal gain or do not perform any act, whether directly or indirectly, with aim for personal gain or for other benefits than the Company's benefit.
5. Do not allow personal benefit or benefit of person who has relationship with one own to have conflict with the Company's benefit.
6. Do not rely on or allow others to use one own position, directly or indirectly, to exploit the Company's benefit for personal gain or for other benefits.
7. To maintain the Company's secret and shall not use confidential information for personal gain or for other benefits.
8. To disclose any interest that you have in any organization or in any transaction which might have a conflict of interest with the Company and shall not involve in any decision making relevant to the activity that you have any interest.
9. Do not get involve in the procurement process, whether directly or indirectly, which may have conflict of interest
10. Do not appoint or assign person who might have conflict of interest to be the committee, working group or the person to consider or involve in providing information or opinion or have authority to give order in such matter.
11. Giving and receiving gift shall be as per operating guidelines on gift receiving and accepting specified by the Company. Receiving or accepting gift which is not as per the guidance specified by the Company shall be regarded as a transaction with conflict of interest.
12. To report in good faith about the operations which might have conflict of interest or it is suspicious that it might against the principles or preliminary request for advice from the superior. It is regarded that the superior has duty to oversee, control and give advice on compliance with the operating guidelines and policies specified by the Company.

13. In case there is any doubt concerning practices pursuant to the practical guidelines on prevention of conflict of interest, preliminarily the employee may use its own discretion by asking oneself before consideration as follows:

- 13.1 Such transaction conforms to the Company's policy and objective or not?
- 13.2 Such transaction is against the law or business ethics or not?
- 13.3 Such transaction has been accepted or can be disclosed to the public or not or what the employee in the Company think about this transaction?
- 13.4 What will be impacted from decision on performing this transaction, such as image, reputation or interest of the Company?

14. The following transactions are regarded as the conflict of interest:

- 14.1 Use the Company's confidential information for personal gain or intentionally cause damage to the Company;
- 14.2 Having interest in the partnership or the company engaging in business with the Group or in execution of the agreement with the Company;
- 14.3 To request for or accept benefits from the contractor, the entrepreneur, the supplier or the service provider, the person or organization which have business related to the Company.
- 14.4 To perform the work or to be the director of other organization which is the competitor or has any business which has conflict of interest with the Company;
- 14.5 To accept or give things to motivate for any action which might against the Company's benefit.

Report of the Board of Directors

The Audit Committee will review the financial report by attending the meeting with the management, the internal audit office, the accounting department and the auditors and presenting financial report to the Board of Directors every quarter. The Board of Directors is responsible for the consolidated financial statement of the Company and its subsidiaries, including financial information (responsibility of the Board of Directors for the financial reporting) that appear in the annual report. Such financial statement shall be prepared in accordance with the financial reporting standard. Important information, financial information and

non-financial information have been fully and adequately disclosed based on the facts.

2. Anti-Corruption Policy

The Company's directors, executives and employees are prohibited to request, offer and accept any and all forms of corruption, directly and indirectly and this policy also applies to all relevant departments. The Company has established anti-corruption procedures and compliance of this anti-corruption policy has been constantly reviewed to make it consistent to the changes in business, law, policy, rules, notification, regulations and to preserve reputation of the Company. All directors, executives and employees shall strictly comply with this policy as follows:

1. The Company's directors, executives and employees determine to build corporate culture which adheres to zero tolerance policy for corruption when dealing business with the public sector and private sector or any individual person.
2. The directors and the management are well aware of importance on dissemination of knowledge and understandings concerning anti-corruption policy and practices, including matters of law of Thailand to the persons who shall deal business with the Company and the Company's stakeholders.
3. The directors, executives and employees at all levels must strictly comply with the anti-corruption policy and code of conduct and must not get involved in any and all forms of corruption - directly or indirectly.
4. The Company has specified a policy when conducting any activity which might be exposed to corruption to be observed by all directors, executives and employees as follows:
 - 4.1 Political assistance. The Company has a policy not to provide any political assistance as it has a political neutrality policy and does not give preference to any political party or group. It will not support any political activities of any particular political party and it will not support or provide assistance to any candidate for public office - directly or indirectly.
 - 4.2 Charitable donation and fund raising with purposes for social, economic and cultural development; for building up good reputation of the Company and for strengthening business relations. The Company has a policy to oversee and supervise

the charitable donation and fundraising activities to ensure that they are conducted with transparency and full compliance with applicable laws and regulations, and they must not be used as a means of bribery and corruption. For these purposes, clear, precise and effective operating guidelines have been established and all evidencing document must be able to be verified.

- 4.3 Giving or receiving gift and business entertainment to the person or public and private sectors must be correctly and transparently conducted pursuant to the operating practices. They shall not be conducted with purposes for the return of benefits or others which may be considered as corruption. Request for approval and criteria for consideration shall be as per the specified Gift and Business Entertainment Procedures.
- 4.4 The Company must not pay or receive any facilitation payment or bribery for conducting current or potential business via the person acting on behalf of the Company, the advisor, the broker, the counter party, the business partner or the middleman who are under the Company's control.
- 4.5 The Company has stipulated regulations on payment, gifts or assets by specifying applicable limits and approval authority and also specified that clear evidencing document for such payment must be presented to ensure that disbursement of money, giving of gift or assets shall not be made with purpose of corruption. Information and details must be inspected to ensure compliance with the specified operating practices.
- 4.6 Sales and marketing. The Company has sales and marketing inspection process in place to ascertain that such activities have been correctly and transparently conducted and there will not be any room for corruption.
- 4.7 Procurement and employment: The Company has inspection process for procurement and employment to make sure that such activities have been conducted with transparency, integrity and compliance with applicable laws including the Company's procurement and employment regulations.
- 4.8 Human resources management: Processes for personnel recruitment, promotion, training,

performance evaluation must be able to reflect the Company's intention and practices on anti-corruption policy.

5. Implementation of anti-corruption policy
 - 5.1 Communicate anti-corruption policy and practices to the directors, executives and employees as well as to the person who will act on the Company's behalf, the advisor, the broker, the counter party, the business partner including the subsidiaries, the associated companies and other companies that the Company has controlling power for their implementation via the specified channels.
 - 5.2 There must be transparent and correct financial reporting preparation procedures in place. In addition, corruption risk assessment procedures must be specified and included as a part of the enterprise risk factors and appropriated and effective internal control system must be established to prevent appropriated operations.
 - 5.3 Secure and accessible channel must be provided for the employees and other persons for requesting for recommendation on compliance with the anti-corruption policy and practices and to send information on misconduct or complaint by sending mail to audit committee at the Company's address or send electronic mail to auditcommittee@siamgas.com by ensuring that the informant must be appropriately protected.
 - 5.4 The Company's employees shall not neglect or ignore when witnessing any act which could be regarded as corruption related to the Company. He or she should inform a clue or file a complaint via the channel specified by the Company and provide cooperation in finding the fact. When in doubt or require any recommendation, employees should consult with the designated party/entity via the channel provided by the Company.
 - 5.5 The Company shall provide equitable treatment and protection and shall not demote, impose penalty or negative result to the employee who rejects to inform a clue or file a complaint on corruption relevant to the Company. There must be a protection measure for the informant, the complainant or the person who cooperates on reporting the corruption act as per specified.

- 5.6 Any person who fails to comply with the Company's anti-corruption policy or practices shall be imposed with disciplinary penalty pursuant to the regulations specified by the Company, which shall include termination of employment, if the Company deems necessary, and shall also be penalized pursuant to the relevant laws.

3. Sub-Committee

Management structure of the Company consists of 3 sub-committees, i.e. the Board of Directors, the Executive Board, and the Audit Committee. The Board of Directors and executives of the Company are qualified pursuant to Section 68 of the Public Company Act B.E. 2535, the law on Security and Exchange and notification of the SEC. In addition, the Company has appointed the Risk Management Committee where the Managing Director is the Chairman and Top management of the Accounting and Finance is the vice-chairman of the Risk Management Committee. Scope of duty and responsibility of each sub-committee is as follows:

3.1 Scope of Authority of Board of Directors

The Board of Directors has the authority to manage the Company in accordance with law, objective, article of association, and resolution of shareholders. Important power, duties and responsibilities can be summarized as follow.

1. Arrange the Annual General shareholders' meeting within four months from the end of accounting period.
2. Arrange the Board of Directors' meeting at least once every three months.
3. Provide balance sheet and financial statement of the company at end of accounting period which the auditors have been audited and proposed to the shareholder's meeting to consider.
4. Consider and approve other important transactions related to the Company or any transaction which is beneficial to the Company.
5. Authority to appoint the Executive Board to conduct one or more businesses on behalf of the Board of Directors or may authorize any person to perform duty as per the Board deemed fit within the appropriated time frame. Moreover, the Board may cancel, withdraw, change or amend such authority whenever it is deemed appropriated.

The Board may delegate the authority to Executive Board to conduct the business according to the authority and responsibilities of the Executive Board. However, such delegation shall not include any delegation of authority which will enable the Executive Board to approve any transaction in which the Executive Board or person will have conflict of interest with the Company or subsidiaries, except it is the approval of the policy or criteria which has already been approved by the Board.

6. Determine the policy and strategic direction, financial management, risk management of the business. Provide control system to ensure that the management shall be followed by pursuant to the specified policy effectively and efficiently. Except the following authority which required to be approved by the shareholders before proceeding: the matter which specified by the law that it must receive the shareholders' resolution, capital increase or decrease of the Company, merger or liquidation of the Company, disposition or transfer of material parts or total parts of the Company to other persons, acquisition or receipt of transfer of business of other company or the private company to be the Company's business, amendment of memorandum or article of associate etc.

In addition, the Board also oversees to ensure that the Company shall comply with the law on securities and exchange, regulation of the Stock Exchange of Thailand, such as entering into the connected transactions and the purchase and sale of significant assets under the rules of The Stock Exchange of Thailand or law relating to the Company's business.

7. To consider the management structure, the appointment of the Executive Board, the Managing Director and other directors as appropriated.
8. Follow-up operating results to ensure that they are according to plan and budget on continued basis.
9. Directors shall not perform any business which is similar to or compete with company's business or join as a part of partnership or unlimited liability partnership or a director of private company or other company that operates similar and complete with the Company's business, whether it is for benefit for themselves or others, unless they inform the shareholder's meeting prior to the appointment.

10. Specify anti-corruption policy and practices; supervise, oversee and drive such policy and practices for actual implementation. The Administration Department shall be assigned to implement such policy and ensure that the management and the employees place importance on anti-corruption and adherence to it.
11. Any other matters required by law.

3.2 Authority of the audit committee

Audit Committee consists of the independent directors who are qualified as per notification specified by the Securities and Exchange Commission and criteria of the Stock Exchange of Thailand. The Audit Committee shall have duty to support the Board of Directors on supervision and review the preparation of the financial report, internal control, internal audit and compliance with the laws, regulations and code of conducts to promote the good corporate governance.

In order to make the Audit Committee able to perform duties as per assigned, the Board of Directors has specified that the Audit Committee shall have authority, duties and responsibilities as follows:

1. Operating power

The Board of Directors assigned the Audit Committee to have the operating power as follows:

- 1.1 The Audit Committee shall have authority to inspect and investigate the relevant person and the relevant matter within the scope of authority, duties and responsibilities.
- 1.2 The Audit Committee shall have authority to employ or invite the specific specialist, such as the legal advisor or the accountants to help on inspection or investigation at the Company's expenses as per the Audit Committee deems appropriated.

2. Duties and responsibilities

- 2.1 To review the Company's relevant financial statement and financial reporting to ensure that they are accurate and adequately disclosed by coordinating with the auditor or the management responsible for preparation of the financial report. The Audit Committee may recommend the auditor to review or audit any transaction that it deems necessary or materially during the Company's auditing operations.

- 2.2 To review and ensure that the Company and the subsidiaries have appropriate and effective internal control system and internal audit system; to consider independence of the Internal Audit Office; to be the direct superior of the Internal Audit Office; to provide consent on appointment, transfer, dismissal of Head of Internal Audit Office or any function in charge of internal audit; to oversee and ensure that the internal auditor can perform duty independently with ethics and compliance with the international standards; to consider and approve the budget, internal audit plan and workforce of the Internal Audit Office; to review intervention from the management or other causes which may impact the independence of the internal auditor; to review the internal audit report, to consider important issues detected and operations from the Administration.
- 2.3 To review and ensure that the Company is in compliance with the securities and exchange laws, the regulations of the Stock Exchange of Thailand, and the laws relevant to the Company's businesses
- 2.4 To consider, select, and nominate the independent person(s) to be the Company's external auditor(s), to propose their remuneration, to terminate the Company's external auditor(s), and to attend a meeting with the external auditor(s) without the Management at least once a year, and jointly consider with the external auditor(s) about the problem or restrictions incurred from auditing of the financial statements.
- 2.5 To consider the connected transaction or transaction that may have a conflict of interest to ensure that it is compliance with the law and regulation of the Stock Exchange of Thailand. This is to ensure that such transaction is reasonable and for the best interest of the Company.
- 2.6 To prepare and disclose the Audit Committee's report in the Company's annual report, in which the report must be signed by the Chairman of the Audit Committee and must at least contain the following information:
 - 2.6.1 An opinion on accuracy, completeness, and creditability of the Company's financial report;

- 2.6.2 An opinion on adequacy of the Company's internal control system;
- 2.6.3 An opinion on compliance with the securities and exchange laws, the regulations of the Stock Exchange of Thailand, or the laws relevant to the Company's businesses;
- 2.6.4 An opinion on suitability of the auditor;
- 2.6.5 An opinion on the transactions that may have a conflict of interest;
- 2.6.6 The number of the Audit Committee's meetings, and the meeting attendance by each member;
- 2.6.7 An opinion or overview observation that the Audit Committee has obtained from performing duties pursuant to the Audit Committee Charter;
- 2.6.8 Other transactions that the Audit Committee deemed that it should be made known to the shareholders and general investors, under scope of duties and responsibilities assigned by the Board of Directors
- 2.7 To arrange the meeting at least 4 times a year, to report mission of the Audit Committee to the Board of Directors; to appoint the appropriate person as the secretary of the Audit Committee who will have duty to assist the Audit Committee's operations concerning the meeting appointment, preparation of the meeting agenda, submission of the meeting document and record the minute of meeting.
- 2.8 When the Audit Committee has been notified by the auditor on suspicious behaviour of the director, manager or any person responsible for the Company's operations, which can be regarded as the fraudulent act as per specified in the Securities and Exchange Act, the Audit Committee must conduct an investigation and shall report the result of the preliminary investigation to the Office of Securities and Exchange Commission and the auditor within 30 days from the date notified by the auditor.
- 2.9 When the Audit Committee has reported the Board of Directors about the matter which may materially affect the Company's financial positions and operating results and has jointly consulted with the Board or the management and considered that rectification shall be performed within the period of time jointly

specified together, however if the Board or the management fails to rectify or make good of such act without any reasonable cause, either one of the Audit Committee or the Audit Committee may report such findings to the Office of the Securities and Exchange Commission (SEC) or the Stock Exchange of Thailand (SET).

- 2.10 To consider and review the anti-corruption policy and guidance; to supervise and oversee on compliance with the anti-corruption policy and guidance to make sure that the Company has operated business with transparency and does not against such policy.
- 2.11 In case the complaint has been received from the employee on inappropriate financial statements or other issues, the Audit Committee shall arrange for independent investigation process and shall follow-up and report as appropriated.
- 2.12 To perform any other duties as assigned by the Board of Directors with the approval from the Audit Committee.

3.3 Authority of the Executive Board

1. Conduct business in accordance with the objective, articles of association and resolution of the shareholder's meeting and the board of Directors' meeting.
2. Determine the corporate management structure to cover all the details of selection, training, hiring, and dismissal of employees, including the appropriate employees benefit with traditional practices and circumstances and consistent with existing law.
3. Prepare to recommend and set goals and guideline business policy and the Company's strategy as well as authority and responsibilities of Managing Director to grant for an approval from the Board of Directors.
4. Determine the strategic business plan to approval budget for corporate business and annual expenditure budget as approved by the Board of Directors. Conduct the business strategic and plan of business by all operated of Executive Board with consistent to the policy and business way that approved by Board of Directors.
5. Consider and approve of authorized operation to normal business transaction such as purchasing goods, motor vehicles, supplies, equipment, and appliances etc. within the approved cost limit for each item not exceeding 100 Million baht.

6. Consider and approve expenditure in the financial department capital assets, capital expenditure of the Company and its subsidiaries in the amount of 200 Million baht and accumulated up to 1,000 Million baht per year. If it exceeds the determined amount, the Executive Board shall purpose to the Board of Directors for considerate approval.
7. Has the power to approve the requested loan or any loan of the Company and its subsidiaries, including the guarantor to its subsidiaries in the amount of 200 million baht and accumulated up to 1,000 million baht per year in the case of requested loan or exceed the guaranteed limits specified. The Management Directors present to Board of Directors for consideration and approval.
8. Consider and approve loans to subsidiaries by the total cumulative amount of borrowing up to 500 Million baht per year.
9. Entitle to have business transaction with financial institution, open the bank account with financial institution and obtain guarantees from bank and financial institution, the Company and its subsidiaries in the amount of 500 million baht and accumulated up to 1,500 million baht per year.
10. Promote and support anti-corruption policy and practices, review appropriateness of such anti-corruption policy and practices to make them conform to the changes in business, policy, rules, notifications, regulations and legal requirements.
11. Perform the other duties as assigned in each time by Board of Directors.
12. The delegation of authority as referred above shall not include any delegation of authority which will enable the Executive Board or attorneys to approve any transaction in which a member of the Executive Board or person with conflict of interest may have or have conflict of interest (according to regulation of the Company and by the SEC and/or The Stock Exchange of Thailand) in any manner with the Company or its subsidiaries.

3.4 Scope of duties and responsibility of the Risk Management Committee

1. Consider and approve a draft enterprise risk management policy and frame work before proposing to the Board of Directors for consideration and approval. Assign the management to comply with the prescribed policy and guidelines and specify that the management must report the operating results to the Risk Management Committee.
2. Consider and give opinion on determination of risk appetite and risk tolerance which must be consistent with the organizational strategy.
3. Review and improve the Company's risk management system to make it effectively and efficiently on continued basis and specify that risk management must be constantly evaluated and monitored to make it in line with the specified policy and guidelines.
4. Conduct systematically and continually assessment and analysis of material risks in various aspects which must be in line with the current situations to ensure that such risk assessment covers all procedures of business operations pursuant to the criteria related to corporate governance principles. Give recommendation on preventive measures in case risk level is not as per specified or reduce it to be under risk appetite level.
5. Review risk management report, increase monitoring work for risks which are materially to organization and arrange to ensure that the organization has appropriated risk management in place.
6. Consider anti-corruption risks of the organization, review the appropriateness of anti-corruption operating guidelines to make them conform to the changes in business, policy, rules, notifications, regulations and requirements.
7. Other tasks as per assigned by the Board of Directors.

3.5 Scope of duties and responsibility of the Chairman of the Board of Directors

1. To supervise, monitor and oversee to ensure the duties performed by the Board of Director are effective and achieved the main objective and targets of the organization;
2. To oversee and ensure that all directors take part in promotion of corporate culture with ethics and corporate governance.
3. To determine the meeting agenda for the Board of Directors' meetings jointly with the Managing Director and to have measure to ensure that important matters have been included in the meeting agenda
4. To allocate adequate time for the management to propose the matter and enough time for the directors to discuss the material issues carefully and thoroughly; to encourage the directors on usage of careful discretion on providing independently opinions.

5. To foster a positive working relationship between executive directors and non-executive directors and the Board of Directors and the Management.

3.6 Authority of the Managing Director

The Managing Director has authorized to operate business as assigned by the Board of Director or Executive Board under the rules and regulation of the Company. However, the delegation of authority as referred shall not include any delegation of authority which will enable Managing Director or person with conflict of interest to approve any transaction in which such person may have or have conflict of interest in any manner with the Company or its subsidiaries. The Managing Director has the limit of duties as following:

1. Operate and administrate the business as the policy of business plan and strategic of business that Board of Directors already approved.
2. To provide authorized or assigned the other who managing director agree to doing the duty instead of managing director as necessary and appropriate the discretion of executive board under the rules, laws and regulation of company.
3. Perform other duties as assigned by the Board of Director or executive board in each time.
4. Undertake and manage routine operations of the Company and have power to approve the normal business transactions, such as procurement of goods, vehicles, equipment, supplies, tools and appliance, expenditure, sale, hire-purchase, write-off a bad debt (pursuant to policies and procedure of Company) and employment of consultants and etc. The value for each transaction shall not exceed 50 Million baht.
5. Consider and approve capital expenditure of the Company and its subsidiaries in the amount of 100 Million baht and accumulated not more than 500 Million baht per year. If there is exceed amount, it provide to executive board to consideration and approval.
6. The authority to approve loans to subsidiaries, each not exceeding 50 Million baht or equivalent but the total cumulative amount of loans not exceeding 100 Million baht per year or equivalent.

4. Nomination and Appointment of Director and Top Executives

The Company does not have the nomination committee to select person to hold position of director or top

executive. However, it has nomination process for selection person to hold such position where the major shareholder and/or representative of major shareholder in each group, the qualified person in each relevant field and the independent director as well as the director and executive of the Company shall jointly nominate the qualified, capable and experienced person to support business operations of the Company and who has qualifications specified by the Public Limited Company Act B.E. 2535 for the initial stage. After that such person shall be proposed to the shareholders' meeting for consideration and selection pursuant to the Company's articles of associations as follows:

1. Audit Committee / Independent director

The Company has policy to nominate the Audit Committee/and independent directors pursuant to Notification of the Capital Market Supervisory Board, No. Tor. Jor. 39/2559 Re: Application for approval and granting of approval for offering of newly issued shares. The Board of Director's meeting shall approve the establishment of the Audit Committee and term of office of the Audit Committee shall be three year. The Audit Committee must be the independent director and fully qualified as per prescribed criteria as follows:

Qualifications of the Audit Committee

Criteria on nomination of the Audit Committee shall be as follows:

1. Holding no more than 1% of total voting shares of the parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the company. This includes the shareholding of persons related to the independent directors.
2. Not currently be or never been the company's executive director, worker, employee, salaried consultant, or controlling parties. Exception: It has been at least two years after the person has held the position.
3. Not related by blood with other directors, executives, major shareholders, controlling parties, or persons who will be nominated as directors, executives, or controlling parties of the Company or subsidiary.
4. Not currently having or never had any relations with the Company in the way that such relation may impede the person from having independent views. Also, the person should not currently be or never be a significant shareholder or controlling person for persons having business relations with the Company. Exception: It has

been at least two years after the person has held the position.

5. Not currently being or never been the Company's auditor. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current auditor's auditing firm. Exception: It has been at least two years after the person has held the position.
6. Not currently be providing or never provided professional services, legal consulting, nor financial consulting services to the company with a fee more than 2 Million baht per year. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current service providers. Exception: It has been at least two years after the person has held the position.
7. Not currently a director appointed to represent the Company's directors, major shareholders, or the shareholder related to major shareholder.
8. Not currently be operating under similar business nature and significant competition to the Company or subsidiary; or not a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the Company and subsidiary.
9. Not under any conditions that may impede the person from having independent views towards the company's operations.

Nomination Criteria and Qualifications of the Audit Committee

1. Must be appointed by the Board of Directors or the shareholders' meeting
2. Must be the independent director and is qualified to be the independent director, and
 - 2.1 Must not be the director who has been authorized by the Board of Directors to make decision on business operations of the Company, parent company, subsidiary, associate company, subsidiary in the same level, major shareholders or the controlling person of the Company and,
 - 2.2 Must not be the director of parent company or subsidiary in the same level of the listed company only.
3. Must perform similar duties as per specified in the

announcement of the Stock Exchange of Thailand Re: Qualification and scope of work of the audit committee,

4. Must possess adequate knowledge to be able to perform duties as the audit committee, in addition, at least one member of the audit committee must have adequate knowledge and experiences to audit credibility of financial statement.

2. Composition and the appointment of the Board of Directors

1. Board of Directors consists of at least 5 directors and more than half of directors must be resident in the Kingdom.
2. At the shareholder's meeting shall appoint directors, using the following criteria:
 - 2.1 Each shareholder shall have one vote for each share held.
 - 2.2 Each shareholder will exercise all the votes applicable under (1) to elect one or more person as directors, provided that a vote shall not be divisible.
 - 2.3 The candidate shall be ranked in order descending from the highest number of vote received to the lowest and shall be appointed as directors in that order, until all of the director position are filled. Where there is an equality of vote cast for candidates in descending order causing the number of directors to be exceeded, the Chairman of the meeting shall have the deciding vote.
3. At every annual general meeting, one-third of the directors, or if the number of directors is not a multiple of three, then the number nearest to one-third must retire from office. The directors retiring from office in the first and second year after the registration of the Company shall be selected by drawing lots. In subsequent year, the directors who held office longest shall retire. A director who vacates office under this section may be re-elected.
4. When any directors resign from the position, they shall submit the resignation letter to the Company and the resignation shall be effective from the date on which the Company received the resignation letter.
5. The shareholder's meeting may vote for any director to resign from the position prior to the expiration of the directors' term of office with vote not less than three-fourth of number of shareholders attending at the meeting and entitled to vote and its share

combined not less than half of the number of shareholders attending the meeting and being entitled to vote.

3. Self-assessment of the Board

The Board and the Sub-committees shall perform self-assessment at least once every year, so that the Board shall jointly consider the operating results and problems in order to solve the problems or improve performance by using the self-evaluation of the Board form prepared by the Stock Exchange of Thailand (SET) as guideline for the whole Board and individual committee. Such assessment form consists of the questions relevant to operations of the Board as follows:

- Self-assessment of the Board (group assessment) (brief version) consists of 4 topics as follows:
 1. Structure and qualifications of the Board;
 2. The Board's meeting and duty performed in the meeting by the Board;
 3. Roles, duty and responsibilities of the Board;
 4. Other matters, such as relationship between the Board and the Management, self-development of the directors and development of the management, and etc.
- Self-assessment of the Board and the sub-committees (individual assessment) consists of 3 topics as follows:
 1. Structure and qualifications of the Board;
 2. The Board's meeting;
 3. Roles, duties and responsibilities of the Board.
- Group-assessment of the sub-committee shall be applied for self-assessment form of the Audit Committee, which is the sub-committee and the 3 following topics should be assessed:
 1. Structure and qualifications of the sub-committee
 2. Meeting of the sub-committee
 3. Roles, duties and responsibilities of the sub-committee

In addition, the Audit Committee is required to review additional duties performed every year by using the self-assessment revision form of the Audit Committee as a tool to help them review their duties performed during the past year. Such revision form consists of 2 parts as follows:

Part 1: Overall duties performed of the Audit Committee

Part 2: Specific duties performed of the Audit Committee

Criteria on assessment result of the Board and the Sub-committee are as follows:

More than 85%	=	Excellent
More than 75%	=	Very good
More than 65%	=	Good
More than 50%	=	Moderate
Below 50%	=	Need improvement

	Self-assessment on operational results of the Board of Directors	Average Scores	Criteria
1.	The Board of Directors (Group Assessment)	92.35	Excellent
2.	The Board of Directors (Individual Assessment)	95.17	Excellent
3.	The Sub-committee(Group Assessment)	95.00	Excellent

5. Supervision on Operations of the Subsidiary and the Associate Company

The Company as the parent company has duty to oversee business operations of the subsidiaries and the associates, to formulate the corporate governance policy and standards, to determine direction, business operation formats, strategic plan, budget, target, operations with in the Group, as well as monitor on operations continually format and also has authority to make decision on the matter significant to business operations. In addition, the Company has specified that the nomination and exercise of right to vote for selection of person to be the director of the subsidiary and the associated company is required to be approved by the Company's Board of Directors. The person appointed as the director in the subsidiary and the associate company must perform duties for the best interest of such subsidiary or associate company and must be in line with the parent company. The Company specified scope of authority and duty of the director and the management who is the Company's representative and such appointed person must be firstly granted approval from the Company's Board of Directors before he/she could pass resolution or vote in significant matter in the same level which is required to have an approval from the Board of the Director if such operation is operated by

the Company. Moreover, the appointment of the representative to be the director, the management or the controlling person in such subsidiary or associate company must be pursuant to shareholding proportion of the Company.

Furthermore, in case of subsidiary, the Company specified that such appointed person must oversee to ensure that the subsidiary disclose financial positions and operating results, as well as has complete and correct regulations with regards to connect transaction, acquisition and disposal of assets or undertaking of other significant transactions of such company with the connect person. In addition, criteria relevant to disclosure of information and the above transaction must be applied in the same manner as those of the Company's criteria. Supervision on maintenance of information and accounting record of the subsidiary for purpose of inspection and for compilation of the consolidated financial statement on timely manner must also be specified. The Company has specified appropriated and adequate conciseness of the internal control system of the subsidiary and such internal control system must have been reviewed by the Internal Audit Office pursuant to the annual audit plan. The Company also specified that it must disclose financial position and operating results including criteria for approval of material transactions, such as capital increase or decrease. The dissolution of the subsidiary is also required to have approval from the Company's Board of Directors.

6. Supervision on Usage of Insider Information

The Board of Directors recognizes and emphasizes on prevention of wrongful use of insider information by specifying policies and measures on usage of insider information to trade securities. This is to assist the director, the management, and related person to practice properly and prevent wrongful use of the inside information which is regarded as taking advantage of other. This is not only breach of law but also damage Company's reputation.

In this policy "Insider Information" means the information which has not yet been disclosed to public material content could influence changes in securities prices or values.

Insider Information Policy

1. Any director, management, and related person who accesses or possesses insider information must:
 - 1.1 Maintain insider information of the Company with due care and safe in order to prevent its leakage.
 - 1.2 Not disclose insider information of the Company to any other person not being engaged with assigned work in order to prevent usage of insider information for benefits of such person or others. This is because it may influence prices or values of the securities of the Company or other listed companies relating to insider information or influence investment decision.
2. Any director, management, and related person who accesses or possesses insider information must not purchase or sell securities relating to insider information which he or she gains more advantage than other persons not knowing insider information.
3. Any director, management, and any person working with the insider information must comply with the insider information measurement as prescribed in this policy to prevent them from the risk of wrongful use of insider information.
4. The Company must implement a security system to prevent leakage of insider information that it will not be used for purchasing or selling securities for his or her own benefits or others.
5. The directors, management and employees of the Company have their own duties to strictly comply with their charters, code of conduct and corporate governance handbook of the Company as well as the rule of using insider information under the Securities and Exchange Act B.E. 2535 (and its amendments) ("Securities Act") and Public Limited Companies Act B.E. 2535 (and its amendments) and other applicable rules.
6. Any director, management and employee of the Company who does not comply with this policy is considered breaking discipline and subject to punishment including those prescribed by laws if it is breach of laws.

Blackout period measurement

The Company's directors, management, or related person are prohibited from trading the securities of the Company relating to insider information during a period of 1 month before disclosure of any quarter and annual financial statements and within 24 hours after such disclosure.

Maintaining and Protecting Usage of Insider Information

Insider information is deemed a valuable information. Using insider information jointly must be made within assigned duty and responsibility only. Disclosing insider information to public including communicating any information relating to insider information must be agreed by the Managing Director or the Chief Financial Officer or authorized persons only.

IT Policy

The Company emphasizes on utilizing information technology system efficiently and safely by stating its IT Policy as approved by the Chairman of the Board or Managing Director including provision of security protection measures for computer and information system as follows:

1. Using computer and information technology of the Company in accordance with the Computer-related Crime Act and other applicable laws.
2. Limiting assessment to insider information to only the Chairman of the Board, Managing Director, the Company Secretary or delegate person and disclosing to the Company's employees on necessity basis and informing the Company's employees of the confidentiality and limitation of use of the information.
3. Not changing, copying, deleting or destroying information of the Company and not disclosing information in the system of the Company without permission from the Company.
4. Implementing security system to prevent assessment and usage of information folder and confidential documents.
5. Using information technology system correctly according to permitted rights, keeping and not allowing other person using password to access the information technology system.
6. Not using information technology system to access or send information having content immoral, relating to gambling, affecting national security or violating other person's rights.
7. Communicating through social media must be made appropriately, accurately and truly as well as considering fairness to all stakeholders and not incurring damage to the Company.

7. Audit Fee

1. Total audit fee paid in 2020 to Pricewaterhouse CoopersABAS Ltd., the auditing company which the auditor of the Company and domestic subsidiaries work for, was 6.63 million baht. Person or business related to the auditor and the auditing company including the following persons shall not be the same person or has the business related to the Company and its subsidiaries:
 - (a) Spouse and child who is dependent or under custody of the auditor;
 - (b) Business which has controlling power of the auditing company, business which is under control of the auditing company and business under the same control, irrespective of directly or indirectly, of the auditing company;
 - (c) Business under material influence of the auditing company;
 - (d) Partner or equivalent of the auditing company;
 - (e) Spouse and child who is dependent or under custody of the person under (d);
 - (f) Business that the auditor, the person under (a), (d) or (e) has controlling power or has material influence, whether directly or indirectly;

For benefit on consideration on control and material influence nature which can be regarded as the person or business related to the auditor and the auditing company as mentioned above, the definition of the accounting standards Re: Disclosure of information related to the connected person or business, can be applied.

2. Non-auditing fee amounting to 0.29 million baht which is the service fees for auditing pursuant to the method jointly specified under the condition of the Revenue Department and the promotion certificate of the Company and the subsidiaries.

8. Implementation of Corporate Governance Code 2017

The Company places importance on implementation of the Corporate Governance Code 2017 (CG Code 2017) prepared by the Office of the Securities and Exchange Commission (Office of the SEC). The Company has prepared and announced its enforceability since March 2017. The Company has reviewed compliance with

corporate governance principles with objectives to make the Company formulate and comply with the Corporate Governance Policy with process to review the implementation and adaptation of the Corporate Government Principle for the Listed Companies 2017 with its business context at least once a year. For determination of success on business operations, apart from financial performance, the Company has also considered about ethics and social and environmental impacts. In this regards, the Company's Board of Directors has vital role in creating corporate culture with ethics and being a role model as the leader for corporate governance operations. The Company has applied the CG Code 2017 by studying details of the CG Code 2017 and comparing with the existing policy and operating guidelines of the Company then summarized the matters required to be additionally performed and proposed to the Board of Directors for consideration and further action. The Board of Directors has reviewed the implementation of CG Code 2017 pursuant to the business context as follows:

1. The Company increased roles and duties of the Board of Directors on formulation of the main objectives and targets of the Company and roles on formulation of strategy and policy on operation as well as the allocation of important resources in order to achieve the objectives and targets as well as allocate material resources with aim to achieve the objectives and targets including monitor, assess results and supervise the report on operating results. Roles and duties of the Board on monitoring and supervision on adequacy of financial liquidity and ability to pay debt have also been added.
2. To increase the operating guidelines on the directors' report regarding their interests during the meeting of the Board of Directors. The director who has significant interest in the matter to be considered is required to report such interest before consideration of such agenda and it shall be recorded in the minutes of the Board's meeting.

9. Compliance with the Corporate Governance in other matters

The Company has complied with other principles on corporate governance, for instance, review and improve the charters of the Board of Directors and the Sub-committees to make them conform to the Corporate Governance Principles. Furthermore, the Board also specified that there must be Board Skill Matric, which places importance on guidelines on development of knowledge and capability of the directors in the important aspects or develop aspect (Board Development), so that the directors shall have suitable qualifications and conform to directions of the Company's strategy, objective, and business operations.

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SOCIAL RESPONSIBILITY

Overall policy

Siam Gas and Petrochemicals Public Co., Ltd. determines to operate business under good corporate governance principles, with morality and responsibility for society, communities, environment, stakeholders and all parties related to the Company. The Company realizes that as we engage in business of supply and distribution of liquefied petroleum gas, petrochemical products and related businesses, it is required to obtain maximum trust and confidence on safety. The Company also has policy to strictly comply with related laws, regulations, standards and requirements.

The Company places utmost importance to social responsibility and it has been regulated in the Company's mission. In addition, some part of budget has been allocated for social activities and disbursement of such budget shall be considered by the high level executives.

Core vision and mission of the Company are as follows:

- To plan to increase facilities, warehouses, gas filling plants and service stations including gas tankers and gas trucks.
- To constantly develop human resources in order to develop their potentials and operating capability, so that their works can be successfully, efficiently and safely achieved.
- To put emphasis on product safety policy, service rendering including internal operations.
- To give emphasis to well-being of the people by providing excellent products and services, especially on safety, convenience and at reasonable and fair prices.
- To place importance to environmental conservation and ethically business operations pursuant to governance principle and with responsibility to society, community as well as all shareholders and relevant parties.

The Company is always aware that for business of liquefied petroleum gas, petrochemical products and related business, responsibility is the most crucial part, as it shall cause impact to all parties and sectors, from employees, executives, business partners, communities to societies, particularly on personal welfares, safety and environmental conservation. As a result, the management has specified policies and operating guidelines as follows

Fair Competition

The Company shall treat its business competitors pursuant to the relevant laws and business ethics principles, including fair rules on competitions by maintaining competitive code of conducts as follows:

- Do not take advantage of business competitors by misleading business information which might cause impact to reputation of the competitors.
- Refrain from making an agreement or discussion with the competitors' employees about marketing or business plans which can impact to business.

Anti-corruption

The Company established anti-corruption policy to be applied for both inside and outside of the organization. The Company cooperates with various organizations to counter all kinds of corruption and bribery, as well as enhances the employees to be well aware of anticorruption policy by not asking for, giving any unlawful trading benefits to the business partners or the third party.

Fair Labor Practices

The Company recognizes importance of employees as the Company's most valuable assets. Thus, it intends to develop potentials of its human resources for maximum benefits of the Company and it also encourages its employees to jointly participate in creation of good corporate culture, team work and to enhance safety

atmosphere and workplace. Moreover, The Company also equally listens to opinions and recommendations from the employees at all levels. In addition, the Company also provides welfare to the employees' family by granting scholarships to the employees' offspring who have good academic records from elementary level to university level. The object is to encourage the employees' offspring to pay attention to education, so they could become the capable people for their family and the country as a whole.

The Company encourages the employees to enhance their knowledge, capabilities, skill and experiences so that they can perform their works effectively. The Company arranges various employee training courses at all levels pursuant to annual training programs which shall be systematically arranged in accordance with regulations on employees' training practices of the Company. Besides, the Company also dispatches the employees to attend training programs outside of the Company to increase their knowledge in various aspects related to their works, for instance training on newly accounting standards, computer network system and etc

Consumer Responsibility and Environmental Conservation

The Company determines to be the management excellence in terms of safety, health and environment. No other mission shall be more important than to create health and safety atmosphere for employees, customers, business partners and communities and to prevent environmental impact which may incur. Such continued development and improvement shall be important and sustainable benchmark for our growth and it can also drive for continuity and harmony on integrating projects and processes on business operations together. Our strong determination to become management excellence on

safety, health and environment are performed by adhering to the following policies:

1. To comply with the written regulations and spirit of law concerned, industrial standards as well as to provide full cooperation with the officials to develop and improve such regulations.
2. To main workplaces to make them on par with standards on safety, occupational health and environment by adhering to the best operating practices as its guidelines.
3. To set up target on zero accident from work because we believe that loss of life, injury and incident can be prevented.
4. To constantly review operations and procedures, then develop suitable projects to support for improvement of our potentials on continued basis.
5. All of our employees must take part in safety, health and environment responsibility activities and they must behave themselves in harmony with and pursuant to intention of this policy, by specifying as key performance indicators that must be achieved as per targeted.
6. All employees must cooperate with and encourage business partners and contractors who deal business with us to be responsible for safety and do not cause impact to environment.
7. To develop and supply safety and environmental friendly products when they are properly used and to provide necessary information in order to achieve such expectation.

The above policies are regarded as the core of operating strategy as well as the framework for formulation of business plans and objects of all departments. These policies must be reviewed and monitored in order to put them into practices together with the formulation of consumer responsibility and environmental conservation policy. The Company has arranged activities to promote



compliance with such policies as follows:

- To arrange trainings on general information of the products, particularly liquefied petroleum gas products, and safety usage, loading and product maintenance to the employees, customers and the third parties, such as communities, government agencies and etc.
- To arrange emergency drill plan at the operating workplaces, such as gas warehouses and gas filling plants where the government officials and community representatives may observe as necessary.
- To arrange 5 Sor. activities in the workplace.
- To provide knowledge by arranging safety exhibitions.

Contribution to Community and Society

The Company has arranged community and social development activities which included:

- Contribution to society by assisting flood victims, donation of supplies to the communities, donation of money to build religious places, schools, hospitals and participation in environmental conservation campaigns and more.
- Arrangement of activities to cultivate environmental conservation spirit, for instance a campaign to use used paper in the office and etc.

CSR (After Process)

The Company continually encourages and supports social and environmental activities, particularly on livelihood development of the communities in the remote areas to make them have better living. One of the activities is to provide budget for construction of pipe water system to the villagers in Sinchai Village, Padaeng Village, Sunti Vana Village and Pakia Village of Chai Prakarn District, Chiang Mai Province to make villagers in 4 villages have consumption and usage water. Such activity has followed the royal initiatives of Her Majesty Queen Sirikit which emphasized on mitigation of water shortage crisis.

Practical guidelines to prevent involvement in corruption acts

The Company determines to conduct business under good corporate governance principles by declaring intention on prevention on involvement of corruption. The Company also specified anti-fraud and anti-corruption policy in the Company's code of business ethics handbook and post at the board in the Company's offices, depots, and LPG station. The policies are as follows:

The Company's directors, executives and employees are prohibited to request, offer and accept any and all forms of corruption, directly and indirectly and this policy also



applies to all relevant departments. The Company has established anti-corruption procedures and compliance of this anti-corruption policy has been constantly reviewed to make it consistent to the changes in business, law, policy, rules, notification, regulations and to preserve reputation of the Company. All directors, executives and employees shall strictly comply with this policy as follows:

1. The Company's directors, executives and employees determine to build corporate culture which adheres to zero tolerance policy for corruption when dealing business with the public sector and private sector or any individual person.
2. The directors and the management are well aware of importance on dissemination of knowledge and understandings concerning anti-corruption policy and practices, including matters of law of Thailand to the persons who shall deal business with the Company and the Company's stakeholders.
3. The directors, executives and employees at all levels must strictly comply with the anti-corruption policy and code of conduct and must not get involved in any and all forms of corruption – directly or indirectly.
4. The Company has specified a policy when conducting any activity which might be exposed to corruption to be observed by all directors, executives and employees as follows:

- 4.1 Political assistance. The Company has a policy not to provide any political assistance as it has a political neutrality policy and does not give preference to any political party or group. It will not support any political activities of any particular political party and it will not support or provide assistance to any candidate for public office - directly or indirectly.
- 4.2 Charitable donation and fundraising with purposes for social, economic and cultural development; for building up good reputation of the Company and for strengthening business relations. The Company has a policy to oversee and supervise the charitable donation and fundraising activities to ensure that they are conducted with transparency and full compliance with applicable laws and regulations, and they must not be used as a means of bribery and corruption. For these purposes, clear, precise and effective operating guidelines have been established and all evidencing document must be able to be verified.
- 4.3 Giving or receiving gift and business entertainment to the person or public and private sectors must be correctly and transparently conducted pursuant to the operating practices. They shall not be conducted with purposes for the return

of benefits or others which may be considered as corruption. Request for approval and criteria for consideration shall be as per the specified Gift and Business Entertainment Procedures.

- 4.4 The Company must not pay or receive any facilitation payment or bribery for conducting current or potential business via the person ting on behalf of the Company, the advisor, the broker, the counterparty, the business partner or the middleman who are under the Company's control.
- 4.5 The Company has stipulated regulations on payment, gifts or assets by specifying applicable limits and approval authority and also specified that clear evidencing document for such payment must be presented to ensure that disbursement of money, giving of gift or assets shall not be made with purpose of corruption. Information and details must be inspected to ensure compliance with the specified operating practices.
- 4.6 Sales and marketing. The Company has sales and marketing inspection process in place to ascertain that such activities have been correctly and transparently conducted and there will not be any room for corruption.
- 4.7 Procurement and employment : The Company has inspection process for procurement and employment to make sure that such activities have been conducted with transparency, integrity and compliance with applicable laws including the Company's procurement and employment regulations.
- 4.8 Human resources management: Processes for personnel recruitment, promotion, training, performance evaluation must be able to reflect the Company's intention and practices on anticorruption policy.

5. Implementation of anti-corruption policy

- 5.1 Communicate anti-corruption policy and practices to the directors, executives and employees as well as to the person who will act on the Company's behalf, the advisor, the broker, the counterparty, the business partner including the subsidiaries, the associated companies and other companies that the Company has controlling power for their implementation via the specified channels.
- 5.2 There must be transparent and correct financial reporting preparation procedures in place. In addition, corruption risk assessment procedures must be specified and included as a part of the enterprise risk factors and appropriated and effective internal control system must be established to prevent unappropriated operations.
- 5.3 Secure and accessible channel must be provided for the employees and other persons for requesting for recommendation on compliance with the anti-corruption policy and practices and to send information on misconduct or compliant by ensuring that the informant must be appropriated protected.
- 5.4 The Company's employees shall not neglect or ignore when witnessing any act which could be regarded as corruption related to the Company. He or she should inform a clue or file a complaint via the channel specified by the Company and provide cooperation in finding the fact. When in doubt or require any recommendation, employees should consult with the designated party/entity via the channel provided by the Company.
- 5.5 The Company shall provide equitable treatment and protection and shall not demote, impose penalty or negative result to the employee who rejects to inform a clue or file a complaint on corruption relevant to the Company. There must be a protection measure for the informant, the complainant or the person who cooperates on reporting the corruption act as per specified.
- 5.6 Any person who fails to comply with the Company's anti-corruption policy or practices shall be imposed with disciplinary penalty pursuant to the regulations specified by the Company, which shall include termination of employment, if the Company deems necessary, and shall also be penalized pursuant to the relevant laws.

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INTERNAL CONTROL AND RISK MANAGEMENT

Opinions of the Board of Directors on internal control system

The Board of Directors emphasized that the Company must have proper and efficient internal control system, hence it has assigned authority, duty and responsibility to the Audit Committee to review and ensure that the Company has adequate and appropriate internal control system and internal audit system in place with objectives to oversee the efficient and transparent operations pursuant to targets, objectives, relevant laws and regulations as well as prepare the correct, credible financial reports with adequate information disclosure. Internal audit function which shall directly report to the Audit Committee shall inspect and review internal control system including performance of the Company on compliance with the laws on securities and exchange, including the relevant regulations.

The Audit Committee also has duties to consider, select, appoint and dismissal the auditor and fix remuneration, review the financial reports with auditor. In recent year, the auditor reports that there is no significant issue on internal control and there is no Management Letter issuance from Auditor to the Management. The duties also to consider on disclosure of correct and complete information in case of connected transaction or transaction which might have conflict of interest pursuant to the specified criteria

At the Board of Directors' meeting No. 1/2021 held on February 23, 2021 where all 3 members of the Audit Committee attended, the Board has assessed the Company's internal control system by using the assessment form on adequacy of the internal control system developed by the Office of the Securities and Exchange Commission (SEC) pursuant to the concept of COSO (The Committee of Sponsoring Organization of Treadway Commission). The assessment has been made by considering 5 components, such as control environment, risk assessment, control activities, information & communication and monitoring activities and each component has been expanded to include 17 sub-principles. After applying this assessment form as guideline for self-assessment on adequacy of the Company's internal control system, the Audit Committee has the same opinion as the Board of Director that the Company's internal control system was appropriately. The Company has provided adequate personnel to effectively perform operations pursuant to the system and it also has monitoring system to oversee operations of the subsidiaries to prevent wrongly use or unauthorized use of properties of the Company and its subsidiaries by the director or the executive. Furthermore, measures on transaction with person who might have conflict of interest or the connected

person have been adequate specified. The Board of Directors also deemed that measures on internal control system of other topics also adequate.

Opinions of the Board of Directors on risk management system

The Company has set up risk management committee to consider and approve a draft enterprise risk management policy and framework which has been prepared based on concept of COSO ERM (Enterprise Risk Management), both from internal and external factors, consider and give opinion on determination of risk appetite and risk tolerance which must be consistent with the organizational strategy, review and improve the Company's risk management system to make it effectively and efficiently on continued basis. In addition, it is specified that risk management must be constantly evaluated and monitored to make it in line with the specified policy and guidelines, material risks must be assessed and analyzed in various aspects which must be in line with the current situations to ensure that such risk assessment covers all procedures of business operations pursuant to the criteria related to corporate governance principles. The risk management shall also review risk management report, increase monitoring work for risks which are materially to organization and arrange to ensure that the organization has appropriated risk management in place, as well as consider anti-corruption risks of the organization, and review the appropriateness of anti-corruption operating guidelines to make them conform to the changes in business, policy, rules, notifications, regulations and legal requirements. Furthermore, the Audit Committee has appointed the risk management working group where top management of each department or the department manager shall be members of the working group. Duties and responsibilities of the working group are to assesses Risk Identification, analyzes Risk Assessment and Analysis, select risk management measure to be consistent with corporate strategies as well as set up Control Activities in line with the risk measure evaluation. Risks under management measure are Operational Risk, Compliance Risk, and Financial Risk.

Opinions of the Audit Committee

The Audit Committee has assessed adequacy and efficiency of internal control system by considering from result of auditing report proposed by the internal audit function and opinions of the auditor from PricewaterhouseCoopers ABAS Ltd., the auditor of the financial reports of the Group for 2020, which stated that there was no significant issue regarding internal control of Accounting and Finance. The Audit Committee also jointly

conducted assessment with the Board of Directors during the meeting No. 1/2021 on February 23, 2021, by using the assessment form on adequacy of the internal control system developed by the Office of the Securities and Exchange Commission (SEC) as guideline for self-assessment on adequacy of the Company's internal control system. The Audit Committee has the same opinion with the Board of Directors that the Company's internal control was appropriated.

Information Disclosure of the Head of Internal Audit Office

At the Board of Directors' meeting No. 7/2012 held on June 14, 2012, the meeting has resolution to appoint Mrs. Chantira Srimoungpan as the head of internal audit office as well as to establish the charter of the internal audit office to specify scope of duties and responsibilities of the head of internal audit office with effective from July 2, 2012.

The Audit Committee also supervises to ensure that the person holding position of head of internal audit office shall have educational background, experiences and trainings suitably and adequately for performing such duties by having training courses arranged by the Thai Institute of Directors (IOD) that by important and beneficial to the duties in total 8 courses. These training courses are additional to training courses from other institutions to broaden knowledge and expertise in internal audit profession, risk management, Internal control, corporate governance, accounting and finance, and etc. In addition, the Company has specified that consideration on approval, appointment, transfer and dismissal of the Company's head of internal audit office must require to have consent or approval from the meeting of the Audit Committee. This was specified in the Audit Committee's charter as reviewed and approved by the Board of Director

Qualifications of the Head of Internal Audit Office

Details of the Head of Internal Audit Office

1. Name

Mrs. Chantira	Srimoungpan
Current position	Head of Internal Audit Office and Secretary of the Audit Committee

2. Educational background

Bachelor of Accounting
Faculty of Commerce and Accountancy, Thammasat
University

3. Working experiences and relevant training courses

3.1 Working experiences

2012 - Present	Head of Internal Audit Office and Secretary of the Audit
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1999 - 2012	Committee Siamgas and Petrochemicals Public Co., Ltd. Director of Internal Audit Department and Secretary of the Audit Committee Wave Entertainment Public Co., Ltd.
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3.2 Trainings courses attended

3.2.1 Training courses arranged by the Thai Institute of Directors (IOD)

- Director Certification Program (DCP), Class of 271/2019
- IT Governance & Cyber Resilience Program (ITG), Class of 12/2019
- Advanced Audit Committee (AAP), Class of 28/2018
- Board Nomination and Compensation Program (BNCP), Class of 4/2018
- How to Develop a Risk Management Plan (HRP), Class of 15/2017
- Director Accreditation Program (DAP), Class of 137/2017
- Anti-Corruption : The Practical Guide (ACPG), Class of 20/2015
- Company Secretary Program (CSP), Class of 11/2005

3.2.2 Training courses arranged by The Institute of Internal Auditors of Thailand, the Federation of Accounting Professions under the Royal Patronage, the Stock Exchange of Thailand and others courses concerning the internal control, risk management and internal audit, such as:

- Preparation of working papers for anti-corruption measures in the organization, Class of 2/2019
- Good Corporate Governance and Audit Committee
- Risk Management pursuant to COSO ERM
- Internal Control Unit Management
- Fraud Audit
- Leadership Skill for Auditors
- Audit Project Management
- Risk Based Audit
- Audit Manager Tools and Techniques

CONNECTED TRANSACTIONS

Summary of transactions between SGP, its subsidiaries and other people who might have conflicts during 2019 and 2020

SGP and its subsidiaries had connected transactions in accordance with its normal business practices and fair trade as follows

Connected Person/Legal Entity	Relationship	Description	Value ('000 Baht)		Outstanding ('000 Baht)		Justification	Reference : Notes of Financial Statement
			2020	2019	2020	2019		
1. Great China Millennium (Thailand) Company Limited ("Great China")	SGP and Great China Millennium (Thailand) Company Limited have the same major shareholder who is	LPG Sales Revenue and Account Receivable Great China Millennium (Thailand) Company Limited purchased LPG from SGP to supply to its food court in the shopping building at the same price SGP sells to general customers	2,122	6,113	1,275	1,113	The Audit Committee considered that these were common sales transactions of SGP and the selling price was the same as that of general customers, so these transactions were considered appropriate and reasonable	Note# 37 (A) and #36 (C)
Property and Hotel Business	Weerabornwong family. Weerabornwong family holds 1,011.51 million shares or 55.03 per cent of paid-up capital of SGP and holds directly and indirectly 96.97 million shares or 94.66 per cent of paid-up capital of Great China Millennium (Thailand) Company Limited							

Connected Person/Legal Entity	Relationship	Description	Value ('000 Baht)		Outstanding ('000 Baht)		Justification	Reference : Notes of Financial Statement
			2020	2019	2020	2019		
		<p>Office Rental Deposit</p> <p>SGP and its subsidiaries including UGP, LCR and SLM rent the office space of the Palladium World project from Great China Millennium (Thailand) Company Limited for their business offices. According to the contract, SGP and its subsidiaries are required to place the deposit as guarantee for rental and services. This deposit charged by Great China was the common practice of general office buildings.</p>	-	-	6,935	6,935	The Audit Committee considered that this rental deposit placement of SGP and its subsidiaries was general practice, and these transactions considered appropriate and reasonable	Note# 37 (A)

Connected Person/Legal Entity	Relationship	Description	Value ('000 Baht)		Outstanding ('000 Baht)		Justification	Reference : Notes of Financial Statement
			2020	2019	2020	2019		
SGP and Great China Millennium (Thailand) Company Limited have the same directors who are Mr. Worawit Weerabornwong, Mrs. Patchara Weerabornwong, and Miss Patcharawadee Weerabornwong		Rental Fee, Common Service Fee and Account Payable These transactions were space rental fee, services fee and account payable that SGP and its subsidiaries including UGP, LCR and SLM rent the office from Great China Millennium (Thailand) Company Limited with total space of 9,048.36 square meters with rental rate and service fee at 350 Baht and 250 Baht per square meter respectively. The period of rental contract is from 1 September 2018 to 31 August 2021 (3 years rental period). This rental fee charged by Great China was lower than that of charged by other office buildings in the same area	65,420	65,420	-	-	The Audit Committee considered that office space rental of SGP and its subsidiaries was normal practice in running business, although the rental rate of Great China was lower than those of other office buildings nearby. while the Palladium Office Build could serve the long-term future office expansion of SGP and its subsidiaries, so these transactions considered appropriate and reasonable.	Note # 37 (D) (In 2020 Rental Fee was not disclosed as connected transaction but disclosed as depreciation in the financial statement in accordance with financial reporting standard TFRS 16 : Lease.)
		Other Expenses and Other Account Payable Other expenses and other account payable were incurred as SGP and its subsidiaries were serviced by Great China Millennium (Thailand) Company Limited and the services charged by Great China were at the same rate charged to general customers or tenants	9,000	14,419	1,309	3,605	The Audit Committee's opinion was that the services provided by Great China were the general services and the rates were charged at the same rate as that of general customers and tenants, so such transactions were appropriate and reasonable.	Note # 37 (A) and 37 (D)

Connected Person/Legal Entity	Relationship	Description	Value ('000 Baht)		Outstanding ('000 Baht)		Justification	Reference : Notes of Financial Statement
			2020	2019	2020	2019		
Electricity, Water Supply and other Account Payable SGP and its subsidiaries paid for electricity and water supply for their offices to Great China Millennium (Thailand) Company Limited which was charged at the same rate charged to other tenants in the building.			1,329	1,465	74	73	The Audit Committee considered that the electricity and water supply expenses SGP and its subsidiaries paid to Great China were the same as that Great China charged to other tenants, so such transactions were appropriate and reasonable.	Note # 37 (A) and 37 (D)
Rental and Pooled Office Service Fee Advanced Payment SGP and its subsidiaries paid the advanced rental and office service fee to Great China Millennium (Thailand) Company Limited in accordance with the office rental contract.			-	-	161,266	109,033	The Audit Committee considered that the Advanced Payments for rental and office services made to Great China were in accordance with general office rental contract, so such transactions were appropriate and reasonable.	Note # 37 (A) (In 2020 Rental Fee Advanced Payment was not disclosed as connected transaction but disclosed as a right-of-use asset in the financial statement in accordance with financial reporting standard TFRS 16 : Lease.)

Connected Person/Legal Entity	Relationship	Description	Value ('000 Baht)		Outstanding ('000 Baht)		Justification	Reference : Notes of Financial Statement
			2020	2019	2020	2019		
2. Phrom Maharaj Land Development Co., Ltd. (PHROM)	Weerabonwong family is the major shareholder of both SGP and PHROM who is holding 1,011.51 million shares or 55.03 % of SGP's share equity and 136.39 million shares or 90.75% of PHROM's share equity.	Interest Income SGP and its subsidiaries received interest from Great China Millennium (Thailand) Company Limited due to Great China requested advance payment before the end of previous contract (only for special event during Covid-19 pandemic)	4,681	-	-	-	The Audit Committee considered that the interest income received from Great China used appropriate interest for calculation and in accordance with office rental fee and service fee contract, so such transaction was appropriate and reasonable	Note # 37 (C)
		Revenue from LPG sales and Trade Accounts receivable PHROM purchased LPG from SGP for its food court, and the hotel kitchens with the same price as that sold to general customers.	3,082	10,129	1,684	3,645	The Audit Committee considers that these transactions were carried out on normal basis of SGP's business and also the price was the same as that sold to general customers. Therefore, such transactions were considered appropriate and reasonable.	Note # 37 (A) and (C)

Connected Person/Legal Entity	Relationship	Description	Value ('000 Baht)		Outstanding ('000 Baht)		Justification	Reference : Notes of Financial Statement
			2020	2019	2020	2019		
SGP and PHROM have 4 directors in common which are Mr. Worawit Weerabonwornpong Mrs. Patchara Weerabonwornpong Mr. Supachai Weerabonwornpong and Miss Patcharawadee Weerabonwornpong		Office Space Leasing Deposit SGP and its subsidiaries, i.e. UGP, LCR, and UMR rent their office space from PHROM. In this regard, SGP and its subsidiaries needed to place deposit to PHROM at the rate of one-month rental fee instead of charging normal deposit rate of two-month rental fee. The office rental deposit was general practice of office building, but SGP and its subsidiaries paid at a lower rate. However, SGP and its subsidiaries had terminated the office rental with PHROM on 31 August 2012, but continue to rent storage for document, so the outstanding guarantee was used as rental fee for such storage rented areas.	-	-	309	309	The Audit Committee considered that the office space rental deposit placed by SGP and its subsidiary was general practice of office building business. Moreover, SGP and its subsidiaries could place the deposit at a lower rate than normal case. Therefore, such transaction was considered appropriate and reasonable	Note # 37(A)
		Pooled Office Service Fee and Account Payable These transactions were rental and office services that SGP and its subsidiaries including UGP, LCR and SLM rent office space and document storage of PHROM with total space of 877.43 square meters - rental fee at the rate of 229.66 - 350.00 baht per square meter for document storage.	3,056	3,056	19	166	The Audit Committee considered that office space rental of SGP and its subsidiaries was normal practice in running business, the Audit Committee considered this transaction was appropriate and the rental fee was reasonable	Note # 37 (A) and 37 (D) (In 2020 Rental Fee was not disclosed as connected transaction but disclosed as depreciation in the financial statement in accordance with financial reporting standard TFRS 16 : Lease.)

Connected Person/Legal Entity	Relationship	Description	Value ('000 Baht)		Outstanding ('000 Baht)		Justification	Reference : Notes of Financial Statement
			2020	2019	2020	2019		
		Other Expenses and Account Payable These expenses were incurred as SGP and its subsidiaries used various kinds of services of PHROM's hotel such as staff's lunch, customer reception and entertaining, and hotel room accommodation which were charged at the same rate as general guests.	920	1,456	248	296	The Audit Committee's opinion was that the services provided by PHROM to SGP and its subsidiary including staff's lunch, customer reception and entertaining, hotel room accommodation and other services were the general services of PHROM as a shopping center and hotel. And the services charge for SGP and its subsidiaries were the same as those for general guests, so such transactions were appropriate and reasonable.	Note # 37 (A) and 37 (D)

Policies or directions of the connected transaction in the future

The Company and its subsidiaries anticipate that the connected transactions will continue to be entered under a normal course of business without any special privilege being granted. Such transactions are LPG distribution to Great China and Phrom for its shopping center and hotel, utility payment as well as catering and other service charges to Great China.

The pricing policy shall be transparency and in accordance with the fair market price with maximum benefit to the Company and be reviewed by the Audit Committee.

In the future, the Company might further engage in the transaction with the said similar manner with quarterly report to the Audit Committee.

The office rental transaction with Great China were undertaken to accommodate the necessity in office space of the Company and its subsidiaries. The Company may consider to renew such rental contract upon its expiration. However, the rental price of comparable office space will

be taken into account and proposed to the Audit Committee for further consideration.

For the office rental transaction with PHROM, the contract had been terminated on August 31, 2012, but continue to rent some areas for document storage.

The Company and its subsidiaries has no policy to borrow or grant any loans to persons with conflict of interest as the Company is able to raise fund through the securities issuance for its business. However, if the inter-company loan is required, the agreement will be arranged with clear and fair condition for utmost benefit of the Group.

For the connected transaction that may occur in the future, the Company has to strictly comply with the securities laws, rules stipulated by the Stock Exchange of Thailand, regulations related to the disclosure of the related parties transaction and sale and purchase of important parts of the business transactions well as the accounting principles set by Federation of Accounting.

FINANCIAL POSITIONS AND OPERATING RESULTS

Significant Financial Information

Financial Statements

Auditor

Year	Auditor Name	Certified Public Accountant No.	Audit Company
2018	Ms. Amornrat Pearmpoonvatanasuk	4599	PricewaterhouseCoopers ABAS Ltd.
2019	Mr. Chaisiri Ruangritchai	4526	PricewaterhouseCoopers ABAS Ltd.
2020	Mr. Chaisiri Ruangritchai	4526	PricewaterhouseCoopers ABAS Ltd.

Summary of Auditor Report, Year 2018-2020

The auditor conducted the audit in accordance with generally accepted auditing standards and opined that the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Siamgas and Petrochemicals Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Major Change in Accounting

Major Change in Accounting in 2018

Impairment assessment of investment in a subsidiary and its assets

The Company has recognized additional provision for impairment loss on an investment in Siam Ethanol Export Co., Ltd. (the subsidiary) of Baht 129 million against its investment at net book value of Baht 159 million in the

separate statement of income for the year ended 31 December 2018 (refer to Notes to Financial Statement No. 12). In addition, the Group has recognized additional provision for impairment loss on the subsidiaries' equipment of Baht 93 million against its net book value of Baht 234 million in the consolidated statements of income for the year then ended. This is because the operating results of ethanol business did not meet its original plan and the subsidiary has ceased operations (refer to Notes to Financial Statement No. 13 of Year 2018).

The management has recognized the provision for impairment loss on the investment in Siam Ethanol Export Co., Ltd. (the subsidiary) and provision for impairment loss on the subsidiaries' equipment by applying the fair value less costs to disposal in year 2018. The management appointed an independent valuer to appraise fair value of the subsidiaries' assets. Major of the subsidiaries' assets are property, plant and equipment. The calculation of fair value less costs to disposal involves significant judgement and assumptions of the management in respect to characteristics and conditions of individual asset, expected disposal period, including the list of total assets

expected to be disposed to third parties. The management provided such information to the independent valuer in appraising fair values of assets.

Result of impairment test by the management, it is noted that recording of the provision for impairment loss in investment in Siam Ethanol Export Co., Ltd., and the subsidiary's equipment, totaling Baht 250 million and Baht 121 million, respectively is sufficient.

Major Change in Accounting in 2019

Impairment assessment of investment in a subsidiary

The Company has recognized additional provision for impairment loss on an investment in Siam Ethanol Export Co., Ltd. ("SEE"), the subsidiary, of 199 million baht in the separate statement of income for the year ended 31 December 2019 because the operating results of ethanol business did not meet its original plan and this subsidiary has ceased operation (refer to Notes to Financial Statement No. 14.1 of Year 2019).

The management recognized the provision for impairment loss on the investment in SEE by applying the fair value less costs to disposal. The management appointed an independent valuer to appraise the fair value of SEE's assets. In 2019, the major assets of SEE are land.

The land was appraised by the market approach in which the valuer considers the market price comparison with similar land and uses their discretion to determine the fair value of the land.

Result of impairment test by the management, it is noted that recording of the provision for impairment loss in investment in Siam Ethanol Export Co., Ltd., as at December 31, 2019, totaling 499 million baht is sufficient.

Investment in a subsidiary

During 2019, the Group invested in the indirect subsidiary via Siam LNG Company Limited ("SLNG"), the Company's subsidiary. SLNG entered into share purchase agreement to invest in Thai Public Port Company Limited ("TPP") which engages in oil depots and port services, totaling 104,668,735 shares which accounted for 99.68% of the registered and paid-up capital. The share purchasing consists of 2 parts as follows:

- The first part: Shares have been transferred on September 24, 2019, October 16, 2019 and November 26, 2019 which accounted for 71.20% of the registered and paid-up capital at a price of 2,384 million baht. SLNG paid 399 million baht and requested the Company to issue promissory notes in advance (Other payable, as per disclosed in Note 22) amounting 1,985 million baht on behalf of SLNG (Guaranteed by deposits at bank, as per disclosed in Note 9). The Aval issued by the commercial bank dues on January 21, 2020 and October 15, 2020. As at December 31, 2019, TPP is considered as an indirect subsidiary of the Group with the investment proportion of 71.20% of the registered and paid-up shares.

The second part is the share purchase accounted for 28.48% of the registered and paid-up shares at the price of 932 million baht. SLNG paid prepayment of 124 million baht (Note 20) in August 2019. SLNG will pay the remaining amount of 808 million baht and be received transferred shares in January 2020.

When the Group completed received the transferred shares as mentioned above, the Group will own 99.68% of the registered and paid-up shares of TPP.

Major Change in Accounting in 2020

New financial reporting standards and the impact to the group

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments (TFRS 9) and Leases (TFRS 16) in its financial statements. The impact from the first-time adoption has follows :

Measurements of derivatives (TFRS 9)

As of 1 January 2020, the Group has recognised the derivative contracts that not recognised previously. The derivatives are measured at fair value at the end of each reporting period. The changes in the fair value is recognised to profit or loss. The Group recognised the corresponding adjustment of Baht 63 million in the consolidated statement of financial position and Baht 2 million in the separate statement of financial position. (As described in the Note to Financial Statements No. 5 (5.1.2) Measurements of derivatives)

As of 31 December 2020, in the consolidated financial statement, the Group has derivative asset amount Baht 38 million and derivative liability amount Baht 5 million. The Group recognised the changes in the fair value to profit or loss which is equal to Baht 30 million in 2020. The Group has derivative liabilities amount Baht 1 million in the separate statement of financial position and the change in fair value loss amount Baht 1 million.

Leases (TFRS 16)

Lease liabilities : the Group recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2020. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities were 2.25% to 4.65%.

Right-of-use assets : the Group recognized Right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. (As described in the Note to Financial Statements No. 5.2 Leases)

As of 1 January 2020, the group has adjustment which recognized in the financial position. The Group recognized a right-of-use assest amount Baht 1,067 million in the consolidated financial statement and amount Baht 240 million in the separate statement of financial position. The Group recognised lease liabilities amount Baht 563 million in the consolidated financial statement and amount Baht 136 million in the separate statement of financial position.

As of 31 December 2020, the Group has a right-of-use asset in the amount of 1,087 million in the consolidated financial statement and 213 million baht in the separate statement of financial position. The Group has lease liabilities in the amount of 578 million baht in the consolidated financial statement and amount 117 million baht in the separate statement of financial position.

Summary Table on Financial Statement

Siamgas and Petrochemicals Public Co., Ltd. and Its Subsidiaries

Statement of Financial Position

As at 31 December

Unit: '000 Baht

	Consolidated Financial Statements					
	2018		2019		2020	
	Amount	%	Amount	%	Amount	%
Assets						
Current assets						
Cash and cash equivalents	2,848,742	7.96	2,500,026	6.03	2,975,491	7.19
Deposits at financial institution used as collaterals	-	-	1,185,029	2.86	-	-
Short-term investments	132,959	0.37	100,753	0.24	-	-
Financial assets measured at fair value through profit or loss	-	-	-	-	94,916	0.23
Trade and other receivables, net	5,444,878	15.21	5,290,548	12.77	3,959,933	9.57
Inventories, net	4,817,783	13.46	4,854,580	11.72	5,303,873	12.81
Other current assets	466,000	1.30	202,512	0.49	161,390	0.39
Total current assets	13,710,362	38.30	14,133,488	34.11	12,495,603	30.19
Non-current assets						
Investments in associates	2,375,577	6.63	1,800,594	4.35	2,029,884	4.90
Investments in joint ventures	107,513	0.30	71,530	0.17	62,682	0.15
Long-term loans to related parties	133,433	0.37	963,221	2.32	867,337	2.10
Property, plant and equipment, net	16,666,294	46.55	20,259,847	48.89	167,053	0.40
Investment property, net	127,815	0.36	167,705	0.40	21,127,810	51.05
Right-of-use assets, net	-	-	-	-	1,086,626	2.63
Goodwill, net	1,516,111	4.23	2,723,956	6.57	2,723,956	6.58
Other intangible assets, net	72,690	0.20	73,464	0.18	69,306	0.17
Derivative assets	-	-	-	-	38,177	0.09
Deferred tax assets, net	242,374	0.68	107,002	0.26	60,524	0.15
Other non-current assets	852,271	2.38	1,138,407	2.75	658,860	1.59
Total non-current assets	22,094,078	61.70	27,305,726	65.89	28,892,215	69.81
Total assets	35,804,440	100.00	41,439,174	100.00	41,387,818	100.00

Siamgas and Petrochemicals Public Co., Ltd. and Its Subsidiaries

Statement of Financial Position (Cont'd)

As at 31 December

Unit: '000 Baht

	Consolidated Financial Statements					
	2018		2019		2020	
	Amount	%	Amount	%	Amount	%
Liabilities and equity						
Current liabilities						
Short-term borrowings from financial institutions, net	4,988,585	13.93	4,838,846	11.68	3,363,434	8.13
Trade and other payables	3,514,764	9.82	7,094,759	17.12	4,313,307	10.42
Current portion of lease liabilities, net	-	-	-	-	48,818	0.12
Current portion of long-term loans from financial institutions, net	1,349,030	3.77	875,260	2.11	968,204	2.34
Current portion of bonds, net	2,999,800	8.38	1,999,898	4.83	-	-
Accrued income tax	110,351	0.31	142,349	0.34	218,933	0.53
Other current liabilities	140,145	0.39	77,466	0.19	73,125	0.18
Total current liabilities	13,102,675	36.60	15,028,578	36.27	8,985,821	21.72
Non-current liabilities						
Lease liabilities, net	-	-	-	-	529,381	1.28
Derivative liabilities	-	-	-	-	4,499	0.01
Long-term loans from financial institutions, net	963,399	2.69	1,259,937	3.04	1,556,099	3.76
Long-term loans from related parties	3,000	0.01	3,000	0.01	-	-
Bonds, net	5,983,201	16.71	6,977,455	16.84	10,970,316	26.51
Cylinder deposits	5,054,053	14.12	5,218,712	12.59	5,494,113	13.27
Employee benefit obligations	166,127	0.46	274,157	0.66	279,917	0.68
Deferred tax liabilities, net	340,972	0.95	687,872	1.66	614,793	1.48
Other non-current liabilities	62,202	0.17	100,957	0.24	89,344	0.21
Total non-current liabilities	12,572,954	35.11	14,522,090	35.04	19,538,462	47.20
Total liabilities	25,675,629	71.71	29,550,668	71.31	28,524,283	68.92

Siamgas and Petrochemicals Public Co., Ltd. and Its Subsidiaries

Statement of Financial Position (Cont'd)

As at 31 December

Unit: '000 Baht

	Consolidated Financial Statements					
	2018		2019		2020	
	Amount	%	Amount	%	Amount	%
Equity						
Share capital						
Authorised share capital						
1,837,863,000 ordinary shares with par value of 0.50 baht each (As at December 31, 2017						
918,931,500 ordinary shares with par value of 1 baht each)	918,932	2.57	918,932	2.22	918,932	2.22
Issued and paid-up share capital						
1,837,863,000 ordinary shares with par value of 0.50 baht each (As at December 31, 2017						
918,931,500 ordinary shares with par value of 1 baht each)	918,932	2.57	918,932	2.22	918,932	2.22
Premium on share capital	1,874,482	5.23	1,874,482	4.52	1,874,482	4.53
Retained earnings						
Appropriated						
- Legal reserve	162,089	0.45	162,089	0.39	162,089	0.39
- Other reserves	-	-	-	-	-	-
Unappropriated	7,722,361	21.57	8,510,351	20.54	10,001,974	24.17
Other components of equity	(691,188)	(1.93)	(385,479)	(0.93)	(487,500)	(1.18)
Equity attributable to owners of the parent	9,986,676	27.89	11,080,375	26.74	12,469,977	30.13
Non-controlling interests	142,135	0.40	808,131	1.95	393,558	0.95
Total equity	10,128,811	28.29	11,888,506	28.69	12,863,535	31.08
Total liabilities and equity	35,804,440	100.00	41,439,174	100.00	41,387,818	100.00

Siamgas and Petrochemicals Public Co., Ltd. and Its Subsidiaries

Statement of Income

For the year ended 31 December

Unit: '000 Baht

	Consolidated Financial Statements					
	2018		2019		2020	
	Amount	%	Amount	%	Amount	%
Operating Revenue						
Revenue from sales	68,263,970	98.79	66,834,447	99.10	54,518,591	97.98
Revenue from transportation	249,074	0.36	228,138	0.34	286,710	0.52
Revenue from services	9,438	0.01	13,970	0.02	318,308	0.57
Other revenues						
Dividend income	3,599	0.01	3,367	0.00	2,880	0.01
Other income	577,455	0.83	361,878	0.54	514,834	0.92
Total revenue	69,103,536	100.00	67,441,800	100.00	55,641,323	100.00
Operating expenses						
Cost of sales and services	(66,061,607)	(95.60)	(63,656,266)	(94.39)	(51,155,514)	(91.94)
Transportation cost	(200,442)	(0.29)	(169,573)	(0.25)	(207,341)	(0.37)
Administrative and selling expenses	(1,505,191)	(2.18)	(1,484,627)	(2.20)	(1,392,455)	(2.50)
Gain (loss) from derivatives, net	-	-	-	-	(29,786)	(0.05)
Total expenses	(67,767,241)	(98.07)	(65,310,466)	(96.84)	(52,785,096)	(94.86)
Share of profit (loss) of associates and joint ventures	177,649	0.26	176,973	0.26	191,082	0.34
Profit before finance costs and income tax	1,513,945	2.19	2,308,307	3.42	3,047,309	5.48
Finance cost	(492,864)	(0.71)	(578,918)	(0.86)	(626,281)	(1.13)
Income tax revenue (expense)	(151,359)	(0.22)	(307,356)	(0.45)	(320,590)	(0.57)
Profit for the year	869,722	1.26	1,422,033	2.11	2,100,438	3.78
Profit (loss) attributable to:						
Owners of the parent	871,184	1.26	1,359,917	2.02	2,061,838	3.71
Non-controlling interests	(1,462)	(0.00)	62,116	0.09	38,600	0.07
Net profit for the year	869,722	1.26	1,422,033	2.11	2,100,438	3.78

Siamgas and Petrochemicals Public Co., Ltd. and Its Subsidiaries

Statement of Comprehensive Income

For the year ended 31 December

Unit: '000 Baht

	Consolidated Financial Statements					
	2018		2019		2020	
	Amount	%	Amount	%	Amount	%
Net profit for the year	869,722	1.26	1,422,033	2.11	2,100,438	3.78
Other comprehensive income (expense), net of tax						
Items that will not be reclassified subsequently to profit or loss						
- Remeasurements of post-employment benefit obligation	-	-	(25,710)	(0.04)	-	-
Less Income tax related to remeasurements of post-employment benefit obligations	-	-	5,142	0.01	-	-
Items that will not be reclassified subsequently to profit or loss						
- Reversal of revaluation surplus on land	(463)	(0.00)	1,458,640	2.16	-	-
Less Income tax related to revaluation surplus on land	93	0.00	(291,728)	(0.43)	-	-
- Share of other comprehensive expense from associates and joint ventures for accounted using equity method	(34,005)	(0.05)	(27,141)	(0.04)	22,248	0.04
- Currency translation difference	(614,978)	(0.89)	(702,965)	(1.04)	342,807	0.61
Total other comprehensive income (expense), net of tax	(649,353)	(0.94)	416,238	0.62	365,055	0.65
Total comprehensive income for the year	220,369	0.32	1,838,271	2.73	2,465,493	4.43
Total comprehensive income (expense) attributable to:						
Owners of the parent	229,451	0.33	1,769,815	2.63	2,422,737	4.35
Non-controlling interests	(9,082)	(0.01)	68,456	0.10	42,756	0.08
TOTAL	220,369	0.32	1,838,271	2.73	2,465,493	4.43

Siamgas and Petrochemicals Public Co., Ltd. and Its Subsidiaries

Statement of Cash Flows

For the year ended 31 December

Unit: '000 Baht

	Consolidated Financial Statements		
	2018	2019	2020
Cash flows from operating activities			
Profit before income tax	1,021,081	1,729,389	2,421,028
Adjustments to reconcile profit before income tax			
Depreciation expenses - buildings and equipment	1,083,738	956,345	1,107,454
Depreciation expenses - right-of-use assets	-	-	153,005
Amortisation expenses - intangible assets and investment property	53,812	50,272	19,120
Loss (gain) on disposals and write-offs of property and equipment, net	(33,535)	33,881	(135,738)
Loss (gain) on change in fair value of short-term investments	34	(1,394)	4,617
Loss (gain) from measurement of derivatives	-	-	29,786
Share of (profit) loss of associates	(191,966)	(196,561)	(232,358)
Share of (profit) loss of joint ventures	14,317	19,588	41,276
Bargain purchase from business acquisition	-	-	(40,519)
Allowance for doubtful debts (reversal)	166	250	(13,949)
Provision for diminuation in value of inventories (reversal)	278,665	(278,401)	25,885
Impairment charged on equipment	93,000	-	-
Dividends income (from short-term investments)	(3,599)	(3,367)	(2,880)
Employee benefit expenses	17,117	74,610	17,369
Unrealised loss (gain) on exchange rates, net	43,549	97,616	(62)
Interest income	(16,822)	(26,161)	(21,649)
Finance costs	492,864	578,918	626,281
Operating profit before changes in operating assets and liabilities	2,852,421	3,034,985	3,998,666
Changes in operating assets and liabilities			
- Trade and other receivables	(1,569,478)	17,599	1,377,030
- Inventories	(1,175,915)	88,951	(356,906)
- Other current assets	(79,824)	277,398	54,449
- Other non-current assets	(55,091)	7,679	17,224
- Trade and other payables	(560,224)	1,297,148	(1,563,115)
- Other current liabilities	47,366	(71,499)	(9,278)
- Cylinder deposits	309,173	164,658	275,402
- Other non-current liabilities	43,725	35,546	(11,067)
- Employee benefits paid	(6,874)	(20,909)	(17,434)
Cash generated from (used in) operations	(194,721)	4,831,556	3,764,971
- Interest paid	(486,675)	(569,697)	(600,574)
- Income tax paid	(445,392)	(284,883)	(301,637)
Net cash received from (used in) operating activities	(1,126,788)	3,976,976	2,862,760

Siamgas and Petrochemicals Public Co., Ltd. and Its Subsidiaries

Statement of Cash Flows (Cont'd)

For the year ended 31 December

Unit: '000 Baht

	Consolidated Financial Statements		
	2018	2019	2020
Cash flows from investing activities			
Proceeds from (payment for) short-term investments, net	(33,600)	33,600	1,220
Proceeds from long-term loans to related parties	-	14,983	104,844
Payment for long-term loans to related parties	(112,790)	(82,983)	(24,899)
Payment for investments in associates	(503,053)	-	-
Advance payment for acquisition of investments in subsidiaries	-	(124,000)	(5,000)
Payment for acquisition of investments in joint venture	(21,091)	-	-
Deposits at financial institution used as collaterals	-	(1,85,029)	1,185,029
Purchase of property, plant and equipment	(2,309,434)	(2,004,997)	(1,837,835)
Advance payments for purchase of building and equipment	(61,080)	(212,881)	(90,881)
Advance payments for right-of-use assets	-	-	(77,982)
Proceeds from disposal of property and equipment	89,487	277,172	398,285
Purchase of intangible assets	(163)	(3,938)	(8,721)
Cash paid for acquisition of subsidiary, net	-	(429,873)	(1,202,245)
Interest received	16,029	29,792	21,444
Dividend received from short-term investments	3,599	3,367	2,880
Dividends received from joint ventures	-	880	-
Net cash received from (used in) investing activities	(2,932,096)	(3,683,907)	(1,533,861)
Cash flows from financing activities			
Repayments on lease liabilities	-	-	(58,236)
Payments for acquiring shares of a subsidiary from non-controlling interests	-	-	(807,874)
Proceeds from (payments for) short-term loans from financial institutions, net	3,490,962	160,750	(1,650,234)
Proceeds from long-term loans from financial institutions, net	1,015,981	1,391,918	1,296,000
Repayments for long-term loans from financial institutions	(771,637)	(1,624,850)	(965,331)
Repayment for bond redemption	(2,000,000)	(3,000,000)	(2,000,000)
Proceeds from issue of bonds, net	3,982,813	2,984,560	3,979,430
Proceeds from subsidiaries of non-controlling interests	1,525	-	-
Payment for investment in a subsidiary from non-controlling interests	(20,466)	-	-
Dividends paid	(1,381,426)	(554,393)	(646,070)
Net cash received from (used in) financing activities	4,317,752	(642,015)	(852,315)
Net increase (decrease) in cash and cash equivalents	258,868	(348,946)	476,584
Cash and cash equivalents at the beginning of the year	2,590,205	2,848,742	2,500,025
Exchange loss on cash and cash equivalents	(331)	229	(1,118)
Cash and cash equivalents at the end of the year	2,848,742	2,500,025	2,975,491

Siamgas and Petrochemicals Public Co., Ltd. and Its Subsidiaries

Financial Ratio

	Consolidated Financial Statements		
	2018	2019	2020
Liquidity Ratio			
- Current ratio (times)	1.05	0.94	1.39
- Quick ratio (times)	0.64	0.52	0.78
- Cash flow liquidity ratio (times)	(0.10)	0.28	0.24
- Account receivable turnover (times)	19.65	14.04	12.08
- Average collection period (days)	18.58	25.64	29.80
- Inventory turnover (times)	14.87	13.10	10.59
- Average days sales (days)	24.55	27.48	33.99
- Account payable turnover (times)	24.07	18.67	12.99
- Average payment period (days)	15.16	19.28	27.71
- Cash cycle (days)	27.97	33.84	36.08
Profitability Ratio			
- Gross profit margin (%)	3.30	4.85	6.82
- Operating profit margin (%)	2.21	3.44	5.53
- Other profit margin (%) ⁽¹⁾	0.84	0.54	0.93
- Cash to profitability ratio (%) ⁽²⁾	(74.43)	172.29	93.94
- Net profit margin (%)	1.26	2.11	3.77
- Return on equity (%)	8.11	12.92	16.97
Efficiency Ratio			
- Return on assets (%)	2.59	3.68	5.07
- Return on fixed assets (%)	12.31	12.75	15.70
- Asset turnover (times)	2.06	1.75	1.34
Financial Policy Ratio			
- Total debt ratio to equity (times)	2.53	2.49	2.22
- Interest - Bearing debt to equity ratio (times) ⁽³⁾	1.63	1.44	1.31
- Interest coverage ratio (times) ⁽⁴⁾	(2.32)	6.98	4.77
- Debt service coverage ratio (times) ⁽⁵⁾	(0.17)	0.54	0.39
- Dividend payout ratio (%)	158.84	38.99	30.76
Per shares (portion of parent company)			
- Book value per share	5.43	6.03	6.79
- Net earning (loss) per shares	0.47	0.74	1.12

Remark: ⁽¹⁾ Other profit margin is calculated from non-operating profit (revenue from dividends and other revenues) / total revenue.

⁽²⁾ Cash to profitability ratio is calculated from cash flows from operating activities / Profit from operation (EBIT)

⁽³⁾ The above Interest - Bearing debt to equity ratio is the financial ratio that the Company must maintain at ratio to be not more than 2 times pursuant to regulations on rights and obligation of bond issuer in Clause 7.3 (H). (Liabilities is not included cylinder deposit and lease liabilities)

⁽⁴⁾ Interest coverage ratio (net cash from operating activities) is calculated from sums of cash flows from operating activities / interest paid from operating activities, interest paid from investing activities and interest paid from financing activities

⁽⁵⁾ Debt service coverage ratio on cash basis is calculated from cash flows from operating activities / (loan repayment, expenses from purchase of land, building and equipment, expenses from purchase on intangible assets and dividend paid)

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MANAGEMENT DISCUSSION AND ANALYSIS

The following discussion and analysis of the consolidated operational results and the consolidated financial positions for the year 2020 have been prepared by compared with those of 2019 and 2018, respectively.

1. Operational Results

Revenue

Revenue of the Company and its subsidiaries was mainly derived from sales (comprising of sales of LPG and ammonia, sales of other petrochemicals and sales of LPG tanks and other products). The average sales revenue for 3 years backdated from 2018-2020 was 99% of total revenue. Total revenue of the Company and its subsidiaries

decreased from 69,104 million baht in 2018 to 67,442 million baht in 2019 and decreased to 55,641 million baht in 2020. Total revenue decrease was because average LPG prices in the world market (CP SAUDI ARAMCO) were lower than the previous year. Overall LPG prices in 2020 and 2019 were averagely at 400 USD per metric ton and 438 USD per metric ton, respectively.

(1) Revenue from Sales

Revenue from sales was divided into 4 categories:

- (1) Revenue from sales of LPG and ammonia,
- (2) Revenue from sales of other petrochemicals,
- (3) Revenue from sales of LPG tanks, and
- (4) Revenue from sales of other products

Table 1.1: Revenue from sales of SPG and its subsidiaries from 2018 - 2020

(Unit: Million Baht)

	2018		2019		2020	
	Amount	%	Amount	%	Amount	%
Revenue from sales of LPG and ammonia	66,929	98.05	65,210	97.57	53,008	97.23
Revenue from sales of other petrochemicals	711	1.04	684	1.02	516	0.95
Revenue from sales of other products						
Revenue from sales of LPG tanks for automotive	-	-	9	0.01	164	0.30
Revenue from other sales	624	0.91	931	1.40	831	1.52
Total Revenues from Sales	68,264	100.00	66,834	100.00	54,519	100.00

Revenue from sales

Revenue from sales was considered as major portion of revenue of the Company and its subsidiaries, as more than 98% of total revenue during 2018 - 2020 mainly came from sales of LPG and ammonia. The Company and its subsidiaries distributed LPG to each of LPG commission agents for filling LPG into cylinders for retailers and end-users and direct distribution to dealers, industrial plants, LPG stations for automotive, and so on.

Revenue from sales of 2019 was 66,834 million baht, decreasing by 1,430 million baht or 2.09% comparing with

the same period of 2018 which was at 68,264 million baht. The main reason was because average LPG prices in the world market (CP SAUDI ARAMCO) decreased when compared with the previous year.

Revenue from sales of 2020 was 54,519 million baht, decreasing by 12,315 million baht or 18.43% comparing with the same period of 2019 which was at 66,834 million baht. The main reason was because average LPG prices in the world market (CP SAUDI ARAMCO) decreased when compared with the previous year.

Table 1.2: Structure of revenue from sales of LPG of the Company and its subsidiaries - categorized by customer types and distribution channel during 2018 - 2020.

(Unit: Million Baht)

	2018		2019		2020	
	Amount	%	Amount	%	Amount	%
Household use customers	11,464	17.41	11,420	17.78	8,606	16.49
Fuel use customers	4,355	6.61	4,327	6.74	2,878	5.52
Industrial use customers	2,709	4.11	2,744	4.27	2,100	4.03
Overseas customers	47,330	71.87	45,728	71.21	38,587	73.96
Total	65,858	100.00	64,219	100.00	52,171	100.00

Revenue from sales of LPG

In 2019, revenue from sales of LPG of the Group was 64,219 million baht, decreasing by 1,639 million baht or 2.49% comparing with the same period of year 2018 which was at 65,858 million baht. Main reason for such decreased revenue was because average LPG prices in the world market (CP SAUDI ARAMCO) were lower than the previous year. Overall LPG prices in 2019 and 2018 were averagely at 438 USD per metric ton and 541 USD per metric ton, respectively.

In 2020, revenue from sales of LPG of the Group was 52,171 million baht, decreasing by 12,048 million baht or 18.76% comparing with the same period of year 2019 which was at 64,219 million baht. Main reason for such decreased revenue was because average LPG prices in the world market (CP SAUDI ARAMCO) were lower than the previous year. Overall LPG prices in 2020 and 2019 were averagely at 400 USD per metric ton and 438 USD per metric ton, respectively.

Revenue from sales of ammonia

In 2019, revenue from sales of ammonia of UGP, the subsidiary, was 991 million baht, decreasing by 80 million baht or 7.47% comparing with the year 2018 which was at 1,071 million baht, as a result from continued slowdown of Para rubber industry and prices of Para rubber in the market as well as the decreased demand of ammonia, as raw material which was in line with the industrial conditions overall economic situations.

In 2020, revenue from sales of ammonia of UGP, the subsidiary, was 837 million baht, decreasing by 154 million baht or 15.54% comparing with the year 2019 which was at 991 million baht, as a result from continued slowdown of Para rubber industry and prices of Para rubber in the market as well as the decreased demand of ammonia, as raw material which was in line with the industrial conditions overall economic situations.

Revenue from sales of other petrochemicals

Revenue from sales of other petrochemicals such as propellant, diesel oil, coal, etc. was under the operations of the Company and UGP, the subsidiary, which accounting for 1% of total revenue from sales of the Group.

In 2019, revenue from sales of other petrochemicals was 684 million baht, decreasing by 27 million baht, or 3.80% when comparing to the year 2018 which was at 711 million baht, as a result of the continued slowdown of overall economic situations.

In 2020, revenue from sales of other petrochemicals was 516 million baht, decreasing by 168 million baht, or 24.56% when comparing to the year 2019 which was at 684 million baht, as a result of the continued slowdown of overall economic situations.

Revenue from sales of other products

In 2019, revenue from sales of other products was 931 million baht, increasing by 307 million baht, or 49.20% when compared with 2018, which was at 624 million baht. Main revenue derived from gasoline distribution business of SSW, the subsidiary, as the number of gasoline stations had been more expanded when compared with the previous year.

In 2020, revenue from sales of other products was 831 million baht, decreasing by 100 million baht, or 10.74% when compared with 2019, which was at 931 million baht. Main revenue derived from gasoline distribution business of SSW, the subsidiary, which was affected from COVID-19 prevention measure. Another main revenue derived from sales of LPG cylinder which was at 164 million baht, increasing by 155 million baht, or 1,722%, which was due to the investment in Linh Gas Co. Ltd. (“Linh”) by SQS, the subsidiary, in the proportion of 69.69% and considered

as indirect subsidiary of the Group. Linh operates cylinder manufacture business, which support revenue from sales of cylinder for the Group from both domestic and overseas customers.

(2) Revenue from transportation

The revenue from transportation business was generated under operations of LCR (road transportation) and SLM (marine transportation), the Group’s subsidiaries. LCR and SLM provide transportation services to the Group and customers outside the Group. Revenue from transportation shown in the consolidated financial statement was revenue from transportation services provided to customers outside the Group only. Revenue from transportation services to outside customers in 2018 was 249 million baht, then decreased to 228 million baht in 2019 and increased to 287 million baht in 2020.

Table 1.3: Revenue from road transportation and marine transportation services provided to customers outside the Group during 2018-2020

(Unit: Million Baht)

	2018		2019		2020	
	Amount	%	Amount	%	Amount	%
Customers outside of the Group						
Revenue from road transportation	91	36.55	93	40.79	83	28.92
Revenue from marine transportation	158	63.45	135	59.21	204	71.08
Total Revenue from Transportation	249	100.00	228	100.00	287	100.00

Revenue from road transportation

In 2019, revenue from road transportation was 93 million baht, an increase by 2 million baht, or 2.20% when comparing with the year 2018 which was at 91 million baht because more transportation services have been provided to the customers who were the third parties.

In 2020, revenue from road transportation was 83 million baht, a decrease by 10 million baht, or 10.75% when comparing with the year 2019 which was at 93 million baht due to must transportation services are in the group.

Revenue from marine transportation

Revenue from marine transportation of SLM, the subsidiary, comprised revenues from transportation of LPG and

revenues from transportation of petroleum products, both in Thailand and overseas. In 2019, revenue from marine transportation was 135 million baht, a decrease by 23 million baht, or 14.56% when comparing with the year 2018 which was at 158 million baht, mainly because SLM, the subsidiary, focused on providing LPG transportation services for the Group, both within the country and overseas.

In 2020, revenue from marine transportation was 204 million baht, an increase by 69 million baht, or 51.11% when comparing with the year 2019 which was at 135 million baht, mainly because SLM, the subsidiary, provided more transportation services to the customers who were the third parties.

(3) Service Revenue

Service Revenue comprised of revenue from cylinder repair, throughput service, container terminal service, LPG reserve storage service, oil storage service and others.

In 2019, service revenue of the Group was 14 million baht, increasing by 5 million baht or 55.56% when compared with the year 2018 which was at 9 million baht because the Group has additional revenue from throughput service, container terminal services and from cylinder repair to the customers outside the Group.

In 2020, service revenue of the Group was 318 million baht, increasing by 304 million baht or 2,171.43% when compared with the year 2019 which was at 14 million baht because SLNG, the subsidiary, has invested in Siam Tank Terminal Company Limited (“STT”) (previous name “Thai Public Port Company Limited”) in 2019. STT is considered as indirect subsidiary of Group. STT operates oil tank storage and deep sea port service with service revenue at 289 million baht.

(4) Other Revenues

Other revenues comprised of gain on currency exchange, interest received, rental revenue, profit from sales of property, plant and equipment and etc.

Other revenues of the Group in 2019 was 363 million baht, a decrease by 215 million baht or 37.20% comparing with the year 2018 which was at 578 million baht. Main reason was due to the decreased gain from currency exchange amounting to 56 million baht and gain from disposition of the Group’s properties amounting to 37 million baht.

Other revenues of the Group in 2020 was 514 million baht, an increase by 151 million baht or 41.60% comparing with the year 2019 which was at 363 million baht. Main reason was due to gain from disposition of the Group’s properties amounting to 136 million baht and gain from business acquisition amounting to 41 million baht.

Expenses

Cost of sales, services and transportation

Cost of sales, services and transportation of SGP and its subsidiaries were divided into 2 major categories: cost of sales & services and cost of transportation.

(1) Cost of sales and services

Cost of sales and services according to the consolidated financial statements comprised of cost of LPG sales, cost of ammonia sales, cost of sales of other petrochemicals, cost of sales of LPG tanks for automobile and cost of sales of other products.

Cost of LPG and ammonia sales of the Company and its subsidiaries in 2019 was 62,246 million baht, decreased by 2,674 million baht or 4.12%, when comparing to the year 2018 which was at 64,920 million baht. Main reason was due to the decreased price of LPG in the world market (CP SAUDI ARAMCO) when compared with the previous year. Consequently, the cost of sales and services has been varied pursuant to the increased sales volume of the Group, as per mentioned in Revenue from Sales above.

In 2020, cost of LPG and ammonia sales of the Company and its subsidiary was 49,636 million baht, decreased by 12,610 million baht or 20.26%, when comparing to the year 2019 which was at 62,246 million baht. Main reason was due to the decreased price of LPG in the world market (CP SAUDI ARAMCO) when compared with the previous year. Consequently, the cost of sales and services has been varied pursuant to the increased sales volume of the Group, as per mentioned in Revenue from Sales above.

Cost of sales of other petrochemical products of the Company and its subsidiaries in 2019 was 499 million baht, decreasing by 30 million baht or 5.67%, when compared with the year 2018 which was at 529 million baht. Such cost was varied pursuant to the decreased sales volume of propellant of the Group which was in line with the overall industrial and economic conditions.

In 2020, cost of sales of other petrochemical products was 349 million baht, decreasing by 150 million baht or 30.06%, when compared with the year 2019 which was at 499 million baht. Such cost was varied pursuant to the decreased sales volume of propellant of the Group which was in line with the overall industrial and economic conditions.

Cost of sales of other products of the Company and its subsidiaries in 2019 was 902 million baht, an increase by 289 million baht, or 47.15%, when comparing with 2018

which was at 613 million baht, primarily due to expansion of number of gasoline distribution branches of SSW, the subsidiary. Consequently, cost has been varied pursuant to the increased sales volume as per mentioned in Revenue from Sales of Other Products.

In 2020, cost of sales of other products was 836 million baht, a decrease by 66 million baht, or 7.32%, when comparing with 2019 which was at 902 million baht, primarily due to gasoline distribution business of SSW, the subsidiary, which varied pursuant to the increased sales volume as per mentioned in Revenue from Sales of Other Products and revenue derived from sales of LPG cylinder which was at 164 million baht, increasing by 155 million baht, or 1,722%. This is due to revenue from sales of LPG cylinder by Linh Gas Co., Ltd., the indirect subsidiary, as per mentioned in Revenue from Sales of Other Products and revenue.

Cost of Services of the Company and its subsidiaries in 2020 was mainly from oil storage services business in which SLNG invested in STT in the year end 2019. The cost of services increased by 171 million baht when compared with the year 2019.

(2) Cost of transportation

Costs of transportation comprised of fuel, personnel, vehicle & vessel maintenance and repair, depreciation, utilities fees and others. Cost of transportation in the consolidated financial statements was for cost of transportation provided to customers outside the Group only.

Cost of transportation in 2018 was 200 million baht, decreased to 170 million baht in 2019, and increased to 207 million baht in 2020. Cost of transportation was divided into cost of road transportation and cost of marine transportation, with details as follows:

Cost of road transportation

In 2019, cost of road transportation was 71 million baht, increasing by 1 million baht, or 1.43% when compared with 2018 which was at 70 million baht.

In 2020, cost of road transportation was 66 million baht, decreasing by 5 million baht, or 7.04% when compared with 2019 which was at 71 million baht. The explanation was mentioned in the Revenue from road transportation above.

Cost of marine transportation

Cost of marine transportation in 2019 was 99 million baht, decreasing by 31 million baht or 23.85% comparing with 2018 which was at 130 million baht. This cost has been adjusted in line with the revenue from marine transportation services of SLM, the subsidiary, which emphasized on provision of services to the Group, both within and outside of the country, as per mentioned in Revenue from Marine Transportation above.

Cost of marine transportation in 2020 was 141 million baht, increasing by 42 million baht or 42.42% comparing with 2019 which was at 99 million baht. This cost has been adjusted in line with the revenue from marine transportation services of SLM, the subsidiary, as per mentioned in Revenue from Marine Transportation above.

(3) Selling and administrative expenses

Selling and administrative expenses of SGP and its subsidiaries mainly comprised of expenses related to employees, director and executive's remuneration, depreciation, rental, amortization of leasehold right, intangible assets and other assets, utilities fees, and others.

In 2019, selling and administrative expenses was 1,485 million baht, a decrease by 20 million baht or 1.33%, comparing to the year 2018 which was at 1,505 million baht.

In 2020, selling and administrative expenses was 1,392 million baht, a decrease by 93 million baht or 6.26%, comparing to the year 2019 which was at 1,485 million baht. Such decrease was mainly due to there were loss from sales of assets in the amount of 45 million baht and selling expenses in the amount of 13 million in the year 2019.

(4) Loss from Measurements of derivatives

In 2020, the Group has recognised loss from measurement of the derivative contracts for foreign exchange and interest rates that not yet occurred in the amount of 29.79 million baht. This is a result from new financial reporting standard (TFRS 9 Financial Instruments) that is effective for accounting period beginning on 1 January 2020. The Group has to recognised higher expenses compared to the previous year.

(5) Finance Costs

In 2019, the Group had finance costs of 579 million baht, increased by 86 million baht or 17.44% when compared with the year 2018 which was at 493 million baht, primarily due to the additional short-term loan and long-term loan from financial institutions to be used as fund for purchasing of assets and for investment in business expansion of the Group.

In 2020, the Group had finance costs of 626 million baht, increased by 47 million baht or 8.12% when compared with the year 2019 which was at 579 million baht, primarily due to interest from lease contract amount 24 million baht as a result from new financial reporting standard (TFRS 16 Leases) that is effective for accounting period beginning on 1 January 2020.

Gross profit, operating profit and net profit

Gross profit of the Group in 2019 was 3,251 million baht, increasing by 991 million baht, or 43.85% when compared with the year 2018 which was at 2,260 million baht. In addition, gross profit margin of the Group also increased to 4.85% when compared with the year 2018 which was 3.30% as a result of the decreased prices of LPG in the world market (CP SAUDI ARAMCO) when compared with the previous year, consequently, it made overall cost of goods available for sale decreased when compared with the previous year.

In 2020 Gross profit for the Group was 3,761 million baht, increasing by 510 million baht, or 15.69% when compared with the year 2019 which was at 3,251 million baht. In addition, gross profit margin of the Group also increased to 6.82% when compared with the year 2019 which was 4.85% as a result of the increased prices of LPG in the world market (CP SAUDI ARAMCO) in the third quarter of 2020, consequently, it made overall cost of goods available for sale decreased with increased in gross profit compared with the previous year.

Operating profit (profit before finance cost and corporate tax) of the Group in 2018 was 1,514 million baht and in

2019 was 2,308 million baht, increasing by 794 million baht when compared with the year 2018. In 2019, Operating profit of the Group was 3,047 million baht, increasing by 739 million baht when compared with the year 2019, or accounting for ratio of operating profit per revenue from sales, services and transportation of 2.21% , 3.44% and 5.53% in 2018, 2019 and 2020, respectively.

Net profit of the Group in 2019 was 1,422 million baht, increasing by 552 million baht from 2018 which was at 870 million baht. Main reason was due to the increased profit of the Group's overseas businesses as a result from the decreased cost of goods available for sales when compared with the year 2018.

Net profit in 2020 was 2,100 million baht, increasing by 678 million baht from 2019 which was at 1,422 million baht. Main reason was due to the increased gross profit of the Group's domestic and overseas businesses as a result from the overall cost of goods available for sales has decreased when compared with the year 2019, as per mentioned above. Ratio of net profit to total revenue of the Company and its subsidiaries was 1.26% , 2.11% and 3.77% in 2018, 2019 and 2020, respectively.

2. Financial Position

Total Assets

Total assets of the Company and its subsidiaries had tendency to increase during the past 3 years, for instance total assets as at December 31, 2018 was 35,804 million baht as at December 31, 2019 was 41,439 million baht and as at December 2020 was 41,388 million baht. Most of total assets as of December 31, 2020 or equivalent to 69.81% of total assets were non-current assets because LPG trading and logistics businesses required high investment to be used in LPG storage terminals, LPG filling plants, LPG service stations, LPG and ammonia vessel tanks and transporting vehicles. The remaining or 30.19% of total assets were current assets of which mostly were trade account receivables and inventories as per the following details:

Trade account and other receivables - net

Details on trade account and other receivables - net are as follows:

Table 2.1: Details of trade account and other receivables - net of the Company and its subsidiaries

(Unit: Million Baht)

	Consolidated Financial Statements					
	As at Dec. 31, 2018		As at Dec. 31, 2019		As at Dec. 31, 2020	
	Amount	%	Amount	%	Amount	%
Trade accounts receivables - net	4,242	77.91	4,819	91.08	3,517	88.81
Trade receivables from related parties	20	0.37	32	0.61	17	0.43
Prepayments	230	4.22	202	3.82	129	3.26
Advance payments	164	3.01	99	1.87	58	1.46
Receivables on subsidies for liquefied Petroleum gas from government	783	14.38	115	2.17	232	5.86
Other receivables	6	0.11	24	0.45	7	0.18
Total trade account and other receivables - net	5,445	100.00	5,291	100.00	3,960	100.00

Referring to Table 2.1, there were changes in trade account and other receivables as follows:

As at December 31, 2018, trade account and other receivables increased by 1,383 million baht, when compared with the same period of 2017 mainly due to sales volume at the ending period of overseas trade account receivables was higher than the previous year coupled with the increase of LPG prices in the world market (CP SAUDI ARAMCO) which were higher than the previous year. Therefore, selling prices during the period was higher, when compared with the prices at ending of 2017; consequently value of outstanding receivables has increased accordingly.

As at December 31, 2019, trade account and other receivables decreased by 154 million baht, when compared with the same period of 2018 mainly due to the reduction of the receivables on subsidies for liquefied

petroleum gas from the government of the Company and the subsidiaries amounting to 668 million baht from receipt of payment during the year and the increase of net trade account receivables of 577 million baht from the overseas subsidiaries which had higher trade volume during the end of the year higher than the previous year.

As at December 31, 2020, trade account and other receivables decreased by 1,331 million baht, when compared with the same period of 2019 mainly due to sales volume at the ending period of overseas trade account receivables was lower than the previous year coupled with the decrease of LPG prices in the world market (CP SAUDI ARAMCO) which were lower than the previous year. Therefore, selling prices during the period was lower, when compared with the prices at ending of 2019; consequently value of outstanding receivables has decreased accordingly.

Table 2.2: Other receivables - net of the Company and its subsidiaries, classified by aging:

(Unit: Million Baht)

	Consolidated Financial Statements					
	As at Dec. 31, 2018		As at Dec. 31, 2019		As at Dec. 31, 2020	
	Amount	%	Amount	%	Amount	%
Current	3,550	82.50	3,878	74.61	2,602	67.03
Overdue :						
- less than 3 months	315	7.32	596	11.47	477	12.29
- 3 -12 months	364	8.46	216	4.15	354	9.12
- over 12 months	74	1.72	508	9.77	449	11.56
Total Trade Accounts Receivables	4,303	100.00	5,198	100.00	3,882	100.00
Less Allowance for doubtful account	(61)	(1.42)	(379)	(7.29)	(365)	(9.40)
Other Receivables - Net	4,242	98.58	4,819	92.71	3,517	90.60

Referring to Table 2.2 above, it was found that 67.03% of trade accounts receivables of the Company and its subsidiaries as at December 31, 2020 was current. The remaining receivables were divided into: less than 3 months overdue of 12.29%, 3-12 months overdue of 9.12% and over 12 months overdue of 11.56% of total other receivables. In this regard, the Company and its subsidiaries set aside almost fully allowance for doubtful account for account receivables with over 12 months overdue. In addition, the Company and its subsidiaries had a policy in reserving allowance for doubtful accounts at the end of each period for account receivable expected

to be unable to collect based on historical collection records and customers' financial status. In the over 1-year overdue accounts, the full amount would be reserved as allowance for doubtful accounts. Average collection period of the company and its subsidiaries during 2018 - 2020 was between 19-30 days.

Inventory

Most inventories or accounting for 78.51% of SGP and its subsidiaries as at 31 December 2020 was finished goods - petroleum products (LPG), SGP's main business. Average inventory turnover was 24-34 days during 2018 to ending of 2020.

Table 2.3: Inventories - net of the Company and its subsidiaries

(Unit: Million Baht)

	Consolidated Financial Statements					
	Dec. 31, 2018	%	Dec. 31, 2019	%	Dec. 31, 2020	%
Raw materials inventory	33	0.68	31	0.64	140	2.64
Work in progress	20	0.42	15	0.31	42	0.79
Finished goods						
- Petroleum products (LPG)	4,736	98.30	3,603	74.21	4,166	78.51
- Petrochemical products	40	0.83	40	0.82	36	0.68
- Oil products	131	2.72	44	0.91	592	11.16
- Other finished goods	12	0.25	11	0.23	20	0.38
- Goods in transit	46	0.95	1,054	21.71	99	1.87
Supplies and others	92	1.91	70	1.44	250	4.71
Total Inventories	5,110	106.06	4,868	100.27	5,345	100.74
Less Allowance for diminution in value of inventories	(292)	(6.06)	(13)	(0.27)	(39)	(0.74)
Inventory - Net	4,818	100.00	4,855	100.00	5,306	100.00

Net inventory of SGP and its subsidiaries for the year ended December 31, 2018 was 4,818 million baht, increased from 2017 by 748 million baht which mainly due to increase of inventory in overseas business pursuant to cost management strategy to maintain inventory level suitable with seasonal and market demands. In addition, LPG prices were also higher than the previous year.

Net inventory of SGP and its subsidiaries for the year ended December 31, 2019 was 4,855 million baht, increased from 2018 by 37 million baht which mainly due to increase of inventory in overseas business pursuant to cost management strategy to maintain inventory level suitable with seasonal and market demands.

Net inventory of SGP and its subsidiaries for the year ended December 31, 2020 was 5,306 million baht, increased from 2019 by 451 million baht which mainly due to increase of inventory in overseas business pursuant to cost management strategy to maintain inventory level suitable with seasonal and market demands.

Other current assets

Other current assets comprised of value added tax refundable, corporate income tax refundable, deposits

for products, deposits at bank used as collateral and etc. as per following details:

Table 2.4: Details of other current assets of SGP and its subsidiaries

(Unit : Million Baht)

	Consolidated Financial Statements		
	As at Dec. 31, 2018	As at Dec. 31, 2019	As at Dec. 31, 2020
Value added tax refundable	279	139	105
Corporate income tax refundable	3	7	2
Deposits for tariff customs	138	-	-
Others	46	57	54
Total	466	203	161

For the period ended December 31, 2018, other current assets of the Group was 466 million baht, increased by 90 million baht when compared with as at ending of 2017, mainly came from the increased deposits for tariff customs amounted to 78 million baht of SOGEL, a subsidiary in China.

As at December 31, 2019, other current assets of the Group was 203 million baht, decreased by 263 million baht when compared with as at ending of 2018, mainly due to the reduction of value added tax refundable of the Company amounted to 140 million baht and the reduction of deposits for tariff customs of SOG, a subsidiary in China, amounted to 138 million baht.

As at December 31, 2020, other current assets of the Group was 161 million baht, decreased by 42 million baht when compared with as at ending of 2019, mainly due to the reduction of value added tax refundable of the subsidiary, MGM in Malaysia, amounted to 48 million baht.

Investments in Associates

Table 2.5: Details on investments in associates pursuant to equity method:

Description	% Ownership Interest			Equity Method (Million Baht)		
	2018	2019	2020	2018	2019	2020
Group of MLIPP's power plant business	41.10	41.10	41.10	2,372	1,746	1,958
Group of SMD's power plant business	33.00	33.00	33.00	4	55	69
Ruamur Pte.Ltd.	-	41.10	41.10	-	-	-
Southern Myanmar Development Energy Co., Ltd.	-	-	33.00	-	-	1
Southern Myanmar Development Fishery Co., Ltd.	-	-	33.00	-	-	1
Southern Myanmar Development Gas Co., Ltd.	-	-	33.00	-	-	1
Total				2,376	1,801	2,030

Group of MLIPP's power plant business

In 2017 and 2018, SPW has entered into a share purchase agreement for additional investment in Group of MLIPP's power plant business by additionally purchasing shares of three companies as mentioned above in the proportion of 6.1% and 5.00% of registered and paid up capital, with a total consideration of USD 9.76 million or equivalent to 305.89 million baht and USD 8 million or equivalent to 262.07 million baht, respectively. As a result, SPW's ownership interest in three companies above as at December 31, 2019 has increased to 41.10% of registered and paid-up capital of such companies.

In addition on November 18, 2019, the meeting of the Board of Directors of MSN International Limited ("MSN") passed a resolution for liquidation of MSN, the associated company, to restructure management of Group of MLIPP's power plant business. MSM is now under the liquidation process.

Group of SMD's power plant business

On November 18, 2019, the meeting of the Board of Directors of TSM Co., Ltd. ("TSM") passed a resolution for

liquidation of TSM, the associated company, to restructure management of Group of SMD's power plant business. TSM is now under the liquidation process.

During 2020, SMD, the associated company, registered the capital increase of 75,000 shares or amounting to Myanmar Kyat 750.00 million, or equivalent to 16.50 million baht; representing the Group's portion of 5.45 million baht by dividing into debt to equity conversion in the amount of 4.87 million baht and unpaid amount of 0.58 million baht. The Group still retains the same proportion of investments at 33.00%.

Ruamur Pte. Ltd.

On December 6, 2019, Siam Gas Power Pte. Ltd. ("SPW"), a subsidiary of the Company, jointly established Ruamur Pte., Ltd., which incorporated in Singapore with a registered share capital of 1,000 shares, at par value of 1 Singapore Dollar. The business objective is to provide technical services regarding the energy business. The Group's ownership interest is 41.10% with the paid-up capital of 305.09 USD or approximately 9,288 baht.

Southern Myanmar Development Energy Co., Ltd.

In 2020, Siam Gas Power Pte. Ltd. (“SPW”), a subsidiary of the Company, jointly established Southern Myanmar Development Energy Co., Ltd., which incorporated in Myanmar with a registered share capital of 10,000 shares, at par value of 10,000 Kyat. The business objective is to provide oil tank farm and deep sea port. The Group’s ownership interest is 33.0 0% with the paid-up capital of 9.90 million Kyat or approximately 0.22 million baht and the remaining unpaid for shares of 23.10 million Kyat or approximately 0.51 million baht.

Southern Myanmar Development Fishery Co., Ltd.

In 2020, Siam Gas Power Pte. Ltd. (“SPW”), a subsidiary of the Company, jointly established Southern Myanmar Development Fishery Co., Ltd., which incorporated in Myanmar with a registered share capital of 8,000 shares, at par value of 10,000 Kyat. The business objective is to provide fishery zone. The Group’s ownership interest is 33.0 0% with the paid-up capital of 4.95 million Kyat or

approximately 0.11 million baht and the remaining unpaid for shares of 21.45 million Kyat or approximately 0.47 million baht.

Southern Myanmar Development Gas Co., Ltd.

In 2020, Siam Gas Power Pte. Ltd. (“SPW”), a subsidiary of the Company, jointly established Southern Myanmar Development Gas Co., Ltd., which incorporated in Myanmar with a registered share capital of 5,000 shares, at par value of 10,000 Kyat. The business objective is to provide floating storage services. The Group’s ownership interest is 33.0 0% with the paid-up capital of 4.95 million Kyat or approximately 0.11 million baht and the remaining unpaid for shares of 11.50 million Kyat or approximately 0.25 million baht.

Property, Plant and Equipment - Net

The major assets used for business operations of SGP and its subsidiaries are property, plant, terminals, LPG filling plants, LPG stations and storage equipment for LPG, LPG cylinders, LPG vessel tankers, vehicles, and etc.

Table 2.6: Details of property, plant and equipment - net of SGP and its subsidiaries are as follows:

(Unit : Million Baht)

Category / Description		Consolidated Financial Statements		
		As at Dec. 31, 2018	As at Dec. 31, 2019	As at Dec. 31, 2020
1	Property	3,219	4,885	5,319
2	Plant, infrastructure and land improvement	3,138	3,582	3,855
3	Terminal, gas filling and service stations and equipment	1,455	1,489	1,452
4	LPG tanker vessels	3,105	2,970	3,016
5	LPG cylinders	2,306	2,361	2,434
6	Machines and plant equipment	892	867	893
7	Furniture, fixtures and office equipment	267	303	311
8	Vehicles	602	602	573
9	Construction in progress	615	721	823
Total		15,599	17,780	18,676
Plus Increased value from land valuation		1,188	2,605	2,577
Less Provision for impairment		(121)	(125)	(125)
Property, Plant and Equipment - Net		16,666	20,260	21,128

As at December 31, 2018, value of property, land and equipment of SGP and its subsidiaries increased by 1,020 million baht from 2017, mainly because the Group has purchased additional operating assets and transferred during period of 2,506 million baht, (most of them are the increase of property of 890 million baht, plant and equipment of 53 million baht; terminal, gas filling and service stations and equipment of 118 million baht; LPG cylinders of 337 million baht; purchase of LPG tanker vessel of 686 million baht; machines and plant equipment and office equipment of 125 million baht,

vehicle of 51 million baht and construction in progress of 246 million baht). In addition, there were decreases from disposition of assets during the period of 56 million baht and from transfer of assets to investment properties of 113 million baht; depreciation of assets during the period of 1,084 million baht, provision for impairment of equipment of SEEC, a subsidiary company, of 93 million baht and reduction of currency translation differences of financial statements of 140 million baht.

For the year ended December 31, 2019, value of property, land and equipment of SGP and its subsidiaries increased by 3,594 million baht from 2018, mainly because the Group has purchased additional operating assets during the period of 2,032 million baht, (most of them were the increase of property of 658 million baht; LPG cylinders of 279 million baht; purchase of LPG tanker vessel of 498 million baht; and construction in progress of 409 million baht). In addition, there were an increase from acquisition of indirect subsidiary (invested by SLNG, the subsidiary) amounting to 1,879 million baht and the decreases from disposition of assets during the period of 312 million baht; depreciation of assets during the period of 956 million baht, and reduction of currency translation differences of financial statements of 467 million baht. In addition during 2019, the Group performed the revaluation of land required pursuant to Group's accounting policy. Hence, there was capital increase from land appraisal of 1,417 million baht.

For the year ended December 31, 2020, value of property, land and equipment of SGP and its subsidiaries increased by 868 million baht from 2019, mainly because the Group has purchased additional operating assets during the

period of 1,801 million baht, (most of them were the increase of property of 483 million baht; LPG cylinders of 277 million baht; purchase of LPG tanker vessel of 350 million baht; and construction in progress of 634 million baht). In addition, there were an increase from acquisition of indirect subsidiary (invested by SQS, the subsidiary) amounting to 107 million baht and the decreases from disposition of assets during the period of 262 million baht; depreciation of assets during the period of 1,107 million baht, and increases in currency translation differences of financial statements of 332 million baht.

Right-of-Use Asset

In 2020, the Group has adopted new financial reporting standard on Leases (TFRS 16) for the first time from January 1, 2020. For leases liabilities previously classified as operating leases, right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position as at January 1, 2020, which is the first day that the Group adopted TFRS 16 by recognized a right-of-use assets and leases.

Type/Type of Asset	Consolidated Financial Statements	
	As at Jan. 1, 2020	As at Dec. 31, 2020
Land	959	896
Buildings	87	179
Equipment	17	11
Vehicles	4	1
Total right-of-use assets	1,067	1,087

Goodwill

Table 2.8: Details of goodwill are as follows:

(Unit: Million Baht)

	Consolidated Financial Statements		
	As at Dec. 31, 2018	As at Dec. 31, 2019	As at Dec. 31, 2020
UGP, the subsidiary	1,152	1,152	1,152
STT (previous name TPP), the subsidiary	-	1,208	1,208
SIN, the subsidiary	137	137	137
SGV, the subsidiary	227	227	227
Goodwill	1,516	2,724	2,724

Goodwill is the cost of investment which is higher than fair value of investment that the Group has sharing in net assets of the subsidiaries as of the acquisition date. Goodwill from acquisition of the subsidiaries shall be presented as separate item in the consolidated financial statement.

As at ending of December 31, 2019, Goodwill was 2,724 million baht, increased by 1,208 million Baht from 2018 because during 2019, Siam LNG Company Limited

(“SLNG”), a subsidiary of the Company, entered into share purchase agreements to invest in Thai Public Port Company Limited, the subsidiary, (“TPP”), at proportion of 71.20%. (Later on February 24, 2020, TPP has changed the name to Siam Tank Terminal Co., Ltd. (“STT”) in which the Group has done the valuation of fair value of other non-intangible assets and completed in the second quarter of 2020 and there is no significant difference. Thus there is no retroactive update.

Other Non-Current Assets

Table 2.9: Details of other non-current assets of the Company and the subsidiaries are as follows:

(Unit : Million Baht)

	Consolidated Financial Statements		
	As at Dec. 31, 2018	As at Dec. 31, 2019	As at Dec. 31, 2020
Deposits at bank used as collateral	37	47	47
Deposits	19	13	32
Corporate income tax refundable	140	154	75
Advance payments for purchase of equipment	86	287	375
Advance payment for investments in subsidiaries	-	124	5
Deposits for investments in associates	-	-	-
Deferred charges	50	30	42
Prepaid rental	494	437	46
Others	26	46	37
Total Other Non-current Assets	852	1,138	659

As at ending of year on December 31, 2018, other non-current assets decreased by 218 million baht from 2017 primarily due to the following reasons:

- The decrease of advance payments for purchase of equipment of 147 million baht because during the period, advance payments for purchase of equipment account had been transferred to property, plant and equipment account.
- The decrease of deposits for investments in associate of 97 million baht because during the period, the transfer of ownership in shares has been completed, therefore deposits for investments in associate has been transferred to investments in associate account.

As at ending of year on December 31, 2019, other non-current assets increased by 286 million baht from 2018 primarily due to the following reasons:

- Increase because the Company had paid advance payments for purchase of equipment as a result from

payment of deposit for manufacturing of cylinders, net of 201 million baht.

- Increase because during the period, SLNG, the subsidiary, has paid advance payment for investments in subsidiary, TPP, amounted to 124 million baht.

As at ending of year on December 31, 2020, other non-current assets decreased by 479 million baht from 2019 primarily due to the following reasons:

- Decrease from advance payment for investments in subsidiary, STT, amounted to 124 million baht. Due to SLNG has received shares transferring. Thus advance payment was recorded as investment in subsidiary. (as per explained in the Note to Financial Statements, Item 16.1 (4.2). Re: Investments in Subsidiaries).
- Decrease from advance payment for rental amounted to 391 million baht which was affected from new financial reporting standard (TFRS 16 : Leases) which was effected from January 2020.

Liabilities

Short-term Loan from Financial Institutions - net

As at December 31, 2018, short-term loans from commercial banks of SGP and its subsidiaries increased to 4,989 million baht with interest rates in the range of 1.90% - 2.77% per annum, primarily due to the increase of short-term loans in category of Trust Receipt and Promissory Note of SGP and its subsidiaries of 3,088 million baht and 400 million baht, respectively.

As at December 31, 2019, short-term loans from commercial banks of SGP and its subsidiaries decreased to 4,839 million baht with interest rates in the range of 1.65 - 6.88% per annum, primarily due to the decrease of short-term loans in category of Trust Receipt of the oversea subsidiary of 1,078 million baht and the increase of Promissory Note of SGP and its subsidiaries within the country of 910 million baht.

As at December 31, 2020, short-term loans from commercial banks of SGP and its subsidiaries decreased to 3,363 million baht with interest rates in the range of 1.11 - 5.47% per annum, primarily due to the decrease of short-term loans in category of Trust Receipt of the oversea subsidiary of 439 million baht and the decrease of Trust Receipt, Promissory Note, Trade Finance of SGP and its subsidiaries within the country of 1,037 million baht.

Trade Accounts and Other Payables

Main trade accounts payables in Thailand were major suppliers of petroleum and petrochemicals and most of them had credit term of approximately 19-30 days. Main trade accounts payable in foreign countries were major suppliers of petroleum and petrochemicals and most of them had credit term of approximately 20-30 days.

As at December 31, 2018, trade accounts payables decreased to 3,515 million baht, as at December 31, 2019, they increased to 7,095 million baht and as at December 31, 2020, they decreased to 4,313 million baht.

As at December 31, 2020, trade accounts and other payables increased to 4,313 million baht from the previous year in the amount of 2,782 million baht, mainly due to:

- Other payables incurred from SLNG, the subsidiary, invested in STT, the subsidiary, amounted to 1,985 million baht.
- Decreased from change in inventory at the end of the year. During the past period, SGP and its subsidiaries had made payments to the trade account payables on time, so average payment period of SGP and its subsidiaries during 2018 to the period ended on December 31, 2020 was approximately 15-28 days which was within credit term ranges granted by trade account payables.

Current Portion of Long-term Loan and Long-term Loan from Financial Institutions - net

Table 2.10: Details of current portion of long-term loan and long-term loan from financial institutions:

(Unit : Million Baht)

	Consolidated Financial Statements		
	As at Dec. 31, 2018	As at Dec. 31, 2019	As at Dec. 31, 2020
Within 1 year	1,349	875	968
Later than 1 year but not later than 5 years	963	1,260	1,556
Total long-term loan - net	2,312	2,135	2,524

For the year ended as at December 31, 2018, long-term loan increased by 276 million baht when comparing to previous year due to:

The Company: During 2018, the Company has entered into a loan agreement with one domestic financial institution in the amount of 550 million baht to purchase land for business expansion and money of 248 million baht has been repaid during the year.

The Subsidiary: During the year, SLM, the subsidiary, has entered into a loan agreement with the financial institution in the amount of 467 million baht for purchasing of a tanker vessel and dry-docking expense. SLM has repaid money of 524 million baht under the loan agreement during the year. For the period ended December 31, 2019, long-term loan decreased by 177 million baht when comparing to previous year mainly due to:

The Company: During 2019, the Company has entered into a loan agreement with one domestic financial institution in the amount of 864 million baht for business expansion and the Company has repaid money of 1,157 million baht under the loan agreement during the year.

The Subsidiary: During 2019, SLM, the subsidiary, has entered into a loan agreement with the financial institution in the amount of 529 million baht for purchasing of a tanker vessel and dry-docking expense. SLM has repaid money of 468 million baht under the loan agreement during the year.

For the period ended December 31, 2020, long-term loan increased by 389 million baht when comparing to previous year mainly due to:

The Company: During 2020, the Company has entered into a loan agreement with one domestic financial institution in the amount of 500 million baht for business expansion and the Company has repaid money of 494 million baht under the loan agreement during the year.

The Subsidiary: During 2020, STT, the subsidiary, has entered into a loan agreement with the financial institution in the amount of 800 million baht for business operation. STT has repaid money of 25 million baht under the loan agreement during the year.

Bonds - Net

Table 2.11: Details of bonds are as follows:

(Unit: Million Baht)

	Consolidated Financial Statements		
	As at Dec. 31, 2018	As at Dec. 31, 2019	As at Dec. 31, 2020
Bonds			
Bonds (Thai baht currency)	9,000	9,000	11,000
Less Deferred financing fee	(17)	(23)	(30)
Total Bonds - Net	8,983	8,977	10,970

During 2020, SGP issued and offered unsubordinated and secured debenture bonds totaled 4,000 million baht, at par value equal to offering price of 1,000 baht per unit and with interest repayment every 3 months to repay long-term loan to the financial institution and to invest in STT. In addition, under the rights and responsibilities of the issuer and the holders of bonds, SGP has to comply

with the conditions including certain financial covenants, as well as to maintain some financial ratio, i.e. interest-bearing debts to equity ratio to be not more than 2.00 - 2.20 times. (Interest-bearing debts is not included cylinder deposit and leases (TFRS 16)) However, financial ratios of the Group in each year as mentioned above were pursuant to the bond issuance conditions

Bond Issued and Offered	Maturity	Value (Million Baht)	Interest Rate per Annum	TRIS Rating
February 2018	5 Years	2,000	3.03%	A (Stable)
December 2018	5 Years	2,000	3.85%	A (Stable)
January 2019	3 Years	3,000	4.10%	BBB+ (Stable)
January 2020	4 Years	4,000	3.85%	BBB+ (Stable)
Total		11,000		

Payables for LPG Cylinder Deposit

Deposits for LPG cylinders of SGP and its subsidiaries are recorded as liabilities of the Company and they will repay to customers then record reduction in such liabilities when the customer returns cylinders to the Company with deposit receipt. The LPG cylinder deposits have been increasing every year pursuant to increased amount of new LPG cylinders less reduction of deposits when the customers return LPG cylinders together with deposit receipts. Moreover, SGP and its subsidiaries did not have policy in recognizing cylinder deposit as revenue which was pursuant to International Financial Reporting Standards (IFRS). Hence, payables for LPG gas cylinders deposits of SGP and its subsidiaries shall be increased every year. However, SGP and the executives expected that refund rate of deposits of cylinders were very few, by referring to backdated information of 5 years. Payables for LPG cylinder deposits as at December 31, 2018 were 5,054 million baht, and as at December 31, 2019 were 5,219 million baht, and as at December 31, 2020 were 5,494 million baht, respectively.

Shareholders' Equity

Shareholders' equity as at December 31, 2018 was 10,129 million baht, a decrease of 1,179 million baht from 2017 mainly due to during the period for the year ended December 31, 2018, net profit included the part of the parent was 871 million baht, net loss of non-controlling interests was 1 million baht, dividend payment of the parent and non-controlling interest during 2018 was 1,378 million baht and 3 million baht, respectively. Moreover, as the Company invested in overseas subsidiaries, i.e. in China, Hong Kong, Vietnam, Singapore, Malaysia, Bangladesh and Myanmar, so financial statements of such subsidiaries had to be converted, hence, the parent lost from currency translation differences of such financial statement of 642 million baht and the non-controlling interests lost from currency translation differences of 8 million baht. Such decrease was also due to conversion of investment proportion of one subsidiary belonging to the parent of 4 million baht and non-controlling interests of 14 million baht.

Shareholders' equity as at December 31, 2019 was 11,899 million baht, an increase of 1,760 million baht from 2018 mainly due to during the year 2019, net profit included the part of the parent was 1,360 million baht, net profit of non-controlling interests was 62 million baht, dividend payment of the parent and non-controlling interest during 2019 was

551 million baht and 3 million baht, respectively. Moreover, as the Company invested in overseas subsidiaries, i.e. in China, Hong Kong, Vietnam, Singapore, Malaysia, Bangladesh and Myanmar, so financial statements of such subsidiaries had to be converted, hence, the Group lost from currency translation differences of such financial statement in subsidiaries of 703 million baht and loss from currency translation difference of financial statement in the associated company and joint ventures of 27 million baht. There was an increase from surplus from revaluation of land of the parent of 1,144 million baht and surplus from revaluation of land of the non-controlling interest of 23 million baht, including an increase from acquisition of TPP, the subsidiary, of the non-controlling interest of 476 million baht. The parent has decreased from acceptance of transfer of non-controlling interest from impact from increase of investment ratio in SEE, the subsidiary, of 125 million baht.

Shareholders' equity as at December 31, 2020 was 12,864 million baht, an increase of 975 million baht from 2019 mainly due to during the year 2020, net profit included the part of the parent was 2,062 million baht, net profit of non-controlling interests was 38 million baht, dividend payment of the parent and non-controlling interest during 2020 was 643 million baht and 3 million baht, respectively. Moreover, as the Company invested in overseas subsidiaries, i.e. in China, Hong Kong, Vietnam, Singapore, Malaysia, Bangladesh and Myanmar, so financial statements of such subsidiaries had to be converted, hence, the Group gained from currency translation differences of such financial statement in subsidiaries of 343 million baht and gain from currency translation difference of financial statement in the associated company and joint ventures of 22 million baht. There was an increase from acquisition of LIN, the subsidiary, of the non-controlling interest of 37 million baht. The parent has decreased from conversion of investment proportion of STT, the subsidiary, in the amount of 441 million baht and non-controlling interests decreased by 491 million baht. (as per explained in the Note to Financial Statements, Item 16.1 (4.2). Re: Investments in Subsidiaries).

And impact from adaptation of new financial reporting standard (TFRS 9 : Financial Instruments) which was used for the first time and caused the parent's equity to increase by 51 million baht. (as per explained in the Note to Financial Statements, Item 5 : Impacts from initial application of the new and revised financial reporting standards.)

Analysis of Financial Ratio

Table 2.12: Details of Financial Ratio are as follows:

	Consolidated Financial Statement		
	2018	2019	2020
Profitability Ratio			
Gross profit margin (%)	3.30	4.85	6.82
Net profit margin (%)	1.26	2.11	3.77
Return on equity (%)	8.11	12.92	16.97
Financial Policy Ratio			
Interest-bearing debt to equity ratio (times)	1.63	1.44	2.22
Total debt ratio to equity (times)	2.53	2.49	1.31
Interest coverage ratio (times)	(2.32)	6.98	4.77
Leverage ratio (times)	(0.17)	0.54	0.39

Gross Profit Margin of the Group for the year ended December 31, 2018, equaled 3.30%, and for the year ended December 31, 2019, equaled 4.85%, an increase by 1.55% from the year 2018. And for the year ended December 2020, equaled 6.82%, an increased by 1.97% from the year 2019 as a result of the increase in LPG price in the third quarter 2020 and resulted in higher gross profit in year 2020 when compared with the previous year.

Net Profit Margin of the Group for the year ended December 31, 2018 equaled 1.26%, and for the year ended December 31, 2019, equaled 2.11%, an increase by 0.85% from the year 2018. And for the year ended December 2020, equaled 3.77%, an increased by 1.66% from the year 2019 as per explained in the above topic.

Return on Equity of the Group for the year ended December 31, 2018 equaled 8.11%, and for the year ended December 31, 2019, equaled 12.92%, an increase by 4.81% from the year 2018. And for the year ended December 2020, equaled 16.97%, an increased by 4.05% from the year 2019, mainly due to the increase of net profit when compared with the previous year.

Debt to Equity Ratio of the Group for the year ended December 31, 2018 equaled 2.53 time, and for the year ended December 31, 2019, equaled 2.49%, a decrease by 0.04% from the year 2018. And for the year ended December 2020, equaled 2.22%, a decreased by 0.27% from the year 2019 as a result of the increase equity from net operating profit during the period.

Interest-Bearing Debt to Equity Ratio of the Group for the year ended December 31, 2018 equaled 1.61 time, and for the year ended December 31, 2019, equaled 1.34%, a decrease by 0.27% from the year 2018. And for the year ended December 2020, equaled 1.31%, a decreased by 0.03% from the year 2019. The Company must maintain this interest-bearing debt to equity ratio of the Group to not more than 2.0-2.20 times, pursuant to the requirements of rights and obligations of bond issuer.

Interest Coverage Ratio of the Group for the year ended December 31, 2018 equaled (2.32) times, and for the year ended December 31, 2019, equaled 6.98 times, an increase by 9.30 times from the year 2018 And for the year ended December 2020, equaled 4.77%, a decreased by 2.21% from the year 2019 as a result of the decrease of cash flow from operating activities when compared with the previous year.

Leverage Ratio of the Group for the year ended December 31, 2018 equaled (0.17) time and for the year ended December 31, 2019, equaled 0.54 time, an increase by 0.71 time from the year 2018. And for the year ended December 2020, equaled 0.39%, a decreased by 0.15 time from the year 2019 as a result of the dncrase cash flow from operating activities. The Management of the Group manages to ensure that the Group will have sufficient cash flow to pay for the obligation and contingent liability in the future. In addition, the Management will consider prudently for the investment which will cause obligation

and contingent liability in the future to maximize return to the shareholders.

Events after the reporting date

Dividend Payment

The Company

On 23 February 2021, at the Board of Directors' meeting of the Company, the board passed a resolution to propose the payment of dividends from operating results for the year 2020 amounting to Baht 0.50 per share, totalling Baht 918.93 million, inclusive of interim dividends for the first six-month of 2020. The Company had already paid interim dividend from operating results for the six-month period of the year 2020 amounting to Baht 0.10 per share, totalling Baht 183.78 million in September 2020. The board will propose the shareholders at the shareholders' meeting to get an approval for the remaining dividend payment of Baht 735.15 million.

The Subsidiaries

On 27 January 2021, at the Board of Directors' meeting of MyGaz Sdn. Bhd. the board passed a resolution to approve payment of dividends from operating results for the year 2020 amounting to 0.80 MYR, totalling MYR 40.00 million or equivalent to Baht 297.92 million. The dividends had already been paid on 19 February 2021.

On 19 February 2021, at the Board of Directors' meeting of Lucky Carrier Company Limited, the board passed a resolution to propose dividend payment from operating results for the year 2020 amounting to Baht 4.00 per share,

totalling Baht 28.00 million, inclusive of interim dividends from operating results for the six-month period of the year 2020, amounting to Baht 1.00 per share, totalling Baht 7.00 million. The interim dividends had already been paid in September 2020. The board will propose the shareholders at the shareholders' meeting to get an approval for the remaining dividend payment of Baht 21.00 million.

On 23 February 2021, at the Board of Directors' meeting of Unique Gas and Petrochemicals Public Company Limited, the board passed a resolution to propose the payment of dividends from retained earnings and operating results for the year 2020 amounting to Baht 60.00 per share, totalling Baht 630.00 million, inclusive of interim dividends for the first six-month of 2020. The Company had already paid interim dividend from retained earnings and operating results for the six-month period of the year 2020 amounting to Baht 30.00 per share, totalling Baht 315.00 million in September 2020. The board will propose the shareholders at the shareholders' meeting to get an approval for the remaining dividend payment of Baht 315.00 million.

Auditor's Remuneration

Remuneration paid to PricewaterhouseCoopers ABAS Ltd., the auditor of the Company and its subsidiaries in Thailand, for 2018 to 2020 was 6.05 million baht, 6.23 million baht and 6.63 million baht, respectively. Person or business related to the auditor or the auditing company shall not be the person or the business related to the Company and its subsidiaries.

Table 2.12: Details on auditor's remuneration during 2018 to 2020

(Unit : Million Baht)

	The Company			The Company and its Subsidiaries in Thailand		
	2018	2019	2020	2018	2019	2020
Auditing fee for annual financial statements	1.03	1.06	1.06	3.15	3.25	3.50
Reviewing fee for quarterly financial statements (Q1-Q3)	1.01	1.04	1.04	2.90	2.98	3.13
Total	2.04	2.10	2.10	6.05	6.23	6.63

REPORT OF THE BOARD OF DIRECTORS' ACCOUNTABILITY TO FINANCIAL REPORT

The consolidated financial statements of Siamgas and Petrochemicals Public Company Limited and its subsidiaries were prepared in accordance with the Securities Exchange Commission under the Securities and Exchange Act B.E. 2535 and under the accounting act B.E. 2543.

The Company's Board of Directors is responsible for financial report of Siamgas and Petrochemicals Public Company Limited and its subsidiaries in providing reasonable assurance that the financial standards present fairly financial position, financial performance and cash flows. The

accounting data is sufficiently and accurately recorded to preserve the Company's assets and prevent fraud and irregularity. The financial report has been prepared accordingly to appropriate accounting policy and consistency practices, and in accordance with Thai Financial Reporting Standards. Significant information has been sufficiently disclosed in notes to financial statements, where the auditor expressed an opinion on the financial statements of Siamgas and Petrochemicals Public Company Limited and its subsidiaries in the auditor's report.



Mr. Worawit Weeraborwornpong
Chairman



Mr. Supachai Weeraborwornpong
Managing Director



SIAMGAS AND PETROCHEMICALS PUBLIC COMPANY LIMITED.

**CONSOLIDATED
AND SEPARATE FINANCIAL
STATEMENTS**

31 DECEMBER 2020

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

To the shareholders of Siamgas and Petrochemicals Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Siamgas and Petrochemicals Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2020;
- the consolidated and separate statements of income for the year then ended;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matters

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

Key audit matter	How my audit addressed the key audit matter
<p>Goodwill impairment assessment</p> <p>Refer to Note 20 'Goodwill'.</p> <p>The Group has a net book value of goodwill of Baht 2,724 million, which represents 7% of the total assets in the consolidated financial statements. Goodwill mainly arose from the acquisitions of a petroleum trading business in Thailand and an oil depots and port services business in Thailand.</p> <p>The management tests goodwill impairment annually at the cash generating unit (CGU) level and assesses its recoverable amount by applying the value-in-use model. This involves significant management judgements with respect to the future operating results of the business, projected cash flows and the discount rate applied to the discounted cash flows. Key assumptions applied in the value-in-use model are:</p> <ul style="list-style-type: none"> • revenue growth rates, cost of goods sold and expected changes to overhead costs in the business • discount rates, using in discounted cash flows, calculated from the capital structure, market risk and beta from available information in the industry. <p>I focussed on the valuation of goodwill arose from the acquisitions of a petroleum trading business in Thailand and an oil depots and port services business in Thailand due to their significant values and the fact that the determination of value-in-use depends on assumptions. Those assumptions involve significant judgement made by management in assessing the possibility of future business plans.</p>	<p>I carried out the following procedures to assess the impairment testing of goodwill prepared by management:</p> <ul style="list-style-type: none"> • assessed the appropriateness of management's identification of the CGUs and evaluated the Group's control over the impairment test process • held discussions with management to understand the basis for the assumptions applied and evaluated whether the goodwill impairment testing process and assumptions had been applied consistently across the Group's performance and were appropriate for the business environment • challenged management's significant assumptions used in goodwill impairment testing, especially for the revenue growth rates, cost of goods sold and expected changes to overhead costs to the business, including comparing those assumptions to the underlying agreements, external sources and the approved future business plan • assessed the reasonableness of the future business plan by comparing the significant assumptions with actual results • engaged my firm's valuation experts to evaluate the discount rate applied in the projected cash flows to see whether the discount rates used by the management were within an acceptable range • tested the sensitivity analysis over key assumptions in the projected cash flow prepared by management which impact to recoverable amount lower than book value such as the revenue growth rate and discount rates. <p>As a result of performing these procedures, I consider the key assumptions used by management to be within the acceptable range.</p>

Key audit matter	How my audit addressed the key audit matter
<p>Deferred tax assets recognised from cumulative tax losses carried forward</p> <p>Refer to Note 22 'Deferred tax, net to the separate financial statements'.</p> <p>As at 31 December 2020, the Company had deferred tax assets of Baht 136 million related to those recognised from cumulative tax losses carried forward.</p> <p>Management determined that the Company would be able to generate enough future taxable profits for the Company to utilise the available tax losses. Therefore, the Company has recognised their deferred tax assets from cumulative tax losses carried forward. Management prepared five-year budgets for taxable profits to support the Company's ability to utilise the deferred tax on tax losses carried forward. The key assumptions used in the budgets included the revenue growth rate and related costs.</p> <p>I focussed on this area because the amounts of deferred tax assets are significant to the separate financial statements. The estimation of future taxable profits depends on a number of assumptions, and the key assumptions involve significant judgment by management in assessing the future taxable profit.</p>	<p>I carried out the following procedures to assess the appropriateness of recoverable amount of deferred tax assets from unutilised cumulative tax losses carried forward prepared by management:</p> <ul style="list-style-type: none"> assessed the available cumulative tax losses carried forward by considering their expiry periods according to any applicable provisions of the Revenue Code checked the budgets whether they were properly approved by management and tested the reasonableness of the Company's budgets of the past years to assess the reliability of the budgets which were prepared by management evaluated and challenged management's judgement and assumptions applied in the Company's profit forecasts in the five-year business plan. During the period, the Company can use accumulated tax loss by considering the probability of future profit resulting from revenue growth, gross profit and other expenses. This also includes comparing actual past performance and future business plan. <p>As a result of performing these procedures, I consider management's key assumptions used in the estimate of future taxable profit to be within a reasonable range.</p>

Emphasis of matter

I draw attention to note 4.4 to the consolidated and separate financial statements, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020. My opinion is not modified in respect to this matter.

Other information

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

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

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

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

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

PricewaterhouseCoopers ABAS Ltd.



Chaisiri Ruangritchai

Certified Public Accountant (Thailand) No. 4526
Bangkok
23 February 2021

Siamgas and Petrochemicals Public Company Limited

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Assets					
Current assets					
Cash and cash equivalents	11	2,975,491,237	2,500,025,508	141,108,593	331,069,361
Deposits at a financial institution used as collateral		-	1,185,029,248	-	1,185,029,248
Short-term investments		-	100,752,916	-	100,752,916
Financial assets measured at fair value through profit or loss	5,12	94,916,166	-	94,916,166	-
Trade and other receivables, net	5,13	3,959,932,790	5,290,548,064	611,747,004	2,592,511,620
Inventories, net	14	5,303,872,926	4,854,579,659	124,227,613	177,056,269
Other current assets	15	161,389,382	202,512,231	5,586,041	28,564,362
Total current assets		12,495,602,501	14,133,447,626	977,585,417	4,414,983,776
Non-current assets					
Investments in subsidiaries, net	16	-	-	11,061,309,068	11,107,845,783
Investments in associates	16	2,029,883,526	1,800,593,653	-	-
Investments in joint ventures	16	62,682,122	71,530,241	23,577,992	23,577,992
Long-term loans to related parties	37	867,337,306	963,221,038	4,481,945,320	2,186,037,577
Investment property, net	17	167,053,417	167,704,980	1,132,600,042	1,133,103,883
Property, plant and equipment, net	18	21,127,810,149	20,259,846,611	5,637,103,580	5,631,325,893
Right-of-use assets, net	5,19	1,086,625,887	-	212,904,413	-
Goodwill, net	20	2,723,955,994	2,723,955,994	-	-
Intangible assets, net	21	69,305,677	73,464,216	3,525,033	3,769,417
Derivative assets	5	38,176,940	-	-	-
Deferred tax assets, net	5,22	60,524,276	107,002,536	-	-
Other non-current assets	5,23	658,859,714	1,138,406,659	620,177,800	507,556,513
Total non-current assets		28,892,215,008	27,305,725,928	23,173,143,248	20,593,217,058
Total assets		41,387,817,509	41,439,173,554	24,150,728,665	25,008,200,834

Director _____

Director _____

The notes to the consolidated and separate financial statements from pages 16 to 84 are an integral part of these financial statements.

Siamgas and Petrochemicals Public Company Limited

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings					
from financial institutions, net	24	3,363,434,285	4,838,846,134	320,000,000	1,480,000,000
Trade and other payables	25	4,313,307,257	7,094,758,695	401,765,953	2,617,320,303
Current portion of lease liabilities, net	5	48,818,170	-	20,427,236	-
Current portion of long-term loans					
from financial institutions, net	26	968,203,541	875,260,332	546,000,000	494,000,000
Current portion of bonds, net	28	-	1,999,897,662	-	1,999,897,662
Short-term loans from a related party	37	-	-	-	151,656,500
Accrued income tax		218,932,699	142,349,275	-	-
Other current liabilities	27	73,125,160	77,466,220	24,393,573	12,030,156
Total current liabilities		8,985,821,112	15,028,578,318	1,312,586,762	6,754,904,621
Non-current liabilities					
Lease liabilities, net	5	529,380,863	-	96,334,245	-
Derivative liabilities	5	4,499,378	-	1,651,443	-
Long-term loans from financial institutions, net	26	1,556,099,147	1,259,937,307	375,600,000	421,600,000
Long-term loans from related parties	37	-	3,000,000	1,573,378,481	1,485,067,886
Bonds, net	28	10,970,315,409	6,977,455,192	10,970,315,409	6,977,455,192
Cylinder deposits		5,494,113,333	5,218,711,546	1,265,813,659	1,147,745,048
Employee benefit obligations	29	279,916,868	274,156,912	106,025,417	98,988,501
Deferred tax liabilities, net	5,22	614,793,156	687,872,012	92,525,089	170,895,294
Other non-current liabilities		89,343,731	100,957,112	2,707,498	2,413,698
Total non-current liabilities		19,538,461,885	14,522,090,081	14,484,351,241	10,304,165,619
Total liabilities		28,524,282,997	29,550,668,399	15,796,938,003	17,059,070,240

The notes to the consolidated and separate financial statements from pages 16 to 84 are an integral part of these financial statements.

Siamgas and Petrochemicals Public Company Limited

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
	Notes	Baht	Baht	Baht	Baht
Liabilities and equity (continued)					
Equity					
Share capital					
Authorised share capital					
1,837,863,000 ordinary shares					
with a par value of Baht 0.50 each					
		918,931,500	918,931,500	918,931,500	918,931,500
Issued and paid-up share capital					
1,837,863,000 ordinary shares,					
fully paid-up of Baht 0.50 each					
		918,931,500	918,931,500	918,931,500	918,931,500
Premium on share capital		1,874,481,829	1,874,481,829	1,874,481,829	1,874,481,829
Retained earnings					
Appropriated					
- Legal reserve	31	162,088,663	162,088,663	162,088,663	162,088,663
Unappropriated		10,001,974,135	8,510,351,090	4,508,680,897	4,081,754,953
Other components of equity	36	(487,500,264)	(385,479,350)	889,607,773	911,873,649
Equity attributable to owners of the parent					
		12,469,975,863	11,080,373,732	8,353,790,662	7,949,130,594
Non-controlling interests		393,558,649	808,131,423	-	-
Total equity					
		12,863,534,512	11,888,505,155	8,353,790,662	7,949,130,594
Total liabilities and equity					
		41,387,817,509	41,439,173,554	24,150,728,665	25,008,200,834

The notes to the consolidated and separate financial statements from pages 16 to 84 are an integral part of these financial statements.

Siamgas and Petrochemicals Public Company Limited

STATEMENT OF INCOME

For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Revenue					
Revenue from sales		54,518,590,634	66,834,446,909	6,329,237,407	10,268,368,408
Revenue from transportation		286,709,904	228,137,832	-	-
Revenue from services		318,308,402	13,970,240	107,025,021	126,117,836
Total revenue		55,123,608,940	67,076,554,981	6,436,262,428	10,394,486,244
Cost of sales and services		(51,155,513,548)	(63,656,266,201)	(6,111,400,536)	(10,124,314,470)
Cost of transportation		(207,340,789)	(169,572,569)	-	-
Total cost of sales, services and transportation		(51,362,854,337)	(63,825,838,770)	(6,111,400,536)	(10,124,314,470)
Gross profit		3,760,754,603	3,250,716,211	324,861,892	270,171,774
Dividend income		2,880,000	3,367,000	1,174,611,974	899,122,744
Other income	32	514,833,725	361,877,859	466,745,496	235,568,388
Profit before expenses		4,278,468,328	3,615,961,070	1,966,219,362	1,404,862,906
Selling expenses		(168,764,098)	(181,874,503)	(27,488,644)	(39,754,292)
Administrative expenses		(1,223,691,495)	(1,302,752,566)	(482,944,497)	(492,910,471)
Gain (loss) from derivatives, net		(29,785,890)	-	416,310	-
Total expenses		(1,422,241,483)	(1,484,627,069)	(510,016,831)	(532,664,763)
Share of profit of associates and joint ventures	16	191,082,292	176,972,558	-	-
Profit before finance costs and income tax		3,047,309,137	2,308,306,559	1,456,202,531	872,198,143
Finance costs		(626,280,652)	(578,917,511)	(484,592,865)	(429,207,636)
Profit before income tax		2,421,028,485	1,729,389,048	971,609,666	442,990,507
Income tax revenue (expenses)	34	(320,590,492)	(307,355,936)	77,956,654	44,369,399
Profit for the year		2,100,437,993	1,422,033,112	1,049,566,320	487,359,906
Profit attributable to:					
Owners of the parent		2,061,838,458	1,359,916,983	1,049,566,320	487,359,906
Non-controlling interests		38,599,535	62,116,129	-	-
Profit for the year		2,100,437,993	1,422,033,112	1,049,566,320	487,359,906
Earnings per share for profit attributable to the owners of the parent	35				
Basic earnings per share		1.12	0.74	0.57	0.27

The notes to the consolidated and separate financial statements from pages 16 to 84 are an integral part of these financial statements.

Siamgas and Petrochemicals Public Company Limited

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Profit for the year	2,100,437,993	1,422,033,112	1,049,566,320	487,359,906
Other comprehensive income (expense), net of tax				
Items that will not be reclassified subsequently to profit or loss				
- Remeasurements of post-employment benefit obligations	-	(25,710,265)	-	(9,668,633)
<u>Less</u> Income tax related to remeasurements of post-employment benefit obligations	-	5,142,053	-	1,933,727
- Revaluation surplus on land	-	1,458,640,471	-	955,104,639
<u>Less</u> Income tax related to revaluation surplus on land	-	(291,728,094)	-	(191,020,928)
Items that will be reclassified subsequently to profit or loss				
- Share of other comprehensive expense from associates and joint ventures for accounted using the equity method	22,248,456	(27,141,205)	-	-
- Currency translation difference	342,807,014	(702,964,670)	-	-
Total other comprehensive income , net of tax	365,055,470	416,238,290	-	756,348,805
Total comprehensive income for the year	2,465,493,463	1,838,271,402	1,049,566,320	1,243,708,711
Total comprehensive income attributable to:				
Owners of the parent	2,422,737,657	1,769,814,964	1,049,566,320	1,243,708,711
Non-controlling interests	42,755,806	68,456,438	-	-
	2,465,493,463	1,838,271,402	1,049,566,320	1,243,708,711

The notes to the consolidated and separate financial statements from pages 16 to 84 are an integral part of these financial statements.

Siamgas and Petrochemicals Public Company Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2020

	Notes	Attributable to equity holders of the parent						Consolidated financial statements		
		Issued and paid-up share capital	Premium on share capital	Retained earnings		Total other components of equity	Total owner's equity of parent	Non-controlling interests	Total equity	
				Legal reserve	Unappropriated					
										Baht
(Note 36)										
Opening balance as at 1 January 2020										
As previously reported		918,931,500	1,874,481,829	162,088,663	8,510,351,090	(385,479,350)	11,080,373,732	808,131,423	11,888,505,155	
Impact on adoption of new financial reporting standards	5	-	-	-	50,770,761	-	50,770,761	-	50,770,761	
As restated		918,931,500	1,874,481,829	162,088,663	8,561,121,851	(385,479,350)	11,131,144,493	808,131,423	11,939,275,916	
Dividends paid	30	-	-	-	(643,252,050)	-	(643,252,050)	(2,817,526)	(646,069,576)	
Total comprehensive income for the year		-	-	-	2,061,838,458	360,899,199	2,422,737,657	42,755,806	2,465,493,463	
Transfer revaluation surplus on land for land disposal to retained earnings		-	-	-	22,265,876	(22,265,876)	-	-	-	
Acquisition of a subsidiary	16	-	-	-	-	-	-	36,709,009	36,709,009	
Acquisition of investment in a subsidiary from non-controlling interests	16	-	-	-	-	(440,654,237)	(440,654,237)	(491,220,063)	(931,874,300)	
Closing balance as at 31 December 2020		918,931,500	1,874,481,829	162,088,663	10,001,974,135	(487,500,264)	12,469,975,863	393,558,649	12,863,534,512	
Opening balance as at 1 January 2019		918,931,500	1,874,481,829	162,088,663	7,722,361,219	(691,188,358)	9,986,674,853	142,135,640	10,128,810,493	
Dividends paid		-	-	-	(551,358,900)	-	(551,358,900)	(3,034,256)	(554,393,156)	
Total comprehensive income for the year		-	-	-	1,339,348,771	430,466,193	1,769,814,964	68,456,438	1,838,271,402	
Acquisition of a subsidiary		-	-	-	-	-	-	475,816,416	475,816,416	
Effect from increase in shareholding of subsidiary		-	-	-	-	(124,757,185)	(124,757,185)	124,757,185	-	
Closing balance as at 31 December 2019		918,931,500	1,874,481,829	162,088,663	8,510,351,090	(385,479,350)	11,080,373,732	808,131,423	11,888,505,155	

The notes to the consolidated and separate financial statements from pages 16 to 84 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2020

	Notes	Separate financial statements					
		Issued and paid-up share capital	Premium on share capital	Retained earnings		Total other components of equity	Total equity
		Baht	Baht	Legal reserve	Unappropriated	Baht	Baht
				Baht	Baht	(Note 36)	
Opening balance as at 1 January 2020							
As previously reported		918,931,500	1,874,481,829	162,088,663	4,081,754,953	911,873,649	7,949,130,594
Impact on adoption of new financial reporting standards	5	-	-	-	(1,654,202)	-	(1,654,202)
As restated		918,931,500	1,874,481,829	162,088,663	4,080,100,751	911,873,649	7,947,476,392
Dividends paid	30	-	-	-	(643,252,050)	-	(643,252,050)
Total comprehensive income for the year		-	-	-	1,049,566,320	-	1,049,566,320
Transfer revaluation surplus on land for land disposal to retained earnings		-	-	-	22,265,876	(22,265,876)	-
Closing balance as at 31 December 2020		<u>918,931,500</u>	<u>1,874,481,829</u>	<u>162,088,663</u>	<u>4,508,680,897</u>	<u>889,607,773</u>	<u>8,353,790,662</u>
Opening balance as at 1 January 2019							
Dividends paid		918,931,500	1,874,481,829	162,088,663	4,153,488,853	147,789,938	7,256,780,783
Total comprehensive income for the year		-	-	-	(551,358,900)	-	(551,358,900)
Closing balance as at 31 December 2019		<u>918,931,500</u>	<u>1,874,481,829</u>	<u>162,088,663</u>	<u>4,081,754,953</u>	<u>911,873,649</u>	<u>7,949,130,594</u>

The notes to the consolidated and separate financial statements from pages 16 to 84 are an integral part of these financial statements.

Siamgas and Petrochemicals Public Company Limited

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cash flows from operating activities					
Profit before income tax		2,421,028,485	1,729,389,048	971,609,666	442,990,507
Adjustments to reconcile profit before income tax					
Depreciation expenses - buildings and equipment	18	1,107,454,203	956,345,434	128,504,441	124,397,638
Depreciation expenses - right-of-use assets	19	153,005,153	-	68,352,947	-
Amortisation expenses - intangible assets and investment property		19,120,504	50,272,014	1,729,826	1,616,498
Loss (gain) on disposals and write-offs of property and equipment, net		(135,737,516)	33,880,616	(60,071,993)	4,870,044
Loss (gain) on change of financial assets measured at fair value through profit or loss (short-term investments)		4,616,750	(1,393,874)	4,616,750	(1,393,874)
Loss (gain) from measurement of derivatives		29,785,890	-	(416,310)	-
Share of profit of associates	16	(232,358,376)	(196,560,944)	-	-
Share of loss of joint ventures	16	41,276,084	19,588,386	-	-
Bargain purchase from business acquisition	16	(40,519,140)	-	-	-
Impairment loss of receivables (allowance for doubtful debts) (reversal)		(13,949,287)	249,795	-	-
Provision for diminution in value of inventories (reversal)		25,884,725	(278,400,823)	-	-
Impairment charged on investment in subsidiaries		-	-	55,000,000	30,000,000
Dividends income from financial assets measured at fair value through profit or loss (short-term investments)		(2,880,000)	(3,367,000)	(2,880,000)	(3,367,000)
Dividends income from a joint venture		-	-	-	(880,000)
Dividends income from subsidiaries		-	-	(1,171,731,974)	(894,875,744)
Employee benefit expenses	29	17,368,801	74,610,334	9,097,352	29,106,449
Unrealised loss (gain) on exchange rates, net		(61,722)	97,615,642	293,570	30,256,718
Interest income	32	(21,649,287)	(26,161,291)	(189,527,724)	(61,394,065)
Finance costs		626,280,652	578,917,511	484,592,865	429,207,636
		3,998,665,919	3,034,984,848	299,169,416	130,534,807
Changes in operating assets and liabilities					
- Trade and other receivables		1,377,029,658	17,598,939	1,126,160,664	294,823,386
- Inventories		(356,905,785)	88,951,097	52,828,656	729,096,546
- Other current assets		54,449,334	277,398,003	32,169,452	119,311,814
- Other non-current assets		17,224,151	7,678,725	(43,456,190)	16,934,399
- Trade and other payables		(1,563,114,999)	1,297,148,210	(1,042,837,378)	(374,720,371)
- Other current liabilities		(9,278,286)	(71,498,927)	13,076,873	6,479,799
- Cylinder deposits		275,401,786	164,658,230	118,068,612	69,872,406
- Other non-current liabilities		(11,066,656)	35,545,526	293,800	28,100
- Employee benefits paid	29	(17,434,266)	(20,908,940)	(2,060,436)	(1,572,482)
Cash generated from operations		3,764,970,856	4,831,555,711	553,413,469	990,788,404
- Interest paid		(600,574,272)	(569,696,776)	(460,317,640)	(420,644,180)
- Income tax paid		(301,637,126)	(284,883,452)	(9,191,130)	(20,155,136)
Net cash received from operating activities		2,862,759,458	3,976,975,483	83,904,699	549,989,088

The notes to the consolidated and separate financial statements from pages 16 to 84 are an integral part of these financial statements.

Siamgas and Petrochemicals Public Company Limited

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
	Notes	Baht	Baht	Baht	Baht
Cash flows from investing activities					
Proceeds from financial assets measured at fair value through profit or loss (short-term investments)	12	1,220,000	33,600,000	1,220,000	-
Proceeds from long-term loans to related parties	37	104,843,686	14,982,950	354,353,429	652,960,678
Payments for long-term loans to related parties	37	(24,898,743)	(82,983,386)	(2,652,465,652)	(1,663,487,477)
Advance payments for acquisitions of investments in subsidiaries	23	(5,000,000)	(124,000,000)	-	-
Payments for investments in subsidiaries	16	-	-	(8,463,285)	(724,892,100)
Deposits at a financial institution used as collateral		1,185,029,248	(1,185,029,248)	1,185,029,248	(1,185,029,248)
Purchases of property, plant and equipment		(1,837,835,099)	(2,004,996,819)	(208,722,987)	(118,567,199)
Advance payments for purchase of property and equipment		(90,880,799)	(212,880,591)	(79,520,675)	(211,464,875)
Advance payments for right-of-use assets		(77,982,480)	-	(37,472,372)	-
Proceeds from disposals of property and equipment		398,285,158	277,171,837	141,755,986	5,182,249
Purchases of intangible assets		(8,720,600)	(3,937,503)	(981,600)	(1,970,000)
Cash paid for acquisition of subsidiaries, net	16	(1,202,245,511)	(429,872,739)	-	-
Interest received		21,443,984	29,791,610	58,400,780	435,165,359
Dividends received from financial assets measured at fair value through profit or loss (short-term investments)		2,880,000	3,367,000	2,880,000	3,367,000
Dividends received from a joint venture		-	880,000	-	880,000
Dividends received from subsidiaries		-	-	873,057,974	894,875,744
Net cash used in investing activities		(1,533,861,156)	(3,683,906,889)	(370,929,154)	(1,912,979,869)
Cash flows from financing activities					
Repayments on lease liabilities		(58,235,628)	-	(23,680,213)	-
Payments for acquiring shares of a subsidiary from non-controlling interests	16	(807,874,300)	-	-	-
Proceeds from (payments for) short-term loans from financial institutions, net		(1,650,234,338)	160,750,405	(1,160,000,000)	880,000,000
Proceeds from long-term loans from financial institutions, net	26	1,296,000,000	1,391,917,634	500,000,000	863,600,000
Repayments for long-term loans from financial institutions	26	(965,330,751)	(1,624,849,570)	(494,000,000)	(1,157,785,360)
Proceeds from short-term (payment for) loans from related parties	37	-	-	(150,158,500)	150,158,500
Proceeds from long-term loans from related parties	37	-	-	859,756,370	1,233,602,154
Repayments for long-term loans from related parties	37	-	-	(770,000,000)	(720,000,000)
Repayment for bond redemption	28	(2,000,000,000)	(3,000,000,000)	(2,000,000,000)	(3,000,000,000)
Proceeds from issue of bonds, net	28	3,979,430,000	2,984,560,000	3,979,430,000	2,984,560,000
Dividends paid		(646,069,576)	(554,393,156)	(643,252,050)	(551,358,900)
Net cash received from (used in) financing activities		(852,314,593)	(642,014,687)	98,095,607	682,776,394

The notes to the consolidated and separate financial statements from pages 16 to 84 are an integral part of these financial statements.

Siamgas and Petrochemicals Public Company Limited

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Notes	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Net increase (decrease) in cash and cash equivalents		476,583,709	(348,946,093)	(188,928,848)	(680,214,387)
Cash and cash equivalents at the beginning of the year		2,500,025,508	2,848,742,459	331,069,361	1,011,127,479
Exchange gain (loss) on cash and cash equivalents		(1,117,980)	229,142	(1,031,920)	156,269
Cash and cash equivalents at the end of the year	11	<u>2,975,491,237</u>	<u>2,500,025,508</u>	<u>141,108,593</u>	<u>331,069,361</u>
Non-cash transactions					
Payables for purchase of property, plant and equipment (included in other payables)		20,728,760	75,701,286	11,958,886	11,100,860
Increase in equipment as a result of advance payment for purchase of equipment (included in other non-current assets)		17,865,837	12,201,470	5,775,700	-
Increase in investment in a subsidiary from issuing promissory notes (included in other payables)		-	1,985,029,248	-	-
Receivable from disposal of equipment (included in trade and other receivables)		505,004	1,219,750	610,340	1,219,750
Payables for acquisition of a subsidiary (included in other current liabilities)		4,821,974	-	-	-
Increase in investment in an associate from converting debt to equity		4,862,622	59,820,915	-	-
Share subscription payable of associate (included in other non current liabilities)		2,248,383	7,499,085	-	-
Dividend receivables from a subsidiary (included in trade and other receivables)		-	-	298,674,000	-
Acquisition of right-of -use assets under lease agreement		68,505,890	-	3,897,945	-

The notes to the consolidated and separate financial statements from pages 16 to 84 are an integral part of these financial statements.

Siamgas and Petrochemicals Public Company Limited

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2020

1 General information

Siamgas and Petrochemicals Public Company Limited (the Company) is a public limited company incorporated and resident in Thailand. The address of the Company's registered office is 553, 30th Floor, The Palladium Building, Ratchaprarop Road, Makkasan, Ratchathewi, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as "the Group".

The Group has main business in trading petroleum and petrochemical, transportation services by land and ship and oil depots and port services.

These consolidated and separate financial statements were authorised by the Board of Directors on 23 February 2021.

2 Significant events during the current year

Due to the outbreak of Coronavirus Disease 2019 ("COVID-19") has resulted in significant volatility in the global economy. Global public health and governmental authorities have taken extraordinary actions to contain and combat the outbreak and spread of COVID-19, including travel bans, quarantines and "stay-at-home" orders that have caused many individuals to substantially restrict their daily activities and many businesses to curtail or cease normal operations. The Group had assessed that for the year ended 31 December 2020, there has been no significant impact to the Group.

The full impact of the COVID-19 pandemic on the Group's results of operations, financial condition and liquidity will depend on future developments, such as the ultimate duration and scope of the pandemic including the governments' measures on economic that might impact on the Group's customers and suppliers, how quickly normal economic conditions, operations and the demand for petroleum can resume.

3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except financial reporting standards mentioned in Accounting policies section.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 9.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group

a) Financial instruments

The new financial standards related to financial instruments are as follows:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial instruments: Disclosures
TFRS 9	Financial instruments
TFRIC 16	Hedges of a net investment in a foreign operation
TFRIC 19	Extinguishing financial liabilities with equity instruments

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both i) business model for holding the financial assets; and ii) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets' measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 January 2020, the Group has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

4.2 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 and have significant impacts to the Group

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

a) Revised Conceptual Framework for Financial Reporting added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) Amendment to TFRS 3, Business combinations amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.

c) Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBORs. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

- d) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

However, the group management is in process of the assessment of impacts from these financial reporting standards.

4.3 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 and relevant to the Group

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

Amendment to TFRS 16, Leases amended to include a practical expedient for leases that are modified as a direct consequence of IBOR reform (e.g. replacement of THBFIX as a benchmark interest rate due to the cancellation of LIBOR) for lessee to remeasure the lease liability by discounting the revised lease payments using a discount rate that reflects the change in the interest rate. An early application of the amendment is permitted.

The Group has chosen not to early apply the exemption for the current reporting period.

4.4 Implementation of temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 as follows

a) Revaluation of land

The group has chosen not to include any impacts related to the COVID-19 situation as an indication of the land revaluation.

b) Impairment of asset

The Group has chosen to exclude information related to COVID-19 as an indication of the impairment of assets.

The Group excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables.

In addition, for goodwill, intangible assets with indefinite useful life and intangible assets that are not ready for intended use that the Group has to test for impairment annually, the Group has chosen not to include information related to COVID-19 that potentially affect financial projections to consider for the assets' impairment testing.

c) Reversal of deferred tax assets

The Group has chosen not to exclude information related to COVID-19 which causes uncertainty when considering the sufficiency of future taxable profit for the purpose of assessing the utilisation of deductible temporary differences. Instead, the Group writes down the carrying amount of the deferred tax assets when it's not probable that the future taxable profit will be available for utilising the deductible temporary differences.

The Group management is in process of the assessment of impacts to stop applying such temporary exemptions guidance.

5 Impacts from initial application of the new and revised financial reporting standards

The Group has adopted financial reporting standards related to financial instruments (TAS 32, TFRS 7 and TFRS 9) and lease standard (TFRS 16). The new accounting policies applied from 1 January 2020 were disclosed in Note 6.

The Group has adopted those accounting policies from 1 January 2020 by applying the modified retrospective approach. The comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies were therefore recognised in the statement of financial position as of 1 January 2020.

The impact of first-time adoption of new financial reporting standards on the consolidated and separate statements of financial position are as follows:

		Consolidated financial statements			
	Notes	As at 31 December 2019 Previously reported Million Baht	TAS 32 and TFRS 9 Reclassifications and adjustments Million Baht	TFRS 16 Reclassifications and adjustments Million Baht	As at 1 January 2020 Restated Million Baht
Assets					
Current assets					
Short-term investments	5.1.1	100	(100)	-	-
Financial assets measured at fair value through profit or loss	5.1.1	-	100	-	100
Trade and other receivables, net	5.2	5,291	-	(66)	5,225
Total current assets		5,391	-	(66)	5,325
Non-current assets					
Right-of-use assets	5.2	-	-	1,067	1,067
Derivative assets	5.1.2	-	66	-	66
Deferred tax assets, net	5.1.2	107	1	-	108
Other non-current assets	5.2	1,138	-	(438)	700
Total non-current assets		1,245	67	629	1,941
Total assets		6,636	67	563	7,266
Liabilities and equity					
Current liability					
Current portion of lease liabilities, net	5.2	-	-	62	62
Total current liability		-	-	62	62
Non-current liabilities					
Lease liabilities, net	5.2	-	-	501	501
Derivative liabilities	5.1.2	-	3	-	3
Deferred tax liabilities, net	5.1.2	688	13	-	701
Total non-current liabilities		688	16	501	1,205
Total liabilities		688	16	563	1,267
Equity					
Retained earnings - Unappropriated	5.1	8,510	51	-	8,561
Total equity		8,510	51	-	8,561
Total liabilities and equity		9,198	67	563	9,828

		Separate financial statements			
		As at 31 December 2019 Previously reported Million Baht	TAS 32 and TFRS 9 Reclassifications and adjustments Million Baht	TFRS 16 Reclassifications and adjustments Million Baht	As at 1 January 2020 Restated Million Baht
	Notes				
Assets					
Current assets					
Short-term investments	5.1.1	100	(100)	-	-
Financial assets measured at fair value through profit or loss	5.1.1	-	100	-	100
Trade and other receivables, net	5.2	2,593	-	(41)	2,552
Total current assets		2,693	-	(41)	2,652
Non-current assets					
Right-of-use assets	5.2	-	-	240	240
Other non-current assets	5.2	508	-	(63)	445
Total non-current assets		508	-	177	685
Total assets		3,201	-	136	3,337
Liabilities and equity					
Current liability					
Current portion of lease liabilities, net	5.2	-	-	25	25
Total current liability		-	-	25	25
Non-current liabilities					
Lease liabilities, net					
Derivative liabilities	5.2	-	-	111	111
Deferred tax liabilities, net	5.1.2	-	2	-	2
	5.1.2	171	-	-	171
Total non-current liabilities		171	2	111	284
Total liabilities		171	2	136	309
Equity					
Retained earnings - Unappropriated	5.1	4,082	(2)	-	4,080
Total equity		4,082	(2)	-	4,080
Total liabilities and equity		4,253	-	136	4,389

5.1 Financial instruments

The total impact on the Group's and the Company's unappropriated retained earnings as of 1 January 2020 are as follows:

		Consolidated financial statements	Separate financial statements
	Notes	Million Baht	Million Baht
Unappropriated retained earnings as of 31 December 2019 (as previously reported)		8,510	4,082
Fair value adjustments on derivatives	5.1.2	63	(2)
Deferred tax liabilities related to the above adjustments	5.1.2	(12)	-
Total adjustments to opening unappropriated retained earnings from adoption of TFRS 9		51	(2)
Unappropriated retained earnings as of 1 January 2020 after reflecting TFRS 9 adoption		8,561	4,080

5.1.1 Reclassifications of financial instruments

On 1 January 2020, the date of initial application, the measurement categories and carrying amounts of financial assets and financial liabilities were amortised cost except the following:

		Consolidated financial statements			
		Measurement categories		Carrying amounts	
	Previously reported (TAS 105 and other TAS)	Restated (TFRS 9)	Previously reported Million Baht	Restated Million Baht	Difference Million Baht
Financial assets					
Short-term investments (Financial assets measured at fair value through profit or loss)	Fair value	FVPL	100	100	-
Derivative assets	Unrecognised	FVPL	-	66	66
Financial liabilities					
Derivative liabilities	Unrecognised	FVPL	-	3	3

		Separate financial statements			
		Measurement categories		Carrying amounts	
	Previously reported (TAS 105 and other TAS)	Restated (TFRS 9)	Previously reported Million Baht	Restated Million Baht	Difference Million Baht
Financial assets					
Short-term investments (Financial assets measured at fair value through profit or loss)	Fair value	FVPL	100	100	-
Financial liabilities					
Derivative liabilities	Unrecognised	FVPL	-	2	2

Remark: FVPL = Fair value through profit or loss

5.1.2 Measurements of derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered and subsequently measured to its fair value at the end of each reporting period. The changes in the fair value is recognised to profit or loss.

As of 1 January 2020, the Group has recognised the derivative contracts that not recognised previously. The derivatives are measured at fair value through profit or loss. The Group recognised the corresponding adjustment of Baht 51 million in the consolidated statement of financial position and Baht 2 million in the separate statement of financial position.

The Group recognises the adjustments of the fair value of the derivatives in retained earnings as follows.

	Consolidated	Separate
	financial statements	financial statements
	Retained earnings	Retained earnings
As of 1 January 2020	Million Baht	Million Baht
Non-current asset		
Cross currency swaps	66	-
Total derivative asset - non-current	66	-
Non-current liability		
Interest rate swaps	(3)	(2)
Total derivative liability - non-current	(3)	(2)

5.1.3 Impairment of financial assets

The Group has following financial assets that are subject to the expected credit loss model:

- cash and cash equivalents
- trade and other receivables
- loans to related parties

On 1 January 2020, the Group was required to revise its impairment methodology under TFRS 9. The impact of the change in impairment methodology according to TFRS 9. The management determined that the loss on impairment of items above are immaterial.

5.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities were 2.25% to 4.65%.

Right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019.

	Consolidated financial statements Million Baht	Separate financial statements Million Baht
Operating lease commitments disclosed as at 31 December 2019	778	165
<u>Less</u> Discounted using the lessee's incremental borrowing rate of at the date of initial application	(185)	(29)
<u>Less</u> Short-term leases recognised on a straight-line basis as expense	(1)	-
<u>Less</u> Service portion included in leases	(181)	-
<u>Add</u> Adjustments as a result of a different treatment of extension and termination options	154	-
<u>Less</u> Adjustments relating to changes in the rate affecting variable payments	(2)	-
Lease liability recognised as at 1 January 2020	563	136
Lease liabilities - Current portion	62	26
Lease liabilities - Non-current portion	501	110

For leases previously classified as finance leases, the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application on 1 January 2020. The measurement principles of TFRS 16 are only applied after that date.

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

	Consolidated financial statement		Separate financial statement	
	31 December 2020 Million Baht	1 January 2020 Million Baht	31 December 2020 Million Baht	1 January 2020 Million Baht
Land	896	959	173	209
Buildings	179	87	40	28
Equipment	11	17	-	3
Vehicles	1	4	-	-
Total right-of-use assets	1,087	1,067	213	240

Practical expedients applied

In applying TFRS 16 for the first time for the leases before 1 January 2020, the group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease, and
- elect not to reassess whether a contract is, or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an arrangement contains a lease.

6 Accounting policies

Significant accounting policies for consolidated and separate financial statements are as follows.

6.1 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method less impairment (if any).

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using cost method less impairment (if any).

c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method less impairment (if any).

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognised in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

6.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in consolidated financial statements

Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

6.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group's and the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

c) **Group companies**

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of income and statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate. The Group's goodwill and fair value adjustments arising on the acquisition of a foreign operation incurred before 1 January 2013.

6.4 **Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date and bank overdrafts.

In the statements of financial position, bank overdrafts are shown in current liabilities.

6.5 **Trade accounts receivable**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

6.6 **Inventories**

Inventories are stated at the lower of cost or net realisable value. Cost of petroleum and petrochemical products are determined by the weighted average method. Cost of oil product and other finished goods is determined by the first-in, first-out method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity, but excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion, including selling expenses. Allowance is made, where necessary, for obsolete, slow moving and defective inventories.

6.7 **Financial asset**

For the year ended 31 December 2020

a) *Classification and measurement*

From 1 January 2020, the Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value either through other comprehensive income (FVOCI) through profit or loss (FVPL) and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b) *Recognition and derecognition*

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) *Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

d) *Debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- FVOCI: Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains (losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of profit or loss.
- FVPL: Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) *Impairment*

From 1 January 2020, the Group applies the TFRS 9 simplified approach in measuring the impairment of trade and other receivables, which applies lifetime expected credit loss, from initial recognition, for all trade and other receivables.

To measure the expected credit losses by using simplified approach, the management grouped the receivables based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the expected credit loss of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations

Impairment and reversal of impairment losses are recognised in profit or loss and included in administrative expenses.

For the year ended 31 December 2019

Investments in debt and equity securities

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

Trading and available-for-sale investments

Trading investments and available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income and are subsequently reclassified to profit or loss when the investment is disposed.

Held-to-maturity investments

Held-to-maturity investments are carried at amortised cost using the effective interest method less impairment.

General investments

General investments are carried at cost less impairment.

Disposal of investments

On a disposal of an investment, the difference between the net disposal proceeds and the carrying amount (including cumulative changes in fair value recognised in equity) is recognised to the profit or loss. When the Group disposes an investment partially, the carrying amount of the disposed part is determined by the weighted average method.

6.8 Investment property

Property that is held to earn rentals or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and ceased once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses (if any).

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	<u>Number of years</u>
Buildings	20 - 30 years
Equipment	5 - 20 years

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised as expenses in profit or loss.

6.9 Property, plant and equipment

Land is shown at fair value, based on valuations by external independent valuers at least every five years. All other plant and equipment are stated at cost less accumulated depreciation and provision for impairment (if any). The costs of property, plant and equipment comprise both the purchase price and any costs directly attributable to bringing the assets to location and condition necessary for them to be capable of operating in the manner intended by management. Their costs also include the initial estimate of the costs of dismantling and removing the item and restoring the site on which they are located, the obligation for which the Group incurs either when the items are acquired or as a consequence of having used the items during a particular period.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land are credited to other comprehensive income and shown as gain on asset revaluation in equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against gain on asset revaluation directly in equity; all other decreases are charged to profit or loss.

Land is not depreciated. Depreciation on other assets is calculated using the straight line to allocate their cost to their residual values over their estimated useful lives, as follows:

	<u>Number of years</u>
Land improvement	5 - 61 years
Leasehold improvement	contract period
Buildings and infrastructure	5 - 32 years
Terminals, gas filling and service stations and gas storage tanks	3 - 50 years
Gas vessels	2 - 32 years
Gas cylinders	10 - 20 years
Machine, factory tools and equipment	5 - 32 years
Furniture, fixtures and office equipment	5 - 20 years
Vehicles	5 - 30 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss. When revalued assets are sold, the amounts included in gain on asset revaluation are transferred to retained earnings.

6.10 Goodwill

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

6.11 Intangible assets

6.11.1 Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives between 5 to 10 years.

6.11.2 Contractual customer relationships

Contractual customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the customer relationship not over 10 years.

6.12 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

6.13 Leases

For the year ended 31 December 2020

The group leases land, buildings, equipment and vehicles which most of the rental contracts are typically made for fixed periods of 2 years to 30 years but may have extension options. Before 2020 financial year, leases of land, buildings, equipment and vehicles were classified as either finance or operating leases. Payments made under operating leases, net of any incentives received from the lessor were charged to profit or loss on a straight-line basis over the period of the lease.

Leases are recognised as a right-of-use assets and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss 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 depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis, as follow:

	<u>Number of years</u>
Land	2 - 30 Years
Buildings	2 - 28 Years
Equipment	2 - 5 Years
Vehicles	2 - 3 Years

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising of the amount of the initial measurement of lease liability include any lease payments made at or before the commencement date less any lease incentives received, direct costs and restoration costs. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of office equipment.

For the year ended 31 December 2019

Leases - where the Group is the lessee

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

6.14 Financial liabilities

For the year ended 31 December 2020

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

In addition to the classification explained in the preceding paragraph, the Group classifies cylinder deposits as non-current liabilities. To present this appropriately and avoid misunderstandings, the Group considered the substance of the transactions along with the industry practice apart from the rules specified in the standard.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

For the year ended 31 December 2019

Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

6.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are expensed in the period in which they are incurred.

6.16 Current and deferred income taxes

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current income tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

6.17 Employee benefits

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave and bonuses, and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Defined contribution plan

The Group pays contributions to a separate fund on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

6.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

6.19 Cylinder deposits

Cylinder deposits are recorded as liabilities from customers and will be settled with each customer when customer return the cylinders together with related original receipt as evidence of the deposits to the Group.

6.20 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to the compensation of costs are deferred and recognised in profit or loss when the Group recognised the revenue/costs which they are intended to compensate.

6.21 Share capital

Ordinary shares are classified as equity. Incremental external costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

6.22 Other reserves

Other reserves of the Group comprise of the reserves of subsidiaries in the People's Republic of China. These reserves are in accordance with the regulation of a government unit in the People's Republic of China with the objective of safety.

6.23 Revenue recognition

Sales of goods

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

The Group sells its products and delivers goods to the agreed destination as specified in the contracts. The Group considers that the delivery of goods is not a separate performance obligation; therefore, the Group has only one performance obligation for this type of sales. The Group then recognises revenue from sales of goods at a point in time when a control of goods transferred to the customer at the agreed destination.

Revenue from services

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

Measurements

Revenue is recognised at the amount of consideration expected to be entitled to, after deducting value added tax, returns, rebates and discounts.

6.24 Dividends

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

6.25 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company's board of directors who makes strategic decisions.

7 Financial risk management

7.1 Financial risk factors

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group treasury management division. The Group's policy includes areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for Treasury team.

The Group's risk management is controlled by a treasury management division under policies approved by the Board of Directors. The treasury management division, evaluates and manages financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and other financial instruments as well as investment of excess liquidity.

The use of derivative contracts that are speculative in nature is prohibited. All derivative contracts must be approved by the Board of Directors of the Group.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item.

7.1.1 Market risk

a) Foreign exchange risk

The Group uses a combination of foreign currency options and foreign currency forwards to hedge its exposure to foreign currency risk. Under the group's policy, the critical terms of the forwards and options must align with the hedged items.

Exposure

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated financial statements			
	As at 31 December 2020		As at 31 December 2019	
	US Dollar	CNY	US Dollar	CNY
	Million Baht	Million Baht	Million Baht	Million Baht
Assets				
Cash and cash equivalents	49	2	29	2
Trade and other receivables, net	14	-	6	-
Liabilities				
Trade and other payables	18	-	19	-

	Separate financial statements			
	As at 31 December 2020		As at 31 December 2019	
	US Dollar	CNY	US Dollar	CNY
	Million Baht	Million Baht	Million Baht	Million Baht
Assets				
Cash and cash equivalents	49	-	29	-
Long-term loans to related parties	173	-	90	-
Liabilities				
Long-term loans from related parties	578	45	578	45

Sensitivity

As shown in the table above, the Group is primarily exposed to changes in US Dollar and Chinese Yuan exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar and Chinese Yuan.

	Consolidated financial statements	Separate financial statements
	Net Profit	Net Profit
	2020	2020
	Million Baht	Million Baht
US Dollar to Baht exchange rate		
- increase 10% *	5	(36)
- decrease 10% *	(5)	36
CNY to Baht exchange rate		
- increase 10% *	-	(5)
- decrease 10% *	-	5

* Holding all other variables constant

b) Interest rate risk

The Group's main interest rate risk arises from long-term from and to borrowings with variable rates, which expose the Group to cash flow risk. Group policy is to maintain of its borrowings at fixed rate, using floating-to-fixed interest rate swaps to achieve this when necessary. Generally, the Group enters into long-term borrowings at floating rates and swaps them into fixed rates that are lower than those available if the Group borrowed at fixed rates directly. As at 31 December 2020 and 2019, the Group's borrowings at variable rate were mainly denominated in US dollars.

The Group's borrowings and receivables are carried at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

The exposure of the Group's long-term loans from financial institutions and bonds before swaps are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Long-term loans from financial institutions, net				
- Fixed rate borrowing	710	1,045	-	-
- Variable rate borrowing	1,814	1,090	922	916
Total long-term loans from financial institutions, net	2,524	2,135	922	916
Bonds, net				
- Fixed rate bonds	10,970	8,977	10,970	8,977
Total bonds, net	10,970	8,977	10,970	8,977
Long-term loans from related parties, net				
- Fixed rate borrowing	-	-	950	920
Total long-term loans from related parties, net	-	-	950	920
Long-term loans to related parties, net				
- Fixed rate borrowing	-	-	2,113	39
- Variable rate borrowing	5	5	2,369	2,147
Total long-term loans to related parties, net	5	5	4,482	2,186

An analysis by maturities is provided in note 7.1.3.

Instruments used by the Group

The Group entered into interest rate swaps covering approximately 51.99% (2019: 100%) of the variable loan principal outstanding. The fixed interest rates of the swaps range between 3.60% to 5.30% (2019: 3.60% to 5.30%), and the variable rates of the loans from the market reference rate are as disclosed in Note 26.

The interest rate swap contracts require settlement of net interest receivable or payable between 1 month and 3 months. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

Sensitivity

Profit or loss is sensitive to higher or lower interest income from loan to related parties, and interest expenses from borrowings as a result of changes in interest rates. However, the change in interest rate has no significant impact to the Group.

7.1.2 Credit risk

a) Risk management

The credit risk of the Group is export sales to primarily customers in overseas. However, the Group has no significant concentrations of credit risks for local sales. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions.

The Group's investments in debt instruments are considered to be low risk investments. The Group regularly monitors the credit ratings of the investments for credit deterioration.

b) Security

For some trade receivables the Group may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

c) Impairment of financial assets

The Group has financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Trade and other receivables
- Loans to related parties

Management considered the amount of those expected credit losses on financial assets are immaterial.

7.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

a) Financing arrangements

Credit facilities

As at 31 December 2020, the Group has available unused credit facilities with commercial banks for letter of credit, trust receipt, letter of guarantee, and forward contract of Baht 29,904 million (2019: Baht 26,505 million).

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Expiring within one year				
- Bank overdraft	37	-	-	-
- Short-term loans	5,942	5,036	4,365	3,702
- Letter of credit	5,991	5,818	5,841	5,544
Expiring beyond one year				
- Long-term loans	102	481	-	-
- Letter of guarantee	6,989	7,807	3,699	3,724
- Derivative	10,843	7,363	8,738	5,758
	29,904	26,505	22,643	18,728

b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

	Consolidated financial statements				
	Within 1 year Million Baht	2 - 5 years Million Baht	Over 5 years Million Baht	Total Million Baht	Carrying amount Million Baht
Maturity of financial liabilities As at 31 December 2020					
Bank overdrafts and short-term loans					
from financial institutions	3,364	-	-	3,364	3,364
Trade and other payables	3,714	-	-	3,714	3,714
Lease liabilities	72	205	511	788	578
Long-term loans from financial institutions					
- Principal	970	1,540	20	2,530	2,524
- Interest	74	98	-	172	1
Bonds					
- Principal	-	11,000	-	11,000	10,970
- Interest	481	547	-	1,028	66
Cylinder deposits	-	-	5,494	5,494	5,494
Other financial liabilities	77	50	24	151	151
Total financial liabilities that is not derivatives	8,752	13,440	6,049	28,241	26,862
Derivative financial instruments					
Derivatives	10	5	-	15	5
Total	8,762	13,445	6,049	28,256	26,867
	Separate financial statements				
	Within 1 year Million Baht	2 - 5 years Million Baht	Over 5 years Million Baht	Total Million Baht	Carrying amount Million Baht
Maturity of financial liabilities As at 31 December 2020					
Bank overdrafts and short-term loans					
from financial institutions	320	-	-	320	320
Trade and other payables	316	-	-	316	316
Lease liabilities	25	58	58	141	117
Long-term loans from related					
- Principal	-	1,573	-	1,573	1,573
- Interest	10	33	-	43	-
Long-term loans from financial institutions					
- Principal	546	376	-	922	922
- Interest	24	17	-	41	1
Bonds					
- Principal	-	11,000	-	11,000	10,970
- Interest	481	547	-	1,028	66
Cylinder deposits	-	-	1,266	1,266	1,266
Other financial liabilities	16	3	-	19	19
Total financial liabilities that is not derivatives	1,738	13,607	1,324	16,669	15,570
Derivative financial instruments					
Derivatives	1	-	-	1	2
Total	1,739	13,607	1,324	16,670	15,572

7.2 Capital management

Risk management

The objectives when managing capital are to safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital

During the year 2020, the Group's strategy, which remains unchanged, is to maintain interest bearing debts to equity ratio not more than 2. The interest bearing debts to equity ratio at 31 December is as follows:

	Consolidated financial statements	
	2020	2019
	Million Baht	Million Baht
Interest bearing debts	17,436	15,951
Equity (excluding non-controlling interests)	12,470	11,080
Net debt to equity ratio	1.40	1.44

8 Fair Value

The following table shows fair values and carrying amounts of financial assets and liabilities by category, excluding those with the carrying amount approximates fair value.

	Consolidated financial statements				
	Fair value level	Fair value through profit or loss (FVPL) Million Baht	Amortised cost Million Baht	Total carrying value Million Baht	Fair value Million Baht
As at 31 December 2020					
Assets					
Financial assets					
- Short-term investments	1	95	-	95	95
Derivative					
- Cross currency swap contracts and interest rate swap contracts	2	38	-	38	38
Total assets		133	-	133	133
Liabilities					
Long-term loans from financial institutions	2	-	2,524	2,524	2,538
Bonds	2	-	10,970	10,970	11,102
Derivatives					
- Interest rate swap contracts	2	4	-	4	4
Total liabilities		4	13,494	13,498	13,644

		Separate financial statements			
	Fair value level	Fair value through profit or loss (FVPL) Million Baht	Amortised cost Million Baht	Total carrying value Million Baht	Fair value Million Baht
As at 31 December 2020					
Assets					
Financial assets					
- Short-term investments	1	95	-	95	95
Total assets		95	-	95	95
Liabilities					
Long-term loan from financial institutions	2	-	922	922	922
Long-term loans from related parties	2	-	1,573	1,573	1,447
Bonds	2	-	10,970	10,970	11,102
Derivatives					
- Interest rate swap contracts	2	2	-	2	2
Total liabilities		2	13,465	13,467	13,473
		Consolidated financial statements			
	Fair value level	Fair value through profit or loss (FVPL) Million Baht	Amortised cost Million Baht	Total carrying value Million Baht	Fair value Million Baht
As at 31 December 2019					
Assets					
Financial assets					
- Short-term investments	1	-	-	100	100
Derivative					
- Cross currency swap contracts and interest rate swap contracts	2	-	-	-	66
Total assets		-	-	100	166
Liabilities					
Long-term loans from financial institutions	2	-	-	2,135	2,168
Bonds	2	-	-	8,977	9,112
Derivatives					
- Interest rate swap contracts	2	-	-	-	3
Total liabilities		-	-	11,112	11,283

		Separate financial statements			
		Fair value level	Fair value through profit or loss (FVPL) Million Baht	Amortised cost Million Baht	Total carrying value Million Baht
As at 31 December 2019					
Assets					
Financial assets					
- Short-term investments	1	-	-	100	100
Total assets		-	-	100	100
Liabilities					
Long-term loans from related parties	2	-	-	1,485	1,515
Bonds	2	-	-	8,977	9,112
Derivatives					
- Interest rate swap contracts	2	-	-	-	2
Total liabilities		-	-	10,462	10,629

The Group did not reclassify and recognise financial assets and liabilities in accordance with the new financial reporting standards relating to financial instruments in the consolidated and separate financial statements as at 31 December 2019.

Fair value of following financial assets and financial liabilities measured at amortised cost where their carrying value approximated fair value are as follows;

Consolidated financial statements	Separate financial statements
Financial assets	Financial assets
- Cash and cash equivalents	- Cash and cash equivalents
- Deposits at financial institutions used as collateral	- Deposits at financial institutions used as collateral
- Trade and other receivables	- Trade and other receivables
- Long-term loans (float rate portion)	- Long-term loans (float rate portion)
Financial liabilities	Financial liabilities
- Short-term loan from financial institutions	- Short-term loan from financial institutions
- Trade and other payables	- Trade and other payables
- Lease liabilities	- Lease liabilities
- Other current liabilities	- Short-term loans from related parties
- Long-term loans from related parties	- Other current liabilities
- Cylinder deposits	- Cylinder deposits

The following table presents non-financial assets that are measured at fair value:

	Consolidated financial statements							
	Level 1		Level 2		Level 3		Total	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Assets								
Investment properties	-	-	168	167	-	-	168	167
Land (Note 18)	-	-	7,896	7,490	-	-	7,896	7,490
Total non-financial assets measured at fair value	-	-	8,064	7,657	-	-	8,064	7,657

	Separate financial statements							
	Level 1		Level 2		Level 3		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Assets								
Investment properties	-	-	1,133	1,132	-	-	1,133	1,132
Land (Note 18)	-	-	3,287	3,346	-	-	3,287	3,346
Total non-financial assets measured at fair value	-	-	4,420	4,478	-	-	4,420	4,478

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand / the Thai Bond Dealing Centre.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

The fair value measurement of financial assets and financial liabilities is in accordance with the accounting policies disclosed in Note 7 and Note 4

During the year, there were no transactions between levels of fair value hierarchy during the year.

The Group's valuation processes

Chief Financial Officer (CFO), Audit Committee (AC) and a valuation team discuss valuation processes and results at least every quarter.

Land valuation processes

The Group's finance department includes a team that performs the valuations of land required for financial reporting purposes. This team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held among the CFO, the valuation team and independent valuer at least five years a time.

9 Critical accounting estimates and judgements

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

a) Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 6.10. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The value-in-use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit in order to calculate present value. Significant estimates and assumptions used are growth rate and discount rate which reflect risk of the particular cash generating unit (Note 20). Determination of the assumptions is necessary for the goodwill impairment testing.

b) Impairment of investment in subsidiary

The Group tests impairment of investment in subsidiaries whenever and its assets events or changes in circumstances indicate that these carrying amounts are greater than these estimated recoverable amounts. The calculation of fair value less costs to disposal involves significant judgements and assumptions of the management in respect to characteristics and conditions of individual asset, expected disposal period, including the list of total assets expected to be disposed (Note 16).

c) *Estimated fair value of property, plant and equipment from purchase of investment in subsidiary*

In 2019, the Group estimates the fair value of property, plant and equipment resulting from purchase of investment in subsidiaries by using the replacement cost method. The key assumptions used by management in estimating the fair value of building improvements, machinery and equipment consist of the market price of materials, labour and asset construction adjusted with remaining useful life. The fair value measurement is required to exercise unobservable inputs including knowledge and past experience of the appraiser (Note 16).

d) *Deferred tax asset for carried forward tax losses*

The recognition of deferred tax assets is dependent on the probability that future taxable profits will be sufficient to compensate for the temporary differences. The Group considered most recent available earnings forecast. Management's estimation comes from an assumption based on an available future income and any factors or external exposures which might affect the projected future performance.

10 Segment information

Segment information is presented in respect of the Group operating segments which are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The operating segments of the Group are as follows:

Petroleum and petrochemical products	: Petroleum trading for household cooking, industry and transportation businesses, and petrochemical trading
Transportation services	: Transportation services by land and ship
Other segments	: Cylinder manufacturing, holding business and oil depots and port services

For the year ended 31 December 2020	Consolidated financial statements				
	Petroleum and petrochemical products Million Baht	Transportation services Million Baht	Other segments Million Baht	Elimination entries Million Baht	Total Million Baht
Sales and services income	64,965	1,886	721	(12,449)	55,123
Cost of goods sold and services	(61,794)	(1,352)	(566)	12,349	(51,363)
Gross profit	3,171	534	155	(100)	3,760
Other income (Dividend income included)	692	153	72	(399)	518
Profit before operating expenses	3,863	687	227	(499)	4,278
Unallocated expenses					(2,339)
Loss from remeasurement of financial instruments, net					(30)
Share of profit of associates and joint ventures					191
Net profit for the year					2,100
Timing of revenue recognition					
At a point in time	64,965	-	407	(10,825)	54,547
Over time	-	1,886	314	(1,624)	576
Total revenue from sales and services	64,965	1,886	721	(12,449)	55,123

**For the year ended
31 December 2019**

	Consolidated financial statements				
	Petroleum and petrochemical products Million Baht	Transportation services Million Baht	Other segments Million Baht	Elimination entries Million Baht	Total Million Baht
Sales and services income	82,675	2,117	253	(17,968)	67,077
Cost of goods sold and services	(79,858)	(1,562)	(255)	17,849	(63,826)
Gross profit	2,817	555	(2)	(119)	3,251
Other income (Dividend income included)	460	(27)	(18)	(50)	365
Profit before operating expenses	3,277	528	(20)	(169)	3,616
Unallocated expenses					(2,371)
Share of profit of associates and joint ventures					177
Net profit for the year					1,422
Timing of revenue recognition					
At a point in time	82,675	-	221	(16,079)	66,817
Over time	-	2,117	32	(1,889)	260
Total revenue from sales and services	82,675	2,117	253	(17,968)	67,077

Geographical information

In presenting geographical information, revenue is based on the geographical location of control in operation management and non-current assets are based on the geographical location of the assets.

For the year ended 31 December	Consolidated financial statements	
	Revenue from sales and services	
	2020 Million Baht	2019 Million Baht
Domestic	17,138	22,004
Overseas	37,985	45,073
Total	55,123	67,077
As at 31 December	Consolidated financial statements	
	Non-current assets	
	2020 Million Baht	2019 Million Baht
Domestic	16,669	16,457
Overseas	4,626	3,971
Total	21,295	20,428

For the years ended 31 December 2020 and 2019, the Group did not have any major customer who generates revenue more than 10% of total revenue.

11 Cash and cash equivalents

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Cash on hand	10	12	2	3
Deposits held at call with banks	2,965	2,488	139	328
Total cash and cash equivalents	2,975	2,500	141	331

The average interest rate on deposits held at call with banks was ranged between 0.05% to 4.50% per annum. (2019: 0.05% to 4.50% per annum).

12 Financial assets measured at fair value through profit or loss

As at 1 January 2020, the Group reclassified short-term investments to financial assets measured at fair value through profit or loss, following the requirement of new financial reporting standards as described in Note 5.

Financial assets measured at fair value through profit or loss comprise deposits at financial institutions with maturities over three months but not later than one year and trading investments in units of mutual funds. The purpose of these investments is to invest short-term excess cash to achieve a competitive rate of return with low risk.

The movement of financial assets measured at fair value through profit or loss is as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Opening balance (Note 5.1.1)	100	99	100	99
Redemptions	(1)	-	(1)	-
Change in fair value through profit or loss	(4)	1	(4)	1
Closing balance	95	100	95	100

13 Trade and other receivables, net

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Trade receivables	3,882	5,198	199	414
<u>Less</u> Loss allowance (2019: Allowance for doubtful accounts according to TAS 101)	(365)	(379)	(5)	(5)
Trade receivables, net	3,517	4,819	194	409
Trade receivables from related parties (Note 37)	17	32	8	13
Other receivables from related parties (Note 37)*	-	-	369	2,063
Prepayments	129	202	25	73
Advance payments	58	99	3	21
Receivables on subsidies for liquefied petroleum gas from government	232	115	2	2
Other receivables	7	24	11	12
Total trade and other receivables, net	3,960	5,291	612	2,593

* As at 31 December 2019, other receivables from related parties in the separate financial statements included promissory notes that the Company issued on behalf of Siam LNG Company Limited for the share purchase of Siam Tank Terminal Co., Ltd amounting to Baht 1,985 million as described in Note 16.1.

The age analysis of trade receivables is as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Trade receivables				
Current	2,602	3,878	141	356
Overdue				
- less than 3 months	477	596	19	17
- 3 months to 12 months	354	216	31	33
- more than 12 months	449	508	8	8
Total	3,882	5,198	199	414
<u>Less</u> Loss allowance	(365)	(379)	(5)	(5)
Total trade receivables, net	3,517	4,819	194	409

The loss allowance for trade receivables were determined as follows:

As at 31 December 2020	Consolidated financial statements		Separate financial statements	
	Gross carrying amount Million Baht	Loss allowance Million Baht	Gross carrying amount Million Baht	Loss allowance Million Baht
Current	2,602	-	141	-
Overdue				
- less than 3 months	477	(1)	19	(1)
- 3 months to 12 months	354	(6)	31	(2)
- more than 12 months	449	(358)	8	(2)
Total	3,882	(365)	199	(5)

As at 1 January 2020	Consolidated financial statements		Separate financial statements	
	Gross carrying amount Million Baht	Loss allowance Million Baht	Gross carrying amount Million Baht	Loss allowance Million Baht
Current	3,878	-	356	-
Overdue				
- less than 3 months	596	(1)	17	-
- 3 months to 12 months	216	(4)	33	(1)
- more than 12 months	508	(374)	8	(4)
Total	5,198	(379)	414	(5)

The age analysis of trade receivables from related parties is as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Trade receivables from related parties				
Current	17	32	7	13
Overdue				
- 3 months to 12 months	-	-	1	-
Total	17	32	8	13

14 Inventories, net

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Raw material	140	31	-	-
Work in progress	41	15	-	-
Finished goods	4,913	4,752	119	174
Supplies and others	249	70	5	3
Total	5,343	4,868	124	177
Less Allowance for diminution in value of inventories	(39)	(13)	-	-
Total inventories, net	5,304	4,855	124	177

The cost of inventories recognised as expense and included in cost of sales amounting to Baht 46,103 million (2019: Baht 58,198 million) in the consolidated financial statements and amounting to Baht 5,601 million (2019: Baht 9,525 million) in the separate financial statements.

According to regulations issued by the Ministry of Energy, the Group and the Company are required to reserve petroleum products and crude oil at 1% and 1% of the total trading volume of petroleum products and crude oil in Thailand in each period, respectively (2019: 1% and 1%, respectively). As at 31 December 2020, the inventories included minimum mandatory reserved on petroleum products and crude oil amounting to Baht 123 million in the consolidated financial statements, and Baht 58 million in the separate financial statements (2019: Baht 168 million in the consolidated financial statements, and Baht 74 million in the separate financial statements), which were net of allowance for net realisable value.

15 Other current assets

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
VAT refundable	105	139	-	20
Others	56	64	6	9
Total other current assets	161	203	6	29

16 Investments in subsidiaries, associates and joint ventures, net

16.1 Investments in subsidiaries, net

The movement in investments in subsidiaries is as follows:

For the year ended 31 December	Separate financial statements	
	2020 Million Baht	2019 Million Baht
Opening balance, net	11,108	10,582
Acquisitions	8	725
Impairment charged on investment	(55)	(199)
Closing balance, net	11,061	11,108

During the year, the Company recognised impairment of investment in two subsidiaries in the separate statement of income which are Siam Ethanol Export Co., Ltd. ("SEEC") amounting to Baht 25 million and Far East Petroleum Sdn. Bhd. ("FEP") amounting to Baht 30 million. This was because the business performance did not perform according to plan and operations were ceased.

Details of investments in subsidiaries are as follows:

	Country of incorporation	% ownership interest		Type of business
		2020	2019	
Direct Subsidiaries				
Unique Gas and Petrochemicals Public Company Limited	Thailand	99.59	99.59	Petroleum and petrochemical products distribution
Lucky Carrier Company Limited	Thailand	99.99	99.99	Transportation and distribution
Siam Quality Steel Co., Ltd.	Thailand	99.99	99.99	Manufacturing and distribution of LPG cylinders
Siam Ethanol Exports Co., Ltd.	Thailand	87.69	87.69	Manufacturing of ethanol products (ceased its operation)
Siam Lucky Marine Co., Ltd.	Thailand	58.98	58.98	Transportation services
Siam Suksawat Co., Ltd.	Thailand	100.00	100.00	Transportation and discharge goods, petroleum product distribution
Siam LNG Company Limited	Thailand	99.99	99.99	Petroleum products distribution
Siam Gas HK Limited	Hong Kong	100.00	100.00	Holding business
Super Gas Co., Ltd.	Vietnam	100.00	100.00	Petroleum products distribution
SingGas (LPG) Pte. Ltd.	Singapore	95.00	95.00	Petroleum products distribution
Siam Gas Trading Pte. Ltd.	Singapore	100.00	100.00	Petroleum products distribution
MyGaz Sdn. Bhd. ⁽¹⁾	Malaysia	70.00	70.00	Petroleum products distribution
Siam Gas Power Pte. Ltd. ⁽²⁾	Singapore	100.00	100.00	Holding business
Siamgas Global Investment Pte. Ltd.	Singapore	100.00	100.00	Holding business
Far East Petroleum Sdn. Bhd.	Malaysia	95.00	95.00	Petroleum products distribution, warehousing and storage service

	Country of incorporation	% ownership interest		Type of business
		2020	2019	
Indirect Subsidiaries				
Siam Lucky Marine Co., Ltd. Held by: - Unique Gas and Petrochemicals Public Company Limited - Lucky Carrier Company Limited	Thailand	11.19 29.83	11.19 29.83	Transportation services
Sino Siam Gas and Petrochemical Co., Ltd. Held by: - Siam Gas HK Limited	The People's Republic of China	100.00	100.00	Petroleum and petrochemical products distribution
Siam Ocean Gas & Energy Limited Held by: - Siam Gas HK Limited	The People's Republic of China	100.00	100.00	Petroleum and petrochemical products distribution
Siamgas-J&J International Ltd. Held by: - Siamgas Global Investment Pte. Ltd.	Bangladesh	80.00	80.00	Petroleum and petrochemical products distribution
Siamgas Bangladesh Ltd. Held by: - Siamgas-J&J International Ltd.	Bangladesh	99.90	99.90	Petroleum and petrochemical products distribution
Pacific Gas Bangladesh Ltd. Held by: - Siamgas Global Investment Pte. Ltd.	Bangladesh	90.00	90.00	Petroleum and petrochemical products distribution
Tropical Gas Pte. Ltd. Held by: - SingGas (LPG) Pte. Ltd.	Singapore	100.00	100.00	Petroleum and petrochemical products distribution
Siam Tank Terminal Co., Ltd. ⁽⁴⁾ (previously: Thai Public Port Company Limited.) Held by: - Siam LNG Company Limited.	Thailand	99.69	71.20	Oil depots and port services
Far East Mygaz Service Snd. Bhd. ⁽³⁾ Held by: - Mygaz Sdn. Bhd	Malaysia	100.00	-	Transportation services
Linh Gas Cylinder Co., Ltd. ⁽⁴⁾ Held by: - Siam Quality Steel Co., Ltd.	Thailand	69.69	-	Manufacturing and distribution of LPG cylinders

As at 31 December	Separate financial statements	
	Cost Method	
	2020 Million Baht	2019 Million Baht
Unique Gas and Petrochemicals Public Company Limited	2,105	2,105
Lucky Carrier Company Limited	70	70
Siam Quality Steel Co., Ltd.	70	70
Siam Ethanol Exports Co., Ltd.	855	855
Siam Lucky Marine Co., Ltd.	348	348
Siam Suksawat Co., Ltd.	100	100
Siam LNG Company Limited	385	385
Siam Gas HK Limited	4,088	4,088
Super Gas Co., Ltd.	388	388
SingGas (LPG) Pte. Ltd.	427	427
Siam Gas Trading Pte. Ltd.	12	12
MyGaz Sdn. Bhd. ⁽¹⁾	84	84
Siam Gas Power Pte. Ltd. ⁽²⁾	2,481	2,473
Siamgas Global Investment Pte. Ltd.	69	69
Far East Petroleum Sdn. Bhd.	83	83
Total investment in subsidiaries	11,565	11,557
<u>Less</u> Impairment charge	(504)	(449)
Total investments in subsidiaries, net	11,061	11,108

Changes of investments in subsidiaries during the year are as follows:

- (1) During the year ended 31 December 2020, MyGaz Sdn. Bhd. ("MYGAZ") incorporated in Malaysia, registered a capital increase of 38.00 million shares with a par value of MYR 1.00 per share or equivalent to approximately Baht 282.12 million by issued the bonus dividend (Note 30). The number of shares increase from 12.00 million shares to 50.00 million shares. The Company's ownership in this subsidiary remains unchanged at 70 %. The registration was completed during the year.
- (2) During the year ended 31 December 2020, Siam Gas Power Pte. Ltd., incorporated in Singapore, registered a capital increase of 0.27 million shares with a par value of USD 1.00 per share or equivalent to approximately Baht 8.46 million. The number of shares increase from 72.23 million shares to 72.50 million shares. The Company has already fully paid the capital increase. The Company's ownership in this subsidiary remains unchanged at 100%. The registration was completed during the year.
- (3) During the year ended 31 December 2020, MyGaz Sdn. Bhd. ("MYGAZ"), which is a subsidiary in Malaysia, established Far East Mygaz Service Snd. Bhd with total issued and paid-up share capital of 100,000 shares with a par value of MYR 1.00 per share. The Group owns 100% shareholding interests in this subsidiary. The principal business operation is a transportation service business.
- (4) **Business acquisition**

(4.1) Business acquisition of Siam Tank Terminal Co., Ltd.

During 2019, Siam LNG Company Limited (SLNG), a subsidiary of the Company, entered into several share purchase agreements with former shareholders to acquire Thai Public Port Company Limited ("TPP"). TPP businesses are the oil depots and ports services. Under share purchase agreements, SLNG would own 104,668,735 shares, representing 99.69% of the registered and paid-up capital. These shares would be gradually transferred to SLNG during 2019 till early 2020. On 24 February 2020, TPP changed the name to Siam Tank Terminal Company Limited (STT).

The shares have been transferred to SLNG on 24 September 2019, 16 October 2019 and 26 November 2019 which accounted for 71.20% of the registered and paid-up capital at a price of Baht 2,384 million. SLNG paid Baht 399 million and requested the Company to issue promissory notes amounting to Baht 1,985 million on behalf of SLNG to settle the payables. On 21 January 2020, the Company has already paid Baht 1,185 million promissory notes and the remaining Baht 800 million promissory note due on 15 October 2020.

The details of consideration paid for business acquisition during 2019 are described as follows:

	Million Baht
Cash	399
Promissory notes	1,985
Consideration paid	2,384

The details of the fair value of net assets received at the acquisition date during 2019 are described as follows:

	Consolidated financial statements Million Baht
The fair value of net assets received	
Cash and cash equivalents	4
Trade and other receivables, net	15
Property, plant and equipment, net	1,875
Deferred tax liabilities	(172)
Trade and other payables	(52)
Other current liabilities	(13)
Others	(5)
The fair value of net assets	1,652
<u>Less</u> non-controlling interests (28.80%)	(476)
The fair value of net assets received (71.20%)	1,176
Goodwill	1,208
Consideration paid	2,384

During second quarter of 2020, the Group completed the measurement of the fair value of the acquired identifiable business of STT. The fair value of intangible assets, which was the last piece of fair value assessment was immaterial. Therefore, there is no retrospective adjustment.

(4.2) Additional acquisition of Siam Tank Terminal Co., Ltd.

On 21 January 2020, SLNG acquired additional 28.49% of the registered and paid-up capital of STT for Baht 932 million. SLNG has already made an advance payment of Baht 124 million for additional share purchase in August 2019 and has paid the remaining amount of Baht 808 million on 21 January 2020. The difference between the consideration paid to STT's former shareholders and the decrease in the carrying amount of non-controlling interest of STT of Baht 441 million has been shown as deficit from changes in shareholding in subsidiary. This can be summarized as follows:

	Consolidated financial statements Million Baht
Carrying amount of non-controlling interests before purchased additional shares	497
Carrying amount of non-controlling interests after purchased additional shares	(6)
Identified carrying amount of non-controlling interests acquired	491
Consideration paid to non-controlling interests	(932)
Deficit from the change in shareholding in a subsidiary (Note 36)	(441)

As at 31 December 2020, the Group receives all shares transferred under the above share purchase agreement. As a result, the Group's ownership interest is 99.69% of STT's registered and paid-up capital.

(4.3) Business acquisition of Linh Gas Cylinder Co., Ltd

On 1 July 2020, Siam Quality Steel Company Limited ("SQS"), a subsidiary of the Company, entered into a share purchase and sale agreement to acquire the gas cylinder business of Linh Gas Cylinder Co., Ltd. ("Linh") for 178,572 shares, accounted for 69.69% of Linh's registered and paid-up capital, for a total price of Baht 43.88 million. SQS has already paid a partial share payment according to the purchase and sale agreement of Baht 39.06 million and still accrued creditors for shares amounting to Baht 4.82 million which presented as other current liability. The Group received a transfer of Linh shares for 178,572 shares, representing 69.69% of Linh's registered and paid-up capital.

Details of the consideration paid to acquire the business is as follows:

	Million Baht
Cash	39
Other Payables	5
Total consideration paid for business acquisition	44

Details of the estimated fair value of identifiable net assets acquired at the acquisition date are as follows:

	Consolidated financial statements Million Baht
Estimated fair value of the net assets acquired	
Cash and cash equivalents	22
Trade accounts receivable - net	95
Inventories - net	118
Plant and building - net (Note 18)	81
Equipment and other assets - net (Note 18)	26
Deposits at bank used as collateral	20
Short-term loans from financial institutions	(188)
Long-term borrowings from financial institutions (Note 26)	(20)
Deferred taxes liabilities (Note 22)	(14)
Others	(19)
Total fair value estimation of identified net assets	121
Less non-controlling interest (30.31%)	(37)
Total fair value estimate of net identifiable assets to be acquired (69.69%)	84
Bargain purchase from business acquisition (estimated) (Note 32)	(40)
Consideration paid for business acquisition	44

The Group completed the fair value measurement of Linh acquired identifiable net assets which exclude equipment, other assets and intangible assets which were undergoing fair value assessment. An independent external valuer completed the fair value measurement of plant and building amounting to Baht 81 million. The difference between the consideration paid and the net assets acquired is shown as a bargain purchase from the business acquisition (which was estimated) in the consolidated financial statement. Once the acquired net assets' fair value is assessed, there may be further adjustments made depending on the determined fair value. This process will be completed within 12 months from the acquisition date.

(4.4) Additional acquisition of Linh Gas Cylinder Co., Ltd

On 23 December 2020, Siam Quality Steel Company Limited ("SQS"), a subsidiary of the Company, entered into a share purchase and sale agreement to acquire additional shares of Linh for 71,428 shares, accounted for 27.87% of Linh's registered and paid-up capital, for a total price of Baht 19.64 million. SQS has already paid a partial share payment according to the purchase and sale agreement of Baht 5.00 million on December 2020 and will make the remaining payment of Baht 14.64 million. and will receive a transfer of Linh's shares on January 2021.

The reconciliation of cash from investments in subsidiaries is shown as follows:

	Consolidated financial statements Million Baht	Separate financial statements Million Baht
For the year ended 31 December 2020		
Cash flow from investing activities		
<u>Siam Gas Power Pte. Ltd.</u>		
- Cash paid for additional paid-up shares in a subsidiary	-	8
<u>Siam Tank Terminal Co., Ltd.</u>		
- Cash paid for promissory notes	1,185	-
<u>Linh Gas Cylinder Co., Ltd.</u>		
- Cash paid for acquisition business	39	-
- Cash increase from acquisition business	(22)	-
Total cash flow from investing activities	1,202	8
Cash flow from financing activities		
<u>Siam Tank Terminal Co., Ltd.</u>		
- Cash paid for an addition share purchase from non-controlling interest	808	-

16.2 Investments in associates

The movement in investments in associates are as follows:

	Consolidated financial statements Equity method	
	2020 Million Baht	2019 Million Baht
Opening balance	1,801	2,376
Acquisitions	7	67
Dividend and payback	-	(827)
Share of profit	232	197
Currency translation differences	(10)	(12)
Closing balance	2,030	1,801

Details of investments in associates are as follows:

	Country of incorporation	% ownership interest		Type of business
		2020	2019	
Indirect associates (Held by : Siam Gas Power Pte. Ltd.)				
<u>Group of MLIPP's power plant business</u>				
MSN International Limited ⁽⁶⁾	Malaysia	-	41.10	Energy related business services
Asiatech Energy Pte. Ltd.	Singapore	41.10	41.10	Energy related business services
Myanmar Lighting (IPP) Co., Ltd.	Myanmar	41.10	41.10	Electricity generating business
<u>Group of SMD's power plant business</u>				
Southern Myanmar Development Co., Ltd. ⁽⁵⁾	Myanmar	33.00	33.00	Electricity generating business
Asiatech Infrastructure Co. Pte. Ltd.	Singapore	33.00	33.00	Energy related business services
TSM Co., Ltd. ⁽⁷⁾	Malaysia	-	33.00	Energy related business services
Ruamur Pte. Ltd.	Singapore	41.10	41.10	Energy related business services
Southern Myanmar Development Energy Co.,Ltd. ⁽⁸⁾	Myanmar	33.00	-	Oil tank farm and deep sea port
Southern Myanmar Development Fishery Co.,Ltd. ⁽⁹⁾	Myanmar	33.00	-	Fishery zone
Southern Myanmar Development Gas Co., Ltd. ⁽¹⁰⁾	Myanmar	33.00	-	Floating storage services

As at 31 December

	Consolidated financial statements	
	Equity Method	
	2020 Million Baht	2019 Million Baht
Group of MLIPP's power plant business	1,958	1,746
Group of SMD's power plant business	69	55
Ruamur Pte. Ltd	-	-
Southern Myanmar Development Energy Co., Ltd.	1	-
Southern Myanmar Development Fishery Co., Ltd.	1	-
Southern Myanmar Development Gas Co., Ltd.	1	-
Total	2,030	1,801

⁽⁵⁾ During the year ended 31 December 2020, Southern Myanmar Development Co., Ltd. registered the capital increase of 75,000 shares, total of Myanmar Kyat 750 million, equivalent to Baht 16.50 million by converting loans from shareholders to be capital amounting to Baht 4.87 million which representing the Group's portion of Baht 5.45 million and remaining unpaid for shares of Baht 0.58 million. The Company's ownership in this subsidiary remains unchanged at 33.00%.

⁽⁶⁾ During the year ended 31 December 2020, MSN International Ltd., an associates of the company has completed the liquidation process on August 2020 according to a resolution of liquidation approval from the board of directors of 2019.

⁽⁷⁾ During the year ended 31 December 2020, TSM Co., Ltd., an associates of the company has completed the liquidation process on September 2020 according to a resolution of liquidation approval from the board of directors of 2019.

⁽⁸⁾ During the year ended 31 December 2020, Siam Gas Power Pte. Ltd., a subsidiary of the Company jointly established Southern Myanmar Development Energy Co., Ltd., which incorporated in Myanmar with a registered share capital of 10,000 shares, par value 10,000 Myanmar Kyat. The business objective is to provide oil tank farm and deep sea port. The Group's ownership interest is 33.00% with the paid-up capital of Myanmar Kyat 9.90 million or approximately Baht 0.22 million and the remaining unpaid for shares of Myanmar Kyat 23.10 million or approximately Baht 0.51 million.

- (9) During the year ended 31 December 2020, Siam Gas Power Pte. Ltd., a subsidiary of the Company jointly established Southern Myanmar Development Fishery Co., Ltd., which incorporated in Myanmar with a registered share capital of 8,000 shares, par value 10,000 Myanmar Kyat. The business objective is to provide fishery zone. The Group's ownership interest is 33.00% with the paid-up capital of Myanmar Kyat 4.95 million or approximately Baht 0.11 million and the remaining unpaid for shares of Myanmar Kyat 21.45 million or approximately Baht 0.47 million.
- (10) During the year ended 31 December 2020, Siam Gas Power Pte. Ltd., a subsidiary of the Company jointly established Southern Myanmar Development Gas Co., Ltd., which incorporated in Myanmar with a registered share capital of 5,000 shares, par value 10,000 Myanmar Kyat. The business objective is to provide floating storage services. The Group's ownership interest is 33.00% with the paid-up capital of Myanmar Kyat 4.95 million or approximately Baht 0.11 million and the remaining unpaid for shares of Myanmar Kyat 11.55 million or approximately Baht 0.25 million.

Key financial information of the significant associates of the Group is the group of MLIPP's power plant business is as follow:

For the year ended 31 December 2020	Financial information* Million Baht	Proportion of the Group Million Baht
Current assets	6,028	2,478
Non-current assets	3,837	1,577
Total assets	9,865	4,055
Current liabilities	2,798	1,150
Non-current liabilities	2,863	1,177
Total liabilities	5,661	2,327
Net assets	4,204	1,728
Revenue	1,349	555
Net profit	550	226
Other comprehensive expense	(11)	(5)
Total comprehensive income	539	221

* The information above reflects the amounts presented in the financial statements of the associate and adjusted for differences in accounting policies between the Group and the associates (and not the Group's investment proportion of those amounts).

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates.

Summarised financial information

	Group of MLIPP's power plant business Million Baht
Net assets at the end of the year	4,204
Proportion of the Group:	
Interest in associates	1,728
Goodwill	230
Carrying value	1,958

16.3 Investments in joint ventures

The movement in investments in joint ventures are as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Opening balance	71	108	24	24
Dividend received	-	(1)	-	-
Share of loss	(41)	(20)	-	-
Currency translation differences	33	(16)	-	-
Closing balance	63	71	24	24

Details of investments in joint ventures are as follows:

	Country of incorporation	% ownership interest		Type of business
		2020	2019	
Direct joint ventures				
Citygas North Co., Ltd. *	Vietnam	79.64	79.64	Petroleum products distribution
SG Gas Sdn. Bhd. *	Malaysia	29.99	29.99	Petrochemical products distribution
Siam Nathalin Co., Ltd.	Thailand	50.00	50.00	Vessel transportation, food and beverage
Indirect joint ventures (Held by Siamgas Global Investment Pte. Ltd.)				
PT Siamindo Djojo Terminal *	Indonesia	55.00	55.00	Petroleum products distribution
KMA Siam Limited *	Myanmar	65.00	65.00	Petroleum products distribution

* According to Joint Venture Agreement with a third party has determined the management structure including strategic financial decisions and operations, with voting rights from all shareholders or the representative of each party, so this is classified as investments in joint ventures of the Group.

As at 31 December	Consolidated financial statements		Separate financial statements	
	Equity Method		Cost Method	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Direct joint ventures				
Citygas Noth Co., Ltd.	6	44	20	20
SG Gas Sdn. Bhd.	-	-	3	3
Siam Nathalin Co., Ltd.	1	1	1	1
	7	45	24	24
Indirect joint ventures				
PT Siamindo Djojo Terminal	26	26	-	-
KMA Siam Limited	30	-	-	-
	56	26	-	-
Total investments in joint ventures	63	71	24	24

Individually immaterial joint ventures

The Group has interests in immaterial joint ventures that are accounted for using the equity method.

For the year ended 31 December

	2020	2019
	Million Baht	Million Baht
Aggregate carrying amount of individually immaterial joint ventures	63	71
Aggregate amounts of the Group's share of:		
Loss from continuing activities	(41)	(20)
Other comprehensive incomes (expenses)	33	(16)
Total comprehensive expenses	(8)	(36)

17 Investment property, net**For the year ended 31 December 2019**

	Consolidated financial statements	Separate financial statements
	Million Baht	Million Baht
Opening net book amount	128	670
Revaluation surplus	42	79
Transfers from property, plant and equipment	-	385
Transfers to other assets	(1)	-
Depreciation charge	(1)	(1)
Closing net book amount	168	1,133

As at 31 December 2019

Cost	204	1,170
<u>Less</u> Accumulated depreciation	(36)	(37)
Net book value	168	1,133
Fair value	168	1,133

For the year ended 31 December 2020

	Consolidated financial statements	Separate financial statements
	Million Baht	Million Baht
Opening net book amount	168	1,133
Depreciation charge	(1)	(1)
Closing net book amount	167	1,132

As at 31 December 2020

Cost	204	1,170
<u>Less</u> Accumulated depreciation	(37)	(38)
Net book value	167	1,132
Fair value	167	1,132

18 Property, plant and equipment, net

	Consolidated financial statements									
	Land Million Baht	Buildings, infrastructure and land improvement Million Baht	Terminals, gas filling stations and gas storage tanks Million Baht	Gas vessels Million Baht	Gas cylinders Million Baht	Machine, factory tools and equipment Million Baht	Furniture, fixtures and office equipment Million Baht	Vehicles Million Baht	Construction in process/ assets under installation Million Baht	Total Million Baht
As at 1 December 2019										
Cost - Historical cost	3,219	7,776	2,804	5,154	5,756	2,386	1,987	1,511	615	31,208
- Revaluation surplus	1,188	-	-	-	-	-	-	-	-	1,188
	4,407	7,776	2,804	5,154	5,756	2,386	1,987	1,511	615	32,396
Less Accumulated depreciation	-	(4,638)	(1,349)	(2,049)	(3,450)	(1,494)	(1,720)	(909)	-	(15,609)
Less Provision for impairment	-	-	-	-	-	(121)	-	-	-	(121)
Net book value	4,407	3,138	1,455	3,105	2,306	771	267	602	615	16,666
For the year ended 31 December 2019										
Opening net book value	4,407	3,138	1,455	3,105	2,306	771	267	602	615	16,666
Increase from business acquisition	-	-	-	-	-	-	-	4	-	4
- Tropical	-	-	-	-	-	-	-	-	-	-
Increase from business acquisition	1,008	797	-	-	-	5	31	21	13	1,875
- STT	658	3	77	498	279	48	41	19	409	2,032
Additions	1,417	-	-	-	-	-	-	-	-	1,417
Revaluation surplus	-	(58)	76	181	24	59	10	3	(295)	-
Transfers	-	1	-	-	-	-	-	-	-	1
Reclassify to other assets	-	(6)	(43)	(241)	(4)	(1)	(2)	(2)	(13)	(312)
Write-offs and disposals, net	-	(134)	(2)	(210)	(38)	(60)	(15)	-	(8)	(467)
Currency translation differences	-	(163)	(74)	(363)	(206)	(76)	(29)	(45)	-	(956)
Depreciation charge	-	-	-	-	-	-	-	-	-	-
Closing net book value	7,490	3,578	1,489	2,970	2,361	746	303	602	721	20,260
As at 31 December 2019										
Cost - Historical cost	4,885	10,698	2,883	4,426	5,963	2,448	1,932	1,576	721	35,532
- Revaluation surplus	2,605	-	-	-	-	-	-	-	-	2,605
	7,490	10,698	2,883	4,426	5,963	2,448	1,932	1,576	721	38,137
Less Accumulated depreciation	-	(7,116)	(1,394)	(1,456)	(3,602)	(1,581)	(1,629)	(974)	-	(17,752)
Less Provision for impairment	-	(4)	-	-	-	(121)	-	-	-	(125)
Net book value	7,490	3,578	1,489	2,970	2,361	746	303	602	721	20,260

For the year ended 31 December 2020

	Consolidated financial statements									
	Land	Buildings, infrastructure and land improvement	Terminals, gas filling and service stations and gas storage tanks	Gas vessels	Gas cylinders	Machine, factory tools and equipment	Furniture, fixtures and office equipment	Vehicles	Construction in process/ assets under installation	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
For the year ended 31 December 2020										
Opening net book value	7,490	3,578	1,489	2,970	2,361	746	303	602	721	20,260
Increase from business acquisition (Note 16.1)	-	81	-	-	-	24	2	-	-	107
Additions	483	5	11	350	277	5	21	15	634	1,801
Transfers	-	213	27	222	2	44	9	5	(525)	(3)
Write-offs and disposals, net	(77)	(9)	(2)	(150)	(2)	(1)	(1)	(3)	(17)	(262)
Currency translation differences	-	251	-	4	11	41	13	2	10	332
Depreciation charge	-	(268)	(73)	(380)	(215)	(87)	(36)	(48)	-	(1,107)
Closing net book value	7,896	3,851	1,452	3,016	2,434	772	311	573	823	21,128
As at 31 December 2020										
Cost - Historical cost	5,319	11,410	2,921	4,496	6,249	2,712	2,065	1,591	823	37,586
- Revaluation surplus	2,577	-	-	-	-	-	-	-	-	2,577
Less Accumulated depreciation	7,896	11,410	2,921	4,496	6,249	2,712	2,065	1,591	823	40,163
Less Provision for impairment	-	(7,555)	(1,469)	(1,480)	(3,815)	(1,819)	(1,754)	(1,018)	-	(18,910)
	-	(4)	-	-	-	(121)	-	-	-	(125)
Net book value	7,896	3,851	1,452	3,016	2,434	772	311	573	823	21,128

Separate financial statements								
Land Million Baht	Buildings, infrastructure and land improvement Million Baht	Terminals, gas filling and service stations and gas storage tanks Million Baht	Gas cylinders Million Baht	Furniture, office equipment Million Baht	Vehicles		Construction in process/ assets under installation Million Baht	Total Million Baht
					Million Baht	Million Baht		
3,346	662	709	582	19	46		267	5,631
18	3	8	89	5	3		90	216
-	4	2	-	-	-		(6)	-
(77)	-	(2)	(1)	-	(1)		-	(81)
-	(25)	(26)	(67)	(4)	(7)		-	(129)
3,287	644	691	603	20	41		351	5,637
1,660	814	937	1,274	59	105		351	5,200
1,627	-	-	-	-	-		-	1,627
3,287	814 (170)	937 (246)	1,274 (671)	59 (39)	105 (64)		351 -	6,827 (1,190)
3,287	644	691	603	20	41		351	5,637

Assets pledged as collateral

As at 31 December 2020, certain of gas vessels with net book value of Baht 1,585 million (2019: Baht 2,083 million) have been pledged as collateral for loans from local commercial banks (Note 26).

19 Right-of-use assets

	Consolidated financial statements				
	Land Million Baht	Building Million Baht	Equipment Million Baht	Vehicles Million Baht	Total Million Baht
Balance as at 1 January 2020 - Restated	881	166	16	4	1,067
Additions	78	69	-	-	147
Lease termination	-	(2)	-	-	(2)
Depreciation Charge	(89)	(56)	(5)	(3)	(153)
Currency translation differences	26	2	-	-	28
Balance as at 31 December 2020	896	179	11	1	1,087

	Separate financial statements				
	Land Million Baht	Building Million Baht	Equipment Million Baht	Vehicles Million Baht	Total Million Baht
Balance as at 1 January 2020 - Restated	209	28	3	-	240
Additions	13	28	-	-	41
Depreciation Charge	(49)	(16)	(3)	-	(68)
Balance as at 31 December 2020	173	40	-	-	213

Expenses relating to leases that are not included in the measurement of lease liabilities and right-of-use are as follows:

	Consolidated financial statements Million Baht	Separate financial statements Million Baht
For the year ended 31 December 2020		
Expense relating to short-term leases	2	-
Expense relating to leases of low-value assets	1	-
Total cash outflow for leases	85	29

20 Goodwill, net

The movement of goodwill can be analysed as follows:

For the year ended 31 December	Consolidated financial statements	
	2020 Million Baht	2019 Million Baht
Goodwill	2,724	1,516
Business acquisition (Note 16.1)	-	1,208
<u>Less</u> Provision for impairment	-	-
Goodwill, net	2,724	2,724

The Group's management considered the business of petroleum products and oil depots and port services which located in each country as a cash generation unit ("CGU").

The allocation of goodwill to each country as a cash generation unit ("CGU") of 2020 and 2019 is presented as below

	Consolidated financial statements		
	Thailand	Oversea	Total
	Petroleum products	Oil depots and ports service	
Goodwill allocation (Million Baht)	1,152	1,208	364
			2,724

Impairment tests for goodwill

Goodwill arising from the acquisition of investment in the business of petroleum products and oil depots and ports service in each country is tested annually for impairment by comparing the carrying amount to the recoverable amount for each cash-generating unit which is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

	Thailand		Oversea
	Petroleum products	Oil depots and ports service	Petroleum products
Growth rate	1.00%	1.77%	2.45% - 2.77%
Discount rate	8.00%	8.00%	7.77% - 11.50%

21 Intangible assets, net

	Consolidated financial statements		
	Customer relationship Million Baht	Computer software Million Baht	Total Million Baht
As at 1 January 2019			
Cost	240	52	292
<u>Less</u> Accumulated amortisation	(179)	(40)	(219)
Net book amount	61	12	73
For the year ended 31 December 2019			
Opening net book amount	61	12	73
Increase from business acquisition	35	-	35
Additions	-	4	4
Amortisation charge	(31)	(3)	(34)
Currency translation differences	(3)	(2)	(5)
Closing net book amount	62	11	73
As at 31 December 2019			
Cost	261	53	314
<u>Less</u> Accumulated amortisation	(199)	(42)	(241)
Net book amount	62	11	73

As at 1 January 2020

Cost

Less Accumulated amortisation

Net book amount

For the year ended 31 December 2020

Opening net book amount

Additions

Disposal

Transfer

Amortisation charge

Closing net book amount

As at 31 December 2020

Cost

Less Accumulated amortisation

Net book amount

Consolidated financial statements

	Customer relationship Million Baht	Computer software Million Baht	Total Million Baht
As at 1 January 2020			
Cost	261	53	314
<u>Less</u> Accumulated amortisation	(199)	(42)	(241)
Net book amount	62	11	73
For the year ended 31 December 2020			
Opening net book amount	62	11	73
Additions	9	3	12
Disposal	(1)	-	(1)
Transfer	-	3	3
Amortisation charge	(15)	(3)	(18)
Closing net book amount	55	14	69
As at 31 December 2020			
Cost	271	59	330
<u>Less</u> Accumulated amortisation	(216)	(45)	(261)
Net book amount	55	14	69

Separate financial statements

	2020	2019
	Computer software Million Baht	Computer software Million Baht
As at 1 January		
Cost	19	17
<u>Less</u> Accumulated amortisation	(16)	(15)
Net book amount	3	2
For the year ended 31 December		
Opening net book amount	3	2
Additions	1	2
Amortisation charge	(1)	(1)
Closing net book amount	3	3
As at 31 December		
Cost	20	19
<u>Less</u> Accumulated amortisation	(17)	(16)
Net book amount	3	3

22 Deferred income taxes, net

Deferred tax assets and deferred tax liabilities in statement of financial position are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Deferred tax assets	61	107	-	-
Deferred tax liabilities	(615)	(687)	(93)	(171)
Deferred tax liabilities, net	(554)	(580)	(93)	(171)

The analysis of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Deferred tax assets:				
- to be recovered within 12 months	58	12	24	2
- to be recovered after more than 12 months	260	278	226	174
	318	290	250	176
Deferred tax liabilities:				
- to be settled within 12 months	(28)	(24)	-	-
- to be settled after more than 12 months	(844)	(846)	(343)	(347)
	(872)	(870)	(343)	(347)
Deferred tax liabilities, net	(554)	(580)	(93)	(171)

The movement in deferred income tax during the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
As at 1 January	(580)	(98)	(171)	(26)
Impact of adoption of the new financial reporting standards	(13)	-	-	-
Charged (credited) to profit or loss (Note 34)	48	(14)	78	44
Charged (credited) directly to other comprehensive income	5	(296)	-	(189)
Decrease (increase) from business acquisition (Note 16.1)	(14)	(172)	-	-
As at 31 December	(554)	(580)	(93)	(171)

The movement in deferred tax assets and liabilities during the year 2020 and 2019, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Charged/Credited to			Charged/Credited to					Consolidated financial statements		
				Impact of adoption of the new financial reporting standards							
	As at 1 January 2019	Profit or loss	Other comprehensive income	As at 31 December 2019	Profit or loss	Other comprehensive income	As at 31 December 2020	Profit or loss	Other comprehensive income	As at 31 December 2020	
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	
Deferred tax assets											
Impairment loss of trade receivables and other receivables	3	64	-	67	-	(1)	-	-	-	-	66
Tax loss carried forwards	250	(134)	-	116	-	20	-	-	-	-	136
Others	76	26	5	107	-	9	-	-	-	-	116
Total deferred tax assets	329	(44)	5	290	-	28	-	-	-	-	318
Deferred tax liabilities											
Differences on depreciation	(187)	38	-	(149)	-	(2)	-	-	-	-	(151)
Fair value adjustments from business acquisition	(45)	(17)	-	(234)	-	15	-	-	(14)	-	(233)
Revaluation surplus	(197)	-	(292)	(489)	-	6	-	-	-	-	(483)
Others	2	9	(9)	2	(13)	1	5	-	-	-	(5)
Total deferred tax liabilities	(427)	30	(301)	(870)	(13)	20	5	(14)	(14)	(14)	(872)
Deferred tax assets (liabilities), net	(98)	(14)	(296)	(580)	(13)	48	5	(14)	(14)	(14)	(554)

The movement in deferred tax assets and liabilities during the year 2020 and 2019, is as follows:

	Separate financial statements				
	Charged/Credited to		Charged/Credited to		
	As at 1 January 2019 Million Baht	Profit or loss Million Baht	Other comprehensive income Million Baht	As at 31 December 2019 Million Baht	Profit or loss Million Baht
Deferred tax assets					
Provision for impairment from investment of subsidiaries	50	40	-	90	-
Loss carried forwards	63	1	-	64	-
Others	15	5	2	22	2
Total deferred tax assets	128	46	2	176	74
Deferred tax liabilities					
Revaluation surplus	(138)	-	(191)	(329)	6
Others	(16)	(2)	-	(18)	(2)
Total deferred tax liabilities	(154)	(2)	(191)	(347)	4
Deferred tax assets (liabilities), net	(26)	44	(189)	(171)	78

Deferred income tax assets are recognised for tax losses carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group and the Company did not recognise deferred tax assets of Baht 64 million and Baht 19 million (2019: Baht 129 million and Baht 72, respectively) in respect of losses amounting to Baht 321 million and Baht 94 million, (2019: Baht 647 million and Baht 360 million, respectively) that can be carried forward against future taxable income within 2021 to 2025.

23 Other non-current assets

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Accrued interest income on loans to related companies (Note 37)	-	-	135	3
Deposits at bank used as collateral	47	47	-	-
Corporate income tax refundable	75	154	62	128
Advance payments for purchases of equipment	375	287	363	285
Prepayment for investments in Subsidiaries (Note 16.1)	5	124	-	-
Prepaid rental and services	46	437	18	70
Others	111	89	42	22
Total other non-current assets	659	1,138	620	508

24 Short-term loans from financial institutions, net

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Thai Baht	491	1,528	320	1,480
US Dollar	2,872	3,311	-	-
Short-term loans from financial institutions, net	3,363	4,839	320	1,480

As at 31 December 2020, the Group has the unsecured short-term loans which are trust receipts, promissory notes and export credit from commercial banks represented in US Dollar amounting to USD 95.64 million, which is equivalent to Baht 2,872 million, and Thai Baht amounting to Baht 491 million for the Group and Thai Baht amounting Baht 320 million for the Company, which bear interest rates at the range of 1.11% to 5.47% per annum and 1.82% to 2.25% per annum, respectively. The Group's short-term loans amounting to Baht 171 million are secured loans. (31 December 2019, the Group has the unsecured short-term loans which are trust receipts Bank overdrafts and promissory notes from commercial banks represented in US Dollar amounting to USD 109.81 million, which is equivalent to Baht 3,311 million, and Thai Baht amounting to Baht 1,528 million for the Group and Thai Baht amounting Baht 1,480 million for the Company, which bear interest rates at the range of 1.65% to 6.88% per annum and 1.65 to 2.50% per annum, respectively).

25 Trade and other payables

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Trade payables	3,506	4,400	250	475
Trade payables to related parties (Note 37)	-	-	42	65
Other payables	206	2,158	22	2,013
Other payables to related parties (Note 37)	2	4	2	4
Advance received from customers	237	204	-	-
Accrued interest	67	56	67	56
Accrued expenses	295	273	19	4
Total trade and other payables	4,313	7,095	402	2,617

26 Long-term loans from financial institutions, net

	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
As at 31 December				
Current portion of long-term loans, net				
Thai Baht	890	796	546	494
US Dollar	80	80	-	-
<u>Less</u> Deferred financing fee	(2)	(1)	-	-
	968	875	546	494
Long-term loans, net				
Thai Baht	1,361	982	376	422
US Dollar	199	280	-	-
<u>Less</u> Deferred financing fee	(4)	(2)	-	-
	1,556	1,260	376	422
Total long-term loans, net	2,524	2,135	922	916

The movement of long-term loans from financial institutions can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
For the year ended 31 December				
Opening balance, net	2,135	2,312	916	1,160
Business acquisition	20	-	-	-
<u>Cash flows information</u>				
Additions	1,300	1,393	500	864
Repayments	(929)	(1,559)	(494)	(1,157)
Financing fees on addition loans	(4)	(1)	-	-
Realised gain from exchange rate	(36)	(66)	-	-
<u>Non-cash movements</u>				
Amortised deferred financing fees	1	3	-	2
Unrealised loss from exchange rate	2	108	-	47
Currency translation differences	35	(55)	-	-
Closing balance, net	2,524	2,135	922	916

As at 31 December 2020 and 2019, the Group and the Company have long-term loans from local commercial banks as follows:

The Company

Balance of loan, net (Million Baht)		Interest rate per annum	Repayments of principal and interest	Security
2020	2019			
290	674	MLR-3.28%	Principal and interest repayments are made on quarterly basis. The loan is due for full repayment by June - December 2021.	None
132	242	BIBOR 3 month+2.50%	Principal and interest repayments are made on quarterly basis. The loan is due for full repayment by July 2022.	A Subsidiary
500	-	MLR-2.88%	Principal and interest repayments are made on quarterly basis. The loan is due for full repayment by December 2024.	None

The subsidiaries

Balance of loan, net (Million Baht)		Interest rate per annum	Repayments of principal and interest	Security
2020	2019			
-	6	BIBOR +2.15%	Principal and interest repayments are made on monthly basis. The loan is due for full repayment by February 2020.	Vessel (Note 18) and guaranteed by the Company
77 (2.57 Million US Dollar)	101 (3.35 Million US Dollar)	LIBOR 1M+2.75%	Principal and interest repayments are made on monthly basis. The loan is due for full repayment by May 2024.	
45	67	THBFIX 6M +2.22%	Principal and interest repayments are made on monthly basis. The loan is due for full repayment by December 2022.	
79	103	4.30%	Principal and interest repayments are made on monthly basis. The loan is due for full repayment by April 2024	Vessels (Note 18) and guaranteed by the Company and another two subsidiaries
202 (6.73 Million US Dollar)	259 (8.62 Million US Dollar)	4.65%	Principal and interest repayments are made on monthly basis. The loan is due for full repayment by July 2024	

The subsidiaries

Balance of loan, net (Million Baht)		Interest rate per annum	Repayments of principal and interest	Security
2020	2019			
-	64	2.57%	Principal and interest repayments are made on monthly basis the loan is due for full repayment by January - September 2020.	Vessels (Note 18) and guaranteed by the Company and another two subsidiaries
154	252	2.73%	Principal and interest repayments are made on monthly basis the loan is due for full repayment by July 2022.	
3	22	3.00%	Principal and interest repayments are made on monthly basis the loan is due for full repayment by February 2021.	
251	345	5.30%	Principal and interest repayments are made on monthly basis the loan is due for full repayment by August - October 2023.	
20	-	2.00%	Interest repayments is made on monthly basis. The first principal repayment is made on April 2022. The loan is due for full repayment by April 2025.	A Subsidiary
771	-	BIBOR 3 month+3.00%	Principal and interest repayments are made on quarterly basis. The loan is due for full repayment by September 2025.	Company and another one subsidiary
2,524	2,135			

Under the terms and conditions as specified in the loan agreements, the Group and the Company are not permitted to use pledged assets as collateral for other obligations without prior formal approval from the banks. The Group and the Company must comply with the conditions, including certain debt covenants as specified in the agreement such as Interest bearing debt to Equity Ratio and Debt Service Coverage Ratio and etc.

As at 31 December 2020, the weighted average effective interest rate of the long-term loans of the Group and the Company were approximately 4.15% and 3.51% per annum respectively (2019: 4.52% and 4.09% per annum respectively).

Maturity of long-term loans is as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Within 1 year	968	875	546	494
Later than 1 year but not later than 5 years	1,556	1,260	376	422
Total long-term loans, net	2,524	2,135	922	916

27 Other current liabilities

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Tax payables	22	17	10	1
Withholding tax payable	8	8	-	-
Others	43	52	14	11
Total other current liabilities	73	77	24	12

28 Bonds, net

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Current portion of long-term bonds, net				
Thai Baht	-	2,000	-	2,000
Long-term bonds, net				
Thai Baht	11,000	7,000	11,000	7,000
Less Deferred financing fees	(30)	(23)	(30)	(23)
	10,970	6,977	10,970	6,977
Total bonds, net	10,970	8,977	10,970	8,977

The movements of bonds can be analysed as follows:

For the year ended 31 December 2020	Consolidated financial statements Million baht	Separate financial statements Million Baht
Opening balance, net	8,977	8,977
<u>Cash flows information</u>		
Repayment	(2,000)	(2,000)
Issue of bond	4,000	4,000
Financing fee on issue of bond	(21)	(21)
<u>Non-cash movements</u>		
Amortised financing fees	14	14
Closing balance, net	10,970	10,970

During the year 2020, the Company had proposed to issue and offer unsubordinated and unsecured debenture bond. Total value of debenture bond is Baht 4,000 million. The par value is equal to offering price at Baht 1,000 per unit. Interest is repayment every 3 months.

The bond is rated at BBB+ (Stable) by TRIS. The detail of the bond is as follows:

Type of bond	Fixed interest rate
4-year bond	3.85% per annum

Under the rights and responsibility of the issuer and the holders of bond, the Company has to comply with the conditions, including certain financial covenants which is Debt to Equity Ratio.

Maturity of bonds is as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Within 1 year	-	2,000	-	2,000
Later than 1 year but not later than 5 years	10,970	6,977	10,970	6,977
Total bonds, net	10,970	8,977	10,970	8,977

29 Employee benefit obligations

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Present value of obligations	280	274	106	99
Liability in the statement of financial position	280	274	106	99

Movements in employee benefit obligations are as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Opening balance	274	166	99	62
Increase from business acquisition during the year	6	29	-	-
Current service costs	12	16	7	6
Interest costs	5	5	2	3
Benefit paid	(17)	(21)	(2)	(2)
Actuarial loss	-	26	-	9
Past service cost	-	53	-	21
Closing balance	280	274	106	99

Costs of employee benefits recognised in the statement of income are as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Current service costs	12	16	7	6
Interest costs	5	5	2	3
Past Service cost	-	53	-	21
Total	17	74	9	30

The amounts recognised in cost of sales and services and administrative expenses are as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Cost of sales and services	4	26	3	3
Administrative expenses	13	48	6	27
Total	17	74	9	30

The principal actuarial assumptions used were as follows:

	2020		2019	
Discount rate	2.25%		2.25%	
Salary increase rate	3.00% - 7.00%		3.00% - 7.00%	

	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2020	2019	2020	2019	2020	2019
Discount rate	1%	1%	Decrease by 6.65%	Decrease by 6.97%	Increase by 7.59%	Increase by 7.95%
Salary increase rate	1%	1%	Increase by 9.79%	Increase by 9.10%	Decrease by 8.68%	Decrease by 8.11%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not significantly change compared to the previous period.

As at 31 December 2020, the weighted average duration of the defined benefit obligation of the Group is 17 years (2019: 18 years).

30 Dividends paid

The Company

On 31 March 2020, the Board of Directors' of the Company passed a resolution to pay interim dividends for the second half year from retained earnings and operating results for 2019 amounting to Baht 0.25 per share, totalling Baht 459.47 million and paid in April 2020. In addition, the Company had already paid the interim dividends for the first half year of 2019 amounting to Baht 0.10 per share, totalling Baht 183.78 million in September 2019. The Company had total payment of dividend for 2019 by Baht 0.35 per share, totalling Baht 643.25 million.

On 11 August 2020, Board of Directors of the Company passed a resolution to pay an interim dividend from the operating results for the six-month period ended 30 June 2020 amounting to Baht 0.10 per share, totalling Baht 183.78 million. The interim dividends had been paid in September 2020.

The Subsidiaries

On 22 January 2020, at the Board of Directors' meeting of Siam Gas Trading Pte. Ltd., the board passed a resolution to approve the payment of interim dividends from retained earnings at USD 10.00 per share, for 0.50 million shares, totalling USD 5.00 million or Baht 151.38 million. The interim dividends had been paid in January 2020.

On 22 April 2020, at the shareholders' meeting of Lucky Carrier Company Limited, the shareholders passed a resolution to pay dividends from operating results for 2019 in an amount of Baht 7.00 per share, totalling Baht 49.00 million, inclusive of interim dividends from operating results for the six-month period of the 2019, amounting to Baht 2.00 per share, totalling Baht 14.00 million. The interim dividends had already been paid on 2 September 2019. The remaining dividend of Baht 35.00 million had been paid in April 2020.

On 22 April 2020, at the shareholders' meeting of Unique Gas and Petrochemicals Public Company Limited, the shareholders passed a resolution to pay dividends from retained earnings and operating results for 2019 amounting to Baht 70.00 per share, totalling Baht 735.00 million, inclusive of interim dividends for the first six-month of 2019. The Company had already paid interim dividend from retained earnings and operating results for the six-month period of the year 2019 amounting to Baht 35.00 per share, totalling Baht 367.50 million on 3 September 2019. The remaining dividend of Baht 367.50 million had been paid in May 2020.

On 10 August 2020, at the Board of Directors' meeting of Lucky Carrier Company Limited, the board passed a resolution to approve the payment of interim dividends from operating results for the six-month period ended 30 June 2020 in an amount of Baht 1.00 per share, totalling Baht 7.00 million, had already been paid in September 2020.

On 11 August 2020, at the Board of Directors' meeting of Unique Gas and Petrochemical Public Company Limited, the board passed a resolution to approve the payment of interim dividends from retained earnings and operating results for the six-month period ended 30 June 2020 at Baht 30.00 per share, totaling Baht 315.00 million, had already been paid in September 2020.

On 26 August 2020, at the Board of Directors' meeting of MyGaz Sdn. Bhd. the board passed a resolution to approve payment of dividends by issuing ordinary shares (bonus shares) from retained earnings for the year 2019 for 38.00 million shares at par value of MYR 1.00 per share or equivalent to Baht 282.12 million which the subsidiary has completed registration of capital increase in August 2020 (Note 16.1).

On 30 December 2020, at the Board of Directors' meeting of Siam Gas Trading Pte. Ltd., the board passed a resolution to approve the payment interim dividends from retained earnings at USD 20.00 per share, for 0.50 million shares, totalling USD 10 million or equivalent to Baht 312.93 million. The subsidiary will pay the interim dividend within 2021.

31 Legal reserve

Under the Public Companies Act, the Company is required to set aside as a statutory reserve at least 5% of its net profit after deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. Dividend cannot be paid out of the legal reserve.

Under the provision of the Civil and Commercial Code of Thailand, the subsidiary companies in Thailand are required to set aside as a legal reserve at least 5% of their net profit each time a dividend is declared until the reserve reaches 10% of registered capital, such reserve is not available for dividend distribution until the company is finally wound up.

32 Other income

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Interest income	22	26	190	61
Gain on disposals of property, plant and equipment	136	-	60	-
Gain on foreign exchange rate	75	13	-	45
Gain on Business Acquisition (Note 16.1)	40	-	-	-
Others	242	322	217	129
Total other income	515	361	467	235

33 Expenses by nature

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Changes in inventories of finished goods	(161)	213	55	718
Raw material and consumables used	1,097	14,161	-	-
Depreciation and amortisation expenses	1,280	1,006	199	126
Staff costs	1,416	1,429	298	314
Impairment charged on investment	-	-	55	30

34 Income tax

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Current tax	369	293	-	-
Deferred tax (Note 22)	(48)	14	(78)	(44)
Total tax expense (revenue)	321	307	(78)	(44)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Profit before tax	2,421	1,729	972	443
Tax calculated at a tax rate of 20% (2019: 20%)	484	346	194	89
Tax effect of:				
Difference in overseas tax rate	120	187	-	-
Income not subject to tax	(254)	(243)	(234)	(214)
Expenses not deductible for tax purpose	88	45	21	10
Tax losses of the prior period which recognised as deferred income tax in current period	(20)	82	(53)	71
Others	(97)	(110)	(6)	-
Tax charge	321	307	(78)	(44)

35 Earnings per share

Basic earnings per share attributable to equity holders of the parent is calculated by dividing the net profit for the year attributable to equity holders of the parent by the weighted average number of ordinary shares issued during the year.

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net profit attributable to owner of the parent (million Baht)	2,062	1,360	1,050	487
Weighted average number of ordinary shares in issue during the year (million shares)	1,838	1,838	1,838	1,838
Basic earnings per share (Baht per share)	1.12	0.74	0.57	0.27

There are no potential dilutive ordinary shares in issue during the year.

36 Other components of equity

	Consolidated financial statements							
	Revaluation surplus on land	Difference arising from business acquisition under common control	Difference from taking equity of a business combination under common control	Share of other comprehensive expense from joint ventures and associates for using the equity method	Currency translation differences	Deficit from the change in the ownership interest in subsidiaries	Total other component of equity	
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	
Opening balance - 1 January 2020								
Total comprehensive income for the year	2,113	(609)	22	(82)	(1,700)	(129)	(385)	
Transfer revaluation surplus on land for land disposal to retained earnings	-	-	-	22	338	-	360	
Effect from increase in shareholding of subsidiary	(22)	-	-	-	-	-	(22)	
	-	-	-	-	-	(441)	(441)	
Closing balance - 31 December 2020	2,091	(609)	22	(60)	(1,362)	(570)	(488)	
Opening balance - 1 January 2019								
Total comprehensive income for the year	969	(609)	22	(55)	(1,014)	(4)	(691)	
Effect from increase in shareholding of subsidiary	1,144	-	-	(27)	(686)	-	431	
	-	-	-	-	-	(125)	(125)	
Closing balance - 31 December 2019	2,113	(609)	22	(82)	(1,700)	(129)	(385)	

		Separate financial statements			
		Revaluation surplus on land	Difference arising from business acquisition under common control	Total other component of equity	
		Million Baht	Million Baht	Million Baht	Million Baht
Opening balance - 1 January 2020		1,521	(609)	912	
Total comprehensive income for the year		-	-	-	
Transfer revaluation surplus on land for land disposal to retained earnings		(22)	-	(22)	
Closing balance - 31 December 2020		1,499	(609)	890	
Opening balance - 1 January 2019		757	(609)	148	
Total comprehensive income for the year		764	-	764	
Closing balance - 31 December 2019		1,521	(609)	912	

37 Related party transactions

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

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

As at 31 December 2020, the major shareholders of the Company are shareholders in Weeraborwompong family, which own 55.03% of the Company's share capital.

Details of subsidiaries, associates and joint ventures are presented in Note 16.

The significant related party transactions are as follows:

a) Outstanding balances arising from sales and purchases of goods/services

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Trade accounts receivable				
Subsidiaries	-	-	7	11
Joint ventures	14	27	-	-
Other related parties - the same shareholders and directors	3	5	1	2
Total	17	32	8	13
Other receivables (Note 13)				
Subsidiaries	-	-	369	2,063
Cylinder deposits				
Subsidiaries	-	-	2	2
Deposits for building				
Other related parties - the same shareholders and directors	7	7	3	3
Prepayment for building and services				
Other related parties - the same shareholders and directors	68	109	27	44
Trade accounts payable				
Subsidiaries	-	-	42	65
Other payables				
Subsidiaries	-	-	-	2
Associates	-	-	1	-
Other related parties - the same shareholders and directors	2	4	1	2
Total	2	4	2	4

b) Long-term loans to/from related parties

Long-term loan to related parties

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Long-term loans to related parties				
Subsidiaries	-	-	4,477	2,181
Associates	862	958	-	-
Joint ventures	5	5	5	5
Total	867	963	4,482	2,186
Accrued interest income				
Current portion				
Subsidiaries	-	-	4	11
Non-current portion (Note 23)				
Subsidiaries	-	-	135	3
Total	-	-	139	14

The movement of long-term loans to related parties can be analysed as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Opening balance	963	133	2,186	1,181
Additions	25	83	2,652	1,663
Proceeds	(105)	(15)	(354)	(653)
Convert from debt to equity	(12)	(57)	-	-
Return on investment in associate	-	828	-	-
Currency translation differences	(4)	(8)	-	-
Unrealised loss on exchange rates	-	(1)	(2)	(5)
Closing balance	867	963	4,482	2,186

As at 31 December 2020, the details of long-term loans to subsidiaries and joint ventures are as follows:

Balance of long-term loans to related parties (Million Baht)		Interest rate per annum	Repayment of principal and interest
2020	2019		
550	789	The maximum of bond rates +0.45	The loan is due for full repayment in 2029
5	5	The maximum of bond rates +0.45	The loan is due for full repayment in 2030
516	-	The maximum of bond rates +0.45	The loan is due for full repayment in 2035
113	-	Fixed rate 3.85%	The loan is due for full repayment in 2021
-	39	Fixed rate 4.55%	The loan is due for full repayment in 2029
1,163	1,163	The maximum of bond rates +0.45	The loan is due for full repayment in 2029
2,000	-	Fixed rate 4.30%	The loan is due for full repayment in 2030
75	100	The maximum of bond rates +0.45	The loan is due for full repayment in 2029
60	90	The maximum of bond rates +0.45	The loan is due for full repayment in 2029
4,482	2,186		

Loan that is due for repayment of principal and interest within the year 2021. The Company expects that the loan with maturity within 2021 will be rolled forward, therefore the loan is classified as non-current assets.

Short-term loans from related parties

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Short-term loan from Subsidiaries	-	-	-	152

The movement of short-term loans from related parties can be analysed as follows:

As at 31 December 2020	Consolidated financial statements	Separate financial statements
	Million Baht	Million Baht
Opening balance	-	152
Additions	-	151
Proceeds	-	(301)
Unrealised loss on exchange rates	-	(2)
Closing balance	-	-

Long-term loans from related parties

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Long-term loans				
Subsidiaries	-	-	1,573	1,485
Other related parties - the same shareholders and directors	-	3	-	-
Total	-	3	1,573	1,485

The movement of long-term loans from related parties can be analysed as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Opening balance	3	3	1,485	998
Additions	-	-	860	1,233
Repayments	-	-	(770)	(720)
Reclassification	(3)	-	-	-
Unrealise loss from exchange rate	-	-	(2)	(26)
Closing balance	-	3	1,573	1,485

As at 31 December 2020, the details of long-term loans from 2 subsidiaries are as follows:

- Loan of Baht 950 million (2019: Baht 920 million) with interest rate of 0.81% to 1.43% per annum or Interest rate of average fixed deposit interest rate of four Thai commercial banks plus 0.50% per annum (2019: Interest rate of average fixed deposit interest rate of four Thai commercial banks plus 0.50% per annum). The loan is dues for payment in 2023.
- Loan of Baht 623 million (2019: Baht 565 million) with no interest. The loan is no due date.

c) Revenues from sales of goods and services, interest income and other income

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Sales of gas				
Subsidiaries	-	-	55	1,426
Joint ventures	103	186	-	-
Other related parties - the same shareholders and directors	5	16	3	8
Total	108	202	58	1,434
Wharfing service income				
Subsidiaries	-	-	36	41
Interest income				
Subsidiaries	-	-	185	69
Other related parties - the same shareholders and directors	5	-	2	-
Total	5	-	187	69
Other income				
Subsidiaries	-	-	199	104
Joint ventures	1	-	1	-
	1	-	200	104
Dividend income				
Subsidiaries	-	-	873	895

d) Purchases of goods and services and interest expenses

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Purchase of goods				
Subsidiaries	-	-	14	2
Purchase of equipment				
Subsidiaries	-	-	75	76
Transportation expenses				
Subsidiaries	-	-	188	354
Wharfing expenses				
Subsidiaries	-	-	28	35
Rental expenses				
Subsidiaries	-	-	3	3
Other related parties - the same shareholders and directors	-	41	-	16
Total	-	41	3	19
Interest expenses				
Subsidiaries	-	-	15	14
Other expenses				
Subsidiaries	-	-	22	20
Other related parties - the same shareholders and directors	39	45	15	17
Total	39	45	37	37

e) Directors' and key management remunerations

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Short-term employee benefits	61	64	31	33
Post-employment benefits	2	2	1	1
Total	63	66	32	34

38 Commitments and contingent liabilities

a) Contingent liabilities

The assessments of value added tax

A subsidiary received a notice of assessment letter for value added tax underpayment, including a penalty and surcharge from the Revenue Department. The assessment was issued because the subsidiary did not pay value added tax on transportation service income arising from time charter party contracts. The Revenue Department deemed that this service is classified as property rental, not transportation which is exempt for value added tax. The Group did not agree with the notification letter. The notification letters of value added tax underpayment are as follows:

- In June 2011, a notice of assessment letter was received for the underpayment of value added tax, including a penalty and surcharge, for the period from October to December 2010 totalling Baht 8.85 million. In August 2018, the subsidiary received a favourable ruling from the Supreme Court. Then, in February 2019, the subsidiary received a value added tax refund together with the interest totalling Baht 7.12 million from the Revenue Department.
- In June 2017, a notice of assessment letter was received for the underpayment of value added tax, including a penalty and surcharge, for the period from May to December 2012 totalling Baht 11.62 million. The subsidiary filed a partial tax payment of Baht 3.94 million and recorded this as expense in the same year. The remaining of Baht 7.68 million was the penalty and surcharge. As at 31 December 2020, the case was being reviewed by the Administrative Appeal Committee.
- In January 2018, a notice of assessment letter was received for the underpayment of value added tax, including a penalty and surcharge, for the period from February to April 2013 totalling Baht 4.03 million. The subsidiary filed a partial tax payment of Baht 1.28 million and recorded this as expense in the period. The remaining of Baht 2.75 million was the penalty and surcharge. As at 31 December 2020, the case was being reviewed by the Administrative Appeal Committee.

The assessments of corporate income tax

The subsidiary received a notification letters for corporate income tax underpayment, including penalty and surcharge from the Revenue Department. The assessment was issued because transportation service income arising from the subsidiary's time charter party contracts had been granted promotional privileges by the Office of the Board of Investment under promotion certificates, and according to the notification of the Director-General of the Revenue Department (No.72) - Rules, procedures and conditions for exemption from income tax on a company or juristic partnership for international marine shipping. The Revenue Department classified this service as property rental, which is not granted promotional privileges under the certificates. The Group did not agree with the notification letter. The notification letters of corporate income tax underpayment are as follows:

- In November 2017, a notice of assessment letter was received for the underpayment of corporate income tax, including a penalty and surcharge, for the year 2012 and 2014 totalling Baht 58.47 million and Baht 33.81 million, respectively. The subsidiary filed a partial tax payment of Baht 34.61 million and recorded this as expenses in the same year. The remaining of Baht 57.67 million was the penalty and surcharge. As at 31 December 2020, the cases were being reviewed by the Administrative Appeal Committee.
- In January 2018, a notice of assessment letter was received for the underpayment of corporate income tax, including a penalty and surcharge, for the year 2013 totalling Baht 51.28 million. The subsidiary filed a partial tax payment of Baht 19.17 million and recorded this as expense in the period. The remaining of Baht 32.11 million was the penalty and surcharge. As at 31 December 2020, the case was being reviewed by the Central Tax Court.

As a result of the judgement by the Supreme Court of the assessment of value added tax from October to December 2010, the Group's management considers that the outcome from the Administrative Appeal Committee will match with the judgement from the Supreme Court. Therefore, the Group didn't recognise the expense and contingent liability relating to the value added tax and corporate income tax including, penalty and surcharge on transportation service income arising from the time charter party contracts from 2010 to date in the financial statements.

b) Letter of guarantee

As at 31 December 2020 and 2019, the Group and the Company have bank guarantees issued on its behalf as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Letter of guarantee	2,075	2,164	924	1,040
Letter of credit	2,930	1,497	-	-
Aval	-	800	-	800

The Group has available credit facilities with commercial banks for letter of credit, trust receipt, letter of guarantee, forward contract. Credit facilities are secured by the subsidiaries and personal guarantees by the Company's directors.

c) Capital commitments

The Group and the Company have capital commitments at the statements of financial position date but not recognised in the financial statements as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Property, plant and equipment	1,247	1,321	602	765

39 Events after the reporting date

Dividend payment

The Company

On 23 February 2021, at the Board of Directors' meeting of the Company, the board passed a resolution to propose the payment of dividends from operating results for the year 2020 amounting to Baht 0.50 per share, totalling Baht 918.93 million, inclusive of interim dividends for the first six-month of 2020. The Company had already paid interim dividend from operating results for the six-month period of the year 2020 amounting to Baht 0.10 per share, totalling Baht 183.78 million in September 2020. The board will propose the shareholders at the shareholders' meeting to get an approval for the remaining dividend payment of Baht 735.15 million.

Subsidiary

On 27 January 2021, at the Board of Directors' meeting of MyGaz Sdn. Bhd. the board passed a resolution to approve payment of dividends from operating results for the year 2020 amounting to 0.80 MYR, totalling MYR 40.00 million or equivalent to Baht 297.92 million. The dividends had already been paid on 19 February 2021.

On 19 February 2021, at the Board of Directors' meeting of Lucky Carrier Company Limited, the board passed a resolution to propose dividend payment from operating results for the year 2020 amounting to Baht 4.00 per share, totalling Baht 28.00 million, inclusive of interim dividends from operating results for the six-month period of the year 2020, amounting to Baht 1.00 per share, totalling Baht 7.00 million. The interim dividends had already been paid in September 2020. The board will propose the shareholders at the shareholders' meeting to get an approval for the remaining dividend payment of Baht 21.00 million.

On 23 February 2021, at the Board of Directors' meeting of Unique Gas and Petrochemicals Public Company Limited, the board passed a resolution to propose the payment of dividends from retained earnings and operating results for the year 2020 amounting to Baht 60.00 per share, totalling Baht 630.00 million, inclusive of interim dividends for the first six-month of 2020. The Company had already paid interim dividend from retained earnings and operating results for the six-month period of the year 2020 amounting to Baht 30.00 per share, totalling Baht 315.00 million in September 2020. The board will propose the shareholders at the shareholders' meeting to get an approval for the remaining dividend payment of Baht 315.00 million.



SIAMGAS

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