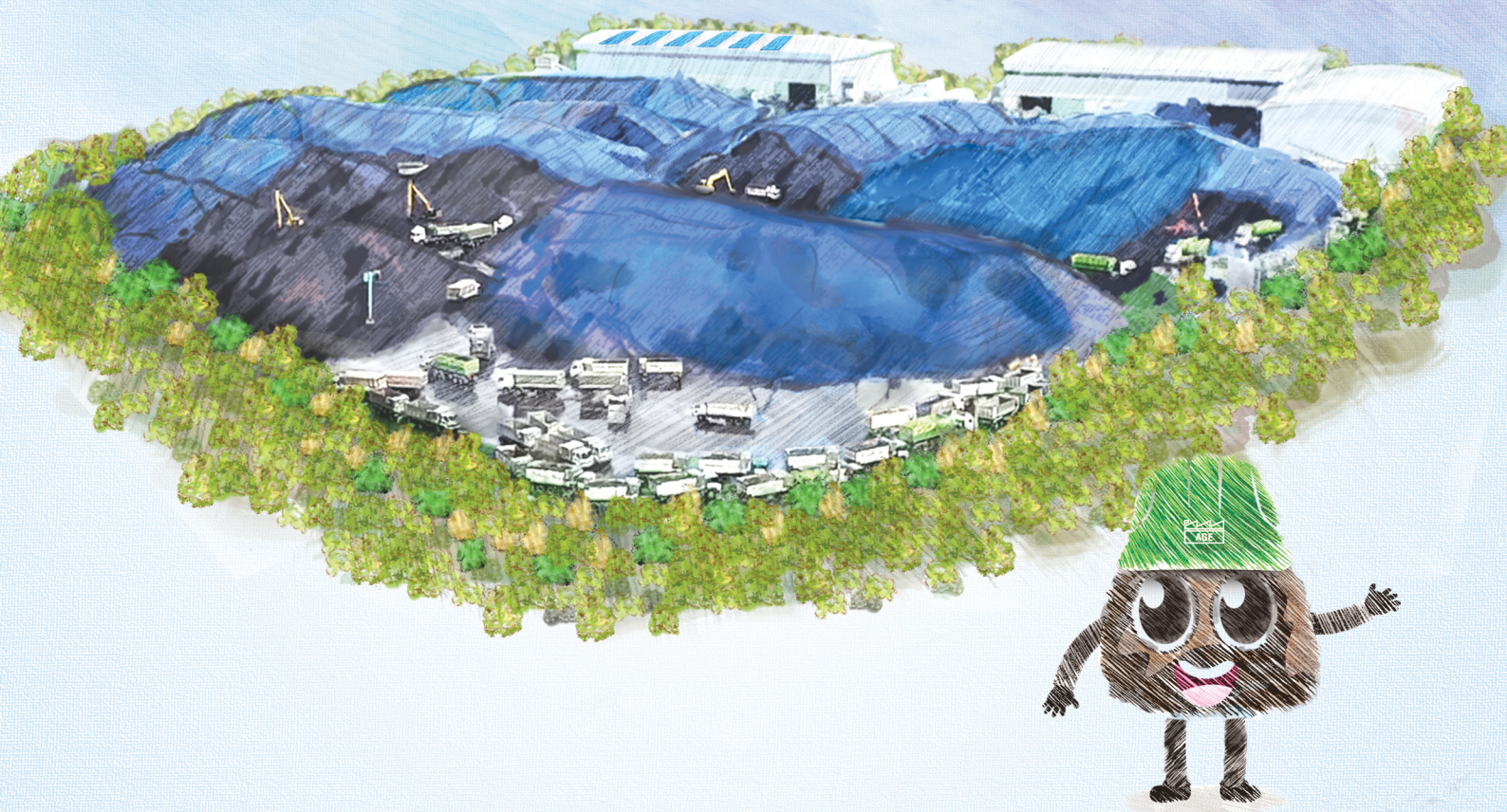




Asia Green Energy Public Company Limited
บริษัท เอเชีย กรีน เอนเนอจี้ จำกัด (มหาชน)



Annual Report 2019
รายงานประจำปี 2562



Vision

**To be a leader of renewable
energy business,**

to reserve environment,

to care the stakeholders.

Mission



**Maximizing shareholders' satisfaction and
consistently providing proper returns**



Treating all stakeholders transparently, fairly and equally



**Attaining and enhancing excellence in products and
comprehensive services**



**Operating business with responsibility to communities,
society and the environment**



**Pursuing related business opportunities to achieve
steady profit growth**



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Financial Highlights

	2562	2561	2560	2559
Profit and Loss Statement (Million Baht)				
Sales and services income	6,196.23	7,900.78	5,931.95	4,644.94
Cost of sales and services	5,389.25	7,182.50	5,323.01	4,056.28
Selling and Administrative expenses	494.69	558.52	392.39	371.54
Profit before finance cost and income tax	350.63	215.46	196.74	240.11
Profit (loss) attributable to Equity holders of the Company	272.79	127.21	120.51	153.66
Financial Statement (Million Baht)				
Total assets	4,732.08	4,934.97	4,180.90	4,090.08
Total liabilities	2,916.46	3,391.38	2,763.32	2,670.20
Total shareholders' equity	1,815.62	1,543.59	1,417.58	1,419.88
Financial Ratio (Percentage)				
Liquidity Ratio (Times)	1.19	1.14	1.10	1.19
Number of days receivables (Day)	79.86	64.73	74.24	73.46
Number of days inventories (Day)	101.15	69.61	84.31	97.35
Gross Profit Margin (percent)	13.02	9.09	10.27	12.67
Operating Profit Margin (percent)	5.66	2.73	3.32	5.17
Net Profit (Loss) Margin (percent)	4.37	1.60	2.03	3.29
Returns on Equity (percent)	16.25	8.60	8.50	11.11
Return on Assets (percent)	7.25	4.73	4.76	7.06
Net Debt to Equity Ratio (Times)	1.61	2.20	1.95	1.88
Interest Coverage Ratio (Times)	7.28	3.93	3.48	4.45
Earning per share	0.1411	0.0658	0.0665	0.0932

Core Value



1

Teamwork

A great task can be accomplished if everyone in the team is united so that the organization can reach the goal with out much difficulty. Even when you are in a different sector, still you need some help and support from others to complete a job. Hence, teamwork is one of the most important factors that drives the whole organization.

2

Service Mind

We put effort to respond to what the customers want for their highest satisfaction. We must care both internal and external customers. If we care and put our heart into the work, they will trust and give back participation for the strength and the success of the organization.

3

Responsibility

We have to realize our roles and duties and aim to do our best for the assigned tasks in order to reach the goals according to the policy and the plan within the assigned deadline. We also have to accept our mistakes and search for opportunities to gain knowledge and continuously increase our potential and competency. Moreover, we have to be prepared to improve our work-

4

Discipline

Practices and controlling of ourselves for good behavior and continuous self improvement will lead us to the completion of the works with positive attitude during the performance. By knowing how to properly manage time for various activities, one can accomplish the assigned job.

5

Integrity

Honesty is an important issue including honesty to yourself, to your duty, and to others. The real honesty is required to be indoctrinated, and the awareness has to be raised. We also have to be sincere, be unbiased, be direct, say the truth, and differentiate between personal benefits and benefits for society.



Message from the Chairman

The year 2019 was a year of pride for our company, Asia Green Energy PLC, as we demonstrated our business capacity alongside our commitment to sustainability. We achieved a turnover growth of more than 114% over 2018 and earned an induction into the Thailand Sustainability Investment (THSI) 2019 list for the second year running from the Stock Exchange of Thailand. This privilege is granted to listed companies that operate their businesses based on a sense of responsibility towards the (Environment, Social and Governance : ESG)

Moreover, the Company plans to expand its investment in overland and river transportation services as well as expand its port areas for goods transfers. With an aim to increase our capacity and build on our core businesses, the Company once again demonstrates our commitment to sustainable development.

As President, I would like to express my gratitude for the trust and confidence that shareholders, investors, banking institutions, business partners, and clients have in us. My thanks also go to all executives and employees for their collective efforts, dedication, sacrifices, and honesty, helping the Company to become as successful as it is today. The Company would like to affirm that we will conduct our business under the principles of good corporate governance, with considerations for all stakeholders and responsibilities for the environment and society so that the Company can continue to follow a sustainable path of growth.



Mr. Apisit Rujikeatkamjorn
Chairman of the Board / Independent Director



Message from the Managing Director

In 2019, Asia Green Energy PLC implemented its business plan of expanding its fleet of lighters in order to accommodate the growth of the river transport industry. At the end of 2019, the Company had a total of 22 lighters, with a tonnage of 57,200 tons. There was an expansion in port areas to accommodate goods transfers from previously only 2 ports to 3 ports, which will go into service in quarter 1/2020. The year's total revenue was affected by the drop in the global coal price, making the revenue fall short of our target. The total revenue was 6,196 million baht. However, the Company's net profits increased from the previous year by 114% with a value of 273 million baht, thanks to our cost-cutting and efficiency-boosting measures.

As for our overseas marketing, the Company plans to expand our warehouses in Vietnam and make an entry into the markets in Cambodia and the Philippines, where our prospective clients are in the cement and power plant industries. In 2020, their demand for energy for their development indicates a strong potential pool of new clients for us.

The Company not only focuses on maximizing the returns for shareholders, but also recognizes its responsibility for stakeholders in order to ensure sustainability in the business. The Company has raised awareness regarding social, environ-

mental, and community responsibility among all members of our organization. As a result, in 2019, the Company was inducted into the Thailand Sustainability Investment list for the second consecutive year by the Stock Exchange of Thailand. This privilege is granted to listed companies that operate their businesses based on a sense of responsibility towards the environment, society, and management under good corporate governance principles, once again demonstrating our commitment to operating our business under a sustainable development framework.

As Managing Director, I would like to express my gratitude for all executives and employees for their collective efforts, dedication, patience, and honesty in their jobs, helping the Company to have a successful 2019. My thanks also go to shareholders, public sector clients, private sector clients, and all stakeholders for their continued support and trust in the Company. I would like to affirm that the Company will continue to operate our business under the good corporate governance principles as well as social and environmental responsibilities so that the Company is well-placed for a sustainable path towards growth.



Mr. Panom Kuansataporn
Director / The Chairman of Executive Committee / Managing Director



Board of Directors

Mr. Apisit Rujikestkamjorn

Chairman of the Board / Independent Director

Age 75

Shareholding in the Company (%) 0.7281%

Family relationship among executives -None

Education

Master Degree of Civil Engineering, Lamar University, Texas USA

Bachelor Degree of Civil Engineering, Khon Kaen University

Training

Director Accreditation Program 24/2004

Finance for Non-Finance Director 24/2005

Understanding the Fundamental of Financial Statements 5/2006

Audit Committee Program 22/2008

Role of the Chairman Program 26/2011

Director Certification Program 166/2012

Appointed as the Director April 25, 2014

Work Experiences

2017 - present Director, LAO AGRO TECH Public Company Limited

2017 - present Director, Global House Cambodia Co., Ltd

2015 - present Director, D.T.C. Enterprise Co., Ltd.

2015 - 2019 Director, Global House International Co., Ltd.

2014 - present Chairman of the Board, Asia Biomass Public Company Limited

Apr. 2019 - present Chairman of the Board, Asia Green Energy Public Company Limited

14 Aug. 2015– Apr. 2019 Chairman of the Board and Independent Director, Asia Green Energy Public Company Limited

2014 – 13 Aug. 2015 Vice Chairman and Independent Director, Asia Green Energy Public Company Limited

2011- present Chairman of the Board, Sea Oil Public Company Limited

2011– Dec.2019 Chairman of the Board , Eco Lighting Co., Ltd.

2008 - present Chairman of the Board and Independent Director, Siam Global House Public Company Limited

Others that may cause conflict of interests to the Company -None

Other directorship positions / other positions at present

● Subsidiaries/Related Company

-None

● Other listed companies

Director, LAO AGRO TECH Public Company Limited

Chairman of the Board, Asia Biomass Public Company Limited

Chairman of the Board, Sea Oil Public Company Limited

Chairman of the Board and Independent Director, Siam Global House Public Company Limited

● Non-listed companies

Director Global House Cambodia Co., Ltd

Director, Global House International Co., Ltd.

Director, D.T.C. Enterprise Co., Ltd.

Chairman of the Board , Eco Lighting Co., Ltd.



Mr. Anant Sirisaengtaksin

Director / Independent Director/ Chairman of the Audit Committee

Age 69



สัดส่วนการถือหุ้น (%)

-ไม่มี-

Education

Master of Business Administration /Commerce, Eastern New Mexico University, U.S.A.

Bachelor of Accounting, Chulalongkorn University

Training

Director Certification Program 73/2006, Thai Institute of Directors (IOD)

Advanced Audit Committee Program 22/2016, Thai Institute of Directors (IOD)

Appointed as the Director 29 April 2019

Work Experiences

- | | |
|----------------|--|
| 2019 – present | Chairman of the Audit Committee and Independent Director, Asia Green Energy Plc. |
| 2017 – present | Director and The Audit Committee, Villakunlai Company Limited |
| 2017 – present | Chairman of the Board, AIRA Advisory Company Limited |
| 2017 – present | Director and Chairman of the Audit Committee, Chiangmai Rimdoi Public Company Limited |
| 2017 – present | Director and The Audit Committee, UBIS (Asia) Public Company Limited |
| 2017 – present | Chairman of the Board and Chairman of the Audit Committee,
NPPG (Thailand) Public Company Limited |
| 2016 – present | Director and The Audit Committee, ASEAN Potash Chaiphaphum Public Company Limited |
| 2015 – present | Director, AIRA Capital Public Company Limited |
| 2007 – present | Director, Bangkok Commercial Asset Management Public Company Limited |

Others that may cause conflict of interests to the Company -None

Other directorship positions / other positions at present

● **Subsidiaries/Related Company**

-None

● **Other listed companies**

Director and The Audit Committee, Villakunlai Company Limited

Director and Chairman of the Audit Committee, Chiangmai Rimdoi Public Company Limited

Director and The Audit Committee, UBIS (Asia) Public Company Limited

Chairman of the Board and Chairman of the Audit Committee, NPPG (Thailand) Public Company Limited

Director and The Audit Committee, ASEAN Potash Chaiphaphum Public Company Limited

● **Director, AIRA Capital Public Company Limited**

● **Non-listed companies**

Chairman of the Board, AIRA Advisory Company Limited

Mr. Panom Kuansataporn
Director / The Chairman of Executive Committee
Age 69



Shareholding in the Company (%) 6.6036%

Family relationship among executives

Mr. Panus Kuansataporn's brother / Ms. Panita Kuansataporn's father.

Education

Master Degree of Political Science, Bangkokthonburi University

Bachelor Degree of Political Science, Bangkokthonburi University

Training

Director Accreditation Program 68/2008, Thai Institute of Directors (IOD)

Appointed as the Director March 18, 2004

Work Experiences

2019 - present	Director and Vice President, AT Energy Solution Co., Ltd.
2017 - present	Director, Nadee Asset Co., Ltd.
2017- present	Director, Kok Huad Property Co., Ltd.
2017 - present	Director, Sinsap Sataporn Co., Ltd.
2017 - present	Chairman of the Board, Managing Director and Chairman of Executive Committee, AGE Marine Logistics Co., Ltd.
2016 -present	Chairman of the Board, Managing Director and Chairman of Executive Committee, AGE Global Trade Co., Ltd.
2015 - present	Chairman of the Board, Managing Director and Chairman of Executive Committee, Pian Green Power Co., Ltd.
2015 - present	Director, Asia Biomass Public Company Limited
2014 - present	Chairman of the Board, Managing Director and Chairman of Executive Committee, Sabayoi Green Power Co., Ltd.
2014 - present	Chairman of the Board, Managing Director and Chairman of Executive Committee, A Engineering Consultant Co., Ltd
2014 - 2019	Chairman of the Board, Managing Director and Chairman of Executive Committee, Grand Power (2019) Co., Ltd.
2014 – 2019	Chairman of the Board, Managing Director and Chairman of Executive Committee, Multi Energy Trading (2020) Co., Ltd.
2013 - present	Director, Managing Director and Chairman of Executive Committee, Nathaphat Pattana Co., Ltd.
2012 - present	Director, Managing Director and Chairman of Executive Committee, K.H.Development Co., Ltd .
2010 - present	Chairman of the Board, Managing Director and Chairman of Executive Committee, AGE Terminal Co., Ltd.
2008 - present	Chairman of the Board, Managing Director and Chairman of Executive Committee, A.G.E. Transport Co., Ltd .
2004 - present	Director, Managing Director and Chairman of Executive Committee, Asia Green Energy Public Company Limited.

Others that may cause conflict of interests to the Company -None

Mr. Panom Kuansataporn

Director / The Chairman of Executive Committee

Age 69



Other directorship positions / other positions at present

• **Subsidiaries/Related Company**

Director and Vice President, AT Energy Solution Co., Ltd.

Chairman of the Board, Managing Director and Chairman of Executive Committee, AGE Marine Logistics Co., Ltd.

Chairman of the Board, Managing Director and Chairman of Executive Committee, AGE Global Trade Co., Ltd.

Chairman of the Board, Managing Director and Chairman of Executive Committee, Pian Green Power Co., Ltd.

Chairman of the Board, Managing Director and Chairman of Executive Committee, A Engineering Consultant Co., Ltd

Chairman of the Board, Managing Director and Chairman of Executive Committee, Grand Power (2019) Co., Ltd.

Chairman of the Board, Managing Director and Chairman of Executive Committee, Multi Energy Trading (2020) Co., Ltd.

Chairman of the Board, Managing Director and Chairman of Executive Committee, AGE Terminal Co., Ltd.

Chairman of the Board, Managing Director and Chairman of Executive Committee, A.G.E. Transport Co., Ltd .

• **Other listed companies**

Director, Asia Biomass Public Company Limited

• **Non-listed companies**

Director, Nadee Asset Co., Ltd.

Director, Kok Huad Property Co., Ltd.

Director, Sinsap Sataporn Co., Ltd.

Director, Managing Director and Chairman of Executive Committee, Nathaphat Pattana Co., Ltd.

Director, Managing Director and Chairman of Executive Committee, K.H.Development Co., Ltd.

Mr. Mongkhon Kittipoomvong
Director / Independent Director
Age 67

Shareholding in the Company (%) 0.0083%
Family relationship among executives -None

Education

MBA Finance and Business Economics, The University of Toledo, Ohio USA
Bachelor of Economics, Thammasat University

Training

Director Certification Program 13/2001, Thai Institute of Directors (IOD)



Appointed as the Director April 28, 2018

Work Experiences

16 Dec. 2019 – present Specialist of the Economic Commission Senate Finance and Finance
Apr.2019 - present Director Independent Director and The Audit Committee,
Asia Green Energy Public Company Limited.
Apr. 2018 – Apr.2019 Director and Independent Director, Asia Green Energy Public Company Limited.
2015 – present Director, Supreme Nana Tech Co., Ltd.
2015 – present Director and Independent Director, Team Precision Public Company Limited
2011 – present Director, D D Venture Co., Ltd.
1999 – present Director, D D Holding Co., Ltd.
1990 – present Director, Nantapoom Co., Ltd.

Others that may cause conflict of interests to the Company -None

Other directorship positions / other positions at present

• **Subsidiaries/Related Company**
-None

• **Other listed companies**

Director and Independent Director, Team Precision Public Company Limited

• **Non-listed companies**

Director, Supreme Nana Tech Co., Ltd.
Director, D D Venture Co., Ltd.
Director, D D Holding Co., Ltd.
Director, Nantapoom Co., Ltd.

Ms. Pinmanee Makmantana

Director / Independent Director / The Audit Committee

Age 55

Shareholding in the Company (%) 0.0480%

Family relationship among executives -None

Education

Master's Degree : Business Administration, The Nation Institute of Development Administration (NIDA).

Bachelor's Degree : Faculty of Commerce and Accountancy, Chulalongkorn University.

Training

Director Accreditation Program 89/2011, Thai Institute of Directors (IOD)

Ethical Leadership Program 5/2016, Thai Institute of Directors (IOD)

Appointed as the Director March 3, 2011

Work Experiences

Oct.2019 – present Senior Managing Director Investment Banking Division-Capital Market, KTB Securities (Thailand) PLC.

2018 - present Director and The Audit Committee, Teka Construction Co., Ltd.

2011 - present Director, The Audit Committee and Independent Director, Asia Green Energy PLC.

2011 - 2019 Managing Director, Triple A Plus Advisory Co., Ltd.

Others that may cause conflict of interests to the Company -None

Other directorship positions / other positions at present

● **Subsidiaries/Related Company**

-None

● **Other listed companies**

Senior Managing Director Investment Banking Division-Capital Market, KTB Securities (Thailand) PLC.

● **Non-listed companies**

Director and The Audit Committee, Teka Construction Co., Ltd.



Mr. Panus Kuansataporn
Director / Executive Director
Age 67

Shareholding in the Company (%) 0.0488%

Family relationship among executives Mr. Panom Kuansataporn's brother

Education

Vocational Certificate

Training

Director Accreditation Program 92/2011, Thai Institute of Directors (IOD)



Appointed as the Director September 14, 2011

Work Experiences

2011 - present Director and Executive Director, Asia Green Energy Public Company Limited

2008 - present Director and Executive Director, A.G.E. Transport Co., Ltd.

Others that may cause conflict of interests to the Company -None

Other directorship positions / other positions at present

• **Subsidiaries/Related Company**

Director and Executive Director, A.G.E. Transport Co., Ltd.

• **Other listed companies**

-None

• **Non-listed companies**

-None

Ms. Panita Kuansataporn
Director / Executive Director
Age 35



Shareholding in the Company (%) 6.5733%

Family relationship among executives Mr. Panom Kuansataporn's Daughter

Education

Master's Degree : Accounting and Finance, University of Technology, Sydney

Bachelor's Degree : Managerial Accounting, Assumption University of Thailand.

Training

Director Accreditation Program 68/2008 , Thai Institute of Directors (IOD)

Ethical Leadership Program (ELP) 2/2015 , Thai Institute of Directors (IOD)

Appointed as the Director February 28, 2007

Work Experiences

June 22, 2018–present	Chairman of the Board and Chairman of Executive Committee, Winner 789 Logistics Co., Ltd.
2017 - present	Director, Nadee Asset Co., Ltd.
2017 - present	Director and Executive Director, AGE Marine Logistics Co., Ltd.
2017 - present	Director, VINA AGE CO., LTD. (Vietnam)
2016 - present	Director and Executive Director, AGE Global Trade Co., Ltd.
2016 - present	Director and Executive Director, Pian Green Power Co., Ltd.
2014 - present	Director and Executive Director, Sabayoi Green Power Co., Ltd.
2014 - present	Director and Executive Director, A Engineering Consultant Co., Ltd.
2014 – 2019	Director and Executive Director, Grand Power (2019) Co., Ltd.
2014 – 2019	Director and Executive Director, Multi Energy Trading (2020) Co., Ltd.
2013 - present	Director and Executive Director, Nathaphat Pattana Co., Ltd.
2010 - present	Director and Executive Director, AGE Terminal Co., Ltd.
2008 - present	Director and Executive Director, AGE Transport Co., Ltd.
2007 - present	Director, Assistant Managing Director and Executive Director, Asia Green Energy Public Company Limited

Others that may cause conflict of interests to the Company -None

Other directorship positions / other positions at present

● Subsidiaries/Related Company

Chairman of the Board and Chairman of Executive Committee, Winner 789 Logistics Co., Ltd.

Director and Executive Director, AGE Marine Logistics Co., Ltd.

Director, VINA AGE CO., LTD. (Vietnam)

Director and Executive Director, AGE Global Trade Co., Ltd.

Director and Executive Director, Pian Green Power Co., Ltd.

Director and Executive Director, Sabayoi Green Power Co., Ltd.

Director and Executive Director, A Engineering Consultant Co., Ltd.

Director and Executive Director, Grand Power (2019) Co., Ltd.

Director and Executive Director, Multi Energy Trading (2020) Co., Ltd.

Director and Executive Director, AGE Terminal Co., Ltd.

Director and Executive Director, AGE Transport Co., Ltd.

● Other listed companies

-None

● Non-listed companies

Director, Nadee Asset Co., Ltd.

Director and Executive Director, Nathaphat Pattana Co., Ltd.

Mr. Prasert Tapaneeyangkul
Director / Independent Director
Age 68



Shareholding in the Company (%) -None

Family relationship among executives -None

Education

Ph.D. in Environmental Engineering (Distinction), I.N.S.A., TOULOUSE, FRANCE

M.Sc. in Sanitary Engineering, I.H.E., DELFT, The NETHERLANDS

B.Eng. in Sanitary Engineering, Chulalongkorn University

LL.B., Thammasat University

Training

Director Certification Program 87/2007, Thai Institute of Directors (IOD)

Finance for Non-Finance Director 36/2007

Monitoring Fraud Risk Management 1/2009

Audit Committee and Continuing Development Program 28/2009

Monitoring the Quality of Financial Reporting 9/2009

Role of the Chairman Program 23/2012, Thai Institute of Directors (IOD)

Ethical Leadership Program 14/2018, Thai Institute of Directors (IOD)

Appointed as the Director April 27, 2017

Work Experiences

2017 - present Director and Independent Director, Asia Green Energy Plc.

2017 - present Director, Index International Group Co., Ltd.

2017 - 2019 Director, Delv Aerospace Co., Ltd.

2008 - present Director, The Grand UB Co., Ltd.

Others that may cause conflict of interests to the Company -None

Other directorship positions / other positions at present

● **Subsidiaries/Related Company**

-None

● **Other listed companies**

-None

● **Non-listed companies**

Director, Index International Group Co., Ltd.

Director, The Grand UB Co., Ltd.



Management Team



Mr. Panom Kuansataporn
Managing Director



Miss Panita Kuansataporn
Assistant Managing Director



Mr. Boonlert Ploemsuebkul
Senior Overseas Director



Miss Ni-orn Junjamsang
Senior Director of Managing
Director's Office



Mr. Akaradej Phantasarn
Sales and Marketing Director



Mr. Anan Petchropas
Operations Director



Mr. Likhit Laobowornseadthee
Chief Financial Officer



Policy and Business Overview

Company History



Asia Green Energy Public Company (“the Company”) was founded by Mr. Panom Kuansataporn on 18 March 2004 to operate a business of distributing high-quality clean coals both domestically and overseas. Most of the coals are imported from Indonesia and Russia. The Company has conducted studies and analyses of coal quality so as to ensure the trustworthiness of its sources. In addition, it owns a port and warehouses in order to support coal transportation and stockpiling, along with coal screening plants equipped with high-efficient processes and machines that operate in a closed system in order to achieve product quality required by the market as well as responsibility to the environment, communities and society. The Company had been converted into a public limited company and listed on the Market for Alternative Investment (MAI) on 26 February 2009.

At present, the Company has developed and expanded logistics activities to support its coal business and also to serve general customers. The logistics services include barge transportation services, port services, warehouse services, coal screening and truck transportation services. These services are managed by the Company’s subsidiaries and become major sources of income in addition to the existing coal distribution business.

The goal in business operation



The company has the goal to create benefits for all long-term stakeholders for the steady growth with the following goals.

Human resource development by setting up the policy of staff development to increase knowledge and potential for efficient working. This includes the treatment to human resource by respecting human rights and fair treatment to labor. This will result in the accomplishment, the success, and the steady growth of the business.

Fulfilling the highest satisfaction of shareholders and continuous proper return and treating to the shareholders with transparency fairness and equally.

Attaining and enhancing excellence in products and comprehensive services through delivery of quality product, provision of comprehensive and standardized services, along with constant development of products and services to meet the demand of all customers.

Establishing business relationship and partnership, by observing rules and contracts fairly and transparently in accordance with commercial terms and anti-corruption principles.

Responsibility for community, society, and environment by regulating the protection of the effects to the community where the company is located. Also, we will support activities for community development, culture promotion, and resource efficient usage for steady growth.

Creating and pursuing additional related business opportunities for business growth and expansion in order to achieve steady profit growth.



Business Strength

Expertise in Coal Sourcing

The Company is vastly experienced in obtaining coal from various sources across the world, particularly from Indonesia and Russia, and has strong relationship with leading coal mines in Indonesia and Russia. Purchases are made under both short- and long-term contracts in line with global coal prices and production capacity of the mines.

Availability of Stockpile and Port

The Company's warehouses are situated in areas close to its customers, i.e. 1) Samut Sakhon, 2) Petchburi and 3) Ayutthaya, enabling it to render comprehensive services. The Company also owns a port at Ayutthaya Warehouse, its main depot with the maximum storage capacity of 700,000 tons.

Advanced and Environmental-friendly Coal Screening Plant

The Company's coal screening plants are equipped with high-standard and efficient machines to sort the coal into sizes that best meet the need of each customer. The plants operate in a closed system in order to minimize pollution in the production process as well as to prevent environmental impact on surrounding communities. In addition, the Company pursues continual quality improvement and development by applying ISO 9001:2015 Quality Management System to every step of its coal transportation services via ports, warehouse services for coal stockpiling, and operating system within the coal screening plants. In order to continuously improve the quality as well as the most environmentally conscious operation under the ISO 14001: 2015 environmental management system. In addition, in 2018, the company also received the Green Industry Award (Green Culture) from the Ministry of Industry.

International Standard Quality Control

Taking steps to control good quality of coal, the Company implements ASTM International Standard in coal quality assessment, performed by a test team with efficient tools such as moisture meter, infrared precision balance system, etc. Thus, customers are assured that the Company can deliver coal of good quality and high standard.

Delivery Promptness

The Company adopts a logistics management system to serve the need of both domestic and international customers, by selecting high-standard transport operators so that products are delivered in good time and good conditions. Customer service staffs are assigned to provide close assistance in order to ensure punctual and accurate delivery of coal to the customers and to heighten its transportation efficacy. The Company has established AGE Marine Logistics Co., Ltd. to operate a marine transportation business and support the transportation of its coal which amounts to not less than 2 million tons per year. It has also established Winner 789 Logistics Co., Ltd. to operate a land transportation business to support the domestic transportation and support the expansion of its logistics services to general customers.

Efficient Risk Management

The Company has a policy to manage risks under constant monitoring and assessment of risk potential and magnitude in all exposed aspects, and correspondingly sets a target plan to reduce, mitigate and control the risks from various factors to a level that poses no significant impact on the Company. It oversees that the risk management is conducted efficiently in keeping with both internal and external changes, and progress reports are submitted on a monthly basis.



Significant Changes in 2019

29 April 2019

The Annual General Meeting of Shareholders passed a resolution to pay dividends from the 2018 operating outcome. 2561 The dividends would be paid as stock dividends, 120,861,860 stocks in total, each stock being worth 0.25 baht at a rate of 15 existing stocks per 1 stock dividends. The total value would be 30,215,465 baht, paid in stocks at a rate of 0.01667 baht per stock and paid in cash at a rate of 0.00190 baht per stock for a monetary value of 3,444,562.99 baht in total. The sum of dividend payments in stock dividends and cash would be at the rate of 0.01857 baht per stock, for a monetary value of 33,660,027.99 baht in total.

29 April 2019

The Company reduced its registered capital from 453,232,390 baht to 453,231,972 baht. The unsold common stocks which were 1,672 stocks in total were cancelled. The designated value of each stock was 0.25 baht.

29 April 2562

The company increased its registered capital from 453,231,972 baht to 483,447,437 baht by issuing common stocks for the purpose of increasing the registered capital, totaling 120,861,860 stocks. The designated value of each stock was 0.25 baht to correspond with the increase in the Company's registered capital.

29 April 2019

The Annual General Meeting of Shareholders passed a resolution to approve the change in the stock value from 0.25 baht per stock to 0.50 baht in order to ensure that the Company could comply with the requirements of the Stock Exchange of Thailand.

14 August 2019

The Company's Annual General Meeting of Shareholders passed a resolution to enable the Company to enter into a joint venture agreement with TRC Construction PLC and Appliance Technology Supplies Co., Ltd., establishing At Energy Solution Co., Ltd. on 14 August 2019. This Company's core businesses would be focused on energy affairs, and the provision and services regarding infrastructure, especially energy affairs, for industrial factories. Examples include the production and sale of steam, electricity and water for industrial factories with a registered capital of 300 million baht. The Company and TRC Construction PLC would each have a share ownership of 45 percent. Then in December 2562, Asia Green Energy PLC and TRC Construction PLC changed the proportion of share ownership to 49.99 percent each.

23 September 2019

The Company and AGE Terminal Co., Ltd. (a subsidiary company) received the CSR-DIW CONTINUOUS AWARD for the year of 2019 in the field of community and society participation (Corporate Social Responsibility) from the Ministry of Industry.

30 October 2019

The Company and AGE Terminal Co., Ltd. (a subsidiary company) received a plaque and certificate confirming the upgrade and development of the industrial factories in the ecological industrial park areas from the Department of Industrial Works.

26 November 2019

The Company received the Thailand Sustainability Investment (THSI award) in the SET Awards 2019 from the Stock Exchange of Thailand.



Privileges under Investment Promotion Scheme

AGE Terminal Co., Ltd., a subsidiary, obtains BOI tax privileges pursuant to the Investment Promotion Act B.E. 2520. Approved by the Board of Investment under specified conditions, the tax privileges granted to AGE Terminal Co., Ltd. are as summarized below

Investment Promotion Certificate No.	1718(2)/2012
1. Privilege recipient	AGE Terminal Co., Ltd.
2. Type of business	Freight transportation services for shipping business
3. Major privileges <ul style="list-style-type: none"> - Exemption from corporate income tax on profits derived from operation of promoted business, and exemption from inclusion of dividends derived from the promoted business granted corporate income tax exemption in the tax calculation - In case the company incurs loss during the corporate income tax exemption period, it is allowed to deduct such loss amount from the profits earned within five years from the expiry of the exemption period. - Exemption from import duty on machinery, as approved by BOI. 	8 years (being exempt for an amount not exceeding investment capital, exclusive of land cost and working capital)
4. Date of exercising the rights under promotion certificate	31 May 2012



Privileges under Investment Promotion Scheme

Investment Promotion Certificate No.	63-0137-1-00-1-0
1. Privilege recipient	AGE Terminal Co., Ltd.
2. Type of business	Freight transportation services for shipping business
3. Major privileges <ul style="list-style-type: none"> - Exemption from corporate income tax on profits derived from operation of promoted business, and exemption from inclusion of dividends derived from the promoted business granted corporate income tax exemption in the tax calculation - In case the company incurs loss during the corporate income tax exemption period, it is allowed to deduct such loss amount from the profits earned within five years from the expiry of the exemption period. - Exemption from import duty on machinery, as approved by BOI. 	5 years (being exempt for an amount not exceeding investment capital, exclusive of land cost and working capital)
4. Date of exercising the rights under promotion certificate	N/A



Privileges under Investment Promotion Scheme

AGE Marine Logistics Co., Ltd., a subsidiary, obtains BOI tax privileges from the Investment Promotion Department pursuant to the Investment Promotion Act B.E. 2520. Approved by the Board of Investment under specified conditions, the tax privileges granted to AGE Marine Logistics Co., Ltd. are as follows:

Investment Promotion Certificate No.	61-0394-1-00-1-0
1) Privilege recipient	AGE Marine Logistics Co., Ltd.
2) Type of business	Marine transportation business
3) Major privileges <ul style="list-style-type: none"> - Exemption from corporate income tax on profits derived from operation of the promoted business, and exemption from inclusion of dividends derived from the promoted business being granted corporate income tax exemption in the tax calculation. - In case the company incurs loss during the corporate income tax exemption period, it is allowed to deduct such loss amount from the net profits earned within five years from the expiry of the exemption period. - Exemption from import duties on machinery, as approved by BOI. 	8 years (being exempt for an amount not exceeding investment capital, exclusive of land cost and working capital)
4) Date of exercising the rights under the certificate	29 June 2018



Privileges under Investment Promotion Scheme

Investment Promotion Certificate No.	61-1407-1-00-1-0
1) Privilege recipient	AGE Marine Logistics Co., Ltd.
2) Type of business	Marine transportation business
3) Major privileges <ul style="list-style-type: none"> - Exemption from corporate income tax on profits derived from operation of the promoted business, and exemption from inclusion of dividends derived from the promoted business being granted corporate income tax exemption in the tax calculation. - In case the company incurs loss during the corporate income tax exemption period, it is allowed to deduct such loss amount from the net profits earned within five years from the expiry of the exemption period. - Exemption from import duties on machinery, as approved by BOI. 	8 years (being exempt for an amount not exceeding investment capital, exclusive of land cost and working capital)
4) Date of exercising the rights under the certificate	11 February 2019

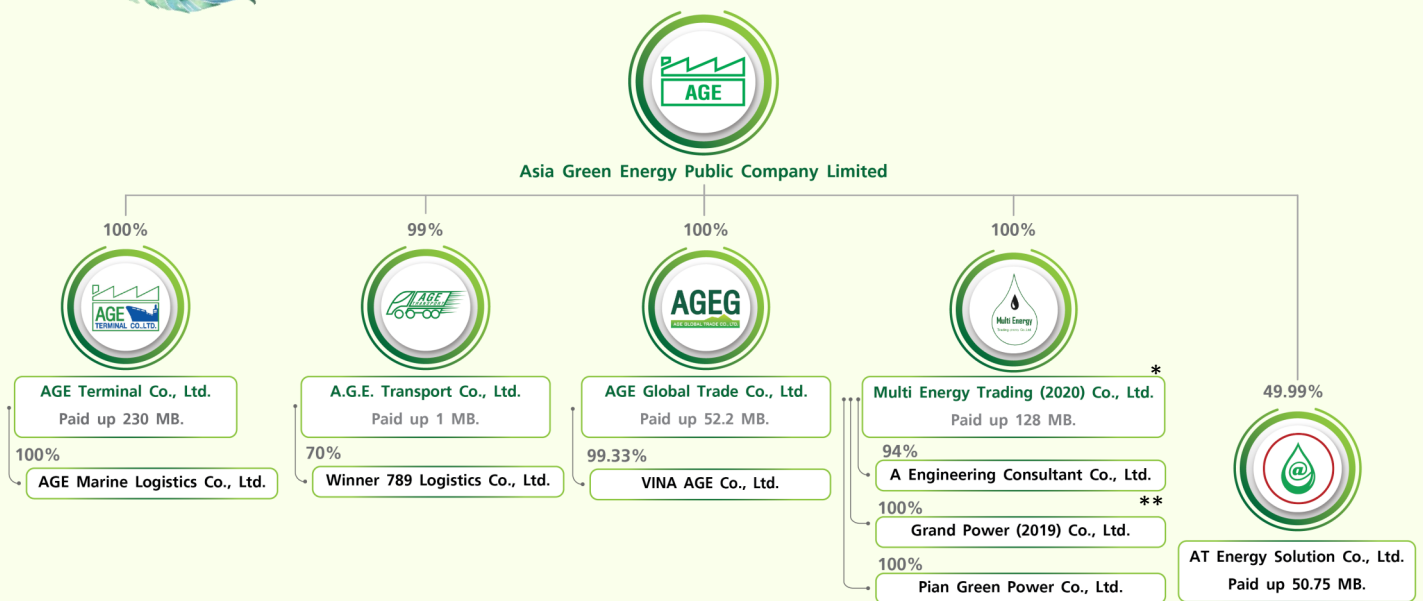


Privileges under Investment Promotion Scheme

Investment Promotion Certificate No.	62-1159-1-00-1-0
1) Privilege recipient	AGE Marine Logistics Co., Ltd.
2) Type of business	Marine transportation business
3) Major privileges <ul style="list-style-type: none"> - Exemption from corporate income tax on profits derived from operation of the promoted business, and exemption from inclusion of dividends derived from the promoted business being granted corporate income tax exemption in the tax calculation. - In case the company incurs loss during the corporate income tax exemption period, it is allowed to deduct such loss amount from the net profits earned within five years from the expiry of the exemption period. - Exemption from import duties on machinery, as approved by BOI. 	8 years (being exempt for an amount not exceeding investment capital, exclusive of land cost and working capital)
4) Date of exercising the rights under the certificate	N/A



Shareholding Structure



Asia Green Energy PCL (“Company” or “AGE”)

Operates a high-quality clean coal distribution business, both domestically and overseas. Most of the coal are sourced from Indonesia and Russia.

AGE Terminal Co., Ltd. (“AGEM”)

Operates a port and warehouse business, and provides coal screening services in Nakhon Luang, Ayutthaya, with a warehouse capable of storing 700,000 tons of coal, three coal screening plants, and 2 ports.

A.G.E. Transport Co., Ltd. (“AGET”)

Operates as a provider of coal transportation and land logistics services.

AGE Global Trade Co., Ltd. (“AGEG”)

Operates an investment business in other businesses overseas.

Multi Energy Trading (2020) Co., Ltd. (“MET”)

Operates as selling fuel, steam, gas, oil and all types of energy used in the industry.

*Note: * Multi Energy Trading (2020) Company Limited registered to change the name from AGE Trading Company Limited on 3 July 2019.*

AGE Marine Logistics Co., Ltd. (“AGEML”)

operates a marine transportation business.

Winner 789 Logistics Co., Ltd. (“WNL”)

Operates a land transportation business.

VINA AGE Co., Ltd. (“VNAGE”)

Operates a coal importation and distribution business in Vietnam.

A Engineering Consultant Co., Ltd. (“AEC”)

Operates a renewable electricity generation and distribution business.

Grand Power (2019) Co., Ltd.

Operates a business of distributing various types of fuels which used in industrial plants And transportation.

*Note: ** Grand Power (2019) Company Limited registered to change the name from Saba Yoi Green Power Company Limited on 2 August 2019.*

Pian Green Power Co., Ltd. (“PGP”)

Operates a renewable electricity generation and distribution business.

At Energy Solution Co., Ltd. (Joint Venture Company)

Operates mainly in energy business, procurement and utilities services especially energy for general industry such as the production and distribution of steam, electricity and water for industrial plants etc.

Policy on Division of Operations of Subsidiaries

The Company has divided its operations into 2 groups, one is businesses relating to distribution of clean coal by the Company and its subsidiaries to domestic and oversea markets, the other is businesses relating to provision of land and marine transportation services, port services, cargo loading and discharging services, and full-range warehouse services.

Relationship with Businesses of Major Shareholders

-None



General Information and Other Significant Information

General Information

(1) Company Information (as of 31 December 2019)

Company Name in Thai	บริษัท เอเชีย กรีน เอนเนอจี้ จำกัด (มหาชน)
Company Name in English	Asia Green Energy Public Company Limited
SET Abbreviation	AGE
Nature of Business	Coal distributor
Registration No.	0107551000011
Registered Capital	483,447,437.00 baht
Paid-up Capital	483,446,871.75 baht
Total Shares Sold	1,933,787,487 ordinary shares
Par Value per Share	0.25 baht
Head Office Address	273/1 Rama II Road, Samaedam, Bang Khuntian, Bangkok 10150 Telephone : 02-894-0088 Facsimile : 02-453-1258
Website	www.agecoal.com
Corporate Secretary	Telephone : 02-894-0088 ext. 807 Facsimile : 02-453-1139 Email : ni-orn@agecoal.com
Investor Relations and Corporate Communications	Telephone : 02-894-0088 ext. 704 Email : ir@agecoal.com

(2) Name and Address of Juristic Person in which the Company Holds 10 Percent or More of Shares

Name	Office Address	Nature of Business	Registered Capital	Paid-up Capital	Total Paid-up Shares (shares)	Shareholding Ratio (%)
Subsidiary						
A.G.E. Transport Co., Ltd .	273/1 Rama II Road, Samaedam, Bang Khuntian, Bangkok	Land transportation services of coal, and full-range logistics services	1 million baht	1 million baht	10,000 shares (par value of 100 baht each)	99 (Held by Asia Green Energy PCL)
Winner 789 Logistics Co., Ltd.	273/1 Rama II Road, Samaedam, Bang Khuntian, Bangkok	Land transportation services	1 million baht	1 million baht	10,000 shares (par value of 100 baht each)	70 (Held by A.G.E. Transport Co., Ltd.)
AGE Terminal Co., Ltd.	273/1 Rama II Road, Samaedam, Bang Khuntian, Bangkok	Port and warehouse business, which involves screening and transferal of the Company's main product	230 million baht	230 million baht	2,300,000 shares (par value of 100 baht each)	100 (Held by Asia Green Energy PCL)
AGE Marine Logistics Co., Ltd.	273/1 Rama II Road, Samaedam, Bang Khuntian, Bangkok	Marine transportation business	187 million baht	126.10 million baht	1,870,000 shares (par value of 100 baht each)	100 (Held by AGE Terminal Co., Ltd.)
Multi Energy Trading (2020) Co., Ltd. ¹	273/1 Rama II Road, Samaedam, Bang Khuntian, Bangkok	Invest in other businesses that operate power plant and renewable energy business and procure and sell fuel	128 million baht	128 million baht	1,280,000 shares (par value of 100 baht each)	100 (Held by Asia Green Energy PCL)
A Engineering Consultant Co., Ltd.	273/1 Rama II Road, Samaedam, Bang Khuntian, Bangkok	Generation and distribution of renewable electricity	50 million baht	50 million baht	500,000 shares (par value of 100 baht each)	94 (Held by AGE Power Holding Co., Ltd.)
Grand Power (2019) Co., Ltd. ²	56/290,56/291,56/ 292 Village Moo.7 Phanthai Norasing, Mueang Samut Sakhon, Samut Sakhon Province	Distributing various types of fuels which used in industrial plants And transportation.	51 million baht	16.25 million baht	510,000 shares (par value of 100 baht each)	100 (Held by Multi Energy Trading (2020) Co., Ltd.)
Pian Green Power Co., Ltd.	273/1 Rama II Road, Samaedam, Bang Khuntian, Bangkok	Generation and distribution of renewable electricity	20 million baht	5.75 million baht	200,000 shares (par value of 100 baht each)	100 ((Held by AGE Power Holding Co., Ltd.)

(2) Name and Address of Juristic Person in which the Company Holds 10 Percent or More of Shares

Name	Office Address	Nature of Business	Registered Capital	Paid-up Capital	Total Paid-up Shares (shares)	Shareholding Ratio (%)
Subsidiary						
AGE Global Trade Co., Ltd.	273/1 Rama II Road, Samaedam, Bang Khuntian, Bangkok	Investment in other businesses overseas	104 million baht	52.20 million baht	1,040,000 shares (par value of 100 baht each)	100 (Held by Asia Green Energy PCL)
VINA AGE Co., Ltd.	Floor 5B, Smartview Building, 161A-163-165 Tran Hung Dao Street, Co Giang Ward, District 1, HCMC	Coal importation and distribution business in Vietnam	1.5 million US dollar	1.5 million US dollar	-	99.33 (Held by AGE Global Trade Co., Ltd.)
Joint Venture Company						
At Energy Solution Co., Ltd.	8 Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen, Bangkok	Production and distribution of steam Electricity and water are used for industrial plants.	200 million baht	50.75 million baht	2,000,000 shares (par value of 100 baht each)	49.99 (Held by Asia Green Energy PCL)

Note: 1. The company was first registered under the name AGE Power Holding Co., Ltd., then changed the name to AGE Trading Co., Ltd. on 15 January 2019 and now changed its name to Multi Energy Trading (2020) Co., Ltd. on 3 July 2019
2. Grand Power (2019) Co., Ltd. registered to change the name from Saba Yoi Green Power Co., Ltd. on 2 August 2019.

(3) General Reference Person

Registrar of Ordinary Shares

Thailand Securities Depository Co., Ltd.
Floor 1, The Stock Exchange of Thailand Building
Tower B (adjacent to Embassy of China) 93
Ratchadapisek, Dindaeng, Dindaeng, Bangkok
Telephone: 02-229-2800 Facsimile: 02-654-5472

Auditor

EY Office Co., Ltd.
Floor 33, Lake Rajada Building
193/136-137 Ratchadapisek Road, Klongtoey,
Bangkok 10110
Telephone: 02-264-0777
Facsimile: 02-264-0789 - 90
Mr. Termphong Opanaphan,
Certified Public Accountant No. 4501, or
Mrs. Poonnard Paucharoen,
Certified Public Accountant No. 5238, or
Miss Vissuta Jariyathanakorn,
Certified Public Accountant No. 3853

Regularly Contacted Financial Institutions

Kasikornbank PCL.
Thai Military Bank PCL.
Krung Thai Bank PCL.
United Overseas Bank (Thai) PCL.
Bank of Ayudhya PCL.
CIMB Thai Bank PCL.
Siam Commercial Bank PCL.
Export-Import Bank of Thailand

Legal Advisor

Mr. Srawuth Sinsajjatham
Law Office
Kiattitham Attorneys Co., Ltd.
1524/116 Moo 7 Tambon Theparak,
Amphoe Mueang Samut Prakan,
Samut Prakan Province.

Other Significant Information

-None-



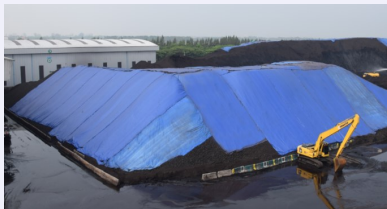
Nature of Business

The Company undertakes the business of distributing Bituminous coals, high-quality clean coals, from Indonesia and Russia for sale locally and internationally. The coals it markets are preferably utilized in power plants, cement industry, textile industry, food industry and others that use boilers, all of which form the majority of the Company's customers. Generally, the coals are imported in various sizes ranging from 0-55 mm. To serve diverse usage needs of customers, the coals are to be screened into sizes appropriate for fuel feeder system or for particular type of boilers used. For example, trailing gate boilers operate well on coals of 10-25 mm. or 25-50 mm. in size, using ones of sizes other than that shall affect the efficiency of the boilers. Once screened to the size requested by customers, the sorted coals are put in a storage under required quality control. When the delivery is due, the Company shall proceed to supply the goods to the customer on the agreed schedule.

In addition, the Company engages in services operations both to support its core businesses and to be rendered to external customers. Managed by subsidiaries, these services include:



Port and loading services : The Company owns 2 ports, located by Pasak River, with a maximum daily handling capacity of 10,000 tons.



Stockpile services : With a maximum coal stockpiling capacity of 700,000 tons, the Company also offer coal stockyard-for-rent services to external customers.



Coal screening services : Coal screening plants operate in a 100% closed system on advanced machines with a daily production capacity of 6,000 tons to sort coal sizes according to customer order.



Trucking Services : By a fleet of over 300 trucks, comprising straight trucks, flatbed trucks, trailers, flatbed trailers, which are chartered from contractual business partners.



River Transportation Services : The company has 22 barges, with a combined tonnage capacity of 57,200 tons, including 200 barges from the partners that provide for transportation services for the Group of company and external customers such as cement and mineral products, Gypsum, Agricultural products, biomass and fuel products, etc.



Product Characteristics

Coals originate naturally from dead plants that deposited and were decomposed by chemical reaction, but then stopped decaying due to occasional natural changes, and piled up. Upon land subsidence or rise of water level in the area, such plant remains fell underneath the water and were covered by rocks, dirt or sand washed in. When the sediment amassed, the pressure of its weight together with the rising heat effect induced chemical changes and transformed the plant matter into coals. Composed of carbon, volatile matter, humidity and various minerals, coals are solid substance of variable crystal shapes, and dark brown to jet-black in color. With usability as fuel, coals become valuable natural resources in that they are an important source of energy and provide great economic benefits.

Coals can be classified by numerous systems according to purpose of usage. Presently, the most popular system is the standard classification of coals by rank, which measures the metamorphic degree of coalification. The American Society for Testing and Materials (ASTM) has set coal content values as criteria for classifying coals into anthracite, bituminous, sub-bituminous, lignite and peat. General characteristics of coals can be arranged in ascending order of properties as follows:-



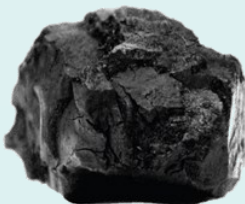
Peat is formed in the initial phase of coalification. Consisting of dead plant materials that are partly degraded, it is high in oxygen and moisture contents. It is thus the first product of the coalification process



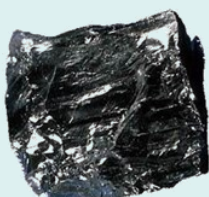
Lignite contains a slight amount of plant remains and high moisture. It is a form of coal usable as fuel.



Sub-Bituminous coal takes the form of a wax-like black material, and serves as good quality fuel suitable for electricity generation.



Bituminous coal is a dense and solid coal, typically composed of shiny jet-black coal layers, and popularly used as substitute fuel for furnace oil in industrial plants.



Anthracite is a black and glossy, very low moisture content and high calorific value. It is difficult to ignite and thus becomes preferred coal for metal smelting.

Coals are a type of fuel suitable for use in small, medium and large plants. Although prices of furnace oil have currently dropped, coals remain the alternative fuels with lower costs, which help reduce the cost of production.

Comparative Table on Properties of Each Coal Type

Type	Calorific Value	Moisture	Ash	Sulphur
Anthracite	High	Low	Low	Low
Bituminous	High	Low	Low	Low
Sub-bituminous	Medium - High	Medium	Medium	Medium
Lignite	Low - Medium	High	High	Low - High

Source: Department of Alternative Energy Development and Efficiency, Ministry of Energy

According to the table, bituminous coal is of good quality for its high calorific value against low moisture, ash and sulphur contents, therefore causing less environmental pollution. Types of coals imported and distributed by the Company are entirely bituminous and sub-bituminous coals.

Properties of bituminous and sub-bituminous coals imported for sale by the Company are as follows:-

Calorific value: 4,200 - 6,500 kcal/kg

Total moisture: 25-30%

Ash content: 5 - 9%

Sulphur: 0.3 - 1 (max)%

The Company's operations start from importing coals from mines in Indonesia and Russia. Its coal sales can be divided into 3 categories, namely:-

Category 1 Unscreened coals that can be delivered to domestic customers straightaway.

Category 2 Screened-to-order coals that are sorted into sizes by coal screening plants using high-efficient machines. Sizes of coals the Company supplies to domestic customers are as follows:-

- Larger than 50 mm.
- 25-50 mm.
- 10-25 mm.
- Smaller than 10 mm.
- Smaller than 5 mm.

Category 3 Coals for sale to overseas customers, which require no screening and can be delivered directly to the customer destinations without the need to import into Thailand.



Markets and Competition

Customer Group Targets

Domestic customer group target

Customer group targets of the company will be distributed in various industries including power plant, food and beverage industries, cement industry, paper industry and energy industry, etc

Foreign customer group target

There are from medium to large Especially developing countries with high growth potential such as Vietnam, Cambodia, China and other foreign markets which most customers are power plants and cement industry etc.

Domestic Coal Market Outlook and Competition

The country's overall energy usage has decreased in the same way as Thailand's economic growth (GDP slowdown). The import of coal is also predicted to decrease. At present, Thailand is dependent on coal imports at approximately 62 percent or approximately 21.62 million tons a year. However, the domestic production of lignite is only 38 percent or 14 million tons a year, a decrease of 4.1 percent compared to the same period of the previous year. Nonetheless, coal has lower costs compared to other energy sources such as fuel oil, which means that coal still remains the preferred choice of domestic businesses. Furthermore, the quantity of coal in the country is not sufficient and domestic coal suffers from quality issues. There is thus an opportunity to import and sell good-quality coal from overseas.

At present, there are more than 20 coal importers and distributors in the country, resulting in a highly competitive market. Well aware of these factors, the Company has adjusted its competition strategies by focusing on optimization of cost management and coal quality control across the process in order to stay competitive in the current industrial situation. Despite numerous operators, large-scale industrial customers will purchase a considerable amount of coals constantly. Thus, sufficient coal inventory must be maintained for deliveries at any specified volume and time. This requires substantial investment, which is one major obstacle to retail coal operators. Presently, the Company has 3 warehouses with an aggregate stockpiling capacity of over 700,000 tons, a coal screening plant with a maximum daily production capacity of 6,000 tons and a maximum daily handling capacity at port of 10,000 tons. Simultaneously, the Company attaches much importance to communities and the environment, by assigning a team of staff specifically for the matters. It has also received awards for environmental concern, which reflects its policy toward being a responsible industrial plant and pursuing benevolent activities for the society, communities and the environment in order to achieve sustainable growth in the future. Customers can thus be confident that the coals bought from the Company are produced through processes caring for and friendly to the environment and communities.

Table Showing Statistics of the Country's Lignite and Coal Procurement from 2011 - 2019

Unit: Thousand Tons

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Mae Mo (EGAT)	17,558	16,590	17,071	17,140	14,588	16,450	15,843	14,443	13,841
Other	3,769	1,476	1,039	842	562	529	416	409	236
Domestic Supply	21,327	18,066	18,110	17,982	15,150	16,979	16,259	14,852	14,077
Coal Imports	16,331	18,614	18,030	20,933	21,931	21,772	22,189	24,759	21,623
Nationwide	37,658	36,680	36,140	38,915	37,081	38,751	38,448	39,611	35,700

Source : Energy Policy Planning and Office, Ministry of Energy

According to statistics on the country's coal procurement over the past 5 years, coal imports were found to have constant from 21.93 million tons in 2015 to 21.62 million tons in 2019, and the ratio of coal procurement from foreign sources a bit increased successively from 59.14 percent in 2015 to 60.5 percent in 2019. This is opposite to the procurement of coal from domestic sources, of which lignite amounted to 15.15 million tons in 2015 and decreased to only 14.07 million tons in 2019, or decrease of 7.08 percent from decreasing domestic lignite production, either at Mae Moh mine or other sources.

Use of Coal in Thailand

Overall, the domestic coal market was found to have slightly increased usage quantity. In 2019, Thailand's coal usage amounted to approximately 36.41 million tons, an decrease from the previous year by 7.5 percent, divided as 60 percent for electricity generation or 21.85 million tons, and 40 percent for other manufacturing industries, or 14.57 million tons.

Source: Energy Policy Planning and Office, Ministry of Energy

Table: National Consumption of Lignite and Imported Coal for 2017 - 2019

	Volume (million tons)			Growth (%)
	2017	2018	2019	
Lignite consumption*	16.30	14.59	13.99	-4.11
Electricity (EGAT)	15.90	14.17	13.67	-3.53
Industry	0.40	0.42	0.32	-23.81
Coal consumption**	22.19	23.74	21.67	-8.72
Electricity (SPP and IPP)	7.84	8.70	8.08	-7.13
Industry	14.35	15.04	13.59	-9.64
Overall needs	38.48	38.32	35.66	-6.94

Source: Energy Policy Planning and Office, Ministry of Energy

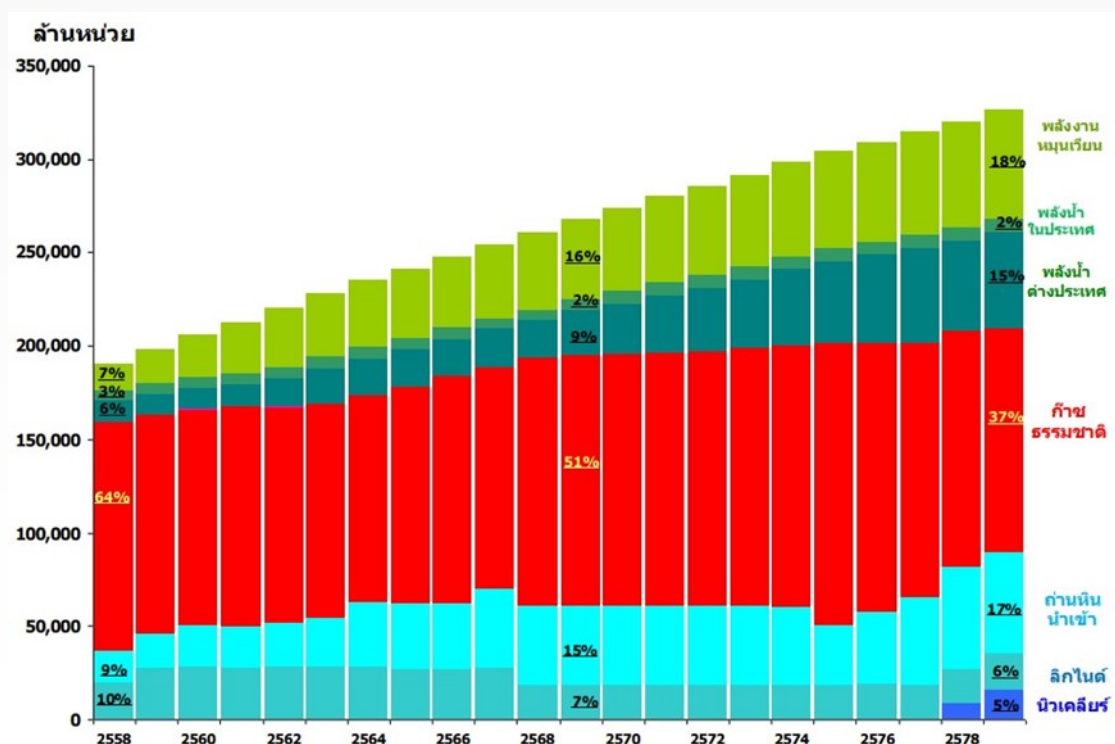
Notes: * is the volume of consumption of lignite produced in Thailand. The main lignite production source in Thailand is Mae Moh with the maximum proportion of production of 97 percent;

**Volume of consumption of all types of imported coals

If considerations are based on coal type, the total amount of coal import in 2019 was 21.67 million tons, an decrease by 8.72 percent from the previous year. Accordingly, this is divided into coal used in various industries by 13.59 million tons or 62.71 percent and 8.08 million tons or 37.29 percent for use as fuel for private sector electricity production.

Meanwhile, total lignite usage in 2019 amounted to 13.99 million tons, a decrease from the previous year by 4.11 percent, 13.67 million tons of which are used in the electricity production of the Electricity Generating Authority of Thailand (EGAT) or 97.71 percent, while the remaining 0.32 million tons or 2.29 percent are used in various industries.

The graph shows the proportion of electricity production



(Source : <http://www.eppo.go.th>)

The Energy Policy and Planning Office, the Ministry of Energy has drafted the country's power development plan (PDP 2015) and expects an increase in the demand of coal fuel usage in the power generation of the country between 2015 - 2036 while the trend of lignite coal use is declining according to the energy conservation plan.

Domestic Sale and Marketing Policy

The company is an import and distributor of bituminous coals which are suitable for industries that require high heat energy while concerning with maintaining the environment and society in a sustainable way. Main policies include:

1. Policy on Products and Services

The company emphasizes thoroughness and careful consideration in procuring coals from high quality sources that correspond to customers demand. In order to ensure customer confidence in the quality of coals, the company has a set of procedures for detailed inspection of the quality of coals that include the study of information from distributors on quality sources that have to be inspected from institutions that obtain inspection standards from Indonesia. Samples of coals will be collected for inspection of various measurement values including carbon, moisture, ashes and sulphur, Volatile value and percentage value (% size) by using a highly efficient inspection tool (referring to the ASTM Standards), thermal energy measuring device, moisture measuring device, coal size measuring device, as well as considering the coal reserve volume to be ordered from each distributor. All measurements must pass the criteria set by the company before the company makes an order contract with the distributor.

Nonetheless, once an order is placed with the distributor, before coals being imported into Thailand the quality of coals will be re-inspected and the company will inspect once again before delivering to customers. The inspection will be carried out by leading organizations with accepted standards such as SGS (Thailand) Co., Ltd., etc. After the inspection, the coals will be sent for screening by types of coals and by receiving orders. The company places high importance in the delivery of goods by having own trucks and some transportation partners. Thus the company has more than 1,000 trucks ready for 24-hour delivery services, and can support both large to small customers who do not have storage space for coal stock. The company Also focus on providing services

before and after sales with an engineer team to look after and give advice to the existing customers. There is a training to educate how to use the boiler and have the service to collect ashes by licensed contractors in order to maximize the efficiency of the boiler.

2. Policy on Cost Management

The company places high importance on cost management due to competition in the domestic market. The price is the most important factor. Thus, the company has a policy on effective cost management by starting from formulating a coal procurement plan which the company has good relations with coal distributors in Indonesia. Even though the buying price is in line with the world market price, the company manages to negotiate to buy coals at the competitive price. Nonetheless, the formulation of coal buying plan is carried out along with the management of inventory to an appropriate level. Every step of goods delivery is planned systematically. The company has 3 branches of warehouses and screening houses, namely one in Tambon Nadee, Samut Sakhon Province, another in Amphoe Khao Yoi, Petchburi Province, and the other in Amphoe Nakhon Luang, Ayutthaya Province. The branch in Amphoe Nakhon Luang, Ayutthaya Province has a warehouse and a jetty within the same area. Altogether 3 branches can support and deliver goods to customers located in every region in the vicinity of each particular branch, making it convenient and cost-saving with respect to transportation.

3. Policy on Distribution Channels

From the trend of industrial plants changing the use of fuel in the production processes from the fuel oil towards coals in order to reduce the cost of production as well as modern technology that allows incorporation of an efficient trap door to the boiler, the company has planned and set up a goal in expanding the customer base to include more industrial plants that use the fuel oil as there are a larger number of this group of customers. The company has set up a team of advisors who are full of experienced, knowledge and expertise that can provide advices regarding a change of boiler for industrial plants that are about to build a new boiler or change a boiler system to using coal fuel. The team is expected to suggest the benefits and savings of expenses that customers will get from using coals as fuel in place of the fuel oil. Besides, the company has expanded channels of distribution by selling to a group of customers who are coal selling companies who will buy coals from the company and sell to medium and small industries in Thailand.

4. Maintenance of the environment and community

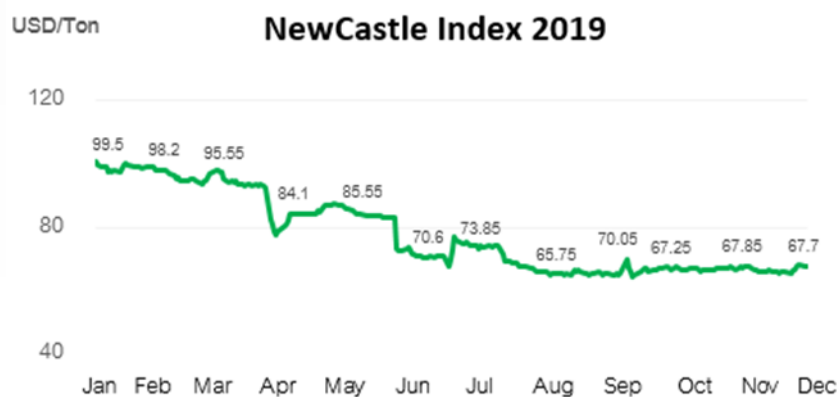
Thailand has placed high importance to the maintenance of the society and environment. The company understands and realizes that if the shipping management system is not sufficiently controlled, it may affect neighboring communities. In recent years, the company aims to implement various processes that are community and environmental friendly including a shipping system that is closed completely, the screening plant that is of a closed system for coal heap covering, having ridges and high trees to prevent dust diffusion to the outside, installing water spray within the coal screening plant and coal yard. In addition, the company has hired a surveyor company to inspect the quality with respect to water, dust and noise in the plant surrounding areas and nearby communities on a regular basis, so that the company can constantly follow and improve the working processes up to the relevant determined standards. In doing so, it is to ensure the company obtains the green industry certificate level 4 (Green Culture) from the Ministry of Industry by having a systematic environment management system, evaluation and reviews for future development on a constant basis, as well as being given the CSR-DIW Continuous award which is a social responsibility standard for industrial entrepreneurs and last received is Rising Star Sustainability Awards 2018 From the Stock Exchange of Thailand and also achieved Environmental Management System Accreditation or ISO 14001:2015. This is an indicator that the business running of the company well concerns with the environment and community. Customers can be assured that the company's working processes will take care of the environment and community from the production, shipping, storage and delivery, generating a good supply chain throughout the processes.

Trends and Competitive Conditions Abroad

At the present, China remains influential in the global coal market because China is a major global coal user. Accordingly, the world's demand for coal has shifted from Europe and North America to Asia with the countries with increased coal usage being Is a group of countries in Southeast Asia, including Vietnam and Indonesia. It is expected that coal demand will increase by more than 5 percent per year until 2024 and countries in South Asia such as India. according to the coal power plant increase plans of each respective country. This is because coal remains a cheaper fuel than other types and continues to have a large reserve.

In 2109, world coal prices rose from an average of 78 USD per ton decreased from 2018 of 107 USD per ton due to the world economy and the impact of the international trade war

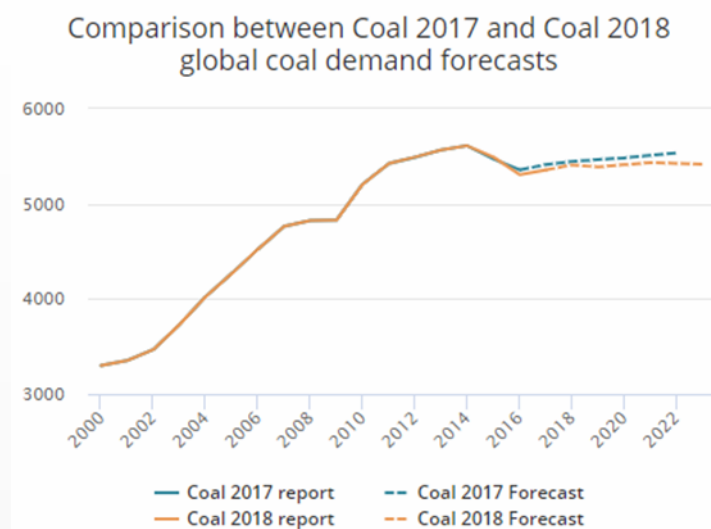
Graph Showing Coal Prices in 2019 (ICE Newcastle Coal Chart)



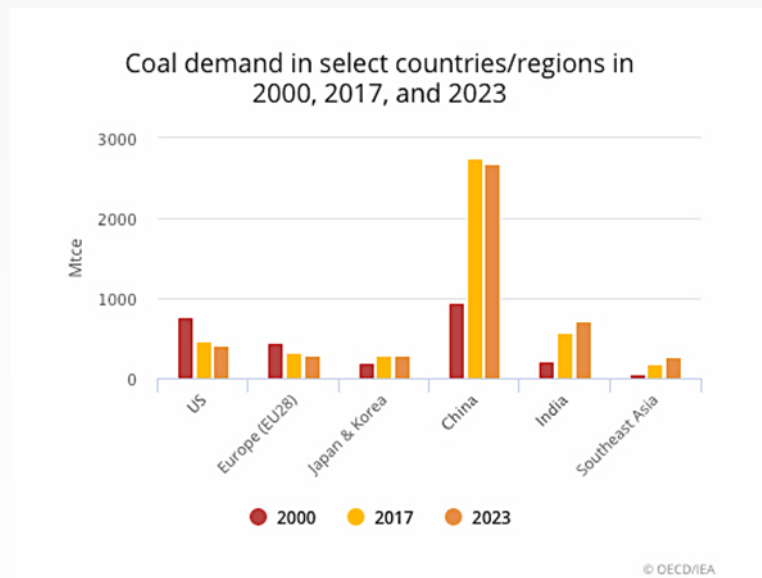
(Source : Bloomberg)

Global Coal Demand in 2017 - 2024

Coal continues to be the world's second largest energy source behind petroleum. The International Energy Agency (IEA) has anticipated that global coal demand during 2017-2024 will keep growing at an average pace of 0.5% per year, with an estimated demand of 5,624 million tons in 2024. Growth in coal demand shall be considerably strong in South and Southeast Asia nations, e.g. India, Vietnam and the Indonesia.

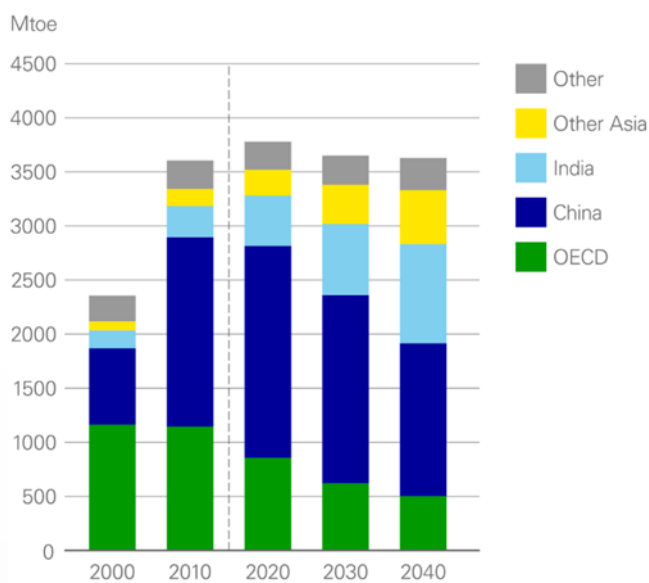


(Source: International Energy Agency or IEA) IEA COAL 2018



(Source: International Energy Agency or IEA) IEA COAL 2018

Coal demand by region



(ที่มา : BP Energy Outlook 2019)

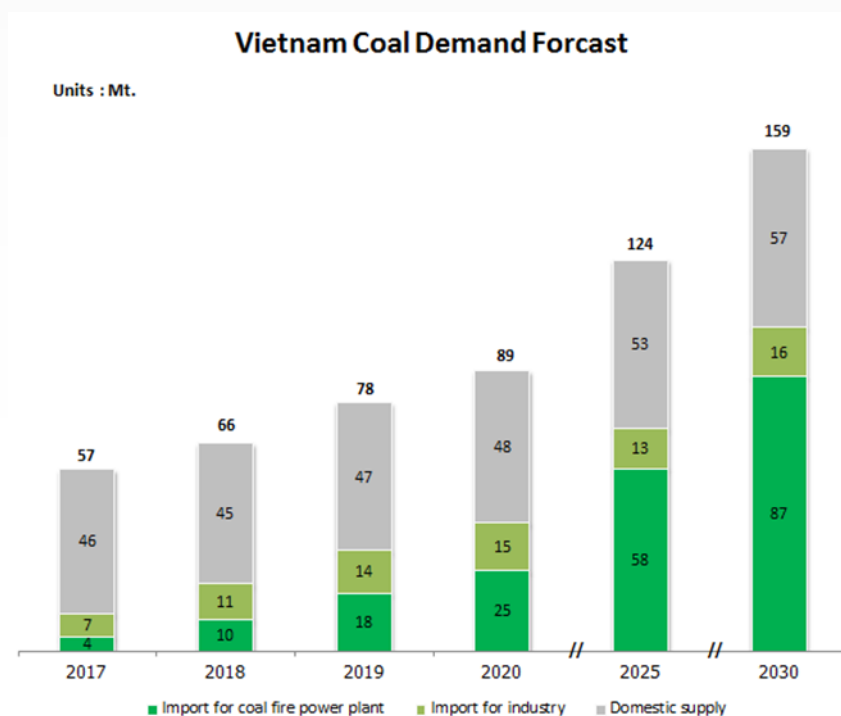
Coal Market in China

In 2019, China's import volume of coals amounted to approximately 300 million tons or an increase of 7% from that of 2018 despite government's import restriction and stringent quality control since 2016. Major coal exporters for China remained to be Indonesia, Russia and Australia respectively.

Coal Market in Vietnam

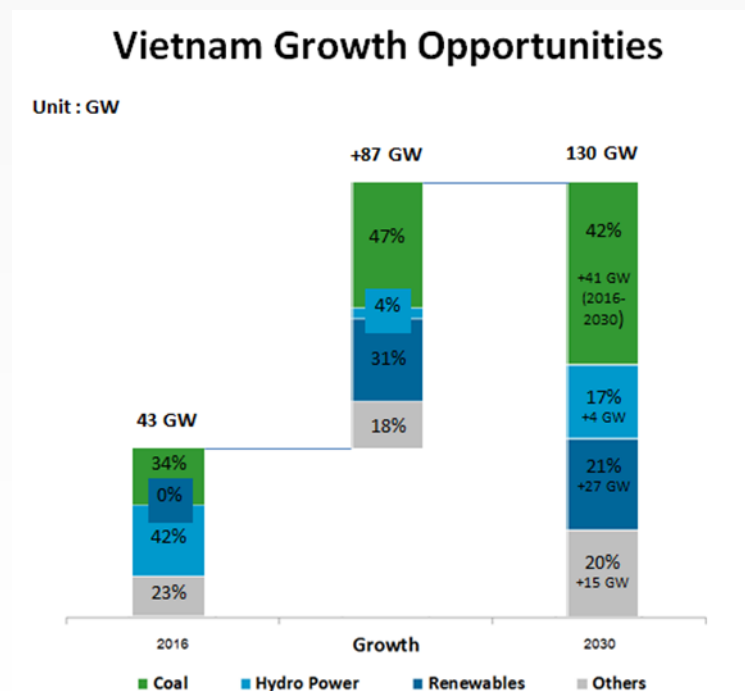
In 2019, Vietnam imported in totally 44 million tons of coals, mainly from Australia, Indonesia and Russia respectively. With the country's rapid developments, national demand for electricity has accelerated and more coal-fired power plants have been completely constructed. It is therefore expected that Vietnam's demand for coal consumption in 2020 shall soar to 45 million tons and increase to 109 million tons in 2030.

(Source : Vietnam Customs / IHS CERA)



(Source: Vietnam Power Development Plan, April 2017)

Vietnam is the new target market the Company seeks to enter because the nation has enjoyed high economic expansion due to inflow of relocated manufacturing bases, corresponding increase in energy and coal demand, while domestic competition is not so intense. At present, the Company is one of ten companies importing coals from Indonesia for distribution in Vietnam. Demand for coals in Vietnam tends to rise continually according to the plan for new coal-fired power plants and the growth of domestic industries. Coal consumption in the country is expected to increase to 159 million tons in 2030, whilst production capacity is currently 57 million tons and predicted that the amount of coal imports will be at 102 million tons per year, thus becoming one of the highest growth potential markets in the country.



(Source: Vietnam Power Development Plan, April 2017)

In 2017, the Company invested in construction of a warehouse and a coal screening plant in Dong Nai, about 60 kilometers away from Ho Chi Minh City, Vietnam. The investment has been made through VINA AGE Co., Ltd., a new subsidiary established to operate coal importation and distribution in Vietnam with a registered capital of USD 1,500,000. There are stockpile and coal screening plants total area is 24.3 rai with the maximum production capacity of 1,000 - 1,500 tons per day within the closed screening plants system. It Can stock the coal in the maximum amount of about 100,000 tons

Coal Market in Cambodia

Cambodia is a new target market which the Company has penetrated in 2018. Major customers are in cement and power plant industries with coal consumption of about 2 million tons per year. In 2018, most of the coals were imported from South Africa and Indonesia.

(Source: Survey by sales team of the Company)

Philippines Coal Market

Philippines is another new target country of the company. Which will enter the market expansion in 2020, with the main customers being in the cement industry and power plants. In 2019, the Philippines needs 25 million tons of coal due to energy demand and national development.

Overseas Sales and Marketing Policy

1. Policy on Maintaining Current Customers

The company has a sales team who regularly visits current customers and new customers in order to build good relations and confidence in the company from the customers.

2. Policy on Expanding New Customer Base

The company aims to expand the customer base from medium to large customers. Including users in coal-fired power plants. The company has set a goal to expand the market in Asian countries. Especially developing countries with high growth potential such as Vietnam, Cambodia, Taiwan, Philippines and China and other countries. The Company has expanded its production base to Vietnam.

3. Policy on Market Promotion and Stimulating Confidence in the Company

In order to make confidence for customers, the company uses quality coal from coal sources in Indonesia and Russia to distribute to other foreign markets and also providing alternative coal resources from Australia to support the needs of customers in the future as well.

Map shows Oversea Sale and Marketing

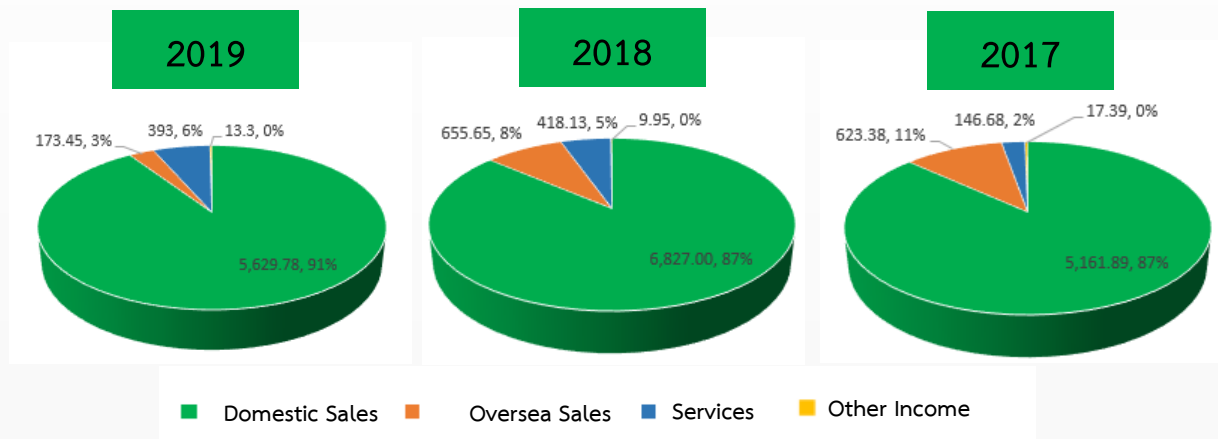
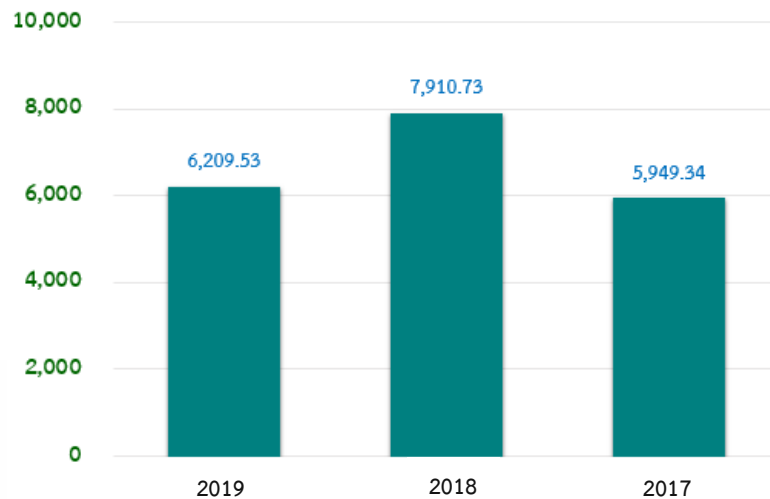


Income Structure

Product Type	Managed by	2019		2018		2017	
		MB	%	MB	%	MB	%
Income from Coal Sales							
Domestic Sales	AGE/GPW	5,629.78	90.66	6,827.00	86.30	5,161.89	86.76
Oversea Sales	AGE/VNAGE	173.45	2.80	655.65	8.29	623.38	10.48
Income from Services	AGET/AGEM/ AGEML/WNL	393.00	6.33	418.13	5.29	146.68	2.47
Other Income		13.30	0.21	9.95	0.12	17.39	0.29
Total Income		6,209.53	100.00	7,910.73	100.00	5,949.34	100.00

Total Income

Million Tons



Coal Procurement and Supply

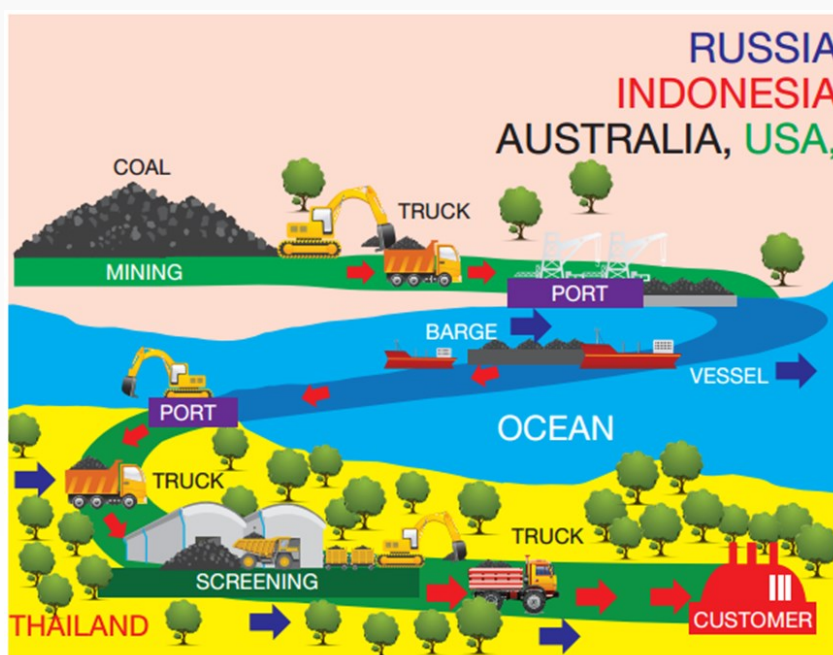
In procuring, selecting and importing coals, which are mostly acquired from Indonesia, Russia and Australia, the Company gives first priority to the selection of coal distributors. Therefore, it has established business contacts with coal mines and distributors having credibility and extensive experience in coal business.

As for coal trade with a new distributor, the Company shall initially assign a team of staff to inspect the distributor's mine and port of shipment in order to review the distributor's readiness. Coal samples are also collected at the mine for further test by a recognized private laboratory as to whether the coals are of required quality. Once the test result confirms that said coals are qualified under the requirements, the transportation date shall be fixed. On such date, the Company shall assign its staff to inspect the goods before loading the coals onboard to ensure that Customers will receive coal exactly as needed.

The Company's procedures for coal procurement and delivery to customers in brief are as follows:-

1. The Company imports coals from coal mines in Indonesia Russia and Australia, where coal reserves are found in abundance. Coals are selected solely from the sources capable of providing quality coals that meet the needs of both domestic and overseas customers. In attempt to ensure that customer needs are catered for in all dimensions through product variety, competitive price, and quality of future coal sources, the Company has a clear policy of seeking more coal sources in America, South Africa, Chile, Iran, Kazakhstan, Malaysia and other countries. It has also assigned its staff or professional inspector companies to examine the coal quality at many steps to make certain that the coals are of required quality.
2. The Company arranges for a freight liner to transport coals from the country of production to Thailand via customs post at Sichang Island, Chonburi, where customs clearance formalities are processed and cargos are transferred onboard barges for forwarding to Ayutthaya port. For its coal transfer process at Sichang Island, the Company takes preventive measures against environmental impact of sea freight, as follows:-
 - 2.1 In case of coal transfer at Sichang Island, the activity shall be handled at a site remote from communities in order to ensure that the coal transfer has no environmental impact on the communities.
 - 2.2 During the coal transfer, operating officers are required to seal the grab tightly and position it as close to the cargo deck as possible before releasing the coals thereon
 - 2.3 To prevent the coals from rolling off during the transfer, the Company has developed an automatic tarp system, whereby the cargo moves flexibly with the tide and any slipping lumps will roll back onboard.
 - 2.4 The Company sets the speed of the coal transfer at a low level in order to prevent diffusion of coal dust.
3. On arrival at the port, some of the coals shall be delivered to customers straightaway and the rest stored in the warehouse for screening by high-efficient machines into various sizes according to customer demand.
4. The Company coordinates with its customers to confirm the delivery schedule and makes delivery on the date specified by the customers, using trucks as the main transporting vehicle.

Summary Diagram of the Company's Raw Material Procurement Process



Stockpile and Coal Screening Plants

The Company presently owns warehouses and coal screening plants at 3 locations so as to serve the need for coals of customers in the respective vicinity of each site with rapid and in-time delivery, as follows:-

Stockpile No. 1: Situated in Tambon Nadee, Amphoe Mueang, Samutsakhon

Consist of the warehouse and coal screening plant for 1 plant cover a total area of 35-1-82 rai, with a maximum daily production capacity of 1,000 tons and a maximum storage capacity of 20,000 tons. The facilities serve the customers in Samutsakhon, Nakhonpathom, Samutprakan, Bangkok and peripherals. The facilities No. 1 have been improved to operate in a totally closed system.

Stockpile No. 2: Situated in Tambon Nongchumpon, Amphoe Khaoyoi, Petchburi

The warehouse No. 2 covers a total area of 177-3-75 rai, with a maximum storage capacity of 250,000 tons. At present, it serves as the training center for operating officers, and also a reserve warehouse.

Stockpile No. 3, and a port: Situated in Tambon Mae-la, Amphoe Nakhonluang, Ayutthaya

Consist of the warehouse and coal screening plant for 3 plants and the port cover a total area of 334-2-22.9 rai, with a maximum daily production capacity of 6,000 tons, a maximum stockpiling capacity of 700,000 tons and a maximum daily handling capacity of 10,000 tons. Supported by the investment promotion scheme of the Board of Investment (BOI), the facilities serve the customers in the northern, northeastern and upper central regions with comprehensive operations of coal handling port, coal stockyard and coal screening plant.



Logistics

The Company has expanded its logistics services comprehensively to synergize with port services, stockpile services and coal separation plant services for external clients. At present, the Company has 22 lighters. The total tonnage is 57,200 tons. The total number of lighters from contract service partners is not less than 300. The lighters of the company group are under the management of AGE Terminal Co., Ltd. and AGE Marine Logistics Co., Ltd. The company group also has 36 trucks. The total number of trucks from contract service partners is not less than 300. The trucks of the company group which are under the management of AGE Transport Co., Ltd. consist of single trucks, flat-bed single trucks, trailers, flat-bed trailers, etc.

These lighters are not only utilized for shipping coal, the Company's product, but they are also available for providing services to external clients such as in shipping cement, Gypsum, agricultural products and biomass fuels. Most of the service routes are in the Sichang Island, Chonburi Province area. The routes then run through the Chao Phraya River and Pa Sak River, reaching the company groups' port in the Phra Nakhon Si Ayutthaya Province. This route is the main transportation route of Thailand's bulk cargo imports and exports. Furthermore, service routes along the Gulf of Thailand coast to the country's south and towards Cambodia to the east can also be offered.

Having assessed the potential and trends for growth in the river transportation business, in 2019, the company group ordered additional lighters, which means that by mid-2020 the company group will increase its number of haulage ships to 40, with a total tonnage of 104,000 tons. These additional lighters will enable the company group to expand its client base using river transportation services, thereby reinforcing and increasing the company group's capacity in the river transportation business.

In addition, having identified an opportunity to expand the market share in the river transportation industry, the company group continuously works on its strategy, marketing plans and service improvements for clients. In December 2019, the company group received an ISO 9001:2018 certification in river transportation services, which helped improve the clients' confidence in our river transportation services.

In addition to the river transportation business, the company group operates an overland transportation business under the name AGE Transport Co., Ltd. and partner companies. Moreover, in 2017, the company group initiated a joint venture to establish a subsidiary company named Winner 789 Logistics Co., Ltd. AGE Transport Co., Ltd. owned 70% of the shares. This company also operates a truck-based overland transportation service to increase the operating capacity of the overland transport service for the company group and external clients. The total number of trucks from service contract partners is not less than 300, all of which are under the management of the said subsidiary company.

Furthermore, the Company is ready to operate a port service and a stockpile area rental service for external clients. The goal is to bolster our comprehensive logistics service, and provide convenient, speedy and effective services for general clients. It is expected that the revenues from this logistics service will grow quickly and steadily, playing a more important role.

Undelivered Work • None



Risk Factors

Risks stated herein are based on the current information and a best possible prediction of future events. Certain significant risks could have impacts on the Company's share value. There could also be other risks in the future affecting the business, income and operating performance of the Company.

The Company adopts a policy to manage risks under constant monitoring and assessment of risk potential and magnitude in all exposed aspects, and correspondingly sets a target plan to reduce, mitigate and control the risks from various factors to a level that poses no significant impact on the Company. It oversees that the risk management is conducted efficiently in keeping with both internal and external changes, and progress reports are submitted on a monthly basis.

1. Operational Risks in Coal Business

1.1 Risks from Overseas Freight Transportation

As the Company imports coals for sales from Indonesia, there is a need for transportation of coals by sea freight. Risks may occur in that cargo ships might be unavailable or insufficient, and that freight charges are likely to change constantly.

With substantial experience in the business, the Company is well aware of these risks and has therefore rented vessels from cargo ship agencies under both temporary and long-term (not exceeding 1 year) contracts, thereby ensuring that it is able to arrange for ships to make deliveries to the customers as well as to estimate relevant freight expenses more precisely. In addition, the Company has been keeping up with industry updates and preparing forecast on freight charges so that it can make adjustment and contingency plan in response to possible changes.

Apart from devising a risk mitigation plan pertinent to arrangement of transoceanic freight ships, the Company realizes the possibility of risks occurring en route. It has consequently secured freight insurance policies for all shipments, either in the form of Cargo-Insurance (coverage of goods in transit) for such cases as shipwreck, explosion, fire including coal blast, or Charter Liability (coverage of ship) for vessel insurance covering all steps in the course of freight transportation. These insurance policies are taken out both in normal seasons and the annual monsoon season from October to December.

1.2 Risks in Delivery of Goods

Delivery of coals from mines in Indonesia, Russia and Australia to Thailand and from the Company's stockpiles in Thailand to its domestic customers may involve risks in relation to quality and quantity of coals, and delivery duration. The Company has formulated a risk mitigation plan against said risks as follows:-

Quality of Coals: The Company controls the coal quality by using modern and high-quality inspection tools According to ASTM Standard. The inspection procedures are carried out at steps of order placement, receipt of goods and pre-delivery of goods to customers in order to ensure that the coals are of desired quality as per the customer needs.

Quantity of Coals: The Company implements a plan for prescheduled purchases of coals to cover the estimated sales volume throughout the year. It has therefore settled many coal supply contracts with medium to large distributors in Indonesia Russia and Australia both in the form of forward and spot contracts, to ensure availability of goods in the agreed quantity. Besides, the Company keeps a domestic stock of coals adequate for sales for a period of not less than 3 months.

Delivery of Coals: The Company has developed a delivery management system with emphasis on punctuality, reduction of environmental impacts, and delivery cost control with the truck of the subsidiary. It has also established long-term relationships and executed transportation services contracts with many third-party freight carrier companies. The Company is thus confident that sufficient trucks are available for delivering coals to the customers, enabling it to efficiently control the duration and cost of coal delivery as well as to achieve maximum customer satisfaction.

1.3 Risks from Emphasis on Other Non-Coal Alternative Energy

In the past, most industrial plants used furnace oil as the main fuel in their production process. As such the oil carries higher cost than other fuels, it affects the production cost and competitiveness. As a result, numerous industrial plants have substituted other fuel alternatives for furnace oil. Other than coal, there are various types of alternative energy, e.g. natural gas, or such biomass fuels as husk ; palm shell bagasse, chopped wood, biomass briquette rice husk, bagasse, sawdust etc.

However, coals are regarded as a low cost fuel with a large reserve volume when compared to natural gas or other types of fuels. In addition to the advantages of cost and reserve availability, coals hold greater efficiency in high calorific value and convenience of use.

1.4 Risks from Environmental Complaints

Naturally, when minerals like coals are used by means of combustion, oxygen in the air will react with the coals, which contain sulphur. The reaction produces toxic gas, namely sulphur dioxide, that causes Pneumonia and also environmental pollutions from coal dusts that may trigger allergies. Nevertheless, there are many types of coals, i.e. anthracite, bituminous, sub-bituminous and lignite, each of which generates toxic gas and pollution in a different amount depending on the quality of each type.

Types of coals imported and distributed by the Company are entirely bituminous and sub-bituminous coals, which are high-quality clean coals with low ash and sulphur contents. The coals contain 0.3-0.5% sulphur, while furnace oil 2.0-3.0%. Although coals produce less sulphur than furnace oil does, the Company puts much importance on environmental management. In regard to coal screening process that is most likely to cause noise and dust pollutions, the Company has had it operated in a completely closed system. In part of stockpiles, the Company has imposed measures to control coal dust by covering coal piles thoroughly with canvas tarps, planting tall trees surrounding the stockpiles, and installing a water spray system around the areas to prevent dust diffusion. As for transportation, all the trucks must be secured with tarps, and their tires shall be cleaned by a washing system before leaving the stockpiles. At the port where coal transfer takes place, a water spray system is fitted to prevent coal dust diffusion as well. The Company also recognizes the significance of promoting understanding and gaining the trust of communities in the vicinity of its stockpiles and screening plants. Therefore, it has set up a community relations and environment unit responsible for particular duties, especially handling complaints from community members and promptly addressing environmental problems that may affect nearby communities.

1.5 Risks in Inventory Management

Being a coal importation and distribution business operator, the Company must be able to deliver its goods at all times and therefore needs to keep the coal inventory in an amount sufficient for sales and in line with customer demands. Besides, the Company has currently expanded its sales base into energy and cement industries, where demand for coal utilization is huge. This makes it necessary for the Company to maintain a sufficient amount of coal inventory to ensure prompt delivery to customers. Hence, the Company holds a large volume and high value of coal inventory, for which measures are as follows:-

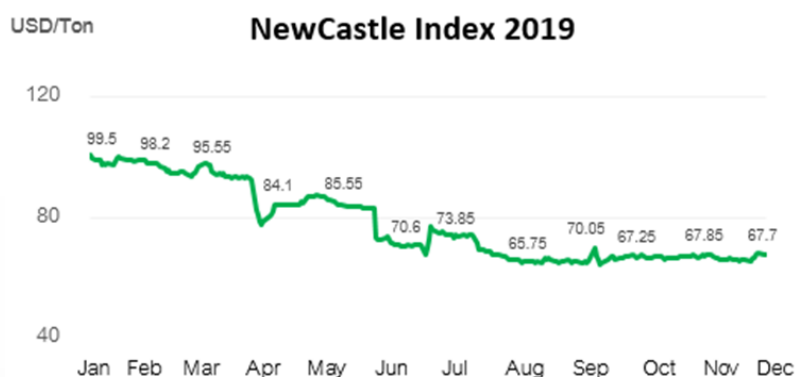
- The Company manages its sales duration to an average period of 3.5 months, dividing into 0.5 month for coals shipping from distributors and 3 months for coal screening and stockpiling in the stockpiles.
- Noise Prevention: The Company sets limit on working hours and adheres to the terms agreed with the communities, e.g. transporting coals during 6:00-20:00 hrs. Production and screening activities are undertaken in closed buildings to prevent loud noise, with inspection of noise sources to curb the noise level to legal safety standards.
- Dust Prevention: Tall trees are planted and water sprayers are installed around stockyard areas, a water spray system is also installed in the screening house, water service trucks are stationed at the premises to prevent coal dust diffusion, and the environmental staff shall perform close inspection during the entire operating hours.
- Odor Prevention: The environmental staff shall watchfully inspect the stockpile for self-ignition of coals so as to prevent or extinguish the fire.
- Coal Contamination of Waterway Prevention: Sedimentation ponds are constructed at all operating sites in order to collect coal debris and reuse water without releasing it into public waterways. Water quality in the ponds shall be regularly inspected to be at the level not exceeding requirements set out by both the government regulations and the ISO 14001:2015 management system.
- The Company implements a quality control policy for the coal inventory so as to deliver coals of the quality agreed with its customers. The inventory must pass 3 quality inspections as follows:-
 - No. 1 At the pre-delivery preparation stage, Quality Control staff collect product samples according to the specified standards and submit the inspection results to an authorized person for consideration before each delivery.
 - No. 2 When trucks check in at the weigh station in preparation for delivery, coal samples are collected from each truck and all information thereof shall be recorded in the information system.
 - No. 3 Upon delivery at the customer's destination, coal samples are collected for laboratory testing and analysis by a professional analyst that is acceptable to both parties, in order to ensure that the delivered goods are qualified in accordance with the mutual agreed requirements and to prevent return of goods issues. This is one of key practice of the Company's inventory management measures.
- The Company has taken out all types of insurance on the whole inventory in order to prevent potential risks. Apart from the insurance, the Company has devised a flood protection system by constructing levee of over 6 meters high around the stockpile and screening plants at Amphoe Nakhonluang, Ayutthaya, which is the largest stockpile of the Company.

- The Company hires a stocktaking services company to perform inventory count of its entire stockpiled coals on an annual basis. Such a service provider can conduct the inspection independently and is not related with or involved as a person with possible conflict of interest of the Company. The stocktaking procedures, which are acceptable under the international standards, include stockpile layout mapping, theodolite position marking, measurement of horizontal angles as well as horizontal and vertical distance, measurement of 150-800 coordinate points depending on the stockpile volume, density measurement, etc. The external auditors are invited to observe every stocktaking session so as to ensure the accuracy, completeness and reliability of the amount of the Company's coal stock.

1.6 Risks from Fluctuation in Coal Prices

Coal prices in the global market typically change according to market mechanism, reflecting economic conditions, demand and supply at that time. The change directly affects domestic coal prices and the Company's operating performance, particularly when the global coal prices fluctuate.

Regarding fluctuation in coal prices as a significant risk to its operations, the Company has therefore laid down preventive guidelines by executing coal supply contracts, quoted on the global prices, with coal distributors and producers in advance for a period of about 3 to 6 months to maintain an adequate amount of goods for sales at a cost proportional to the prices offered to customers. The Company shall make decision to enter into a forward purchase contract for coals based on close monitoring and assessment of the trend in the world coal prices along with its domestic distribution plan and the amount of the existing forward sales contracts for coals, in order to reduce the risks from volatility of the world coal prices. This is a flexible policy that enables the Company to adjust to the fluctuation in the global oil prices nowadays.



(Source : Bloomberg)

2. Financial Risks

2.1 Risks from Fluctuation in Foreign Exchange Rates

Since the Company purchases coals from Indonesian distributors in US dollar, it is exposed to the risk from changes in the value of US dollar against baht. In case of buying coals for exportation to overseas customers, it will manage the risk via natural hedge approach, by paying for the coal purchase with the US dollar income from exportation, both are in the same currency. In case of buying and importing coals for sales to domestic customers in baht term, the Company will manage the risk by opening forward contracts to buy US dollar in an amount changeable according to situation assessment and exchange rate trend at the time. This is to mitigate the adverse effects of the exchange rate fluctuations, and to prevent any impacts on the cost of coal purchase of the Company.

2.2 Risks from Interest Rates

Currently having obligations to pay loans and interests to financial institutions every month, the Company may be affected by interest rate increases. Approximately 65% of the Company's loan structure are short-term loans not exceeding 6-month period for use in purchase of goods overseas, with a fixed interest rate quoted on the money market rate on the day each loan is drawn. About 21% of the structure are short-term loans for working capital and loans under financial lease agreements with fixed interest rates. About 14% of the structure are long-term loans with both fixed and floating rates. As the Company's interest-related expenses account for only 0.8% of the income, the increase in interest rates shall therefore pose no significant impacts on the Company.

2.3 Risks Pertaining to Debt Settlement and Loan Contract Observance Ability

The Company and its subsidiaries have long-term liabilities from loan contracts with certain domestic financial institutions. Said contracts have specified some practices and requirements, such as the maintenance of financial ratios under the contract terms, and the execution of guarantee contracts between the Company and its subsidiaries for debt settlement with the financial institutions. Therefore, the Company and its subsidiaries bear the risk pertaining to their abilities to settle debts and observe the loan contracts, which may affect their respective operational liquidity if a financial institution demands full repayment of debt before maturity by reason of breach of contract.

Well aware of such risks, the Company attaches importance to the cash flow management and the control of financial ratios in strict conformity to the loan contracts. It has also put in place regular monitoring and reporting on financial information, financial ratios and results of contract fulfillment, along with assessment of future situations that may disrupt the Company's financial status. This enables the Company to lay financial plan compatible with installment due dates and financial ratio targets, as well as to set corrective instructions in advance in case there is a tendency of contract default.

3. Management Risks

Risks from Major Shareholders Holding More Than 50% Stake

As of 31 December 2019, Mr. Panom Kuansataporn and his family hold in aggregate 57.922% of the Company's total shares sold. This major shareholder group gains controlling power over the Company and can influence the Company's decision-making on transactions that require a majority vote. Besides, as a result of the concentration of shareholding by this major shareholder group, the Company cannot make business decisions without the consent of the group, even though other shareholder groups view the matter as a beneficial opportunity.

4. Sustainability Risks

4.1 Risks in Community Acceptance

The Company endeavors to undertake businesses with consideration of impacts on communities, society and the environment. Community acceptance is one of the risks to be efficiently and effectively managed, as lack of such may affect the Company's operations. It has thus specified that assessments of environmental impact and of other risks, as necessary, must be conducted annually with assessment results according to acceptable standards. In 2017, AGE Terminal Co., Ltd. (subsidiary) was certified to ISO 14001:2015, which could assure the communities of the Company's environmental management standards and also received the green industry certification level 4 from the Department of Industrial Works.

4.2 Risks in Procurement of Raw Materials

To avoid problems of raw materials procurement and to capably cater for customer needs, the Company has business alliances to procure raw materials (coals) with coal mines in many countries, since coals properties vary from mine to mine and can serve different customer needs. Recognizing significance of environmental management, the Company therefore trades with the mines that adopt good community and environmental manage-

4.3 Risks in Obtaining of Licenses

Organizational management is crucial. All activities of the Company are carried out in accordance with the laws. As obtaining of business licenses and relevant permits is a top priority, all concerned officers must monitor expiry dates of licenses and accuracy of documents with a zero-error rate. In this regard, responsible staff must set a reminder timetable for 30 days in advance so that all licenses and permits can be renewed before the expiry dates.

4.4 Risks of Product Costs

The Company prepares the coal purchase plan well in advance in order to match the annual sales volume forecast. It has signed both forward and spot coal purchase contracts with over 20 trade partners who are medium- to large-scale distributors in many countries. Hence, the Company is confident that it can control the product costs while receiving products in the agreed quality and quantity.

5. Emerging Risks

Emerging risks arise as a result of global changes that affect the Company's value chain. Realizing future impacts of such risks, the Company has conducted emerging risks assessment and developed measures in response to possible changes. Major emerging risk is the risk from climate change.

6. Risks from Climate Change

6.1 Risks to the Company

Natural disasters induced by climate change have direct impacts on the Company's businesses. For example, heavy rainfall shall put the Company's stockpiles and ports by Pasak River at risk of flooding. Such incident occurred in 2011, where the great flood caused the ports and stockpiles in Amphoe Tharuea and Amphoe Nakhonluang, Ayutthaya, to stop operating.

Management approaches:

- **Prevention of damages to product delivery capacity:** The Company has an action plan in case the ports and stockpiles in Amphoe Nakhonluang are unable to operate. This includes contingency stockpiles off the area and other ports that can handle coal transportation.
- **Prevention of property damages:** Nakhonluang stockpiles are structurally designed to be flood-proof, with earthen levee of 6 meters high surrounding the whole premises. In addition, the Company has taken out a flood insurance policy every year. In 2011, the flood water submerged the areas around the stockpiles, but was fended off the Company's premises by the levee.
- **Investment in alternative energy projects and execution of energy conservation projects to reduce greenhouse gas emissions:** The Company has invested in solar roof project to decrease electricity consumption in the stockpiles, and run an energy conservation project on lessening consumption of water and electricity in the Head Office and stockpiles, in effort to reduce scope 2 greenhouse gas emissions.

7. Risks from Logistics Service Business

7.1 Factors in Land Transportation Business

- **Economic Volatility**

Risks from global, regional or even national economic conditions can lead to lower consumption of raw materials or fuels, the latter being the Company's core product, and the resultant decrease in service revenue. The Company thus prevents said risk by hiring subcontractors to handle transportation activities appropriately proportional to business situations and economic circumstances.

- **Laws and Government Regulations**

Amended and newly enforced laws and government regulations can result in higher costs or be hindrances to business operations. The Company has therefore monitored tendencies for changes that may affect use of trucks, formulated a policy on service life of trucks and also added new trucks to the fleet in order to keep its trucks legally qualified and ready for use.

- **Transportation Cost Management**

Trucking transportation carries higher costs than such other modes as marine or rail transportation. Hence, the Company seeks to optimize its transportation efficiency by carrying freight on both outward and return legs and setting speed limit, in order to control its per-kilometer costs of transportation to a competitive and profitable rate.

7.2 Risk Factors of River Transportation Business

- **Management of Lighters' Duration Days**

In the rainy season or during the time river currents are stronger than usual, management of lighters' duration days gets difficult and marine transportation slows down as lighters take longer time per cargo trip and so become scarce. The Company has enhanced the efficiency of cargo handling at its Ayutthaya port in order to enable fast unloading of lighters, better time management, and more cargo trips.

- **Risk of Transportations**

At present, traffic on Chao Phraya River and Pasak River is relatively congested due to business growth and ever-increasing need for marine transportation of shipping operators year by year. This poses a risk of accidents to cargo vessels during travelling along the waterways.

Consequently, the Company has prevented such risk by taking out insurance policies with leading insurance companies, covering 3 types of risks as follows:

7.2.1 Hull and Machinery Insurance: H&M

7.2.2 Protection and Indemnity Insurance: P&I

7.2.3 Carrier's Liability



Operating Assets

Fixed Assets of the Company and Subsidiaries for Business Operations

Type/Characteristics	Ownership	Net Book Value as of 31 Dec. 2019 (Million Baht)	Obligations
Land and land improvement, 104 plots at Amphoe Nakhonluang, Ayutthaya Amphoe Mueang, Samutsakhon Amphoe Khaoyoi, Petchburi Amphoe Mueang, Sukhothai Amphoe Sabayoi, Songkhla Total area: 719 -2-39.4 rai	Company Group	701.40	622.57 million baht mortgage
Land, buildings, port and improvement at Amphoe Mueang, Samutsakhon Amphoe Khaoyoi, Petchburi, and Amphoe Nakhonluang, Ayutthaya Long Thanh District, Dong Nai Province, Vietnam	Company Group	172.41	201.19 million baht
Machinery and equipment	Company Group	39.79	None
Furniture and office equipment	Company Group	8.00	None
Vehicles	Company Group	7.77	None
	Company Group	125.40	Under financial lease agreement
Barges	Company Group	359.64	359.64 million baht pawn
Utilities system	Company Group	17.76	None
Assets under installation and construction	Company Group	198.70	None
Assets under construction barges	Company Group	36.78	36.78 million baht pawn
Total		1,667.64	



Policy on Investment in Subsidiaries

The Company has a policy of investing in businesses relating to or supporting its operations, e.g. transportation services, energy industry, etc. in effort to enhance corporate stability and operating performance. With respect to policy on oversight of subsidiaries, the Company appoints representatives to each subsidiary's board of directors in a proportion of not less than one-half of the total board members of respective subsidiary in order to keep close supervision of subsidiaries' financial policy formulation and business operations. The Board of Directors jointly makes consideration in accordance with the Company's investment policy, taking into account the necessity, suitability and the benefit of the shareholders and the Company, and in strict compliance with the requirements of the Stock Exchange of Thailand concerning the entry into a connected transaction or the acquisition or disposal of assets.

Investment in Subsidiaries as of 31 December 2019

Subsidiary	Type of Business	Paid-up Capital (Million)	Par Value (Baht per Share)	Investment Ratio (%)	Historical Cost (Million)
A.G.E. Transport Co., Ltd	Land transportation services	1.00	100	99	0.99
AGE Terminal Co., Ltd.	Port and Stockpile services	230	100	100	230
Multi Energy Trading (2020) Co., Ltd. *	Invest in other businesses that operate power plant and renewable energy businesses	128	100	128	128
AGE Global Trade Co., Ltd.	Investment in other companies operating coal business overseas	52.20	100	100	52.18
Total					411.17
Less: Allowance for losses on investment in subsidiaries					-
Net investment in subsidiaries					411.17

Note: * The company was first registered under the name AGE Power Holding Co., Ltd., then changed the name to AGE Trading Co., Ltd. on 15 January 2019 and now changed its name to Multi Energy Trading (2020) Co., Ltd. on 3 July 2019

Investment of Subsidiaries as of 31 December 2019

Multi Energy Trading (2020) Co., Ltd. has invested in subsidiaries as follows:

Name	Type of Business	Investment Ratio (%)	Date of Incorporation	Registered Capital (Million Baht)	Paid-up Capital (Million Baht)
A Engineering Consultant Co., Ltd.	Electricity Generation and Distribution	94	23 August 2007	50.00	50.00
Grand Power Co., Ltd.**	Procurement and distribution of fuels	100	26 August 2014	51.00	31.50
Pian Green Power Co., Ltd.	Electricity Generation and Distribution	100	18 February 2015	20.00	5.75
Total				121.00	87.25

Note: ** This company was formerly known as Saba Yoi Green Power Company Limited, registered to change the name to Grand Power (2019) Co., Ltd. on 2 August 2019.

A.G.E. Transport Co., Ltd. has invested in a subsidiary as follows:-

Name	Type of Business	Investment Ratio (%)	Date of Incorporation	Registered Capital (Million Baht)	Paid-up Capital (Million Baht)
Winner 789 Logistics Co., Ltd.	Trucking Services	70	13 July 2017	1.00	1.00
Total				1.00	1.00

AGE Terminal Co., Ltd. has invested in a subsidiary as follows:-

Name	Type of Business	Investment Ratio (%)	Date of Incorporation	Registered Capital (Million Baht)	Paid-up Capital (Million Baht)
AGE Marine Logistics Co., Ltd.	River Transportation Services	100	19 September 2017	187.00	126.10
Total				187.00	126.10

On 11 September 2019, the general meeting of shareholders of AGE Marine Logistics Co., Ltd. a subsidiary of AGE Terminal Co., Ltd. has a special resolution to increase the registered capital of 87,000,000 baht to 187,000,000 baht by issuing 870,000 new shares with a par value of 100 baht and registered the capital increase with the Ministry of Commerce on September 17, 2019.

AGE Global Trade Co., Ltd. has invested in a subsidiary as follows:-

Name	Type of Business	Investment Ratio (%)	Date of Incorporation	Registered Capital (Million USD)	Paid-up Capital (Million USD)
VINA AGE Co., Ltd.	Coal importation and distribution in Vietnam	99	17 May 2017	1.50	1.50
Total				1.50	1.50

On 8 August 2018, the Board of Directors Meeting of VINA AGE Co., Ltd., a subsidiary of AGE Global Trade Co., Ltd., passed a resolution to increase its registered capital from 1.5 million US dollars to 2.5 million US dollars. As of 31 December 2018, VINA AGE Co., Ltd. had not registered the capital increase yet.



Legal Disputes

As of 31 December 2019, the company and its subsidiaries faced a legal case or dispute that did not seem to have affected the assets of the company or its subsidiaries, which were higher than 5 percent of the shareholders' equity and did not seem to have had a significant impact on the business operations of the company or its subsidiaries

Regarding the judgment of the Central Administrative Court

On February 23, 2016, the Anti-Global Warming Association and villagers (plaintiff) filed a lawsuit at the Central Administrative Court against government officials (defendants), the company and its subsidiaries (defendants), urging them to comply with the law. On November 7, 2016, the defendant filed a statement of claim at the Administrative Court claiming that the company merely leased a piece of land in Nakhon Luang District. Phra Nakhon Si Ayutthaya to its subsidiary company. The subsidiary company has complied with the license conditions and the agreement on measures and solutions to the problems caused by the factory operations including consideration, receiving awards from government agencies and receiving the system certification. ISO14001: 2015.q

On 10 October 2019, the Central Administrative Court dismissed the case. However, the Central Administrative Court ordered the defendant to control and solve the problem of dust from operating the business and revoke the license to change the purpose or type of the port using the size of the port more than 500 gross tons. Nevertheless, the subsidiary company can submit a new request by conducting an Environmental Impact Assessment Report and submitting it to the Harbor Department. Currently, the subsidiary company is preparing to appeal to the Central Administrative Court. The subsidiary company's management opiated that it can still operate as usual. Therefore, the said judgment will not cause significant damage to the operation of the subsidiary company.

Breach of the marine cargo charter contract

A) On 9 February 2017, a sea freight carrier (plaintiff) filed an indictment into the arbitration process in England to claim compensation for the company to compensate for failure to comply with the Contract of Affreightment ("COA") dated on October 1, 2014, in the amount of USD 2.1 million. There is no obligation under the said contract. On March 9, 2017, the company submitted an argument against the plaintiff's request to the Arbitral Tribunal.

On April 23, 2018, the Arbitral Tribunal concluded that the contract is legally binding, even though no contract has been signed. The company therefore negotiated a compromise with the plaintiff by agreeing to compensate the claimant for damages amounting to USD 0.9 million (Or equivalent to Baht 28.3 million), which was divided into semi-monthly payments, in which first payment was made in May 2018 and the company has already completed full payments as for now.

B) On November 11, 2019, a sea freight carrier (plaintiff) filed an indictment into the arbitration process in Singapore in order to claim damages caused to the company to compensate for the breach of the charter contract dated on 21 January 2019 in the amount of USD 2.4 million. Soon later, on December 27, 2019, the company submitted an argument against the plaintiff's claim to the Arbitral Tribunal and is in the process of filing a claim with the arbitrator in order to claim damages from the coal supplier for breach of the coal purchase agreement dated 18 January 2019. The company's management believes that the decision of the Arbitral Tribunal will not cause any damages or affect the company's finances which are central to the company. The Company, therefore, has not recorded estimated potential loss of such cases in the financial statements.



Stock information and Shareholders

Amount of Registered and Paid Up Capital

As of 31 December 2019, the company's registered capital amounted to 483,447,437.00 baht, of which 483,446,871.75 baht has already been paid and divided as 1,933,787,487 shares at 0.25 baht marked price per share.

Shareholders (As of 31 December 2019)

No.	Name		No. of Shares	%
1	Mr. Panom	Kuansataporn's Group ¹	1,120,092,216	57.922
2	Mr. Chakrit	Suwannachot	38,517,440	1.992
3	Mr. Prasert	Lohawibunsap	38,275,899	1.979
4	Mrs. Khanthong	Udomahantisuk	27,104,000	1.402
5	Mr. Wisit	Pisankunakit	24,419,246	1.263
6	Mr. Pongsak	Thanasriwanicchai	23,466,666	1.214
7	Mr. Wirot	Chanpichai	16,272,502	0.841
8	Mr. Apisit	Rujikeatkamjorn	14,080,000	0.728
9	Mr. Amrat-Pal-Singh	Chansrichawala	13,854,826	0.716
10	Other Shareholders		617,704,692	31.943
Total			1,933,787,487	100

Remark: : Mr. Panom Kuansataporn' group¹ is composed of the following;

1	Mr. Atipat	Kuansataporn	150,338,856	Shares	%	7.774
2	Mr. Panom	Kuansataporn	127,700,321	Shares	%	6.604
3	Ms. Panita	Kuansataporn	127,113,655	Shares	%	6.573
4	Mrs. Natpapha	Kuansataporn	127,113,654	Shares	%	6.573
5	Mr. Nattapat	Kuansataporn	127,113,654	Shares	%	6.573
6	Miss Pimchaya	Kuansataporn	127,273,654	Shares	%	6.573
7	Miss. Thiyada	Kuansataporn	127,113,653	Shares	%	6.573
8	Miss Pimchaya	Kuansataporn	127,113,652	Shares	%	6.573
9	Mr. Winai	Kuansataporn	59,952,062	Shares	%	3.100
10	Mrs. Panida	Kuansataporn	15,127,101	Shares	%	0.782
11	Mrs. Nattataya	Kuansataporn	2,704,083	Shares	%	0.140
12	Mr. Panus	Kuansataporn	943,876	Shares	%	0.050
13	Mr. Pichai	Kuansataporn	483,995	Shares	%	0.030

For other shareholders apart from the group of Mr. Panom Kuansataporn as shown in the above Table, each individual shareholder is not a related person according to Section 258, or a shareholder under the same controlling authority.

Issuance of Other Securities

- None



Dividended Policy

Each year the company and its subsidiaries has a dividend allocation policy at the rate of at least 40 per cent of the net profit after deducting all types of reserves as specified in the rules and regulations of the company and by relevant laws if there is no necessary reason not to do so or such a dividend payment does not significantly affect the normal operations of the company.

Historical dividend in 5 consecutive years

Dividend Payment Description	2018	2017	2016	2015	2014
Rate of Dividend Payment in Dividend Share (Baht : Share)	0.01667	0.025	-	-	0.0167
Rate of Dividend Payment in Cash (Baht : Share)	0.00190	0.0028	0.07	0.05	0.0019
Rate of Dividend Payment in Cash (Baht : Share)	0.01857	0.0278	0.07	0.05	0.0186
Rate of Dividend Payment per Net Profit (%)	35.59	42.53	202.19	60.32	85.89

Changes of Asset Possession of the Executive Committee in the Company for the 2019 Period

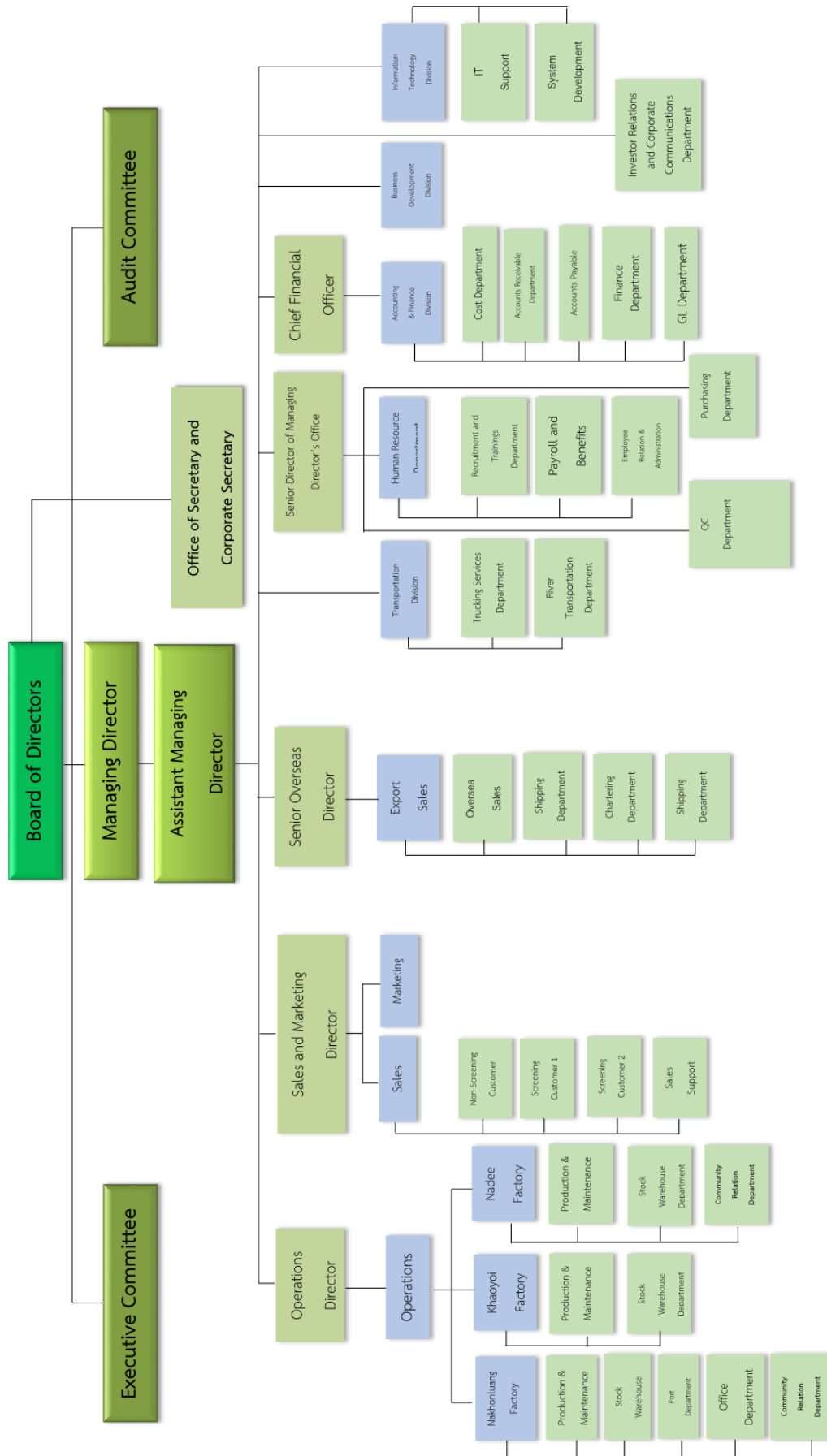
Information as of 31 December 2019

First-Last Name	Position	No. of Shares			
		As of 31 Dec 2018	As of 31 Dec 2019	Increase/ (Decrease) In 2019	Shareholding proportion in the company in 2019 (%)
1. Mr. Apisit Rujikeatkamjorn	Chairman of the Board	13,200,000	14,080,000	880,000	0.7281
2. Mr. Panom Kuansataporn	Director	119,719,052	127,700,321	7,981,269	6.6036
Mrs. Natpapha Kuansataporn	Spouse	119,169,051	127,113,654	7,944,603	6.5733
Mr. Nattapat Kuansataporn	Child who has not yet reached majority	119,169,051	127,113,654	7,944,603	6.5733
3. Mr. Panus Kuansataporn	Director	884,884	943,876	58,992	0.0488
4. Ms. Panita Kuansataporn	Director	119,169,052	127,113,655	7,944,603	6.5733
5. Mr. Prasert Tapaneeyangkul	Director	-	-	-	-
6. Mr. Anant Sirisaengtaksin ¹	Chairman of the Audit	-	-	-	-
7. Mr. Mongkhon Kittipoomvong	The Audit Committee	151,250	161,333	10,083	0.0083
8. Ms. Pinmanee Makmantana	The Audit Committee	871,157	929,234	58,077	0.0480
9. Mr. Boonlert Ploemsuebkul	Senior Overseas Director	2,076,281	2,214,699	138,418	0.1145
Mrs. Rawiwan Ploemsuebkul	Spouse	211,943	226,072	14,129	0.0116
10. Ms. Ni-orn Junjamsang	Senior Director of Managing Director's Office	595,388	635,080	39,692	0.0328
11. Mr. Akaradej Phantasarn	Sales and Marketing Director	66,049	70,452	4,403	0.0036
12. Mr. Anan Petchropas	Operations Director	-	-	-	-
Mrs. Linyong Petchropas	Spouse	6,452	6,882	430	0.0003
13. Mr. Likhit Laobowornseadthee	Chief Financial Officer	-	-	-	-

Remarks : ¹Mr. Anant Sirisaengtaksin appointed on April 29, 2019



Management Structure



(As of 31 December 2019)

The company's structure is composed of the Board of Directors and two sub-committees, namely, the Audit Committee and the Executive Committee.

Board of Directors

As of 31 December 2019, the Board of Directors was composed of the following nine directors:

First-Last Name	Position	Director Type	Date of Appointment
1. Mr. Apisit Rujikeatkamjorn	Director Chairman of the Board	Independent Director Non-executive Director	25 April 2014
2. Mr. Panom Kuansataporn	Director	Executive Director	18 March 2004
	Managing Director	Director with Signatory Authority	
	The Chairman of Executive Committee	Director with Signatory Authority	
3. Mr. Panus Kuansataporn	Director	Non-executive Director	14 September 2011
	Executive Director	Director with Signatory Authority	
4. Ms. Panita Kuansataporn	Director	Executive Director	28 February 2007
	Executive Director	Director with Signatory Authority	
5. Mr. Prasert Tapaneeyangkul	Director	Independent Director	27 April 2017
		Non-executive Director	
6. Mr. Anant Sirisaengtaksin	Director	Independent Director	29 April 2019
	Chairman of the Audit Committee	Non-executive Director	
7. Mr. Mongkhol Kittipoomvong	Director	Independent Director	28 April 2018
8. Ms. Pinmanee Makmantana	Director	Independent Director	3 March 2011
	The Audit Committee	Non-executive Director	

Ms. Ni-orn Junjamsang as the Secretary of the Board of Directors.

Authorized Directors

Mr. Panom Kuansataporn is authorized to sign and use the company's official stamp, or Miss Panita Kuansataporn and Mr. Panus Kuansataporn jointly sign and use the company's official stamp.

Scope of Authority and Duties of the Chairman

- 1) Responsible as the leader of committee in directing, examining, looking over the execution of the Executive Committee and the Sub-Committees to reach the predetermined plans.
- 2) The Chairman are the Chairman of the Board meeting and follow up all Directors to receive correct, punctual, and clear information for decision making, which will lead to the success of the company. They aim for good time management for the Board to consult and to give suggestion in all associated issues during the important meetings.
- 3) The Chairman are the Chairman during the Annual General Meeting of shareholders. They will allocate enough time for the meeting and run the meeting properly with honesty. During the meeting, they allow the participants to use their rights to protect their own benefits by asking questions, giving suggestion, and voting for important issues that could affect the company.
- 4) The Chairman are the final voters in the case that the meeting of the committee or the annual general meeting have the same number of votes.
- 5) Perform their duties with honesty, advise the structure of the committee, and understand the importance of company performance in order to follow the laws and the decision from the shareholders.

The Scope of Authority and Duties of the Board of Directors

- 1) Carry out its functions according the relevant laws, the company's objectives and regulations, as well as the resolutions of the meeting of shareholders, with honesty and thoroughness for the benefits of the company. as to not result in conflict of interest which may affect the interested groups.
- 2) Responsible to the shareholders on a regular basis, perform functions by ensuring the benefits of the shareholders, disclose information to investors in a correct, complete and standardized manner.
- 3) Formulate vision, mission, and strategy including business target, the policy and directions of the company's operations.
- 4) Consider to approve the authorization chart.
- 5) Regulate, control and supervise the management team to ensure their operations consistent with the determined policy in an efficient way in order to maximize the economic value to the business.
- 6) Consider to approve investments in business expansion as well as joint venture with other entrepreneurs.
- 7) Responsible for the preparation of financial reports to the auditor for examination or verification and submit to the Audit Committee.
- 8) Appoint the Executives Board and determine its authority and functions as well as the responsibilities of the Executives Board.
- 9) They determine the guideline for internal control and relation and cover all risk factors for the highest efficiency.
- 10) Review and approve the vision mission Code of Business Ethics and Code of Conduct of the company every 3 years.

Nonetheless, a member of the Board or other persons with a potential conflict regarding the interests of the company, or other benefit conflicts with the company are not permitted to vote in such an issue.

Moreover, in the following cases, an approval is needed from the Board of Directors and the Meeting of Shareholders with the proportion of votes no less than three-fourth of the total votes of the shareholders who attend the meeting and has the right to vote.

- (A) Sale or transfer all of the company's business or some important parts;
- (B) Sale or endorse the business of other company or a private company to be in the possession of the company;
- (C) Making, amending, or terminating contracts relating to leasing of the whole business of the company or some important parts; Assigning other person to manage the company's business or merge the business with other person with the objective of sharing profits and losses
- (E) Amending the Memorandum of Association or the regulations;
- (F) Increasing capital, decreasing capital, issuing debentures, merging and terminating the company.

The company requires at least one of the Board, who is non-executive director must have the experience working with the business of the company. The company appointed Mr. Apisit Rujikeatkamjorn to be a Director and Vice Chair-man on April 25, 2014. He has all qualifications and experiences of associated work with the company business.

The Audit Committee

The audit committee shall be responsible for verifying the financial reports of the company, checking the adequacy of the internal control system, and the risk management system, the compliance of requirements, laws, and related regulations, In addition, the Audit Committee considers to select and determine the remuneration for the company's auditor, verifies related items or items that may have benefit conflicts so as to ensure accuracy, completeness and transparency, supervises and considers work plans, budgets, and workforce of the internal audit office. In 2018, the Audit Committee has meeting 5 times and all of the directors attended the meetings. The meetings went according to the specified agendas. There was coordination and monitoring of the operations according to the recommendations of the Audit Committee which were recorded in the minutes of the meetings.

As at 31 December 2019, the Audit Committee consists of 4 independent directors.

Name		Position
1. Mr. Anant	Sirisaengtaksin	The Chairman of The Audit Committee / Independent Director
Mr. Mongkhon	Kittipoomvong	The Audit Committee / Independent Director
3. Ms. Pinmanee	Makmantana	The Audit Committee / Independent Director

Miss Ni-orn Junjamsang's is secretary's the Audit Committee Meeting.

The audit committee of the company consists of 2 persons namely Mr. Thawatchai Worrawantha and Miss Pinmanee Mekmanthana, who have knowledge and experiences in accounting and finance.

Authority and Functions of the Audit Committee

- 1) Verify to ensure that the company has accurate and adequate financial reports.
- 2) Verify to ensure that the company has an internal control system and appropriate and effective internal audit.
- 3) Verify to ensure that the company complies with the laws and regulation on the Stock Exchange Market or related laws on the company's business.
- 4) Consider, select, propose to appoint, remove and propose remuneration of the auditor of the company and the head of the internal audit agency, or other agency that is responsible for the internal audit.
- 5) Consider the disclosure of the company's information in case of related items or items that may have benefit conflicts in order to ensure accuracy and completeness.
- 6) Prepare the report on the control of business of the Audit Committee by disclosing in the annual report of the company which has to be signed by the Chairman of the Audit Committee.
- 7) Carry out other tasks as assigned by the Board of Directors upon approval from the Audit Committee.

Terms of the Audit Committee

The Audit Committee has the term of 3 years in the position. A member of the Audit Committee whose term is ended due to the maturity of term according to the company's regulations may be appointed again. If a position in the Audit Committee is vacant due to a reason other than the end of term, the Board of Directors shall appoint a qualified person to become a member of the Audit Committee so as to ensure the complete set of the committee as specified by the Board of Directors. The person who is newly appointed will have the term length equal to the remaining term of the member of the Audit Committee he/she replaces.

The Executives Committee

The Executives Committee consists of 3 directors who are responsible for the determination of business operation strategies of the company under the objectives and/or the company's policy. The Board has the authority to give instructions, makes plans, and operates the company according to the policy determined by the Board of Directors; pro-poses an investment plan and/or raising capital of the company to the Board of Directors and/or the Meeting of Share-holders for approval as the case may be; has authority to consider determining the welfare support to employees as it sees appropriate with respect to circumstances, traditions and effective laws; given the amount authorized by the Board of Directors, the Executives Committee has the authority to approve purchases, procurement, rental, hire-purchase of any assets as well as to invest and pay any expenses that are considered necessary to the operations of the company; given the amount authorized by the Board of Directors, the Executives Committee has the authority to approve borrowing, making overdrafts from banks, corporate or other financial institutions for the benefits of the company's business operations; and the Executives Committee has the authority to approve purchases of assets or pay any prices incurred from the operations of the company according to contracts and/or agreements with clients. The details of the authority coverage are given by the approval authorization chart as determined by the Board of Directors.

Authority and Functions of the Executives Committee

Name		Position
1. Mr. Panom	Kuansataporn	The Chairman of Executive Committee
2. Mr. Panus	Kuansataporn	Executive Director
3. Ms. Panita	Kuansataporn	Executive Director

- 1) Have the authority to give instructions, make plans, and operate the company according to the policy determined by the Board of Directors.
- 2) Determine business operation strategies given the objective and/or policy of the company.
- 3) Propose an investment plan and/or raising capital of the company to the Board of Directors and/or the Meeting of Shareholders for approval as the case may be.
- 4) Approve the appointment of advisors considered necessary to the operations of the company.
- 5) Have authority to consider determining the welfare support to employees as it sees appropriate with respect to circumstances, traditions and effective laws.
- 6) Given the amount authorized by the Board of Directors, the Executives Board has the authority to approve purchases, procurement, rental, hire-purchase of any assets as well as to invest and pay any expenses that are considered necessary to the operations of the company. The details of the authority coverage are given by the approval authorization chart as determined by the Board of Directors.
- 7) Given the amount authorized by the Board of Directors, the Executives Board has the authority to approve borrowing, making overdrafts from banks, corporates or other financial institutions for the benefits of the company's business operations. The details of the authority coverage are given by the approval authorization chart as determined by the Board of Directors.
- 8) Have the authority to approve purchases of assets or pay any prices incurred from the operations of the company according to contracts and/or agreements with clients. The details of the authority coverage are given by the approval authorization chart as determined by the Board of Directors.

Nonetheless, the aforementioned delegation of authority and responsibilities to the Executives Committee will not include the authority and/or sub-delegation in any item approval that the Board or the Sub-delegate or a person who may have a conflict (as defined in the announcements and/or related laws) may have interests or benefits in any forms that conflict with the company or its subsidiaries. The approval of such items requires the approval from the Board of Directors and/or the Meeting of Shareholders (as the case may be) as determined by the regulations of the subsidiaries or related laws.

In 2018, the Board of Directors' Meeting and Committees' s Meeting as following ;

First-Last Name		Number in Attendance / Total Number of Meeting		
		Board of Directors	Audit Committee	Executive Committee
1. Mr. Apisit	Rujikeatkamjorn	5/5	-	-
2. Mr. Panom	Kuansataporn	5/5	-	6/6
3. Mr. Panus	Kuansataporn	4/5	-	6/6
4. Ms. Panita	Kuansataporn	5/5	-	6/6
5. Prasert	Tapaneeyangkul	5/5	-	-
6. Mr. Anant	Sirisaengtaksin ¹	4/5	3/4	-
7. Mongkhol	Kittipoomvong	5/5	4/4	-
8. Mr. Thawatchai	Vorawandthanachai ²	1/5	1/4	-
9. Mr. Amphan	Yosamornsuntorn ³	1/5	1/4	-
10. Ms. Pinmanee	Makmantana	5/5	4/4	-

Note : ¹ Mr. Anant Sirisaengtaksin

Appointed on April 29, 2019

² Mr. Thawatchai Vorawandthanachai

Out of position on 29 April 2019

³ Mr. Amphan Yosamornsuntorn

Out of position on 29 April 2019

Executives

As of 31 December 2019, the company had the following seven executives:

List of Executives		Position
1. Mr. Panom	Kuansataporn	Managing Director
2. Miss Panita	Kuansataporn	Assistant Managing Director
3. Mr. Boonlert	Ploemsuebkul	Senior Overseas Director
4. Miss Ni-orn	Junjamsang	Senior Director of Managing Director's Office
5. Mr. Akaradej	Phantasarn	Sales and Marketing Director
6. Mr. Anan	Petchropas	Operations Director
7. Mr. Likhit	Laobowornseadthee	Chief Financial Officer

Authority and Functions of the Managing Director

The managing director will be empowered to carry out tasks as assigned by the Board of Directors which follow the rules and regulations of the company. Details of the authority and functions of the managing director can be summarized as follows:

- 1) Act as a managing executive and control the normal business operations of the company.
- 2) Carry out tasks as assigned by the Board of Directors or the Executives Committee.
- 3) Determine and control the overall practical operations so as to ensure the consistency with the policy set by the Board of Directors.
- 4) Have the authority to approve purchases, rental, or investments according the work plans that are already approved or authorized to do so, or to cancel the purchase, employment, rental, hire-purchase, sales of assets, investments and payments of any expenses that are considered necessary to the operations of the company. The details of the authority coverage are given by the approval authorization chart as determined by the Board of Directors.
- 5) Have the authority to approve purchases of assets or pay any prices incurred from the operations of the company according to contracts and/or agreements with clients. The details of the authority coverage are given by the approval authorization chart as determined by the Board of Directors.
- 6) Consider the issues of business strategies and capital raising of the company and propose to the Board of Directors by the order of priority.
- 7) Have the authority to open and close various types of deposit accounts with the banks and financial institutions in order to facilitate the normal business operations of the company by largely considering the benefits to the company.
- 8) Request for the appointment of advisors in various fields that are necessary to the operations of the company through the Executives Committee.
- 9) Have the authority to employ, appoint, discharge, dismiss, fire, determine the wage rates, grant rewards, increase salaries, remunerations and bonuses for employees regardless of levels according to the remuneration de-termination policy of the company.

Nonetheless, the aforementioned delegation of authority and responsibilities of Managing Director will not include the authority and/or sub-delegation in any item approval that the Board or the sub-delegate or a person who may have a conflict (as defined in the announcements and/or related laws) may have interests or benefits in any forms that conflict with the company or its subsidiaries. The approval of such items requires the approval from the Board of Directors and/or the Meeting of Shareholders (as the case may be) as determined by the regulations of the subsidiaries or related laws.

In other circumstances apart from the aforementioned authority and functions, Managing Director may not be able to do so except being assigned from the meetings of the Board of Directors on a case-by-case basis.

The approval authorization chart

Position	Chattel buy-sell	Property buy-sell	Loans from financial institutions
Board of Directors	Non-limit	Non-limit	Non-limit
Executive Committee	No more than 20,000,000	No more than 50,000,000	No more than 250,000,000
Managing Director	No more than 5,000,000	No more than 20,000,000	No more than 100,000,000

For the order to purchase tools, equipment, and raw materials for the purpose of business operations, if the order is made in order to support the normal business operations of the company, then the managing director can approve as normal without any limit on the approved amount.

Nonetheless, the normal business operations of the company include importing, exporting, coal screening, and selling of coal fuels.

Corporate Secretary

The Board of Directors has appointed Miss Ni-orn Junjamsang as a Corporate Secretary since 2008. The position holder must be knowledgeable and understands the company's business and the role of the company's secretary, having knowledge of laws, regulations of the Office of the Securities and Exchange Commission and the Stock Market of Thailand, as well as having good understandings in corporate governance and the code of conduct with the authority and functions as stipulated in the Securities and Exchange Act B.E. 2535 and its amendments (No.4) B.E. 2551 and other operations as announced by the Capital Market Supervisory Board. The Scope of Authority and Duties of Corporate Secretary as following:-

1. Prepare and keep the company's documents including records of directors, director's invitation letters, meeting minutes, annual reports, invitation letter to shareholders' meetings, minutes of the shareholders' meetings and interest reports prepared by directors or executives, and so on.
2. Coordinate and communicate to shareholders for acknowledgement of rights and look after shareholders appropriately.
3. Communicate with the Stock Exchange of Thailand and regulatory agencies appropriately.
4. Ensure information disclosure under own responsibility in line with the corporate governance..

Additionally, the company supports the company's secretary in receiving continuous training with improved knowledge about the law, accounting and performance of duties as the company secretary.

Remunerations of Directors and Management

1) Cash compensation

(a) Remunerations of Directors

The company has the proper rate of compensation for the Board by considering from the outcome of the operation of the company as overall and considering the suitability of the company size. The rate will agree with the roles and responsibility of each Board including the expansion and the growth of the company. Similar industry businesses with similar size will be compared. The compensation is divided into 3 parts :-

- 1) Meeting attendance fee for the importance of attend meeting.
- 2) Monthly remuneration for the responsibility as a Board.
- 3) The Directors annual bonus as extra compensation.

Moreover, the Board presented the principle for compensation for the Board at the Annual General Meeting for the Shareholders to consider and approve for the compensation every year. During the meeting of the year 2019 on April 29, 2019, the compensation for directors in 2019 was already approved as following details

Position	Monthly Remuneration	Meeting Attendance Fee
The Chairman	25,000 Baht	25,000 Baht
Director	18,000 Baht	18,000 Baht
The Chairman of the Audit Committee	25,000 Baht	25,000 Baht
Members of the Audit Committee	18,000 Baht	18,000 Baht

The total director remunerations for the accounting year of 2019 which consist of monthly remunerations, meeting attendance fee and director commission, amount to no more than 10,000,000 baht (ten million baht only). In year 2019, total amount of Cash Compensation of Board of Directors in the form of monthly compensation and director pension are Baht 4,153,000. Details are as following :-

First-Last Name	Position	Directors' Remuneration (baht)			
		Monthly	Meeting Fee	Pension	Total
1. Mr. Apisit Rujikeatkamjorn	Director	300,000	125,000	150,000	575,000
	Chairman of the Board				
	Independent Director				
	Director				
2. Mr. Panom Kuansataporn	Managing Director	204,000	87,000	200,000	491,000
	The Chairman of Executive Committee				
3. Mr. Panus Kuansataporn	Director	204,000	69,000	200,000	473,000
	Executive Director				
4. Ms. Panita Kuansataporn	Director	204,000	87,000	200,000	491,000
	Executive Director				
5. Mr. Prasert Tapaneeyangkul	Director	204,000	87,000	100,000	391,000
	Independent Director				
6. Mr. Anant Sirisaengtaksin ³	Director	200,000	147,000	-	347,000
	Independent Director				
	The Chairman of The Audit Committee				
7. Mr. Mongkhon Kittipoomvong	Director	204,000	141,000	100,000	445,000
	Independent Director				
	The Audit Committee				
8. Mr. Thawatchai Vorawandthanachai ¹	Director	100,000	40,000	150,000	290,000
	Independent Director				
	The Chairman of The Audit Committee				
9. Mr. Amphan Yosamornsuntorn ²	Director	60,000	30,000	100,000	190,000
	Independent Director				
	The Audit Committee				
10. Ms. Pinmanee Makmantana	Director	204,000	156,000	100,000	460,000
	Independent Director				
	The Audit Committee				
Total		1,884,000	969,000	1,300,000	4,153,000

Note : ¹ Mr. Anant Sirisaengtaksin Appointed on April 29, 2019

² Mr. Thawatchai Vorawandthanachai Out of position on 29 April 2019

³ Mr. Amphan Yosamornsuntorn Out of position on 29 April 2019

(b) Remunerations of Management

The Management of the company receive the compensation as monthly remuneration and bonus which agree well with the outcome of the company and the results from execution of each member. The evaluation will be in the form of Key Performance Index (KPI). Above all, the managing director will consider the suitability for determining the personal compensation, bonus and the annual allowance-increasing rate and provident fund of executives which the company will pay contribution in the rate of 2 percent of the salary

Remuneration for Executive Director and Management for the first 4 executives next to the position of Managing Director and every executive in the same level as fifth management executive in total of 7 executives (in exclusion of Accounting and Finance Manager), In year 2019 Cash Compensation of Executives, total amount Baht 28,092,321.76.

2.) Other Remunerations

Other Remunerations of Directors

The directors' and officers' liability insurance project provides insurance for directors and high-ranking officers or executive officers of the company and has an insurance capital of approximately 50,000,000 baht.

Employees

The company has total employees of 417 persons. The company has a policy to pay remuneration to employees by considering the organizational structure, industrial trends, the organizational performance and work assessments, and so on. The company paid salary, overtime, living allowance, bonus, special allowance, social security, and provident fund in 2019 equal to the total amount of 98,591,339.38 baht. Moreover, the subsidiaries paid the compensation for the same items, totally of 57,580,795.23 baht. Details are as following :-

Year 2019	Operating (people)	Manage- ment (people)	Head Quarters (people)	Total (people)	Compensa- tion (Baht)
Asia Green Energy PCL.	39	53	70	162	98,591,339.38
A.G.E. Transport Co., Ltd.	40	-	1	41	2,532,051.44
AGE Terminal Co., Ltd.	130	7	5	142	38,926,114.04
VINA AGE Co., Ltd.	31	2	-	33	7,828,686.90
AGE Marine Logistics Co., Ltd.	21	2	5	28	7,727,645.13
Grand Power (2019) Co., Ltd.	9	2	0	11	566,297.72
Total	270	66	81	417	156,172,134,.61

Other Remunerations

In addition to remuneration in the form of salary, bonus, provident funds paid by the company to employees, the company also offers other benefits to its employees as follows:

1. Annual employee health examinations.
2. Support as follows:
 - Financial support for funerals of employee dependents.
 - Hospital visits/child deliveries.
 - Assistance with moving/travel fees.
 - Financial compensation retirement.
 - For disaster or natural impacts according to notifications of government agencies.
 - Marriage.
3. Health/accident benefits.
4. Social security fund benefits.
5. Compensation fund benefits.
6. Provident fund benefits.
7. Employee uniform benefits.
8. Remuneration benefits:
 - Annual bonus.
9. Sports benefits.
10. Vehicle fee/accommodation fee/allowance benefits.
11. Travel insurance benefits.
12. Leave benefits:
 - Sick leave.
 - Business leave.
 - Maternity leave.
 - Leave for training or skill development.
 - Sterilization leave.
 - Military service leave.
 - Leave for male employees to care for spouse before or after child delivery.
 - Monk ordination leave.
 - Funeral leave.
 - Marriage leave.
13. Annual vacation holidays.
14. Various activities.

Major labor disputes in the past 3 years.

- None -

Important disputes on labor over the last 3 years

- None -

Policy on employee development

The company emphasizes on trainings and development of employee potentials so that it has formulated a policy specifically on development and trainings with the aim to encourage development of knowledge and capability of employees on a continuous basis. The policy includes:

1. Consideration of the arrangement of training courses necessary for employees in each position.
2. Provision of the training guidelines for employees in order to support their career path.
3. Preparation of the annual training plan.
4. Evaluation of the results of trainings in order to improve the training arrangements.

During 2019, the training department has prepared the work manual on training arrangements with a policy to arrange trainings for all levels of employees as well as prepare a questionnaire to survey the need for trainings in various topics for the year to ensure the consistency and appropriateness of the working of employees. The survey was done during November – December 2019 by asking executives from each division to propose courses and put them in the training plan for the year 2020.

In 2019, the Company arranged both in-house and external training courses for its executives and employees. The total training hours amounted to 1,613 hours, divided into 114 hours attended by executives (7 persons) and 1,499 hours by employees (230 persons). Nevertheless, for new company employees, training courses are provided to increase their knowledge through six hours of orientation in which the company's background, business characteristics, governance policies, anti-corruption, labor benefits information, including on-the-job training (OJT) to provide information about the organization, work characteristics and preparations for actual work practice. Furthermore, the company provides regular employee training on an annual basis to increase skills and expertise in courses relevant to work under their responsibilities for an average duration of at least twelve hours per person per year. The training courses of the company are aimed toward improving work and communication skills such as computer skills, teamwork, leadership skills, good supervisor skills and safety skills about preventing accidents from work and machines.

In-house training courses:

Executives 2 Programs

- Preparations for Upgrading the Green Industry Level 5 Green Network
- Leader 360 Degrees

Employees 8 Programs

- Preparations for Upgrading the Green Industry Level 5 Green Network
- Knowledge Regarding the Benefits of the Social Security Funds and Income Compensation Funds
- Specifications on ISO and Specifications on Risks and Opportunities
- Specifications on ISO and Specifications on Risks and Opportunities 2
- Leader 360 Degrees
- Internal Evaluation
- Fire Escape
- Provident Fund

The Company has encouraged its employees, executives and directors to attend various training institutes' courses appropriate and beneficial to the development of their working potentials.

External training courses include:

Executives 5 Programs

- Advanced Power BI using DAX (Workshop)
- Handling of Legal Matters Transfer Pricing
- Water Heating Tank
- Specifications of the health and safety management system ISO 45100
- TFRS 16 Accounting of Financial Tools

Employees 5 Programs

- Perception of the enforcement of the new laws and Social Security law , and the current benefits
- Handling of Legal Matters Transfer Pricing
- 10 trends in the direction of the cyber world 2019
- Strategies of Business Sustainability (S01, S02, S03)
- Specifications of the health and safety management system ISO 45100

The Company Group has spent a budget of approximately 175,600 baht on in-house and external training courses.



Corporate Governance

The company realizes the importance of business operation by relying on good corporate governance, which agrees with regulation by the Stock Exchange of Thailand and the Stock Exchange Commissioner. Ethics and consciousness are well indoctrinated for treating with stakeholders. The goal is to operate the company with honesty, efficiency, and trust to the investors and all stakeholders, which is important for stability of the company.

Corporate Governance Policy

The Board always holds the principle of systematic management and process as of corporate good governance important factor. The Board has determined Good Corporate Governance Policy including Code of Business Ethics and Code of Conduct, in a written form so that the Board, the Management, and the employees can rely as a way to perform their duties. Also, there is an update of Good Corporate Governance policy and Code of Business Ethics and Code of Conduct to be modernized and suitable to the environment, business operation, and more modern. We require having the conference to re-evaluate the management policy every year.

The Board of the company determines the Good Corporate Governance Policy as the followings.

- 1) The Board, Management and employees will perform their duties with full effort and responsibility to maximum the benefits of the company. They will rely on Good Corporate Governance Policy, Code of Business Ethics and Code of Conduct as a way to operate.
- 2) The Board has a role with the Management to determine visions, strategies, policy, and business goal of the company to cover the planning of management and proper business operation.
- 3) The Board, Management and employees will treat all stakeholders with fairness and will examine, control and prevent any action or decision that will lead to any conflicts.
- 4) The Board, Management and employees will perform their duties with honesty, fairness, and transparency.
- 5) The Board accepts to reveal the information on finances and non-finance matter with creditability and punctuality so that shareholders, investors and stakeholders of the company can access such information with fairness.
- 6) The Board will provide an access to communicate with shareholders, investors, administrating organizations, shareholders and general audiences who are interested in.

The Board of Directors is aware of the importance of promoting the duty and responsibility of Director, Management and employees to be in accordance with the principle of Good Corporate Governance as stipulated by the Board of Directors. Thus, the Board of Directors has undertaken a communication of Good Corporate Governance Policy and Code of Business Ethics and Code of Conduct issues to Director, Management and employees through communication channels :-

- Employee Handbook
- Handbook “Good Corporate Governance Policy”
- Handbook “Code of Business Ethics and Code of Conduct”
- Company intranet system and Company’s website (www.agecoal.com)
- Company’s e-mail.
- Company’s public relation sign Board

Furthermore, the company has opened the training for Good Corporate Governance principle during the courses of orientation for new employees. The Stock Exchange of Thailand (SET) created “Principles of Corporate Governance for Registered Companies in 2012” which contains principles about how to govern and manage for the companies to apply. In 2014, our company had evaluated, applied such principles, and continuously performed the duties in 5 categories.

Category 1 Rights of Shareholders

Category 2 Equitable Treatment of Shareholders

Category 3 Roles of stakeholders

Category 4 Disclosure and Transparency

Category 5 Board Responsibilities

Category 1 - Rights of Shareholders

The Board realizes the rights of shareholders and promotes the shareholders to use their rights according to basic rights of shareholders by allowing them to receive sufficient information and supporting them to vote during the general annual meeting. The Board will not commit any action that will violate the rights of the shareholders.

The Board determines the policy to provide convenience and to promote all shareholders (both Thai and foreign investors, Individual Investor and Institution Investors) to participate in the meeting of the shareholders, as follow:-

Facilitating and Promoting the Shareholders to Attend the Shareholders' Meeting Policy

- 1) The Annual General Meeting of shareholders is determined to be held every year within 4 months after the ending of the accounting year of the company. In case of urgency that there is a need to consider a special agenda that may affect or relate to the benefits of the shareholders and is required an approval from shareholders, the Extraordinary General Meeting of shareholders can then be called upon on a case-by-case basis.
- 2) Invitation letter to the Annual General Meeting of shareholders is prepared and sent to every type of shareholders including institutional shareholders, together with the details of meeting agendas; important and necessary information for the shareholders’ consideration; all types of letters of power of attorney namely Form A, Form B, and Form C as determined by the Ministry of Commerce; and indicating how to authorize clearly by indicating location, date, time and a map of the meeting venue. In the meeting invitation letter, details of documents that shareholders need to present in the meeting in order to preserve the right in attending the meeting will be given. The letter will be sent to shareholders at least 21 days in advance of the meeting date so that shareholders will receive sufficient, accurate, complete, and transparent information in making a decision to cast a vote. In addition, the letter will be announced in the newspapers in Thai for 3 consecutive days before the meeting date at least 3 days. Moreover, the company determines to distribute a complete book of the general annual meeting and the documents about the meeting on the website in Thai version for at least 30 days prior to the meeting day and in English version for at least 7 days prior. The shareholders can then use the information to make a decision for voting with completeness and honesty. The provided documents are intended for the shareholders to be prepared before attending the meeting. The company also broadcasts this news via the channel of SET that the company has distributed the meeting book and related documents on the company website.

3. Shareholders will be informed in case there are additional agendas in the meeting. For an urgent case regarding the preserving of rights or benefits of the company, a meeting invitation letter will be sent in advance no less than 7 days before the meeting date, while relevant information of the meeting agendas will be publicized on the website in advance before sending the documents.
4. On the meeting day, shareholders will be assisted equally by arranging sufficient welcoming officers to provide information on document inspection and meeting registration. The company uses barcode system for registration to increase efficiency and swiftness and prepares revenue stamps for the shareholders to transfer the proxy with free of charge. The company also arranges a spacious meeting place to accommodate the shareholders, and the place will be easy to transport in Bangkok area.
5. The company will not take any actions that are considered limiting the rights of attendance of shareholders. Every shareholder has to right to attend the meeting of shareholders throughout the length of the meeting.
6. Every time before starting the meeting, the chairman of the Board of Directors will inform all of the rules relevant in the meeting such as the opening of the meeting, the methods of voting and counting of votes of shareholders in order to reach a resolution for each agenda according to the regulations of the company, and so on. In counting votes, the company will carry on counting the votes of shareholders who do not cast a vote for every agenda in the meeting venue, and present a summary of the votes for every agenda clearly in the meeting venue. The company will ensure to separate the votes for each agenda clearly so as to preserve the rights of shareholders.
7. In counting votes, the company will arrange an independent outsider to count or examine the vote counts in ordinary and extra Annual General Meetings, for example the legal division or shareholders who are selected and approved from the meeting, etc. The vote counts will be available to present to the meeting and will be recorded in the minutes of the meeting.
8. The chairman of the Board of Directors will allocate time adequately in the meeting and proceed the meeting properly and transparently. During the meeting, attendants are given an opportunity to exercise their rights in taking care of their benefits by asking questions, sharing opinions, giving recommendations and casting a vote in the meeting of shareholders in important issues that may affect the company such as the appointment or removal of directors, nominating a person for an independent director, approval of the auditor, dividend allocation, decreases or increases of capital, determination or amendments of rules, memorandum of association, and special items that require approval, and so on.
9. The chairman, Directors, and related Management are responsible for attending the meeting of shareholders to answer questions arising from shareholders.
10. Shareholders are given the right to attend the meeting of shareholders after the meeting has been declared open, and have the right to cast a vote in the agenda in-between consideration that has not been voted.
11. The company has indicated the interests of directors in the invitation letter to the meeting of shareholders. And in the meeting of shareholders, if any director has an interest or is related in any of the agendas, the chairman of the meeting will inform the meeting attendants in advance before considering the agenda. The director with an interest to that agenda will not attend the meeting and be refrained from casting a vote in such an agenda.
12. The company will disclose the result of the votes for each agenda in the ordinary and extraordinary meetings of shareholders on the next working day on the company's website.
13. The company will prepare the minutes of the meeting of shareholders to be submitted to the Stock Exchange of Thailand within 14 days after the meeting date according to the requirements of the Stock Exchange of Thailand. The detailed record of the meeting, the minutes of the meeting, casting of votes and questions from shareholders in each agenda must be publicized in a complete and appropriate way.

In 2019, the company organized the general meeting of shareholders of 2019 on Monday 29 April 2019 at 2:00 pm at the Bright City Lifestyle Mall, The Bright Conference 3rd Floor Building A, 15/9 Rama 2 Road, Thakham, Bangkhuntien, Bangkok 10150, in which 9 directors were in attendance. The Managing Director and the chairmen of all committees, including the Chief Financial Officer, secretary, auditor and legal consultant of the company were all present at the meeting to answer any inquiries on various issues of shareholders. The company drafted invitation letters to the general meeting of shareholders in Thai and English and submitted them to Thailand's Securities Depository Co., Ltd., which is the company's shares registrar and who delivered the general meeting invitation letters to shareholders in advance. Additionally, a meeting invitation was disseminated on the company's website, https://www.agecoal.com/ir_shareholder_meet.php 29 days before the meeting date. Furthermore, the report of the general meeting of shareholders of 2019 was published on the company's website 13 days after the meeting date. As for granting rights to shareholders to propose issues as meeting agendas for consideration and nomination of directors, the company proceeded by making an announcement to the Stock Exchange of Thailand to inform shareholders. Accordingly, acceptance of issues started on 1 October 2018 and lasted up to 28 December 2018, a period of three months. Additionally, an announcement was made on the company's website specifying clear and transparent consideration procedures and methods shown on the investor relations website. At the general meeting of shareholders of 2019, no shareholders proposed any meeting agenda or nominated any person to become a director. Accordingly, in registering to attend the meeting, the company made arrangements to provide convenience to shareholders by providing suitable and sufficient staff and computer systems. A bar-code system was used for meeting registration. Additionally, voting ballots were printed for each agenda for shareholders.

Category 2 Equitable Treatment of Shareholders

- 1) The company gives importance to every shareholder by giving an opportunity to shareholders to exercise their right in raising an additional agenda to be added to the meeting and in nominating for an expert to be elected as a company's director at least 3 months in advance of the Annual General Meeting of shareholders. In addition, the company will publicize the rules of such execution of the right through channels of the Stock Exchange of Thailand as well as clearly inform the consideration rules in accepting the proposed agenda by publicizing on the company's website as well.
- 2) Shareholders have the right to give a proxy to other person to attend the meeting and cast a vote, and obtain the document and suggestions in giving a proxy. The legal proxy once giving the letter of power of attorney to the director in the meeting will have the right to attend the meeting and cast a vote in the same way as a shareholder.
- 3) The company nominates independent directors in the letter of power of attorney of the company so as to provide options for shareholders to choose to give a proxy to one of the listed independent directors.
- 4) The company will carry out the meeting of shareholders by the order according to the meeting agenda as informed in the invitation letter and has a policy not to add an agenda in the meeting without informing shareholders in advance. This is to ensure that shareholders have an opportunity to study information relevant to the agenda before making a decision.
- 5) The chairman, directors and related Management are responsible for attending the meeting of shareholders to answer questions from shareholders. Important questions and opinions will be recorded in the minutes of the meeting so that shareholders can examine.
- 6) Shareholders are given an opportunity to register and even after the registration time shareholders who desire to attend the meeting are given an opportunity to register and attend the meeting without losing the right.
- 7) Ballots will be prepared using a barcode system and sorted by important issues in every agenda so that shareholders can cast a vote as they see appropriately. Then the voting results will be added with the voted cast in advance in letters of power of attorney before announcing the resolution of the votes in the meeting. To ensure transparency, the company will keep the ballots from shareholders for later inspection.
- 8) Updated information will be disclosed through the company's website so that shareholders can receive important changing news of the company including information required to be disclosed by relevant regulations. After disclosure to the Stock Market, such information can be disclosed on the company's website both in Thai and English. and allow the communication channels between the company and the shareholders on the company website so that the shareholders can ask questions and receive fair information.
- 9) Also, the Board and Managements cannot buy or sell the stocks during 1-month period before financial statement data or other data that can affect the price of the stock will be revealed to general audiences. They cannot buy or sell the stocks until 24 hours since the data revelation to public have passed. When the Board and Managements buy or sell the stocks, there will be a report of stock holding to the meeting of the Board to acknowledge and will be reported to the Stock Exchange Commissioner within 3 days to release to the public.
- 10) Directors or high-level Management must report their interests to the meeting of the Board of Directors for acknowledgement.
- 11) Directors and high-level executives are required to report on buying the company's shares at least 1 day before the date trading to the company's secretary.

Conflicts of Interest

The company takes this as an important policy to not allow the Board, Managements, and the employees to use their status for personal benefits. The Board thus determines the policy for the Board, Managements, and the employees to avoid any transactions that might involve them personally and might lead to the benefit conflicts to the company. In the case that it is necessary to do so, the conditions and the price must be as if the transactions to the outsiders. The Board or the employee who are considered as stakeholders will not be a part of approval. If any transaction is related transaction under the Stock Exchange of Thailand, there must be a strict following to the rules, principles, and data revelation to public.

During the meeting of the company Board in the case the Board becomes stakeholders, the Chairman of the Board will ask Directors to explain to the meeting and will not allow the votes.

Category 3 Roles of stakeholders

The Board recognizes the importance of rights of all stakeholders including internal groups (employees and Management of the company) and external groups (shareholders, customers, trade partners, creditors, competitors, government staffs, and other associated parts such as community where the company is located, environment, and society). The company understands the driven force from the stakeholders, which will create the ability to compete and make profits to the company, contributed to the long-term success of the company. Above all, the company realizes the importance of rights of stakeholders, detail as following :-

Shareholders

The company treats shareholders fairly and equally with the basic rights and adheres to the practices according to the good corporate governance. In addition, the company is determined to be a representative of shareholders in doing a transparent business with reliable accounting and financial systems. In ensuring every share-holder being treated equally in various issues related to the company, for example the right in attending the meeting and casting a vote in the meeting of shareholders, giving a proxy, providing information in advance on a timely manner in order for shareholders to use in decision making, the proper meeting venue and time allocation, disclosure of information on the interests and rights to share opinions freely in the meeting, and so on. Besides, the Board of Directors will not take any actions that may cause conflicts with the benefits of the company, seek for own benefits, and disclose confidential information to outsiders.

Employees

The company has given importance to every employee who is regarded as a part of the company. Therefore, it has determined a policy related to various issues that concern employees, for example salary, bonus welfares on the compensation fund, provident fund, employee uniforms, sports, annual health check-up, and assistance for child delivery, injuries or disabled, etc. In addition, the company provides development for every level of employees in order to increase their potentials necessary for the future business growth. In this regard, the company arranges training courses to enhance knowledge and capability suitable for employees in each department, reasonable and appropriate to the performance of each employee at each level, as well as ensures the transfer of knowledge to employees in that particular department.

Regulations and practices include:

- Ensure the working environments are safe to lives and assets of employees.
- Support and encourage the arrangements of trainings in order to provide knowledge to employees in every aspect such as development of working potentials, emphasis on the environment, and so on;
- Appointment, removal, rewarding and giving penalty to an employee must be done with equality, sincerity, and on the basis of knowledge, capability, appropriateness, and the actions or practices of the employee;
- Treat employees on the basis of fairness, and give importance to development transfer of knowledge, and employee capability, while providing opportunities to employees on a throughout and regular basis;
- Listen to opinions and suggestions from every level of employees on a fair and equal basis;
- Strictly follow the laws and regulations relevant to employees;
- Manage the operations by avoiding to take any unfair actions that may affect the job security of the employee;
- Treat employees with politeness and give respect to individualism and human dignity;
- Encourage the understanding of the code of conduct and mantle in order to promote behaviors that are in the code of conduct throughout the employees;
- Encourage employees to participate in the determination of working directions as well as the solutions to the problems of the agency and the company as a whole.
- Trainings in the business regulatory system and anti-corruption are set in the new employee's orientation course.

Compensation and Benefit Policy

- The company will employ and allow all employees to progress in jobs and works with fairness.
- The company will allow all employees to work with their best abilities and will properly compensate to motivate their works as a form of allowance, annual bonus, and overtime.
- The company will offer various compensation in comparable amount to other business in same category according to the position, experience, degrees, and qualification of the employees. The compensation will also depend on the profits of the company in each year. It will depend on the evaluation and competency assessment system as a tool to manage and evaluate by determining KPIs or Key Performance Indicators to measure the success the work of the employees as well.
- The company will provide the fair and proper compensation according to knowledge, responsibility, and the out-come of each employee.
- The company offers benefits for basic needs of the employees such as mutual fund, annual physical examination, compensation fund, uniforms, various compensation, and training to increase professional skills.

Channel for complaints to our employees

The Company provide a channel for complaints to our employees that indicate misconduct and illegal actions by announcing on internal Boards and websites of the company regarding channels for opinions and complaints, including opinion and complaint boxes within the company and only the managing director has a key to open the box, as well as the email of the Managing Director “panom@agecoal.com”

Safety, Occupational Health and Working Environment Policy

The company realizes that employee is one of the success factors, so the company has polices on safety, health, and work environment to prevent and control any accidents that might occur from working. This is one of the main protocols to control and prevent any danger from working, and this is considered as duties and responsibilities of all employees to commit, examine, and investigate for safe workplace.

In 2019, 2 employees of the main office and branch office were injured in a serious work accident (causing three days or more of work absence). The company is determined to reduce accidents and will not neglect accidents and unsafe incidents or incidents that cause impacts to the health of employees. The company will provide assistance to employees who are endangered or encounter health impacts to the full extent of the company's abilities without delay and will take action to investigate into causes and carry out serious corrections to prevent recurrence of the aforementioned problems.

Customers

The company is determined to provide goods and services that are of good quality and standards. The inspection of goods quality is ensured, the delivery of goods is accurate and in-time. Contracts, agreements and conditions made with customers must be fulfilled in a transparent and fair manner. The various forms of customer demand in each industry will be attended by having an agency to contact customers as well as giving recommendations and listening to suggestions or opinions from customers and the confidentiality issue is promised.

- Arrange a system that takes care, keeps, and protects securities or assets that customers entrust the company to look after in a concise and appropriate manner;
- Maintain sufficient amounts of various types of assets according to the officially determined laws and rules in order to create customer confidence;
- Do not call for, request or receive monies, gifts, prizes, or other rewards from customers or other persons except the acceptance from traditional giving;
- Adhere and maintain honesty as a principle in running a business;
- Follow standards that relate to running the company's business and are generally accepted;
- Run a business legally and according to official regulations, and will not provide assistance, encourage or support any illegal activities or transactions;
- Monitor occurring development and changes, initiate innovations in order to build customer satisfaction, and exert all the efforts in the work;

Professionally apply knowledge, capability, expertise, carefulness and attention to produce quality products to customers;

- Concisely and properly keep and take care of confidential information of customers, and such confidential information will not be disclosed to other persons except being granted consent from the customers or implemented according the law;
- Communicate information on products or services of the company to ensure correct understanding of customers.

In 2019, the Company was survey the customer satisfaction and the results is very satisfied level or 60%.

Clients

The company takes into account the importance of its clients. The company purchases goods and services from clients according to the trading conditions as well as ensures its implementation following the laws, rules and con-tracts made with the clients in a fair and transparent manner. In addition, the company gives importance to the on-time payment for goods. Nonetheless, the company has a system of selecting clients that are reliable, responsible to the society and environment so as to ensure that customers get goods and services of specified standard quality.

- Do not call for, receive, pay any trade benefits to clients with dishonesty, and strictly follow the contracts, agreements and conditions made with clients. In case of failure to follow the conditions, the company will notify clients in advance at the first instance so that a solution to the problem at hand is jointly considered under the principle of reasonableness;
- Appropriately control or prevent in case there may be conflicts in benefits related to the business running, and will not seek for benefits in an illegal manner or opposing to official regulations;
- Do not take any actions related to the violation of intellectual property, encourage Managements and employees to efficiently use resources and assets of the company, use goods and services with the legal copyrights, and discourage the use of goods and services that is related to the violation of intellectual property;
- Strictly follow the trade conditions and agreements in order to create standard trades both with domestic and foreign clients.
- Payment on time with the terms of payment agreement.

Creditors

The company has determined the conditions and practices with creditors who are financial institutions that provide financial support to the company appropriately with the business situations. Regarding this, the company has taken care of the financial situations of the company to ensure that the company can control the financial risk involved and follow the borrowing conditions according to the agreements.

- Comply with agreements made with creditors. In case of possible non-compliance, negotiations must be held with relevant creditors in advance in order to jointly seek solutions and prevent any damages.
- Provide financial information that is correct, complete and accurate.
- Not solicit, accept or offer any improper benefits from or to creditors. If there is any information suggesting an act of such, discussions should be held with relevant creditors to jointly resolve the matter fairly and promptly.

Competitors

The company behaves according to the rules of fair competition and bases on the fair returns on both sides. In addition, the company avoids using dishonest methods to destroy its trade competitors and does not seek for its trade competitors' confidential information using dishonest or inappropriate ways, as well as do not destroy its trade competitors' reputation by accusing without the actual facts.

- Compete under the rules of fair competition on the basis of mutually fair returns.
- Not seek confidential information of business competitors by using dishonest or illegal approaches.
- Not discredit business competitors' reputation through defamatory accusations without facts.

The Communities and society

The company is well aware of creating understanding and trusts from communities surrounding the locations of warehouses and sorting houses, thus it has set up a community relation on the environment and society unit responsible for various issues, particularly responsibilities related to conservations, protection and solving of the environmental problems that may arise to the surrounding communities and nearby the company, and taking care of complaints from members of the communities. In addition, the company has supported the public part of the surrounding communities such as giving donations to build a school, donating computers to government offices, supporting religious activities, supporting activities of school students and the elderly, and so on as the opportunity arises. In the private front, the company corporates with client companies in arranging revenue earning projects for members of the communities, as an example. Moreover, in the recruitment, the company will emphasize potential employees who have domiciles in the surrounding areas in order to create jobs for the locality and provide support to those living nearby which will result in revenue and business prosperity in those communities.

The environment

The company is well aware of the environmental issues that may arise as a result of running the business. Since the company runs a business that involves importing, screening, and selling coals, the potential effects inevitably include dust diffusion in the areas of the sorting houses and warehouses, port, and the routes in which trucks use to deliver goods to customers. Therefore, the Company has adopted a policy to undertake the business under the Environmental Management System Standard, also known as ISO 14001:2015 to protect the environment also noise, air, and water pollutions. Within the 3 locations of warehouses and sorting houses, namely Samut Sakhon Branch, Phetchaburi Branch, and Ayutthaya Branch, which are branches that have coal sorting processes, the company has constructed a building covering machinery to ensure they are protected from noise and dust getting out. Regarding the coals resting outside the building, the company covers them with canvases and installs water spray systems in the surroundings in order to prevent dust diffusion. In preventing the water pollution, the company has built a clarifier together with ditches around the warehouses and sorting houses in preventing water from the coals leaking out directly. In the Nakhon Luang branch, the company has built 6-meter ridges and grows more than 20,000 trees in order to conserve the environment. Moreover, in terms of coal transportation, the company uses canvases covering every coal transporting truck tightly and every truck will be inspected before moving out of the port and warehouse area. In the port area where it is used as a coal transferring point to customers or the sorting houses, there will be a water spraying system to prevent dust diffusion as well. The aforementioned policies and measures result from the due attention and importance placed by the company in preventing the potential problems and environmental effects. In addition to these measures, the company also gives importance to improvements and corrections of existing measures in order to increase their effectiveness. And the policy in business running under the environmental standards (details of the activities can be found in sustainability development report year 2019)

In 2019, the company organized its annual environmental knowledge provision and training for employees to educate employees on the company's environmental conservation measures and environmental responsibility measures. Additionally, the company has created a report on monitoring quality such as on water every three months and dust, noise and air regularly every six months. In 2019, the aforementioned environmental quality monitoring values ranged within the standard values set by the company. Accordingly, the company has established a public relations agency on environmental and social issues to perform duties relevant to environmental management and dealing with the complaints of surrounding communities. Furthermore, the company has set measures to prevent, resolve and reduce environmental impacts that could occur to surrounding communities and communities near the company (details can be viewed in the Sustainable Development Report 2019).

Efficient usage of resources

The Board realizes and promotes the indoctrination of efficient usage of resources within the organization by providing knowledge and planning on efficient usage of resources as the followings.

- Plans on resource usage and plan on water reusing in various steps.
- Plans and activities on water and electricity saving.
- Plan on reducing paper uses.
- Activities for natural resource and environment preservation.
- Media for campaign.

Intellectual Property and Rights

The Board of Directors has policy to comply with laws related to intellectual property and rights by subjecting works or information belonging to outside parties that are accepted or to be used within the company to examination to ensure that no violation of intellectual property rights or other rights of others occur.

Practice Guidelines

- 1) The Company must undertake the business in conformity with relevant laws and regulations of every country in which it invests, including contractual obligations in relation to valid intellectual property rights, patents, copyrights, trade secrets, and other proprietary information.
- 2) The Company shall not infringe on or misuse the valid intellectual property rights.
- 3) The Company's personnel have a duty to protect the confidentiality and prevent leakage of trade secrets, trade secret formulas, product manufacturing processes or secret business methods to the best of their ability.
- 4) The Company's personnel must respect the intellectual property rights of others and must not use not even a part of other people's works for personal gain without prior permission from or compensation payment to the work owner.

Category 4 Disclosure and Transparency

The Board of Directors gives importance to the disclosure of key information of the company including financial reports, non-financial information, and other information according to the criteria set by the Stock Exchange of Thai-land and the Office of the Securities and Exchange Commission in an accurate, clear, complete, transparent, rapid and equal manner. In addition, the company provides report on policy and regulatory structure in the annual data form (Form 56-1), annual report (Form 56-2) and on the website www.agecoal.com both in Thai and English within 120 days from the ending date of the accounting period. In addition, the company has revealed the minutes of shareholder's meetings so that shareholders can monitor details in the meetings. In case of any further enquiries, one can contact the investor relations and organization communication at the telephone number +662-894-0088 ext. 704, and email: ir@agecoal.com so as to ensure shareholders and interested persons having equal access to the information.

In this regard, the Company has placed prime significance on managing relations with investors, analysts and related parties so that they obtain information on a sufficient, accurate, complete, transparent and equitable manner. In 2019, it held 1 analyst meetings, along with attended Opportunity Day Quarter 2/2019. The Company also responded to enquiries from investors and shareholders on the telephone as well.

The Board of Directors has maintained the effective internal control system so as to ensure that the records of accounting items are accurate, complete, and adequate for the preservation of assets for the purpose of preventing misconduct or any significant abnormal operations.

In this regard, the Board of Directors has appointed the Audit Committee which consists of non-Executive Director and sufficiently independent. The Audit Committee is responsible for the quality of the financial reports and the internal control system including risk management.

Besides, the company has a measure on prevention of the misuse of internal information by specifying that every level of employees must not use confidential information for own or other persons' benefits and must keep the internal information and documents that cannot be disclosed to outsiders and may be used to seek for own or family's benefits, or friends in an abusive way. Such information includes information that affects the share price, trade secrets, or invention formulas, etc. Employees who disclose such information to outsiders without approval from the managing director will be considered a disciplinary action according to the company's regulations and may be legally charged as well

Creating Financial Reports

The Board of Directors is responsible for important business operations and governance along with the company's financial statements and financial information available to the public as shown in annual information forms and annual reports. Creation of the aforementioned financial reports concurs with generally accepted accounting standards. Suitable accounting policies are chosen and practiced regularly and with careful judgement and the best projections. Furthermore, significant information is sufficiently disclosed in financial remarks, and the Board of Directors also creates reports of the responsibilities of the Board of Directors on financial reports conjunctively with auditor's reports appearing in annual reports.

In the aforementioned regard, the Board of Directors has established the Audit Committee composed of independent non-executive directors in overseeing the quality of financial reports and internal control. The opinions of the Audit Committee are shown in the Audit Committee's reports shown in annual reports.

Category 5 Board Responsibilities

The Board of Directors consists of experts with knowledge, capability and experiences from diversified professions including engineering, management and other experiences that are beneficial to the running of the company and have independence in making decision for the maximum benefit of the company and shareholders. The Board of Directors participates in formulating the vision, missions, targets, policies, long-term business strategies and annual budget of the company, by assigning the management to present, and the Board of Directors shares opinions and discusses with the management. This is to create mutual agreement as well as to supervise the management to carry out the business according to the business plan and specified budget in an efficient manner. Moreover, the Board of Directors also supervises the procedures for assessing adequacy of the internal control system, financial reporting and performance monitoring on a regular basis.

In 2019, the Board of Directors Meeting No. 1/2019 on 27 February 2019 reviewed corporate vision, mission, strategy and the goal of the business operation considered that they were still appropriate to the present business operations of the Company such as Corporate Governance Policy, Anti Corruption Policy.

Structure of the Board of Directors

The Board of Directors consists of 8 experts which is an appropriate number for the company and efficient to function, 2 executives, 2 non-executive and not an independent director, and 4 directors who are not executives and qualified as independent directors, which accounts for more than one-third of the total number of directors. Furthermore, the Board of Directors promote diversity in the structure of the Board of Director to have experts from diversified fields fully equipped with experiences, knowledge, expertise that are beneficial to the business running, adhering to morale and integrity, regardless of gender, race, religion, age, professional skills or other specific qualifications.

Board of Directors' Meetings

The Board of Directors' meetings follow the regulations, laws related to public limited company, and regulations of the Stock Exchange of Thailand. Special meetings are arranged if necessary. The meetings are held at least 4 times a year when the company secretary office will send an invitation letter with the meeting agenda and meeting documents as attachments to the directors no less than 7 days before the date of the meeting so that the directors have time to study the information adequately before attending the meeting.

The Board of Directors requires that the meeting must have directors attending the meeting at least 2 out of 3 of the total number of directors to constitute a quorum. Every director must attend the meetings at least 75 per cent of the total number of meetings over the year. The company has an accurate and complete record of the meetings such that shareholders can inspect.

The Board of Directors requires that directors who are not executives to arrange their own meetings as appropriate by not having executive or management directors attending the meetings. This is so that they can have an opportunity to discuss issues or express opinions relating to the company's business and management of interest independently. Nonetheless, the results from such meetings shall be reported to the chairman and the Board of Directors for acknowledgement so as to convey to the management to implement accordingly.

In 2019, the schedule of the 2020 board of director meetings was set in advance. (The meeting schedule may change), not including the meeting on special agenda as follows ;

No.	Board of Director	Board of the Audit Committee
1	20 February 2020	20 February 2020
2	11 May 2020	11 May 2020
3	6 August 2020	6 August 2020
4	9 November 2020	9 November 2020

Compensation for the Board and Managements

The company has determined the remuneration of directors in a clear and transparent manner as well as asked for approval from the ordinary meeting. The criteria in determining the remuneration of directors is considered from the appropriateness with the responsibilities of each director. The remuneration uses the same rate as the industry and at the level that provides incentives to retain directors who are capable and have appropriate qualifications for the responsibilities.

Report of the Board of the Directors

The Board of Directors is responsible for the financial reports preparation including the Company's financial statements, the consolidated financial statements of the Company and subsidiaries and financial information memorandum as shown in annual report. The financial statements are prepared based on generally accepted accounting standard. The Company applies proper and acceptable accounting standard and complies with such standard regularly. The Company is very careful to prepare and manage sufficient information to disclose in the notes of financial statements.

Self-evaluation of the Board of Director

The Board has evaluated their performance every year with three formats 1) person 2) team 3) sub-team in order for the Board to assess the outcome, the problems, and the obstacles during the previous year in order to fix and increase efficiency. The evaluation as a team and as a sub-team will be based on the protocols suggested by the Stock Exchange of Thailand, leading to properly changes of the company. With this,

1. Collective Evaluation of the Operating Outcome of the Company's Board of Directors

The evaluation consists of 6 topics as follows

- 1) Structure and qualifications of the board of directors
- 2) Roles, duties and responsibilities of the board of directors
- 3) Meeting of the board of directors
- 4) Performance of Directors
- 5) Relationship with the management
- 6) Self-development of Directors and Development of Managers

The evaluation process is as follows

- 1) The collective evaluation of the performance of the board of directors occurs at least once every year.
- 2) The Company's secretary concludes and presents the results of the effectiveness of the board of directors' performance to the meeting of the Company's board of directors in order to consider the evaluation results and methods for improving the effectiveness of the operations.

2. Individual Evaluation of the Performance of the Company's Board of Directors (Self-evaluation)

The evaluation consists of 3 topics as follows.

- 1) Structure and qualifications of the board of directors
- 2) Meeting of the board of directors
- 3) Roles, duties and responsibilities of the board of directors

The evaluation process is as follows

- 1) The directors perform an individual self-evaluation at least once per year.
- 2) The Company's secretary concludes and presents the results of the effectiveness evaluation of individual directors to the meeting of the board of directors in order to consider the evaluation results and methods for improving the effectiveness of the operations.

3. Collective performance evaluation of sub-committees

The evaluation consists of 3 topics as follows.

- 1) Structure and qualifications of the board of directors
- 2) Meeting of sub-committees
- 3) Roles, duties and responsibilities of sub-committees

The evaluation process is as follows

- 1) The collective performance evaluation of sub-committees occurs at least once per year.
- 2) The Company's secretary concludes and presents the results of the performance evaluation of all sub-committees to the meeting of the board of directors in order to consider the evaluation results and methods for improving the effectiveness of the operations.

In 2019, there were performance evaluations of the board of directors in the form of the collective evaluation of the board of directors, self-evaluation of the individual directors and collective evaluation of the sub-committees. The overall evaluation result is "very good."

Consolidation or Separation of Position

The Board of Directors requires that it's the Chairman and Managing Director be two different persons. There are clearly separated to achieve a healthy balance between management and good corporate governance. The current Chairman of the Board is an independent director.

Knowledge development of the Board

Training for Directors and Executives

The company encourages the Board of Directors and the management to attend seminar courses that are beneficial to their functions. Courses that the Board of Directors should attend at least are courses arranged by the Thai Institute of Directors (IOD) namely Directors Certification Program courses from related supervisory agencies on a regular and constant basis. The Board of Directors has assigned the company's secretary to be a coordinator with directors to inform training courses so that directors can bring in knowledge and experiences to continuously develop the company.

However, the Board requires that every year at least one Board member will attend such training to develop and increase knowledge in roles of the Board.

Currently, the Board has 9 persons that attended such trainings by passing the program of Director Certification Program (DCP) or Director Accreditation Program (DAP) by Thai Institute of Directors (IOD).

Orientation of New Directors

The Board of Directors has specified for orientation to be provided to newly appointed directors by assigning the company secretary as the person responsible for preparing the company's information, business overview, share structure, organization structure, director's manual and meeting schedules to provide new directors information about the roles, duties and responsibilities of directors, policies and practice guidelines for governing the company's business in addition to building understanding in business and operations and risk management and to provide explanation to inquiries along with visiting various operation units of the company in order to prepare new directors for performing their duties.

Policy on re-positioning to the Board position, managing director, and executives in other company

Corresponding to the good corporate governance and the suggestion from the Stock Exchange of Thailand, the Board has determined the policy on limiting the number of the re-positioning to the Board of other companies that are registered in the Stock Exchange of Thailand to be no more than 5 companies. All current 9 Board members hold the position in no more than 5 other companies

Also, the Board determines the managing directors and Managements to take the positions in other company as necessary in a way that it will not affect the duties and the responsibilities of the company. There also requires approval from the Board or the one in charge first.

Succession Plan

In order to ensure that the company shall have continuity in administration, the Board of Directors sees the necessity and importance of position succession of the high-level executives and positions that are considered, Critical Position by considering the age criterion close to retirement (60 years), difficulty for replacement in the labor market or being likely to be on demand in the market, the company thus arranges to have position succession for the following positions: managing director, deputy managing director, assistant managing director and division director, so as to select appropriate persons for the position who are equipped with knowledge, capability, experiences, visions, leadership, honesty and key qualifications required by the position (Key Jobs) as well as there are regular revisions consistent with the current situations.

In the high-level executive position, the company has made a position succession plan in support of the positions from division directors upwards. Replacement persons are identified. In case no persons who can replace instantly, the company has arranged a personnel development system for preparing persons in subordinate positions along with external selection. This is to ensure confidence in investors, organizations as well as employees that the business running of the company shall be succeeded in time.

Report of conflicts of interests

The Board has determined the protocol in reporting of conflicts of interests of the Board and Managements for transparency in order to prevent the problem that will lead to benefit conflicts as the followings

- The Board or Managements including family members that are associated or are the shareholders must report the conflict of interest to the company by each member must report the information since the day he or she started.
- The Board determines the evaluation of the conflicts of interests in August of every year or within 7 days after known changing of the data.
- The Board or Managements have the duties to report the stock holding of the company. If any changes, they must report to the Stock Exchange Commissioner within 3 days after changes.
- The Board assigns the Corporate Secretary to record the report of conflicts of interests.

Recruitment and Appointment of Directors and Management

Independent Director

The company defines definition of independent director follow the minimum requirements of the Securities and Exchange Commission or the Stock Exchange of Thailand in accordance with the Capital Market Supervisory Board No. TorJor.4/2552 dated 20 February 2009. The Company's independent director shall have the following qualifications.

Independent Director Means a director who has no business or any related work which may affect their independent judgment. The features of the independent directors in accordance with regulations of The Stock Exchange of Thailand details are as follows: -

1. Holding shares not over one percent of the total shares with voting right of the company, holding company, subsidiary, affiliation, major shareholder or authorized person of the Company for license, however, it includes share-holding by related persons of the independent director also.
2. Not being or has been a director with management participation on employees, consultant with regular salary or authorized person of the Company, holding company, subsidiary, affiliation subsidiary in same level, major share-holder or of authorized person of the Company, except relieved from aforesaid characteristic at not less than two years before submitting permission to the Office. However, the prohibited characteristics do not include that of civil service or consultant of government body holding major shareholding or authorized person of the Company.
3. Not being person of whole blood or registration as stated in the law, in the manner of being father or mother, spouse, brotherhood and offspring including spouse of the offspring of the management, major shareholder, authorized person of person designated to be management of authorized person of the company or subsidiary.
4. Not have or has been in business relation with the Company, holding company, subsidiary, affiliation, major shareholder or authorized person of the Company, in the manner that may obstruct the independent exercise of discretion including in not being or has been a significant shareholder or authorized person of the person with business relation with the Company, holding company, subsidiary, affiliation, major shareholder or authorized person of the Company, except relieved from aforesaid characteristics at not less than two years.
5. Not being or has been auditor of the Company, holding company, subsidiary, affiliation, major shareholder or authorized person of the Company and shall not be significant shareholder, authorized person or partner of auditing office with the auditor of the Company, holding company, subsidiary, affiliation, major shareholder or authorized person of the Company in attachment, except relieved from such characteristic at not less than two years.

6. Not being or has been professional provider which includes legal consulting or financial consulting with service fee over two million baht a year from the Company, holding company, subsidiary, affiliation, major shareholder or authorized person of the Company, and not being a significant shareholder, authorized person or partner of the professional provider, except relieved from such characteristic at not less than two years.
7. Not being a director appointed to be agent of the director of the Company, major shareholder or shareholder with relation with the major shareholder.
8. Not operating similar or significant competitive business to the business of the Company or subsidiary or not being significant partner in the partnership of directorship with management participation on employees, consultant with regular salary or holding shares over one percent of the total shares with voting right in other company, operating business similar or competing with business of the Company or subsidiary.
9. Not having any characteristics that will hinder free independent opinion in relation with the operation of the Company.

After having been appointed as an independent director following the qualifications specified under items (1) through (9) above, the independent director may be assigned by the Board of Directors to make decisions on the operation of the company, the parent company, the associates, the affiliates, the associates of the same level, the major shareholders or the entities with the authority to control the company in the manner of a collective decision.

The Board contains 6 independent members, which are the persons with knowledge or competency and truly have the freedom to operate such as no business connection to the company, no connect to other influences that might affect the independent performance.

Terms of the Independent Director

The Board determines the independent Director to be in position for 3 years and will circulate and retire as 1 in 3 of the entire team accordingly. When the term comes, the committee could be presented to the Annual General Meeting of Shareholders to continue as the Board and to come back in the position. The independent committee will in the position for no longer than 3 terms or 9 years starting from the day of accepting the position. In 2016, no independent committee stays more than 9 years.

Nomination of Directors and High-ranking Executives

The company does not have a specific nomination and remuneration specification committee, because the company has a small organizational structure. However, a nomination and remuneration specification committee might be established in the future based on changes in the company's organizational structure and income. Accordingly, candidates for company directors and executives are required to meet the qualifications in Section 68 of the Public Company Limited Act, B.E. 2535 (A.D. 1992) in addition to the company's regulations without the prohibited characteristics in the Notification of the Capital Market Supervisory Board No. Tor. Jor. 28/2008 on Requesting for Authorization and Authorization for Offering Newly Issued Shares for Sale dated 15 December 2008.

In recruitment of qualified persons to takeover positions of directors vacating from office according to term or other cases, proposals are made to the Board of Directors to make considerations on nominated persons, who are subsequently proposed to a meeting of shareholders for further consideration of approval. The company has processes to select qualified persons based on expertise, vision and leadership with fairness and transparent work background who can express opinions independently. Persons chosen to become directors required to be consistent with the company's business operations. Accordingly, the company created the Board Skill Matrix to provide information for accompanying director recruitment with considerations based on necessary knowledge and expertise that are lacking in the Board of Directors. The Board of Directors evaluates qualified persons for becoming directors based on nominations of persons to become directors by shareholders, professional search firm, director pool or other recruitment processes deemed appropriate by the Board of Directors.

In searching and appointing the Board member of the company, the Board determines the structure of the Board to contains diverse qualities in terms of skills, experiences, special expertise, and gender. At least one of the Board must not be executives but must have the knowledge in business and industry. The composition of the company's directors and the selection, appointment, or removal from the position of a director of the company has been determined in the regulations of the company which can be concluded as follows:

1. The Board of Directors consists of at least 5 directors but not exceeding 15 directors who are elected in the meeting of shareholders. The members of the Board must contain at least 3 directors from the Audit Committee and at least a half of the total number of directors must reside in Thailand.
2. The meeting of shareholders is responsible for electing directors according to the following rules and methods:
 - Each shareholder has 1 vote for 1 share.
 - Each shareholder will cast all of their votes according to (1) to elect one person or more than one person to be a director. In case of electing more than one person, the votes will not be divided unequally between the elected persons.
 - Persons with the highest votes in order respectively will be elected as directors equaling to the number of directors that are supposed to be or to elect in a particular occasion. In case that persons in the second orders have the same number of votes and more than the number of directors that are supposed to be or to select in a particular occasion, the chairman of the meeting shall have the deciding vote.
3. In every Annual General Meeting of shareholders, the terms of one-third (1/3) of the current number of the Directors will be ended. If the number of Directors could not be divided into three proportions, the number of Directors whose terms will be ended will be the closet number to the one-third proportion. Directors whose terms are ended in the first and the second years after the registration of the company will be decided by drawing lots. For the consecutive years, the Directors who are in the positions the longest will be removed. However, those Directors who are removed may be elected to fill the positions again.
4. Any director who is resigning from the position should submit the letter of resignation to the company with the effective date from the date that the letter of resignation reaches the company.
5. In casting a vote on which Directors whose terms should be ended before seeing out their actual terms, the number of votes must be at least no less than three-fourth of the number of shareholders attending the meeting and having the right to vote, and that the total number of shares must be no less than a half of the number of shares held by the shareholders who attend the meeting and having the right to vote

The Board must allow the shareholders to present a name with qualifications to become a Board member. In 2018, no name was nominated by shareholders

Composition and Appointment of the Audit Committee

The Audit Committee of the company must be the company's director who is appointed from the Board of Directors and have qualifications as specified by the securities law and the Stock Exchange of Thailand. The Audit Committee must contain no less than 3 persons and at least 1 director must have knowledge on accounting and finance.

Composition and Appointment of the Executives Committee

The Board of Directors is responsible for proposing the appointment of the Executives Committee by electing from Directors and/or a certain number of Management as it sees appropriate and the Board of Directors will appoint one of the members of the Executives Committee to be the chairman of the Executives Committee.

Corporate Governance of the Subsidiaries

The company always gives importance to the good corporate governance along with the business running, and has formulated the corporate governance policy and prepared the business ethics manual in writing with the objective to control the operations of the company and its subsidiaries. The Board of Directors has disseminated the good corporate governance policy and Code of Business Ethics and Code of Conduct to Directors, Management, and every level of employees so as to ensure understanding and observance. The company believes that good corporate governance will help the company to achieve the company's missions and that the principle of good corporate governance is to control the business running of the organization so as to ensure functional responsibility with transparency, accountability, and creation of moral competitive-ness. In addition, the practices of good corporate governance help to reduce risks and create long-term competitiveness for the organization while focusing on the maximum benefits of shareholders.

Nonetheless, in nominating and using the right to vote to appointing a person as a Director of the subsidiary is carried out by the management. Since 2010, the company has determined the regulations that such nominating and using the right to vote must be granted approval from the Board of Directors as well. The person who is appointed to be a director in the subsidiary is responsible for operating for the best benefits of the subsidiary. And the company has determined that the appointed person must be granted approval from the Board of Directors before casting a vote or using the right to vote in issues as important as those required the approval from the Board of Directors for the case of the issues operated by the company. Nonetheless, the number of Directors to represent the company in the subsidiary will be determined by the proportion of the company's shareholding.

Besides, in case of a subsidiary, the company has set the regulations that a person being appointed from the company must ensure that the subsidiary has the regulations regarding the preparation of related items, acquisition or sales of assets, or preparation of any important issues of the company in a complete and accurate manner. In addition, the subsidiary must be ensured to use the rules regarding disclosure of information and preparation of the aforementioned items in the same way as the rules of the company as well as to keep information and bookkeeping of the subsidiary in such a way that the company can examine and gather for the preparation of the consolidated financial statements on a timely basis.

Use of Internal Information

Directors must perform their duties according to the relevant laws, the company's objective and regulations, as well as the resolutions from the meeting of shareholders. For disclosure of information that is important and affects the company, if it is information on operations, approval must be required from the managing director. If the information may affect investors, approval must be required from the meeting of the Board of Directors. For the policy and method of monitoring the misuse of internal information for own benefits, the company has assigned the Board of Directors to supervise and consider misconduct of a director and/or executive by assigning the managing director to consider the misconduct according to the penalty as agreed in the meeting of the Board of Directors in case the company's employee makes the offence. In addition, the Board and Managements cannot buy or sell the stocks during 1 month period before financial statement data or other data that can affect the price of the stock will be revealed to general audiences. They cannot buy or sell the stocks until 24 hours since the data revelation to public have passed.

Policy on internal control

The Board realizes the importance of internal control that is sufficient and proper for all performance levels. The control must cover all aspects including control conditions, risk management, law protocols, regulations, associated rules, and assessment mechanism in order to efficiently balance and to prevent and monitor the investment of shareholders and the assets of the company.

The Board assigns the Audit Committee to review and to assess the internal control system and directly report to the Audit Committee and hires external unit to evaluate the sufficiency of internal control system to give opinions and suggestions to modify the internal control system of the company. The Board requires the report to the Audit Committee for every 3 months for better efficiency and performance.

The Audit Committee has appointed Dharmniti Auditing Co., Ltd. to internally investigate the company since 2009 until present and Dharmniti Auditing Co., Ltd. appoint Miss Somcharee Kawkomdee as the head of internal audit of the company, who is responsible for internal audit of the company (details can be found in internal audit report in attachment 3 in form 56-1) by assigning in Ms. Ni-orn Junjamsang also liaises with external hires from internal auditors

Process in following and evaluating the outcome of the principles of good corporate governance

The Board has determined the process to follow and evaluate the outcome from the principles of good corporate governance including ethics and business ethics

- Following up and evaluating by Dharmniti Auditing Co., Ltd., internal audit of the company
- Self evaluation by Managements and employees

The company has communicated to Managements and the employees in the managing levels to follow up their subordinates. There must be an immediate report to the direct senior in the case that the performance does not follow the predetermined policy. Such policies will be a part of annual evaluation of Managements and the employees.

Auditor Fee

The Audit Committee will consider auditors according to the assessment standard of the company such as independence in working, quality of work, and working standard.

The auditors must have qualifications according to The Stock Exchange of Thailand. They must not relate to the stakeholders of the company, subsidiary, executives, major shareholder, and associated persons. They must have freedom to Audit and give opinion to the financial statement of the company.

In the year 2019, the Company and its subsidiaries paid audit fees to the auditing companies affiliated by an auditor totaling 3,050,000 baht (Three million and fifty thousand baht only) and other non-audit fees. Which is the examination fee for the use of the promotional privileges for the previous fiscal year in the amount of 90,000 baht (ninety thousand baht only)

The principles of good corporate governance in other issues

In 2019, the Board, Managements, and the employees of the company have followed the principles of good corporate governance and consistently followed up the outcome in many issues; however, there could be some principles that cannot be applied by the company as the followings.

- **The company should have the Remuneration & Nomination Committee**

The company does not have Remuneration & Nomination Committee due to the small structure of the company. In the future, there might be Remuneration & Nomination Committee from the changing in the structure and the profits of the company. However, the Board has performed well in determining the compensation and the committee payment (which are approved by the Annual General Meeting of Shareholders).

- **The company should set up CG Committee and Risk Management Committee**

The company does not specifically set up CG Committee and Risk Management Committee due to the small structure of the company. In the future, there might be initiation by considering the changed structures. However, the Audit committee has well performed in checking upon the company, the audit on risk management, and other issues, consistent to the scope and the roles of the Audit Committee and the assignment from the Board.

The Board of Directors has considered and reviewed the adoption of CG Code Practices in the Company's context prudently, responsibly cautiously, and opined that the Company has complied with CG Code under 37 practice clauses in its operations, whereby:-

- There are 24 items operated under standard policies and practice guidelines (65%)
- There are 10 items operated without good practice guidelines (27%)
- There are 3 items operated without policies and practice guidelines (8%)

This opinion shall be a part of the Board resolution, and disclosed in the Annual Report and Form 56-1.



Corporate Social Responsibility

The company was founded in 2004 and did a business as an importer and distributor of clean coal. With the consideration of community and the environment surrounding the plant area, the company therefore developed processes for shipping, screening and storing constantly so as to ensure that its activities did not affect the society and neighboring environment and ready to solve such impacts. The business running of the company adheres to the corporate social responsibility guideline that is specified by the Stock Exchange of Thailand and the GRI Standard .as well as carries out CSR in process and CSR after process activities with the aim that activities arranged by the company will be a part that supports sustainable development in economic, social and environmental aspects. Simultaneously, the company ensures all stakeholders be taken care of with virtue, morality and ethics, as well as having governance being a controlling tool in ensuring the implementation of activities being honest, transparent and just. The company believes that “the business is to be sustainable in the society and the environment is developed sustainably” and in order for employees to realize the social responsibility, the Board of Directors has determined the social and environment responsibility policy to be used as the main policy in running the business that employees at all level can follow.

Overall Policy

The company adheres to the business operation under the principles of Good Corporate Governance and good ethics along with true responsibility for environment and society. The company has determined the protocols of good performance according to the principles of the Stock Exchange of Thailand. The company operates the business by considering the effect to the stakeholders from within and outside the organization ranging from shareholders, employees, customers, community, and overall society. This is to reach the expectation from the stakeholders, leading to the sustainable business growth.

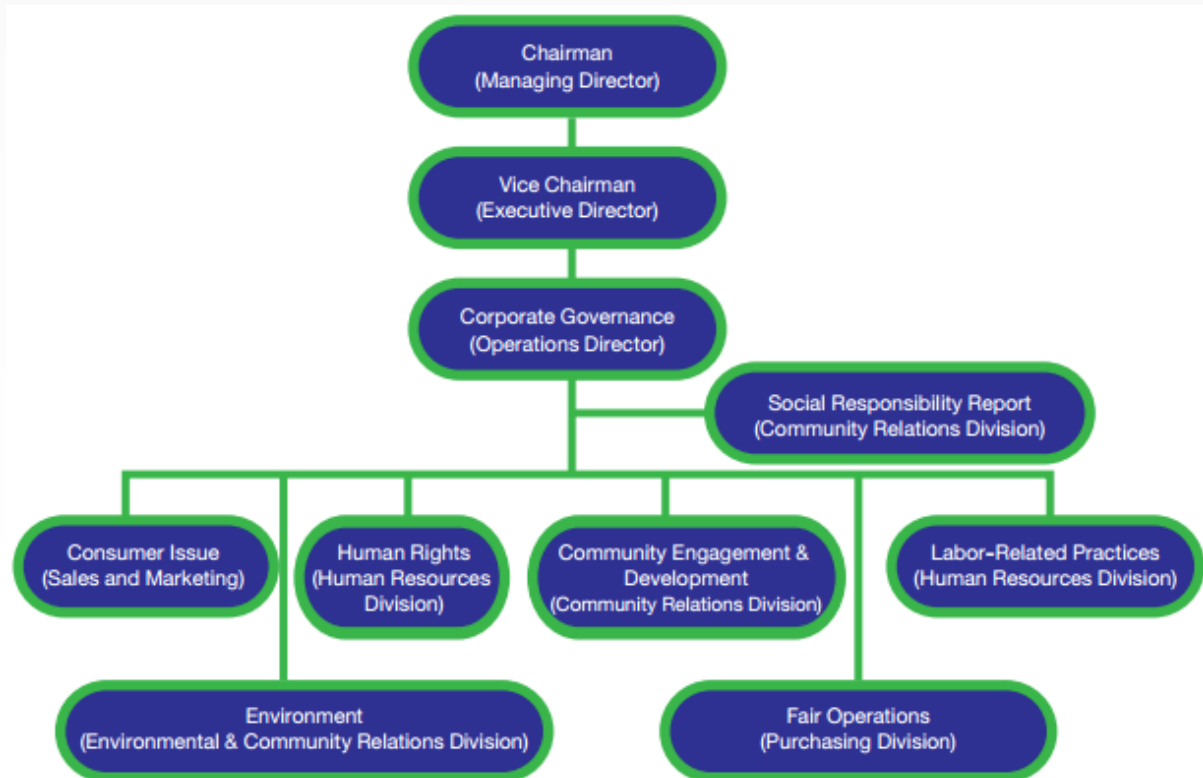
Corporate Social Responsibility Policy

Asia Green Energy Public Company Limited and subsidiaries (“Company Group”) is committed to operating with responsibility to the society, environment and communities both in close proximity to and distant from the areas in which the Company Group directly or indirectly operates. Focuses are placed on establishing participation toward sustainable development, adhering to transparent and accountable business practices, complying with the laws, requirements or relevant international practices, as well as paying regard to ethical values, respect for human rights, impacts on the society, environment, communities and all stakeholders’ interests. To this end, the Company Group has set forth its Corporate Social Responsibility Policy as follows:

1. Strive to develop the Company Group’s businesses toward sustainable growth, while attaining environment care and concern for impacts on the society, environment and communities in general.
2. Carry out corporate social responsibility activities by focusing on participation of communities alongside public and private organizations associated both directly and indirectly with business operations of the Company Group.
3. Encourage participation of its employees and inculcate in them social responsibility values as a part of the corporate culture.
4. Attach great importance to operational safety and environmental management in order to avoid adverse impacts on the society, environment and communities.
5. Utilize knowledge, experience and expertise of the Group’s personnel along with its equipment in helping out and developing the society, environment and communities in order to bring utmost benefits to the society, environment and communities in general.

Committee and working team of Corporate Social Responsibility

The company realizes the importance of responsibility to society, community, and environment. The company thus set up a committee and a working team of corporate social responsibility to operate the work of corporate social responsibility (CSR) with efficiency and steady development.



The committee and the working team of corporate social responsibility (CSR) have the following duties.

- 1) Announce the policy of corporate social responsibility that agrees with the company policy.
- 2) Communicate with all employees in all levels, business partners, investors, and related persons to acknowledge and understand the social responsibility.
- 3) Determine proper planning that agrees with the business strategies. It should reach the key performance index of corporate social responsibility and support the key performance index of the work.
- 4) Propose the budget, follow up on the outcome, and all report of the operation with social responsibility from various sectors and departments. It also requires the evaluation of budget and plan for maximum efficiency.
- 5) Issue regulation, order, or announcement about social responsibility of the company.
- 6) Investigate to understand the problems, advise, and solve the problems according the standard of corporate social responsibility.
- 7) Support for exchanging of ideas, knowledge, success, and experiences of corporate social responsibility (CSR) among inside and outside units.
- 8) Consider in changing or appointing staffs and committee of corporate social responsibility in department level.
- 9) Have a meeting of the committee and the outcome of corporate social responsibility for at least once a month.

Information related to corporate social responsibility can be seen from Sustainability Development Report year 2019.

Stakeholder Groups



Stakeholder	Expectation	Response to Expectation	Communications Approach
Public and Private Sectors	<ul style="list-style-type: none"> Fair business operation And transparent Compliance with laws, regulations And various regulations set forth Environmental Management And efficient use of resources Cooperate in providing information quickly and support government projects. 	<ul style="list-style-type: none"> Submission of full information disclosure report in compliance with laws and requirements - Assessment of completeness of performance in compliance with laws, rules and regulations Disclose complete and sufficient information Responsibility to the community Society and environment, and specify guidelines and campaign for efficient use of resources within the organization. Build good relationships with government agencies Support government programs that are beneficial to the public 	<ul style="list-style-type: none"> Dialogue "AGE Open House" Project (4 times / year) Tripartite meetings and informational Environmental impact report Company visit Opening up channels for receiving complaints Comments and suggestions
Social Sector	<ul style="list-style-type: none"> Compliance with laws Conducting business with the least impact on the environment and community Participation in environmental stewardship and community development Disclosure of complete and correct information Enough and timely 	<ul style="list-style-type: none"> Disclosure of annual operating performance Communications through all channels, e.g. website, mass media and Investor Relations Department Responsibility to the community, society and environment 	<ul style="list-style-type: none"> Meeting and opinion exchange session Visit on occasion Relationship building activities Press conference and interview

Stakeholder	Expectation	Response to Expectation	Communications Approach
Employee	<ul style="list-style-type: none"> Employee engagement survey Welfare Committee MD-employee meeting Employee suggest box Intranet E-mail Board 	<ul style="list-style-type: none"> Safety at work Proper employee welfare Career progression planning Good work environment 	<ul style="list-style-type: none"> Occupational health and safety policy and procedures Annual capacity development trainings Successor group trainings for preparedness Happy Workplace activities
Community	<ul style="list-style-type: none"> Community relations activities Discussion with community committee Evaluation of community activities Disclosing business information transparently Supporting community activities Participation in the development of the quality of life of the community 	<ul style="list-style-type: none"> Business operations with no impact on communities Good environmental management with no impact on communities Participation in community events Proactive environmental management system according to ISO 14001: 2015 Proactive environmental surveillance By creating a surveillance program and evaluating the situation while working to reduce environmental impact Commitment to requesting standard system certification Occupational Health and Safety ISO 45001: 2018 	<ul style="list-style-type: none"> Community relations activities consistent with community needs Promotion of understanding and engagement with communities Good environmental management Disclosure of environmental quality evaluation information Evaluation of community relations activities Evaluation of community dialogue Entering the communication area with the community By community relations officers Membership and information Organize activities with the community conservation group And the port operator club In Nakhon Luang district area
Shareholder / Investor	<ul style="list-style-type: none"> Annual general meeting of shareholders Quarterly operating performance reporting Company visit for investors AGE Green News 	<ul style="list-style-type: none"> Good Corporate Governance Growing operating performance Good return on investment Sustainability Management 	<ul style="list-style-type: none"> Sufficient information disclosure Operations under good corporate governance principles Appropriate dividend payment Management under sustainable management
Customer	<ul style="list-style-type: none"> Customer visit Customer satisfaction survey Group activities with customers Company visit for customers 	<ul style="list-style-type: none"> High-standard goods, and punctual delivery Quality services Reasonable prices 	<ul style="list-style-type: none"> Management by ISO 9001 system Arrangement of CRM system to serve customer needs Problem solving of customer complaints
Business Partner	<ul style="list-style-type: none"> Meeting with business partners Company visit Business communication and negotiation 	<ul style="list-style-type: none"> Fair and transparent price competition Fulfillment of contracts Recognized credibility and reputation Ability to support business operations 	<ul style="list-style-type: none"> Anti-corruption policy Procurement procedures manual Assessment of confidence in partners to determine relevant indicators
Creditor	<ul style="list-style-type: none"> Operating performance and financial statements of the Company Meeting and visit on occasion Company visit 	<ul style="list-style-type: none"> Ability to make payment on time Ability to make profits from operating performance 	<ul style="list-style-type: none"> Good financial planning Analysis and assessment of business risks

Guideline for Corporate Social Responsibility

The company operates the business and its subsidiary with responsibility for society, environment, and stakeholders by relying on the following principles.

1. **Business operation with justice**

The company realizes the business operation with justice since the company is convinced that operating business with justice lead to trust from stakeholders and will result in sustainable development and growth. The company avoids any operation that might cause conflicts, promotes free trade competition, does not promote any violation of intellectual property or copyright, and lastly promotes to employees in all levels the importance of anti-corruption and all forms of bribery.

2. **Anti-Corruption Practices**

The Board of Directors encourages directors, executives and employees of all levels to operate with conscience, transparency and corporate governance principles, and not to abet corruption in all forms, either directly or indirectly. The Board has therefore set forth the Anti-Corruption and Bribery Policy, which prohibits directors, executives, employees as well as related third parties of the Company from committing any acts indicative of corruption, either by offering, promising, soliciting, demanding, giving or accepting bribes. The Company has zero tolerance to corruption, the value of which applies to all businesses and transactions of the Company in any country and all relevant units. The Company will review its operating procedures regularly to ensure alignment with changes in the laws and industry and to uphold reputation of the Company.

Definitions Relating to Anti-corruption

Corruption refers to the commission of any acts by means of offering, promising, soliciting, demanding, giving or accepting assets or any other benefits to government officials or any other persons doing business with the Company, either directly or indirectly; or the omission of an act of duty in attempt to gain or retain undue business benefits, unless otherwise allowed by the laws, regulations, local traditions or business norms.

Anti-Corruption Policy

Asia Green Energy PLC (“AGE”) exhibits strong intention to raise awareness among all-level employees that the solid and sustainable corporate success rests on the trust the customers, shareholders, all stakeholders and the public have in the Company and in its integrity, transparency and fairness.

Thus, the Board of Directors has devised the Anti-Corruption Policy determining duties, responsibilities and practice guidelines for all-level employees to observe, with the aim of preventing doubt about integrity of the Company’s employees. The Company has also put in place channels for complaint and prompt response process, in order for all employees to keep watch on suspicious case or improper behavior in violation of the Company’s Anti-Corruption Policy and Code of Conduct. All complaints will be addressed on an equal, transparent, attentive and fair manner.

Duties and Responsibilities

1. Board of Directors

Duties and Responsibilities: The Board of Directors is responsible for formulating policies and supervising to establish a system conducive to efficient anti-corruption practices, in order to ensure that the Management recognizes and values the importance of anti-corruption practices and instills the anti-corruption mindset into corporate culture.

2. Audit Committee

Duties and Responsibilities: The Audit Committee is responsible for reviewing financial and accounting reporting system, internal control system, internal audit system and risk management system in order to ensure that they are compliant with international standards, prudent, suitable, up-to-date and efficient; regularly assessing possible corruption risks in such processes as sales and marketing, purchasing, contract execution, human resources management, finance and accounting, etc., and suggesting appropriate solutions thereto; as well as reviewing the Company's business operations. The Committee will oversee to ensure that the Company's internal control system is sufficient for preventing corruption risks, and report results along with recommendations for improvement of anti-corruption measures to the Board of Directors.

3. Executive Committee

Duties and Responsibilities: The Executive Committee is responsible for making plans and encouraging personnel as well as all related parties to gain understanding of the Anti-Corruption Policy, practice guidelines and measures; promoting and encouraging group companies to adopt or apply this Anti-Corruption Policy and measures as appropriate; implementing comments and advice of the Board of Directors and sub-committees; and reviewing the suitability of relevant measures and systems.

4. Managing Director

Duties and Responsibilities: The Managing Director is responsible for establishing systems; promoting, supporting and communicating the Anti-Corruption Policy to employees and all related parties; together with reviewing the suitability of systems and measures in line with changes in the business, rules, regulations and provisions of laws.

5. Director of the Office of Managing Director

Duties and Responsibilities: The Director of the Office of Managing Director is responsible for examining and reviewing practices to ensure that they are compliant with policies, practice guidelines, entrusted authorities, regulations and applicable laws, and that control systems are suitable and sufficient for countering possible corruption risks; and reporting the results to the Audit Committee and the Board of Directors on a quarterly basis.

6. Internal Audit Office

Duties and Responsibilities: The Internal Audit Office is responsible for auditing and reviewing practices to ensure that they are compliant with policies, practice guidelines, entrusted authorities, regulations and applicable laws, and that control systems are suitable and sufficient for countering possible corruption risks; and reporting the results to the Audit Committee.

7. Working Group

Duties and Responsibilities: The working group, comprised of responsible members appointed from each division, is responsible for communicating policies and practice guidelines concerning anti-corruption measures to all units and related parties; following up and reporting the results to the Executive Committee.

The process in risk evaluation from corruption

The company determines to have the system for risk evaluation by indicating the event or the opportunity that corruption might occur such as giving or receiving bribe, donation, business relation, and purchasing. The system considers all aspects of corruption in such false financial statement, asset losing, corruption, management override of internal controls, modification of critical information, and unjustified receive or spending of assets. The system also has to evaluate the chance for the corruption to occur and its severity from both internal and external factors. Moreover, it has to determine the proper anti-corruption policy with assessable risk and follow up the outcome evaluation.

Guidelines for governing and controlling to prevent and investigate the risk from corruption

The company has determined guidelines for governing and controlling to prevent and investigate the risk from corruption as the followings.

- 1) The Board, Managements, and the employees in all levels must strictly the anti-corruption policy by not joining any corruption matter both directly and indirectly.
- 2) The employees do not ignore or neglect when the action of corruption is found. They must notify their senior or the associated officers and collaborate in finding the truth. If there is any question, please consult the senior or the associated officer or the officer who is responsibility with anti-corruption via pre-determined channels.
- 3) The company will give justice and protection to the employee who is refused to notify about the corruption by using the protocols for protection of requester or to the person who collaborates in the report of corruption.
- 4) The person who commits corruption violates the anti-corruption policy for the company and will be punished according to the rules. He or she might face charges if that act is against the federal laws.
- 5) The company realizes the importance in distributing and providing knowledge and understanding to all staffs associated with the company and affected by this anti-corruption policy.
- 6) The company intends to build and preserve the culture inside the organization by adhering that corruption is unacceptable in transactions with both public and private sectors.

Anti-Corruption Guidelines

- 1) This Anti-Corruption Policy covers the personnel management processes, starting from recruitment, selection, induction, training, performance evaluation, appreciation, promotion, benefit program, and disciplinary action. Supervisors of all levels are required to communicate to staff for understanding and implementation in business activities under their responsibilities, and to oversee to ensure efficient practices.
- 2) Any actions under the Anti-Corruption Policy will be in accordance with the guidelines specified in the Corporate Governance Handbook, Code of Conduct and Code of Ethics, Anti-Corruption Measure Handbook, including relevant rules and operation manuals, as well as any other guidelines to be specified further by the Company.
- 3) For clarity of practices in matters with high possibility of corruption risks, the Company requires that the directors, executives and employees of all levels must discharge their duties carefully in the following cases:-

3.1 Political Contribution

The Company has a policy of political neutrality, by not supporting or acting in support of any particular political party, either directly or indirectly, as well as not utilizing the Company's resources in activities that could jeopardize the neutrality of the Company and/or cause damages as a result of the involvement in such activities. However, the Company advocates for conformity to the laws and democratic system. Therefore, all employees have the right and duty to freely and personally engage in political activities, provided that they do so out of office hours, do not use the Company's assets therein, and refrain from conduct that may create a perception that it has been done on behalf of the Company.

3.2 Charitable Donation and Sponsorship

Charitable donations constitute a part of AGE corporate culture to assist the underprivileged in the society, to alleviate the suffering of natural disaster victims, or to promote better living quality. All charitable donations must be approved in accordance with the procedures specified by the Company and be made in a transparent manner. The payment will clearly identify the recipient, which is a registered organization, and clearly indicate the purpose of the donation.

Monetary sponsorships, typically made for promoting corporate image or reputation, are generally carried out through social activities. All sponsorships must be considered in a transparent manner with valid and sufficient contracts or evidences of payment, and be approved by authorized persons according to the specified levels. No sponsorship will not be used as subterfuge for corruption and bribery.

3.3 Giving or Receiving of Gifts, or Assets, or Any Other Benefits, Hospitality, and Other Expenses

Giving or receiving gifts, or assets, or any other benefit, hospitality expenses, reception expenses and other expenses may lead to risks in corruption. Therefore, all directors and employees must not offer or accept gifts, or any other assets or benefits, hospitality expenses, reception expenses and other expenses that may conventionally be perceived as creating an obligation or expectation to return the favor, or leading to corruption. Such requirement applies to the giving or receiving of gifts, or assets, or other benefits, hospitality expenses, reception expenses and other expenses to and from third parties.

However, if the giving or receiving of gifts, or assets, or other benefits, hospitality expenses, reception expenses and other expenses does not create an obligation or expectation to corruptively return the favor and is consistent with traditions, customary practices or social etiquettes, such giving or receiving is allowed, provided that it conforms to the Company's Code of Conduct, rules and regulations.

Corporate gifts must be given in the name of the Company only, with corporate logo thereon, and on proper occasions, e.g. New Year, Songkran, Chinese New Year, etc.

In case a gift received is of a value less than 5,000 baht, it must be delivered to the Labor Relations and Administration Department for record of receipt, and allotted to employees by means of lucky draw in arranged activities.

In case a gift received is of a value exceeding 5,000 baht, it must be delivered to the Accounting Department for record of receipt, and registered as the Company's asset. The Company will subsequently consider whether the gift can be utilized by any unit. If not, approval for disposal of asset will be processed.

3.4 Business Relationship and Procurement

All the Company's business operations, particularly those relating to procurement with public and private sectors, both locally and overseas, must be carried out in a transparent, honest and fair manner without offering or accepting of bribes, and in accordance with the laws of Thailand and of the nations with which the Company contacts. The Company will also comply with anti-corruption laws of all localities where it operates.

- 4) Directors, executives and employees must not demand or accept money, benefits or items of improper, dishonest or exaggerated nature from persons related to the Company's business.
- 5) Directors, executives and employees must not, either for themselves or other persons, demand or accept money, benefits, items or any other benefits from persons or juristic persons doing business with the Company, which indicates an attempt to influence improper commission/omission of duties or legal offences.
- 6) It is prohibited to give, offer to give, or accept donations, monetary sponsorships, items, or any other benefits to and from third parties, e.g. government officials, brokers, representatives, trade partners, customers or persons with decision-making power, etc., with the intention of persuading such persons to commit or omit acts in violation of the laws or in abuse of duty, or bringing about advantages or exchanges for undue privileges. Giving or receiving of monetary donations or sponsorships must be carried out in a transparent and lawful manner, and it must be ensured that such the donation or sponsorships are not used as subterfuge for bribery.
- 7) In case a juristic person or third party associated with the Company's business gives an item or benefit to an executive or employee as a token of gratitude, discretion must be exercised as to the appropriateness and/or righteousness of the circumstance, taking into account governing rules and regulations. If refusal of the gift would be a gesture of insensitivity and affect the good business relationship, such an executive or employee is allowed to accept the gift, provided that it is of a reasonable value.
- 8) Receiving gifts or assets should be handled on ethical basis, be it assets or any other benefits. Such assets may be received from related persons or acquaintances, and should be so in a general and nonspecific manner. The gifts and assets must not be received illegally, and not illegal in nature.
- 9) Personnel of the Company and affiliates, as well as their families, are prohibited from demanding or accepting gifts or any other benefits from contractors, subcontractors, customers, trade partners or persons associated with the Company's business in any case, which may affect the decision in discharge of duties with bias or difficulty, or constitute a conflict of interest.
- 10) Personnel of the Company and affiliates must not give bribes or any benefits in-kind to personnel of the Company or to third parties, particularly government officials. In giving gifts, assets or any other benefits to government officials, both locally and overseas, it must be ensured that such the giving does not violate the laws and local customs.
- 11) It is undesirable on whatsoever occasion between supervisors and subordinates to give and receive gifts of a value greater than the norm which a reasonable man would do.
- 12) Directors, executives, employees and affiliates must refrain from giving or receiving items or any other benefits from trade partners or persons associated with the Company's business, except for the benefits in normal business operations, or in festivals, or by customary practices.
- 13) Directors, executives, employees and affiliates must acquaint customers, trade partners, contractors, persons or juristic persons doing business with the Company with the understanding that the Company does not support any acts identified as corruption, and will not be involved in corruption, no matter by demanding, receiving and paying bribes in all forms. If such an act is found, the Company must be notified immediately.
- 14) This policy is specified to apply to subsidiaries, affiliates or other companies over which the Company has controlling power, including persons associated with business operations.
- 15) Directors, executives and employees who do not comply with this Policy will be deemed as committing a disciplinary offence under the Company's rules and regulations. If such violation of or non-compliance with this Policy is a legal offence, the Company will report to the competent law enforcing officers for legal proceedings against the offender.

- 16) The Company and persons associated with its business
 - 16.1 Subsidiaries and affiliates over which the Company has controlling power must comply with this Anti-Corruption Policy.
 - 16.2 Business agents and intermediaries (if any): All directors, executives and employees are prohibited from employing any business agents or intermediaries for the purpose of giving or receiving bribes, or corruption.
- 17) The Company has arranged for internal auditing by employing external auditors to audit the internal operations of the Company, in order to ensure accurate financial reporting system, and compliance with the policies, requirements, regulations and the laws for the achievement of the intended objectives.

Guideline in following up and evaluating the anti-corruption policy

The company determines to have guideline for following up and evaluating the anti-corruption policy.

- 1) Determine to have internal audit team to audit the internal control system, risk management, operation management, and continuous suggestion by investigating from the annual plan that is approved by the Audit Committee. The internal audit team must be responsibility in testing and evaluating risk from corruption in order to efficiently apply the protocol for anti-corruption. The team needs to evaluate and modify the anti-corruption policy frequently by presenting the risk evaluation to the Audit Committee and by reporting to the Board, respectively.
- 2) The company determines Managements and the employees to evaluate themselves every year about the practices of the good corporate governance, business ethics, company ethics, the anti-corruption policy, guideline for preventing corruption action, and ethics for employees.
- 3) If the investigation reveals that the data or the appeal show the matter of corruption that has significance to financial status and overall outcome of the company, violation of ethics, illegal action, guideline for corruption preventing, financial statement, internal control system, the Audit Committee will report to the Board to solve such issues within the proper time frame.

The promotion of the anti-corruption policy

In order for all employees to receive the anti-corruption policy, the Board determines to promote and distribute the policy as the followings.

- 1) To distribute the anti-corruption policy via communication channel of the company such as intranet system of company website, annual information form (56-1), and annual report (56-2)
- 2) To have a training of the anti-corruption policy to new employees
- 3) To evaluate the anti-corruption policy every year

Whistleblowing/Complaint Policy

Placing an importance on acknowledgment of complaints and suspected cases, the Board of Directors set forth a policy providing an opportunity and channel for employees and stakeholders to submit complaints, opinions, and suspected cases regarding legal offence, corruption, inaccurate financial report, defective internal control system, infringement of rights, unequal treatment, negligent and reckless act, including complaints concerning the Company's corporate governance, code of conduct, and behaviors indicative of corruption.

Practice Guidelines

1. Measures on Complaints and Whistleblowing

The Company has made available safe channels through which employees can confidently access upon seeking advice about implementation of anti-corruption, complaints and whistleblowing measures, which entail provision of advice, receipt of complaints, examination of facts, summary of results, as well as protection of complainants, whistleblowers and related persons. These channels are provided for receiving complaints, opinions or suggestions of stakeholders being affected or at risk of being affected by the Company's business operations or by the discharge of duties of its directors, executives and employees in relation to acts against the laws or code of conduct, including behaviors indicative of corruption.

2. Scope of Complaints and Whistleblowing

2.1. Acts in violation of or non-compliance with the laws and state regulations, or the Company's corporate governance policy, code of conduct and regulations, as well as unfair treatment in operations.

2.2 Acts indicative of corruption, which refers to any acts in attempt to gain unlawful benefits for oneself or other persons, for example embezzlement, corruption, fraud, etc.

3. Persons Eligible to Lodge Complaints

All-level employees of the Company or third parties coming across or becoming aware of suspicious acts, as well as persons affected by the Company's business operations or by the discharge of duties of its directors, executives and employees who violate or disobey the laws and state regulations, or the Company's corporate governance policy, code of conduct and regulations, including acts indicative of corruption.

4. Process of Complaints and Whistleblowing

Upon coming across violation of or non-compliance with the laws, state regulations, corporate governance policy, code of conduct, corporate policies or regulations, as well as any acts indicative of corruption by the Company's directors, executives and employees, one can report the incidents via complaint/whistleblowing channels. In case an employee comes across such an incident, he/she should inquire or consult the supervisors or Corporate Secretary first. If unsure or uneasy to do so, he/she can report the incident via the provided channels. Upon receiving the complaint, the recipient can consider taking appropriate action or forward the case to relevant person, taking into account the independence to take action pertinent to the details or matter at issue, in order to find facts and follow the progress to ensure appropriate action on the complaint. Practice guidelines are as follows:-

- 1) In case of a violation of or non-compliance with personnel policies and procedures, the complaint will be forwarded to the Human Resources Manager.
- 2) In case of a violation of or non-compliance with the laws, state regulations, corporate governance policy and principles, code of conduct, and corporate regulations, the complaint will be forwarded to the Corporate Secretary.
- 3) In case of an act indicative of corruption, which refers to any acts in attempt to gain unlawful benefits for oneself or other persons, e.g. embezzlement, corruption, fraud, etc., the complaint will be forwarded to the Audit Committee.
- 4) In case the complaint under (4.1), (4.2) and (4.3) is complicated or involves several units, it will be forwarded to the Executive Committee Chairman and the Managing Director for appointment of an Investigation Committee to investigate the matter.
- 5) The complaint will be subsequently notified to the Corporate Secretary, who will register the case and record information for progress monitoring. However, if the complaint for a violation of or non-compliance with the laws and the Company's regulations or a commission of corruption is proved valid, the guilty person will undergo disciplinary action according to the Company's regulation and/or a legal action if such act is a legal offence.

5. False Reporting

If the reported information is proved to be false due to intentional distortion of facts or false accusation, the person reporting it is guilty of violation of the Company's code of conduct. Punishment for such offence will be in accordance with the Company's regulations and/or the provisions of laws.

Measures on Protection of Complainants, Whistleblowers, and Related Persons

Complainants or whistleblowers will be protected appropriately and fairly by the Company from such reprisals as reassignment, demotion, relocation, suspension, threat, work harassment, termination or any other unfair treatment against them. The complaint information will be kept confidential and not be disclosed to unrelated persons, unless it is required by the laws. Related persons knowing about the complaint or information pertinent to it must maintain the confidentiality thereof and not disclose it to third parties. In case of an intentional violation of non-disclosure, the Company will take punitive actions in accordance with the Company's regulations and/or legal actions, as the case may be.

Channels for Complaints and Whistleblowing

To treat all stakeholders equally and fairly under the corporate governance principles, the Company has provided channel for submitting complaints, suspected cases, opinions, or any suggestions indicating that stakeholders are affected or at risk of being detrimentally affected by the Company's business operations or by the discharge of duties of its employees in relation to acts against the laws or code of conduct, inaccurate financial report, or defective internal control system, including behaviors indicative of corruption, unequal treatment, or negligent and reckless act. Such incidents can be reported directly or by mail, expressly marked 'Confidential' via the following channels:-

1) Registered mail

Address to: Independent Director / Audit Committee Member
Asia Green Energy Public Company Limited
273/1, Rama II Road, Samaedam
Bangkhunthian, Bangkok 10150

2) E-mail

Board of Director	bod@agecoal.com
Audit Committee	ac@agecoal.com
Independent Director	id@agecoal.com
Corporate Secretary	ni-orn@agecoal.com
Investor Relations	ir@agecoal.com

3) Telephone

Corporate Secretary 02-894-0088 ext. 807
Investor Relations and Corporate Communications Department 02-894-0088 ext. 704

4) Drop Box

5) Corporate Website, "Channel for Complaints" section

The Corporate Secretary is responsible for compiling documents received via these channels, and summarizing all the suggestions and issues for submission to the Board of Directors on a quarterly basis, except for letters addressed to the Audit Committee that will be sent directly to the Committee. In the event of urgency, the case can be reported directly to the Managing Director at panom@agecoal.com. The Company will further carry out the examination procedures and record the investigation in writing without disclosing the identity of the whistleblower. All relevant information will be kept confidential in order to protect the whistleblower against any possible adverse impact.

Measures

- 1) Directors, executives and employees of all levels of the Company must comply with the Anti-Corruption Policy by not involving in corruption, either directly or indirectly.
- 2) Persons committing corruption constitute an offence against the Company's Anti-Corruption Policy and Code of Conduct. They are subject to disciplinary action under the set regulations, and also legal action if such act is a legal offence.
- 3) Employees should not disregard or ignore behaviors identified as corruption relate to the Company, when coming across or suspicious of one. They must report the case to the supervisors or responsible persons, or via the designated channels, and cooperate in the examination of facts as specified by the Company's regulations.
- 4) The Company will ensure fairness and protection for and will not punish or pose any consequences on the directors, executives and employees who reject or report corruption related to the Company's activities, even if such actions cause it to lose business opportunities. It will strictly implement measures for protecting complainants or persons cooperating in reporting corruption as specified in the Company's complaint and whistleblowing measures.
- 5) The Company communicates the Anti-Corruption Policy and Measures, including available channels for whistleblowing, complaints or suggestions to its directors, executives, employees, affiliates and all related parties through various means, e.g. director and employee induction, internal communications within the Company group via such media as bulletin board and pamphlet in order to promote better understanding and implementation of this Policy, etc.
- 6) The Company communicates the Anti-Corruption Policy and Measures, including available channels for whistleblowing, complaints or suggestions to the public and stakeholders through various means, e.g. corporate website, annual report, etc.
- 7) The Company puts in place corruption risk management by the Audit Committee, which entails risk assessment, prioritization, appropriate measures, and progress monitoring of the executed measures. The Internal Audit is assigned to review pertinent practices.
- 8) The Company puts in place a personnel management process that reflects its commitment to the Anti-Corruption Policy and Measures. The process entails recruitment, selection, induction, training, performance evaluation, appreciation, promotion, benefit program, appropriate segregation of duties to ensure checks and balances, as well as execution to ensure sufficiency of resources and skilled personnel appropriate for the implementation of the Policy.
- 9) The Company sets forth the Corporate Authorization Procedure that is clear, prudent, efficient, transparent and accountable.
- 10) The Company puts in place an internal control system that covers financial, accounting, record keeping as well as other organizational processes pertinent to anti-corruption measures, and communicates internal control results to responsible persons.
- 11) The Company puts in place an internal audit system that covers major activities of the Company, e.g. commercial operations, procurement, etc. This is to ensure that the stated objectives of the internal control system are fulfilled, to monitor that the operating practices comply with relevant procedures, rules and regulations, and to provide advice on improvements to operating systems to achieve greater efficiency consistent with the Policy.
- 12) The Company sets forth the complaint and whistleblowing measures along with protective measures for complainants, whistleblowers and related persons, as well as means for communicating the anti-corruption measures internally through employee induction, e-Newsletter, bulletin board, pamphlets, and externally to its trade partners and customers through policy statement letter and corporate website.
- 13) The Company is committed to creating and sustaining the corporate culture of zero tolerance for corruption in business transaction with both public and private sectors.

Punishment

Any person who violates laws, regulations, various policies, and other company rules will be punished and disciplined by considering from intention, environment, outcome, participation in investigation, and action that person will take to avoid the same mistake, that person will be disciplined ranging from warning to dismissal.

3. Respect for human rights and justice for labor

The Board realizes that respect for human rights is the foundation for human resource development, which leads to the increase in value of the business. All employees has a right and freedom to work in a clean and safe workplace, with good hygiene, without all forms of suppression or harassment, with fair employment, and without forcing involuntarily child labor. We promote the employees to show their potential and value in them to be a part of organization development to continuous and steady growth. Hence, the Board determines the policy for all management and employees to follow in all issues including justice application and sincerity in management of fare, benefits, and interest. The company sets up benefit funds to promote saving so that the employees will have some retirement money. Moreover, the company has the process of submitting a clue and proper appeal for the employees that are unfairly treated. The process is also confidential.

The company insists in fair compensation to the employees including allowance, benefits, and other forms of compensation that are related to the value increasing for the long-term shareholders. The company also manages personnel with justice along with increasing opportunities of the employees in consistent and equal knowledge learning and full competency development. In summary, the company always promotes knowledge learning and potential development of the employees (the details of employee development can be found in the topic of operation structure, sub topic personnel).

4. Responsibility to customers

The company intends to search and distribute quality products with standard, to examine the quality of the products that can be certified and respond to the demand of the customers, to deliver the products on time, to provide services before and after the sell, to realize the importance of contracts, agreement, and conditions with justice, honesty, and fairness, to give knowledge and information required to make a decision, and to keep the information of the customers as confidential.

5. Community and society development

The company realizes the importance of nearby community and society since the company's business running requires acceptance from the surrounding communities while at the same time its business also creates jobs for the locals. Therefore, supporting the strengthening of the community and sustainable development is a factor that contributes to the sustainable growth of the company. And to prevent effects that may affect the nearby communities, the company has guidelines and carries out community and society development according to the CSRDW principle of the Department of Industrial Works which is a project that encourages plant entrepreneurs to carry out according to the responsibility standards of the entrepreneurs to the society, creates a network in social and community activities and participation and support activities in every part of the society such as the public sector and local administrations. This is done by exchanging knowledge, experiences and expertise which the company has provided by focusing on 4 main activities as follows:

1) Education and Youth Development Activities

The Company wishes to be part of the efforts to elevate the education level in the vicinity of the factory. The Company strongly believes that education and morality are important factors in the development of national resources, forming the significant foundation of future economic and social prosperity of the country.

2) Arts and cultural supporting activities : Given the arts and cultures that are regarded as the country's identity, the company realizes and maintains arts and cultures, traditions

3) Social Support and Public Interests Activities

The Company focuses on cohabitation and cooperation with communities, supporting participation in sustainable development, emphasizing the support, promotion and improvements regarding quality of life as well as the prosperity of communities and society alongside the Company in a sustainable manner.

4) Environmental Promotion Activities

The Company aims to operate its business with a sense of social responsibility. It considers the economic, social and environmental balances. Cohabitation with communities is also important and the Company adheres to the operating and performance principles under the environmental quality policy, leading to management practices that are systematic, effective and friendly toward communities and the environment in accordance with the international standards.

“Rak Choomchon” Group

Since 2013, the Company has signed a memorandum of understanding (MOU) as a member of “Rak Choomchon Group” and participated in the Group’s activities for 5 years. Founded by 9 members organizations in Amphoe Nakhonluang, Ayutthaya, namely Thai Cement Manufacturers Association (TCMA), SCG, Siam City Cement PCL, Asia Cement PCL, Banpu PCL, Asia Green Energy PCL, Lanna Resources PCL, Unique Mining Services PCL and Premthai Energy Co., Ltd., the Group works toward 3 main aspects as follows:

1. Working team on environmental impact measurement, which engages in:

- Biannual environmental quality monitoring, which includes monitoring of ambient air quality at 7 spots for 3 consecutive days and monitoring of surface water quality at 5 spots. The monitoring process is conducted within the scope of environmental quality monitoring as specified by the working team of Rak Choomchon Group in accordance with the National Environment Board’s notifications no. 24 (B.E. 2547) and no. 8 (B.E. 2537).
- Monthly environmental quality monitoring, which is conducted by the assigned officers who shall visit operating premises of Rak Choomchon members without prior notice and monitor air quality using handheld particle counters.



2. Working team on port assessment and monitoring

The Group has set forth 19 practice benchmarks requiring the working team to make assessment and monitoring visits on a monthly basis. For sustainability, the Central Commission from TCMA shall visit the Group members every month for assessment and the members must perform loading activities on the day.



3. Working team on CSR

The team aims at building confidence of, reaching out to, and also giving back to the communities. Activities are divided into 3 areas as follows:

- Religion: Organizing “Rak Choomchon Robe Offering” activities for 17 temples;



- Education: Arranging “Educational Promotion Scholarships” activities for 11 schools;



- Community: Hosting 7 “Rak Choomchon Sanjorn” recreational activities.



“Community Maintenance” group has planned to provide information that is beneficial openly and transparently in order to show sincerity in being a part of the community in developing working standards and arranging social activities and that to make industries can be with the community, society and environment in a supporting and sustainable way. This is done by applying the environmental governance and green industry according to the policy of the Ministry of Industry.



6. Caring for the Environment

The company realizes the environmental conservation and efficient use of resources, thus it has set up environmental and social mass relations agency which is responsible for taking care, develop, protect and manage the environment as well as receiving complaints from the community to improve the operations of the company in the future, and promoting employees to have conscience in using resources in the most efficient and effective way.

Policy on business operation under the environmental standard

The company intends to operate the business with responsibility to environments with following principles. Run the business with the goal to prevent any harm to the environment by following the regulation. Aim to develop the process according to the international standard and to consistently evaluate and assess the outcome. Indoctrinate and promote employees and others associates to be responsible to the environment. Search for opportunity to exchange ideas and experience from collaborating with other units to consistently adjust our process.

In the year 2019, the company provided knowledge and training about environment to the employees about policy on environment preservation and standard on environmental responsibility.

Implementation Measures for Environmentally Protected Plants

The company truly realizes the environmental problem that may arise from running the business of the company as the company is running a business of importing, screening and selling of coals that may result in diffusion of dust in the areas around the sorting houses and warehouses, the port, and the areas where trucks are loaded the coal for delivery.

In 2011, the Nadee warehouse branch in Samut Sakhon terminated its operations by the Order of Samut Sakhon Province No. 1179/2554 dated 13th July 2011 on the suspension of the coal business of coal entrepreneurs in Samut Sakhon Province which the company had followed the guidelines, measures and procedures in solving the problem arising from the running of the coal business as determined by Samut Sakhon Province. In this regard, the company adjusted its warehouses into a 100% closed system, installed slans and planted tall trees around the sorting houses for dust protection, removed the coal stock outside buildings and never kept the coal stock outside buildings, improved the traffic system and the wheel cleaning system as well as the whole transportation system which took more than 9 months. In addition, the communities, government agencies and various organizations were allowed to periodically

inspect the improvement progress of the company in order to create understanding and acceptance from the communities and related government agencies. Nonetheless, the company signed a memorandum of understanding (MOU) between the Municipal District of Nadee, the Industrial Office of Samut Sakhon, and Amphoe Muang Samut Sakhon dated 15th November 2012. Consequently, the Province of Samut Sakhon cancelled the order of suspension of the coal business of the company. The company was then able to run a normal business and was ensured that its business running followed the relevant laws and regulations.

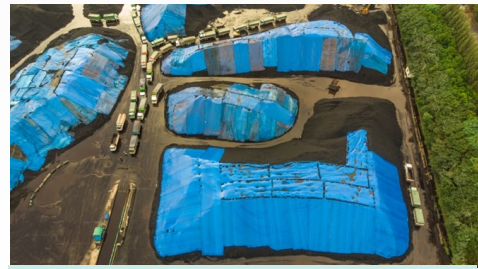
The company has applied the aforementioned case in other branches of its warehouses and sorting houses in order to prevent the effects that may arise to the surrounding communities. The company has set up preventive measures with respect to noise, air and water pollutions by implementing the following measures around the areas of the 3 locations of warehouses and sorting houses, namely Tambon Nadee Branch in Samut Sakhon Province, Amphoe Khao Yoi Branch in Phetchaburi Province and Amphoe Nakhon Luang Branch in Ayutthaya Province:

- 1) Impose measures for weight control and tarp cover on all the trucks of the Company and its business partners.
- 2) Lay vast concrete floor over the ground around stockpiles in order to reduce contamination and diffusion of coal dust into communities and to enable fuel efficiency for trucks.
- 3) Construct automatic washing bay to clean trucks and tires before leaving stockpile areas in order to reduce contamination of coal debris into communities.
- 4) Install holding and sedimentation ponds around stockpiles for reuse of wastewater and prevention of its leakage into public water sources.

- 5) Run closed-system stockpiles and screening plants, in which a water spray system is installed to prevent dust diffusion.
- 6) Arrange water service trucks for environmental care purposes to serve both the Company and communities in such works as concrete floor cleaning, community services and emergency relief.
- 7) Construct levee, plant tall trees of over 20 meters high, and install water spray system around stockpile areas to prevent dust diffusion.
- 8) Have all coal piles covered with canvas tarps.
- 9) Install safety tarps around merchandise loading point at the port to prevent coals from falling into water sources and reduce contamination.
- 10) Hire a surveyor company certified by the Department of Industrial Works to inspect noise, dust and heat emissions around ports and stockpiles twice a year, and to monitor water quality once every 3 months.



Concrete floor over the ground around stockpiles



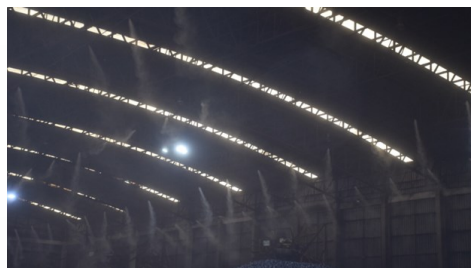
Coal piles covered with canvas tarps



Closed-system screening plants



Install water spray system around stockpile areas



Water spray system in screening plants



Automatic washing bay to clean trucks



Safety tarps around merchandise loading point

Social Responsibility and Environmental Activities for the Year 2019

1. Education and Youth Development

The Company wishes to be part of the efforts to elevate the education level in the factory's vicinity. The Company strongly believes that education and morality are important factors in the development of national resources, forming the significant foundation of future economic and social prosperity of the country. A good, strong and secure foundation will lead to the country's development. As such, the Company has sponsored and participated in realizing the educational achievements of the youths in the factory's vicinity. Programs are being created to improve their learning capacity to benefit their daily lives, allowing them to use their knowledge to effectively help other people, and to further express their own potentials and abilities. The Company therefore has become part of the efforts to sustainably develop, support and sponsor the education of the children and youths in 2019, such as in the projects below.

- AGE TUTOR Project: Intensive Tutorial O-NET Year 6



- Project to Sponsor “Adjunct Teachers,” Wat Preedaram School, to expand and develop educational opportunities



- Project to issue educational grants at Wat Preedaram School, Wat Lai (Tawee Panya) School and Wat Sammakam School



- Project to renovate the library of Wat Preedaram School to promote the learning of the Thai youths



- Project to instill awareness of community garbage sorting through promotions and campaigns, Wat Preedaram School and Wat Sammakhan School



- Project to campaign against drugs in educational institutions on World Anti-Drug Day, Wat Preedaram School



- Safety Day project for children and basic first-aid project for children, Wat Preedaram School, Wat Lai (Tawee Panya) School and Wat Sammakhan School continue for the third year.



- Activities to communicate and promote the understanding of “coal” and the Company’s business operations



- Agricultural Project for Lunch, Wat Preedaram School



- Youth Environmental Conservation Camp project, in cooperation with “the Community Conservation group,” to promote environmental conservation consciousness



2. Promotion of Thailand's Arts, Culture and Tradition

The fine religion, arts, culture and traditions of Thailand are important indications of the Thai identity, they are part of Thailand's pride. The Company is therefore determined to preserve, promote, conserve and prolong these to ensure that they continue to exist in the lives of Thai people. In 2019, the Company conducted activities such as

- Continuing the Songkran tradition and the well-wishing ceremony for the elderly in cooperation with agencies and organizations in the Nakhon Luang District, including the Nakhon Luang District Office, Mae La Sub-district Administrative Organization and the Elderly Residents Club of the Mae La Sub-district.



- Preserving the Mathu Payas rice stirring ceremony (Blessed Rice), Preedaram Temple, Sa Ket Temple, Lai Temple, Chan Temple.



- Continuing the Buddhist Lent Candle ceremony in cooperation with agencies and organizations in the Nakhon Luang District, including the Nakhon Luang District Office, Mae La Sub-district Administrative Organization and the Elderly Residents Club of the Mae La Sub-district.



- Promoting and preserving the Long Drum ceremony to preserve local cultures, the Wat Lai Long Drum group, Banh Phra Kru Sub-district.



- Continuing the Loy Kratong tradition



- Promoting and continuing with the Kathina ceremony. Each year, the Company hosts a Kathina ceremony for temples in its area of operation. In 2019, the Company hosted the Kathina ceremonies for the Chan Temple, Phra Kru Sub-district, Nakhon Luang District, Phra Nakhon Sri Ayutthaya Province, to raise funds for the construction of Buddhist church buildings.



3. Social and Public Benefit Support

The Company emphasizes the importance of mutually beneficial cohabitation with communities and the promotion of participation in sustainable development.

The nurturing love, harmony and unity between the Company and society form an important foundation for sustainable business operations. Thus, the Company aims to promote, support, develop and improve the quality of life in the community and society, ensuring their prosperity alongside the Company in a sustainable manner. Activities in this regard have continually taken place throughout 2019, such as through

- promoting participation with the Elderly Residents Club of the Mae La Sub-district (on the 10th of every month) and the Elderly Residents Club of the Bang Phra Kru Sub-district (on the 26th of every month)



- Running career-promotion activities for the Farmers' Housewives Club of the Chan Pattana Temple, participating in the preservation and continuation of the making of "Kong," a traditional Thai dessert, and encouraging registration for the OTOP program, to help generate income for the community as well as spread awareness on the process of making traditional Thai desserts.



- Running career-promotion activities for the Sandalwoods Flowers Housewives Club, Preedaram Temple, Village Number 3 Mae La Sub-district, to increase the values of the products and generate income for the community in a sustainable way.



- Monthly visits to bed-ridden patients and elderly residents in the factory's vicinity in cooperation with the Nakhon Luang District Office and Nakhon Luang District Public Health Office



- AGE, a friend in need, soften grievances, reduce societal burdens and elevate trust to the level of family members for happy communities and families



4. Environmental Development and Promotions

The Company is determined to operate its business while also realizing its social responsibility by considering the economic, social and environmental balances. The Company emphasizes the importance of co-habitation with the community, and adheres to management and operating principles under the environmental quality policy, leading to management practices that are systematic, effective and friendly toward the community and environment in compliance with the international standards. Staff members are trained to be conscious of mutual dependence and support, making these principles part of the corporate culture. The Company focuses on developing its relationships with the community and society through projects aimed at fostering unity, such as

- The AGE Love Community and Conserve the Environment project, which helps create a model community in terms of environmental management
 - ◇ Project to build a model closed-system underground water reserve and an organic waste decomposition facility at Wat Lai (Tawee Panya) school



- ◇ Project to renovate the Sufficiency Economy Learning Center in the Mae La Sub-district community, Village Number1 , Nakhon Luang District. Building a Sufficiency Economy network and environmental management network.



- AGE Generosity to Fight the Drought project, which aims to help farmers by giving them a share of the water sources from the factory's water reserves



- Machines and Love for Community project, which sponsors heavy machinery for people affected by natural disasters and improves the environment of the communities.



The Company's projects and activities in 2019 gained active cooperation from its employees, local people, communities as well as public and private sectors. The Company remains resolute in running its CSR projects and activities so as to be a part in creating sustainable and pleasant society in the future.

Awards for Corporate Social Responsibility



In September 2019, Asia Green Energy Public Company Limited and AGE Terminal Company Limited (subsidiary) received the CSR-DIW CONTINUOUS AWARDS Award 2019, type of participation in the community. And Corporate Social Responsibility from the Ministry of Industry.



In November 2019, Asia Green Energy Public Company Limited received the Thailand Sustainability Investment (THSI)) in SET Sustainability Awards 2019 from the Stock Exchange of Thailand.



Internal Control and Risk Management

Opinion of directors for using sufficient evaluation form for Internal control system

The Board realizes the importance of internal control by assigning the Audit Committee composed of independent committee to examine and assess the internal control system to appoint the Dharmniti Auditing Co., Ltd. to internally audit the company and directly report to the Audit Committee. This company has a duty to inspect working system of each department of the company according to the yearly examination approved by the Audit Committee. The objective is to ensure efficient performance, good resource usage, correct financial operation, following on regulation and rules, evaluation of efficiency of control system so that the business can be operated and reaches maximum benefits for all stakeholders. The Audit Committee also has a duty in considering and choosing auditors and auditor compensation, and in considering the publicizing the company information for correctness in the case of related issues and benefit conflicts.

In 2019, the Audit Committee had 5 meetings with the attendance of management. The Board and the Audit Committee had evaluated the internal control system according to the sufficiency of the internal control system composed of organization structure and environment, risk management, executives control, information and communication, and follow-up system. The Board also used the result from inspection by the Dharmniti Auditing Co., Ltd. which stated that the company had sufficient control system and proper for business operation without any deficiency regarding to the significant internal control system. The report stated that the company could protect the assets of the company and the subsidiary from false spending or corrupted power. The financial report was properly done following the general accounting principles. The financial data revelation was correct. The business operation followed the rules of assets and the stock market and other related rules.

The Board and the Audit Committee, and the auditors agreed that the business operation was done with transparency, with good internal control, with efficiency, and can prevent the assets from misusing by management and employees.

Opinions of the Audit Committee that are different from the Board and the auditor

- None -

Risk Management

The Company recognizes the importance of good organizational management in driving the organization toward sustainable growth, strong business expansion, solid financial position and capacity to deliver appropriate returns to shareholders. The Board of Directors and executives thus adopt risk management system in the business operations as a key foundation for achieving corporate goals. The risk management policy is set forth as follows:

- 1) Risk management is specified as a responsibility of executives and employees at all levels, so that they realize the risks in performing their duties. Each unit shall be responsible for identifying and assessing impacts of the risks involved in its tasks, as well as setting appropriate measures on risk prevention or mitigation. In addition, risk management reports shall be prepared in accordance with the enterprise risk management procedure and be presented to the Risk Management Committee meeting every month.
- 2) Risk management process is specified as a part of decision making and planning of strategies, action plans and business goals.
- 3) Risk management must be carried out under systematic internal control mechanism at an acceptable and appropriate level, and be consistent with the organization's action plan and business goals.
- 4) Executives and employees are encouraged and supported to gain an understanding of risk management process, through both in-house and external training courses.
- 5) The risk management body of the Company is assigned the following responsibilities:
 - Hold meetings on a monthly basis;
 - Determine risk management framework and plan;
 - Oversee and facilitate that the Company's risk management functions align with business strategies and goals, by taking into account the changing circumstances both internally and externally;
 - Give advice, monitor and evaluate risk management results to ensure highest effectiveness and accordance with principles;
 - Review the risk management efficiency and provide the Board of Directors with comments for improvements.

Management of risks must be monitored and reviewed by the Board of Directors and/or executives.

The head of internal Audit and the head of performance directing

The Audit Committee had set up the Dharmniti Auditing Co., Ltd. to internally Audit the company since 2009. Currently, this company had assigned Miss Somcharee Kawkomdee as the head of internal investigation of the company, who is responsible for internal audit of the company.

The Audit Committee had checked the qualifications of the Dharmniti Auditing Co., Ltd. and of Miss Somcharee Kawkomdee and agreed that they are suitable to perform such duties since they are independent and have 13 years of experience of internal investigation. The company also set up the internal audit sector by assigning Miss Ni-orn Junjamsang to coordinate with the investigator from the outside.

Appointment or dismissal of the head of internal audit of the company must be approved by the Audit Committee. Qualification of the person who holds the position of head company operation governance can be seen in attachment 3 in form 56-1.



Connected Transactions

The company's transactions between the company and related persons and persons with potential conflict of interest for the year ending on 31 December 2019

Person with Conflict of Interest	Relationship	Transaction Type and Value	Rationale and Necessity
1. Asia Biomass PCL operates a business of supplying and distributing biomass fuels.	Asia Biomass PCL is a listed company on the Market for Alternative Investment (MAI), with major shareholders being family members of Mr. Panom Kuansataporn, who is the Managing Director of the Company.	<p>1.1 Revenue from Transportation Service</p> <p>The Company was hired to transport merchandise for Asia Biomass PCL. In 2019, the transaction value totaled 2.33million baht. As of 31 December 2019, the outstanding balance was 0.49 million baht.</p>	<p>The occurred item came from the receiving of the services for the benefits of our company. Sathaporn Thanaphat Co., Ltd., provided convenience with 24-hour preparation and service. The price was agreed under normal circumstances.</p> <p>The Audit Committee considered and agreed that this item was reasonable and fair. The company had expanded our customer bases. Thus, during last year, we used more service from Sathaporn Thanaphat Co., Ltd., since outsider could not access some areas.</p>

Connected Transactions

The company's transactions between the company and related persons and persons with potential conflict of interest for the year ending on 31 December 2019

Person with Conflict of Interest	Relationship	Transaction Type and Value	Rationale and Necessity
2. Sataporn Thanapat Co., Ltd. operates a business of truck and transportation services.	Sataporn Thanapat Co., Ltd. is a subsidiary of Asia Biomass PCL which has major shareholders being family members of Mr. Panom Kuansataporn, who is the Managing Director of the Company.	2.1 Income transaction from transportation service provision The company was employed for transportation services for Asia Biomass Co., Ltd. In 2019, the transaction value was 8.15 million baht. As of 31 December 2019, the total outstanding unpaid amount is 0.87 million baht.	<p>Service was provided by AGE Transport Co., Ltd., a subsidiary operating transportation service business for all types of products, including consultation services on transportation and logistics. Accordingly, trucks are used in the company's transportation and in employment by related companies, trade operations occur normally and with terms offered to other customers and with comparison of prices offered to other service providers.</p> <p>Accordingly, the Audit Committee has evaluated the aforementioned transaction and view that the aforementioned transaction was reasonable and for the added benefit of the company.</p>

Connected Transactions

The company's transactions between the company and related persons and persons with potential conflict of interest for the year ending on 31 December 2019

Person with Conflict of Interest	Relationship	Transaction Type and Value	Rationale and Necessity
3. Paprapat Co., Ltd. operates a business of biomass fuel distribution.	Paprapat Co., Ltd. is a subsidiary of Asia Biomass PCL which has major shareholders being family members of Mr. Panom Kuansataporn, who is the Managing Director of the Company.	3.1 Income transaction from transportation service provision The company was employed to provide transportation services to Paprapat Co., Ltd. In 2019, the transaction value was 1.84 million baht. As of 31 December 2019, the total outstanding unpaid amount is 0.46 million baht	Service was provided by AGE Transport, a subsidiary operating transportation service for all types of products, including consultation services on transportation and logistics. Accordingly, trucks are used in the company's transportation and in employment by related companies, trade operations occur normally and with terms offered to other customers and with comparison of prices offered to other service providers. Accordingly, the Audit Committee has evaluated the aforementioned transaction and view that the aforementioned transaction was reasonable and for the added benefit of the company.

Connected Transactions

The company's transactions between the company and related persons and persons with potential conflict of interest for the year ending on 31 December 2019

Person with Conflict of Interest	Relationship	Transaction Type and Value	Rationale and Necessity
4. K. H. Development Co., Ltd. operates a real estate rent business	K. H. Development Co., Ltd. is a company under the family of Mr. Panom Kuansataporn, who is the company's Managing Director.	4.1 Expense transaction for rent of office space The company entered into a rent contract with K. H. Development Co., Ltd. to use the aforementioned office space, which had an area of 826.27 square meters located at 273/1 Rama II Rd., Kwang Samaedam, Bang Khuntian, Bangkok, which is the company's main office. In the year 2019, the value of the transaction is 3.00 million baht. As of 31 December 2019, there are no outstanding unpaid.	<p>The transaction was conducted for providing space for the main office of the company and occurred for the benefit the company's business operations. The specified price was reasonable and created advantage for the company because the price was lower when compared to prices evaluated by asset evaluators.</p> <p>Accordingly, the Audit Committee has evaluated the aforementioned transaction and views the aforementioned transaction as reasonable.</p>
		4.2 Utilities transactions The company conducted a transaction to pay for utilities to K. H. Development as payment for electricity. The transaction occurred in 2019 and has a value of 0.80 million baht as of 31 December 2019, there are no outstanding unpaid.	<p>The transaction occurred as payment for utilities because the company rents office space from K. H. Development for use as the company's main office. The sales price to the company is appropriate with calculation of expense ratios according to actual rented space. Additionally, the price is equivalent to the price paid by K. H. Development paid to government agencies and state enterprises according to units and prices actually collected.</p> <p>Accordingly, the Audit Committee has evaluated the aforementioned transaction and view that the aforementioned transaction was reasonable and that the price was fair.</p>

Connected Transactions

The company's transactions between the company and related persons and persons with potential conflict of interest for the year ending on 31 December 2019

Person with Conflict of Interest	Relationship	Transaction Type and Value	Rationale and Necessity
5. Pornpreecha Co., Ltd. operates a real estate development business.	Pornpreecha Co., Ltd. is a company under the family of Mr. Panom Kuansataporn, who is the company's Managing Director.	5.1 Land lease transaction The company entered into a rent contract of Land Title Deeds No. 122, 123, 559394 and 86564 located at 99/99 Moo 2, Na Dee, Muang District, Samut Sakhon, from Pornpreecha Co., Ltd. to use the aforementioned land for the construction of a warehouse and coal sorting office branch to operate the company's business. In 2019, the transaction value equaled 1.98 million baht, there are no outstanding unpaid.	<p>The transaction was for payment of land rental, as the Company has rented a plot of land from Pornpreecha Co., Ltd. for use in construction of its branch office, warehouse and coal screening plant for business operations of the Company.</p> <p>The transaction occurred for the benefit of the company's business operations. The specified price was reasonable and created advantage for the company because the price was lower when compared to prices evaluated by asset evaluators.</p> <p>Accordingly, the Audit Committee has evaluated the aforementioned transaction and view that the aforementioned transaction was reasonable and created advantage for the company</p>
6. FK Machinery Service Co., Ltd. provides rental services of backhoes, tractors, cranes, forklifts, loaders, forklifts, rollers or other types of vehicles, used in all types of industries.	FK Machinery Service Co., Ltd. is the family business of Mr. Panom Kuansataporn, with Mr. Atiphat Kuansataporn being the managing director of the company.	6.1 Backhoe rental The company has rented backhoes from FK Machinery Co., Ltd. for use in the business operations of the company. In 2019, the value of the transaction was 16.82 million baht, as of 31 December 2019, there was no outstanding balance to be paid.	<p>The transaction occurred was the results of the rental of backhoes. AGE Terminal Company Limited, a subsidiary company, has rented backhoes from F.K Machinery Service Co., Ltd. for use in the business of the company.</p> <p>The transaction occurred for the benefit of the company's business operations by setting the price between each other at a reasonable price and with a price that is of advantage to the company. The price is lower compared to the price that the company appraised.</p> <p>In this regard, the Audit Committee has considered the aforementioned transaction and considers that the transaction is reasonable and the price is of an advantage to the company.</p>
		6.2 Income from oil sales The company sold oil to FK Machinery Co., Ltd. In 2019, the value was 3.95 million baht. As of 31 December 2019, the outstanding balance was 1.50 million baht.	<p>Oil is distributed by Multi Energy Trading Co., Ltd. (2020), a subsidiary company whose business is to sell, explore, conduct research on, develop, produce or procure all types of fuel and energy products used in the industry. Distribution to a related company include normal business operations and the same conditions as other customers that provide prices quoted by other service providers for comparison.</p> <p>In this regard, the Audit Committee has considered the aforementioned transaction and considers that the transaction is reasonable and beneficial to the company</p>

Opinions of the Audit Committee

The Audit Committee proposed that this could create conflicts between the company and the subsidiary in the future according to the announcement of The Securities and Exchange Commission Thailand. The meeting agreed that the price was reasonable, and the market price was determined just like with other prices. There was no mutual benefit between the company and the persons that might have conflict.

Measure or Process of Approval for Connected Transaction

The Board had considered and approved the trading agreement and the transactions between the company and the subsidiary with the Board, Managements, and the associated persons. The item that was the transaction between the company and the subsidiary that could post a conflict must agree the trading conditions and market price

under reasonable conditions that can be examined. There must be no benefit transferring. Managements could operate after the Board had approved. The company would summarize the report for the Audit Committee to check every quarter.

Connected transactions not occurring as a result of normal trade activities must be submitted to the Audit Committee for consideration of suitability before the aforementioned transactions can occur. If the Audit Committee lacks expertise in evaluating the aforementioned transactions, the company will consider having an independent valuator or specialist to provide opinions about the aforementioned connected transactions to the Audit Committee to accompany the Audit Committee's decision-making and opinions to the Board of Directors or shareholders, depending on the case, for consideration of approving the aforementioned transactions. Accordingly, actions are to comply with laws governing securities and exchange and rules, notifications, orders and specifications of the Stock Exchange of Thailand. Additionally, persons with interest in connected transactions are not entitled to vote in the aforementioned transactions.

Policies or Trends for Future Connected Transactions

The company has set policies on conducting connected transactions that if it is necessary in the future for the company to conduct connected transactions with persons with conflicts of interest with the company, the company has policy to specify various conditions in concurrence with normal trade activities and market prices comparable to prices for outside parties. Additionally, the company will assign the Audit Committee or the company's auditor or an independent specialist to make considerations, examine and provide opinions about the reasonability of transactions and suitability of prices. Accordingly, Board of Directors' meetings already make considerations on approving principles about trade agreements with general trade conditions for transactions between the company and subsidiaries, directors, executives and related persons.

However, on potential future connected transactions, directors are required to comply with various regulations that are specified. Furthermore, directors are prohibited from authorizing any transaction in which they or other persons might have conflicts of interest in any other form with the company and are required to disclose the aforementioned transactions to the Board of Directors for the Board of Directors to make considerations. Accordingly, the company is required to comply with laws governing securities and exchange and regulations, notifications and specifications of the Stock Exchange of Thailand, including specifications on disclosure of connected transactions and acquisition or disposal of assets of the company or subsidiaries. Additionally, the company will no longer conduct connected transactions with connected companies outside of the company's normal business activities.

Accordingly, if connected transactions of Asia Green Energy PCL. Occur with persons with potential conflict of interest or stakeholders or if future potential conflict of interest occur, the company will assign the Audit Committee to render opinions about prices, remunerations and necessity and rationale of the aforementioned transactions. In cases where the Audit Director lacks the expertise to evaluate potential connected transactions, the company will assign an independent specialist or the company's auditor to provide opinions about the aforementioned transactions to accompany the decision-making of the Board of Directors or shareholders, depending on the case. Additionally, the company discloses connected transactions in financial statement annotations audited by the company's auditor, annual information forms (56-1) and the company's annual reports (56-2).

Investors' Protection Measures

In order to provide protection to investors if in the future connected transactions of the company occurs with persons with potential conflict of interest or stakeholders or future potential for conflict of interest, the company will subject the aforementioned transactions through meetings of Board of Directors with the attendance of the Audit Committee to oversee the fair conduct of connected transactions with policies for appropriate price specification. The Board of Directors is required to carry out their duties in strict compliance with laws governing securities and exchange and regulations, notifications and specifications of the Stock Exchange of Thailand, including specifications on disclosure of information about connected transactions and acquisition and disposal of important assets of registered companies.



Management Discussion and Analysis

Performance Overview

In the year 2019, the world's coal price index situation was declined on average when compared to the year 2018 and began to gradually decline since the beginning of the year 2019. The fluctuation of coal price in 2019 has been affected by various overseas factors, especially the effects of the prolonged trade war between the United States and China including the effects of climate change which causes a lot of heavy rain affecting the production and exports of Indonesia, a large exporting country. The reasons why China reduces the coal supply, are coming from these important factors as followed; China is getting warmer, the economy is not growing as intended and China continues to control the low-quality coal imports quota by focusing on domestic coal production instead.

Vietnam, which is the company's main target marketplace, still has requirements for coal using then increase coal imports continuously to support the electricity production and the domestic production industry growth. It is expected that in the future, Vietnam will become the largest coal importer in this region. The company foresees the mentioned market opportunity so we invested in establishing the coal warehouses and the coal sorting plants in Vietnam through a newly established subsidiary in order to expand the market to direct users more. So it can be expected that the company will have the coal sales growth leap in Vietnam marketplace within the next 2-3 years.

However, the company's overseas markets sales in this year was 0.13 million tons as 0.36 million tons or 73.47% decreased by last year, with sales increasing in Vietnam. The company did not export to China due to supply reduction from the trade war and China continues to control the coal imports through some ports including the customer's port.

At the same time, the company continues to focus and accelerate the domestic market expansion from the previous year with sales volume of 2.69 million tons as 2.91 million tons or 7.56 percent decreased by the year 2018. Total coal sales volume was 2.82 million tons as 3.40 million tons or 17.06 percent decreased by the year 2018, with the ratio 95:5 between domestic and overseas coal sales volume. In addition, the company has continuously expanded the entire logistics services businesses since 2017 which consists of sea freight logistics services providing by transshipment vessels, in-land logistics services providing by truck, port and warehouse services plus product screening services.

Sales Volume	2018		2017		Increase (Decrease)	
	Million Ton	%	Million Ton	%	Million Ton	%
Domestic coal sales	2.69	95.39	2.91	85.59	(0.22)	(7.56)
Overseas coal sales	0.13	4.61	0.49	14.41	(0.36)	(73.47)
Total sales	2.82	100.00	3.40	100.00	(0.58)	(17.06)

Summary of the 2019 performance overview: The company has overall performance better than last year. The company has increased profits even though the total sales volume has decreased. The sales volume from sales and services was 6,196 million baht as 1,705 million baht decreased from the previous year or 21.58 percent. Due to the average coal selling rates was lower than the previous year; this was resulting in a decrease of 1,197 million baht in domestic coal sales volumes or 17.54 percent decreased including a decrease of 482 million baht in overseas sales volume or 73.55 percent decreased and a decrease of the sales volume from our service businesses consisting of sea freight and in-land logistics services, port and warehouse services, product screening services and oil distribution by 25 million baht in total or 6.01 percent decreased which is in accordance with the company's new business expansion plan in logistics services by 6.33 percent of all service businesses sales volume from total sales volume, compared to 5.29 percent of the previous year.

The company has gross profit from sales and services of 807 million baht or 12.35% increased as representing an average gross margin of 13.02%, which is 9.09% increased by the last year. Gross profit and increased gross profit margin was caused by the sales cost decreased at higher rate than the sales prices decreased due to the coal prices decreased in the market and the Baht appreciation which caused the import costs decreased as well as the logistics business expanding in order to reduce river transportation and in-land logistics cost, company also implement costs reducing and production efficiency increasing measures to compete in the world's market better. However, the company has operating profit of 351 million baht before tax and interest, higher than last year. Due to the mentioned increased gross profit margin and the decreased logistics cost in 2019; the company has financial cost of 48 million baht, 7 million baht decreased by the previous year and exchange rate gain of 26 million baht compared to 46 million baht by the previous year. Therefore, the company has total net profit of 273 million baht, 146 million baht or 114.44 percent increased by the previous year and the return on equity is 16.25 percent higher than the previous year at 8.60 percent, with the growth rate increased approximately 2 times.

When the financial status ended at 31 December 2019, the company had total assets of 4,732 million baht, 202.90 million baht decreased by last year, with net assets of 183.53 million baht increased. Due to the company had the warehouse and port expansion in Nakhon Luang District and the logistics business expanding both sea freight and in-land, there were the additional in transports and trucks investment while the accounts and other receivables decreased 620.12 million baht and inventories increased 24.01 million baht. The company has total liabilities of 2,916.46 million baht as 474.92 million baht decreased by 388.05 million baht of short-term loans from financial institutions decreased including 140.75 million baht of accounts and other payables. The company has shareholders in the amount of 1,815.62 million baht, 272.03 million baht increased by the year 2018 from the year 2019 profits, resulting in 1.61 times of the debt to equity ratio decreased by last year.

Operating Performance Record

A. Revenue from Sales and Services

Revenue from Sales and Services	2019		2018		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from domestic coal sales	5,629.78	90.86	6,827.00	86.41	(1,197.22)	(17.54)
Revenue from export coal sales	173.45	2.80	655.65	8.30	(482.20)	(73.55)
Revenue from services	393.00	6.34	418.13	5.29	(25.13)	(6.01)
Total revenue from sales and services	6,196.23	100.00	7,900.78	100.00	(1,704.55)	(21.57)

In 2019, the Company recorded total revenue of 6,196.23 million baht, increasing from 2018 by 1,704.55 million baht or 21.57% due to:-

1. Revenue from coal sales in 2019 was 5,803.23 million baht, accounting for 93.66% of revenue from sales and services. The revenue decreased from last year by 1,697.38 million baht or 22.44%. Majority of the revenue was from revenue from domestic coal sales by 90.86%. The Company still gave priority to enhancement of competitiveness and expansion of domestic markets as in the previous year, thus leading to higher sales volume and domestic market share. Revenue from export coal sales fell by 73.55% from 2018 consistent with sales volume slowdown in foreign markets.
2. Revenue from services in 2019 was 393 million baht, accounting for 6.34% of revenue from sales and services. The revenue decreased from the previous year by 25.13 million baht or 6.01% from subsidiaries' provision of logistics services, which consisted of revenue from marine and land transportation services, revenue from port and warehouse services, coal screening and fuel selling.

B. Other Revenue

Other Revenue	2019		2018		Increase (Decrease)	
	Million Baht	% per sales	Million Baht	% per sales	Million Baht	%
Other revenue	13.30	0.21	9.95	0.13	3.35	33.67

Other revenue in 2019 equaled 13.30 million baht. The revenue was comprised of interest income, gain on sales of assets and other transactions.

C. Cost of Sales and Expenses

Cost of Sales and Expenses	2019		2018		Increase (Decrease)	
	Million Baht	% per Total Revenue	Million Baht	% per Total Revenue	Million Baht	%
Cost of sales	5,389.25	86.79	7,182.51	90.79	(1,793.26)	(24.97)
Selling expenses and Distribute	308.82	4.97	337.90	4.27	(29.08)	(8.61)
Administrative expenses	185.87	2.99	220.62	2.79	(34.75)	(15.75)
Gain (loss) on exchange rate	25.74	0.41	45.75	0.58	(20.01)	(43.74)
Financial costs	48.14	0.78	54.80	0.69	(6.66)	(12.15)
Income tax expenses (income)	26.51	0.43	29.29	0.37	(2.78)	(9.49)

1. Cost of sales in 2019 heightened by 1,793.26 million baht or 24.97%, with a ratio of cost of sales to total revenue of 86.79% which was lower than last year and consistent with sales growth and higher average coal prices.
2. Selling expenses and distribute in 2019 decreased from last year by 29.08 million baht or 8.61% due to the reduction of transportation costs and in alignment with decreases in revenue from sales.
3. Administrative cost in 2019 was decreased from the previous year by 34.75 million baht or 15.75%, Since the year 2018 has recorded compensation for damages in the event of breach of the marine cargo charter contract
4. The Company made 25.74 million baht gain on exchange rate in 2019 from the execution of US dollar forward contracts as US dollar had appreciated against baht, thereby incurring profits.
5. Financial costs in 2019 decreased slightly from last year by 2.78 million baht or 3.00 because the Company's net borrowings from financial institutions increased marginally.
6. Corporate income tax in 2019 decreased slightly from last year by 2.78 million baht.

D. Gross Profit

Transaction	2019		2018		Increase	
	Million		Million		Million	
	Baht	%	Baht	%	Baht	%
Revenue from sales and services	6,196.23	100.00	7,900.78	100.00	(1,704.55)	(21.57)
Less: Cost of sales and services	5,389.25	86.98	7,182.51	90.91	(1,793.26)	(24.97)
Gross profit	806.98	13.02	718.27	9.09	88.71	12.35

The Company's gross profit in 2019 increased by 12.35% to 806.98 million baht, equal to a gross margin ratio of 13.02% of revenue from sales and services or increased when compared to 9.09% last year. The increase in Gross profit and gross profit margin was caused by the sales cost decreased at higher rate than the sales prices decreased due to the coal prices decreased in the world market and the Baht appreciation which caused the import costs decreased as well as the logistics business expanding in order to reduce the river transportation and in-land logistics cost, and the company also implement overall costs reduction and production efficiency to increase competitiveness in the market.

E. Net Profit

Transaction	2019		2018		Increase (Decrease)	
	Million	% per To-	Million	% per To-	Million	%
	Baht	tal Reve- nue	Baht	tal Reve- nue	Baht	
Annual net profit (loss) attributable to shareholders	272.79	4.39	127.21	1.62	145.58	114.44
Basic earnings per share (baht) attributable to shareholders	0.1411		0.0658		0.0753	

Net profit attributable to shareholders for the year 2019 equated to 272.79 million baht, increase from last year by 145.58 million baht or 114.44%. The year's net profit margin ratio was 4.39% compared to 1.62% in 2018.

Basic earnings per share was 0.1411 baht, a decrease of 0.0753 baht from last year.

Analysis of Financial Position

A. Assets

Summary Statements of Financial Position	Unit: Million Baht		Increase (Decrease)	
	2019	2018	Million Baht	%
Total assets	4,732.08	4,934.97	(202.89)	(4.11)
Total liabilities	2,916.46	3,391.38	(474.92)	(14.00)
Total shareholders' equity	1,815.62	1,543.59	272.03	17.62

As of 31 December 2019, the Company's total assets amounted to 4,732.08 million baht, decreased by 202.89 million baht or 4.11% when compared to that of 31 December 2018. Details are as follows:-

- Current assets equaled 2,856.41 million baht, a decrease of 460.97 million baht from 2018 with significant changes as follows:-
 - Cash and cash equivalents decreased from 2018 by 127.03 million baht;
 - Net trade receivables decreased from 2018 by 620.12 million baht.

Details of Trade Receivables	Unit: Million Baht		%	
	2019	2018	2019	2018
<u>Trade receivables - related parties</u>				
Not yet due	1.23	0.47	0.12	0.04
Overdue Less than 3 months	0.04	0.18	n/a	n/a
More than 12 months	0.18	-	n/a	-
<u>Trade receivables - unrelated parties</u>				
Not yet due	865.87	1,525.82	83.35	91.44
Overdue				
Less than 3 months	153.42	124.25	14.78	7.45
3 – 6 months	3.97	14.81	0.38	0.89
6 – 12 months	2.96	0.65	0.29	0.04
Over 12 months	<u>11.25</u>	<u>2.48</u>	<u>1.08</u>	<u>0.14</u>
Total	1,038.92	1,668.66	100.00	100.00
Less: Allowance for doubtful accounts	<u>(12.23)</u>	<u>(7.70)</u>	<u>(1.18)</u>	<u>(0.46)</u>
Net	1,026.69	1,660.96	98.82	99.54

The Company has a credit term policy of about 30-90 days for domestic customers. For international customers, the term was as determined by the conditions specified in the letter of credit (L/C), based on various factors such as trading history, purchase volume, etc. In addition, the Company has a policy to set aside allowance for doubtful accounts on debts that are 6-12 months and over 12 months overdue at a rate of 50% and 100% respectively. In case a customer is considered as incapable of repayment and so legal action is taken, the Company shall set a 100% allowance therefor. However, for debtors with reliable debt performance, the Company may revise the allowance rate as appropriate, taking circumstances and status of respective debtors at the time as well as future outlook into consideration.

Most of the Company's trade receivables, largely comprised of major customers with long-standing trade relationship, were not yet due and less than 3 months overdue, accounting for 98.13% of total trade receivables. Trade receivables from 3 to 6 months overdue accounted for 0.38%. Trade receivables over 6 months overdue accounted for 1.37%, and allowance for doubtful accounts had been set aside in full.

1.4 Net inventory increased from 2018 by 24.01 million baht and the Company set aside 5.72 million baht as allowance for reduction of inventory cost to net realizable value.

1.5 Other inventories decreased from the year 2018 by 8.11 million baht.

2. The Company's non-current assets totaled 1,875.67 million baht, increasing from 2018 by 258.08 million baht. Significant changes included the increase of 14.77 million baht in increase in the portion of restricted bank deposits. Joint venture investment of 24.68 million baht is the business investment that the company and other companies are jointly control. The increase in net fixed assets was 183.53 million baht due to the company has the investment in both sea freight and in-land logistics services with the investment in the additional 12 lighters (10 delivered and 2 in progress) and in the additional 17 trucks.

B. Liabilities

As of 31 December 2019, the company's total liabilities amounted 2,399.98 million baht, an decreased from the previous year at 517.18 million baht or 17.73 percent. Details of significant changes are as follows:

1. The Company had total liabilities of 2,399.98 million baht, decreasing from 2018 by 517.18 million baht or 17.73% for reasons as follows:-
 - 1.1 Short-term loans from financial institutions decreased from 2018 by 388.05 million baht. Approximately 78% of the short-term loans were trust receipt loans drawn in payment for import coals.
 - 1.2 Trade payables and other payables decreased from 2018 by 140.75 million baht because:
 - 1.2.1 Accrued expenses – unrelated parties decreased from 2018 by 122.13 million baht
 - 1.2.2 Payables – purchase of equipment decreased from 2018 by 20.29 million baht.
2. The Company's non-current liabilities totaled 516.48 million baht, surging from 2018 by 42.26 million baht or 8.91% because:
 - 2.1 Liabilities under finance lease and hire purchase agreements rose by 32.83 million baht due to purchase of more vehicles by the Company and subsidiaries.
 - 2.2 Long-term loans increased by 10.31 million baht in support of additional investments for barge construction.

C. Shareholders' Equity

As of 31 December 2019, the Company's shareholders' equity totaled 1,815.62 million baht increased from last year by 272.03 million baht or 17.62%. Retained earnings amounted to 847.59 million baht.

Cashflow Analysis

Summary of Total Cashflow	Unit: Million Baht	
	2019	2018
Profit from Operations before Changes in Operating Assets and Liabilities	452.75	290.28
Operating Assets (Increase) Decrease		
Trade Receivables and Other Receivables	607.78	(536.06)
Goods in Inventory	(27.61)	(230.14)
Assets from Other Operations	(1.26)	(15.32)
Liabilities from Increased (Decreased) Activities		
Trade Payables and Other Payables	(172.90)	31.84
Other Circulating Liabilities	(18.29)	3.08
Long-term Benefits Reserves for Employees	(1.39)	-
Cash Gained (Spent) in Operating Activities	839.08	(456.32)
Interest Payments	(57.26)	(56.14)
Income Tax and Withholding Tax	(50.95)	(31.01)
Net Cash Gained (Spent) in Operating Activities	730.87	(543.47)

In 2019, the Company had profit from operating activities before changes in operating assets and liabilities of 452.75 million baht. Its working capital decreased based on calculation of net change in operating assets and liabilities of 386.33 million baht, and total payments for interest expenses and taxes during the year of 108.21 million baht, thus resulting in net cash from operating activities of 730.87 million baht.

The company's cashflow on investment and financing activities in 2019-2018 are as follows:

Summary of Cashflow Statements	Unit: Million Baht	
	2019	2018
Net Cash Gained (Spent) in Operating Activities	730.87	(543.47)
Net Cash Gained (Spent) in Investing Activities)	(218.88)	(65.30)
Net Cash Gained from Financing Activities	(384.79)	519.59
Increased (Decreased) Difference in Financial Statement Value Adjustments	<u>(0.17)</u>	<u>2.51</u>
Net Increased (Decreased) Cash and Cash Equivalent Transactions	127.03	(86.67)
Cash and Cash Equivalent Transactions at the Beginning of the Year	<u>136.73</u>	<u>223.40</u>
Cash and Cash Equivalent Transactions at the End of the Year	263.76	136.73

In 2019, the Company had total investment cash flows of 218.88 million baht, with key transactions being further investments in barge construction and investments in other assets, which totaled 189.44 million baht. Investment in joint ventures increased by 25.37 million baht. The net cash used in financing activities was 384.79 million baht because the company was repayable 388.05 million baht on short-term loans from financial institutions, long-term loans increased by 117.62 million baht, repayment of long-term loans of 80.06 million baht, payment of liabilities under financial lease 27.34 million baht and dividend payment of 3.36 million baht, resulting in the company's cash flow in 2019 total net increase 127.03 million baht.

Analysis of Financial Ratios

A. Liquidity Ratio

The Company's current ratio and quick ratio were 1.19 times and 0.56 times respectively, for the current ratio was slightly increasing and the quick ratio decreased from the previous year because the company lowered the amount of short-term loans from financial institutions and shifted to long-term loans for better management of financial liquidity.

B. Profitability Ratio

In 2019, the Company registered gross profit margin of 13.02% compared to 9.09% in 2018, and net profit margin of 4.39% compared to 1.61% in 2018. In addition, the Company's return on equity in 2019 equated to 16.25% compared to 8.60% in 2019 which more higher.

C. Efficiency Ratio

The Company's total asset turnover ratio decreased from the last year, in 2019 was 1.28 times compared with 2018 is 1.73 times. The return on assets rose from 4.73 times in 2018 to 7.25 times in 2019.

D. Financial Policy and Leverage Ratios

The Company's debt to equity ratio fell from 2.20 times in 2018 to 1.61 times in 2019 due to the company was more repayment of short-term loans from financial institutions for better financial management.



The Board of Director's Responsibilities in Respect of The Financial Statement

The Board of Directors is responsible for Asia Green Energy Public Company Limited's financial statements and the Company and its subsidiaries consolidated financial statements, including the financial information presented in this Annual Report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles. Important information is adequately and transparency disclosed in the notes to financial statements for the Company shareholders and investors.

In this regard, the Board of Directors has appointed an Audit Committee comprising independent directors to be responsible for reviewing quality of the financial reports and the company's internal control process. The Audit Committee also reviews a disclosure of related party transactions. All their comments on these issues are presented in the Audit Committee Report included in this annual report.

The Board of Directors considers the Company's overall internal control system satisfactory and provides credibility and reliability to Asia Green Energy Public Company Limited's financial statements and the Company and its subsidiaries' consolidated financial statements for the year ended 31 December 2019. The Board of Directors also believes that all these financial statements have been prepared in accordance with generally accepted accounting principles and related regulations.

Mr. Apisit Rujikeatkamjorn
Chairman of the Board

Mr. Panom Kuansataporn
Managing Director



Report of the Audit Committee

Shareholders of Asia Green Energy Public Company Limited

The Audit Committee consists of three independent qualified members. The Committee has Mr. Anant Sirisaengtaksin as Audit Committee President, Mr. Mongkhon Kittipoomvong, and Ms. Pinmanee Makmantanaas Audit Committee Members. In addition, Ms.Ni-orn Junjamsang the Company's Secretary and Senior Director of the Office of Managing Director serves as Secretary of the Audit Committee.

In 2019, the Audit Committee held meetings with the management, Head of Internal Audit, and auditors for a total of 4 times. All Committee members attended every meeting. The Audit Committee reported its findings and recommendations to the Company's directors every quarter so that appropriate actions could be taken. The summary of the Committee's work is as follows:

1. **Financial Statement:** The Committee conducted an audit of quarterly and annual financial statements of the year 2019 and the accessibility of information in the Company's financial statement addendums which had undergone auditing and inspection by auditors. Furthermore, the Committee held meetings with the management and auditors to discuss estimates and the use of discretion in the creation of financial statements, the effects of changes in the accounting policy according to newly amended accounting standards, important accounting issues, and Key Audit Matters as indicated in the auditors' report.
2. **Internal Control and Internal Audit:** A review of the effectiveness and appropriateness of the internal control system and internal audit system was conducted, covering anti-corruption measures. An assessment form on the adequacy of an internal control system provided by the Securities and Exchange Commission was used. The review was conducted jointly with accounting auditors and internal auditors along with an evaluation of the internal audit plan of the year 2019. A review was also conducted on the independence, direction, strategies, and adequacy of resources regarding the operation of the internal audit agency which was hired externally.
3. **Compliance with the Law :** A review was conducted regarding the Company's compliance with the law on securities and stock exchange as well as regulations of the Stock Exchange of Thailand and other laws related to the Company's businesses.
4. **Accounting Auditors :** The Committee considered the selection of accounting auditors and payments for the Company's accounting auditors. It was the Committee's view that auditors from EY Office Co., Ltd., a leading company offering international accounting audit services, were independent, credible, and competent in auditing while also offering a reasonable rate and a good work record from the previous year. Thus, the Committee made a recommendation for the Company's board of directors to consider and request an approval from the shareholders' meeting to appoint auditors from EY Office Co., Ltd. to serve as the Company's accounting auditors for the year 2019.
5. **Relevant Matters:** A review was conducted regarding the reasonableness and the maximization of utility for the Company of relevant matters and matters with potential conflict of interests. The review also included the revelation of such information in a correct and complete manner in accordance with the law and regulations of regulators and the Stock Exchange of Thailand.
6. **Corporate Governance:** A review was conducted to ensure that the Company would implement the Corporate Governance Code provided by the Securities and Exchange Commission and also implemented the good corporate governance principles according to the regulations outlined in the Corporate Governance Report of Thai Listed Companies of Thai Institute of Directors (IOD) . Further reviews were conducted to ensure the Company's compliance with the specified corporate governance policy.



Report of the Audit Committee

7. **Acceptance of Reporting of Lead / Complaints on Corruption and Unlawful Acts** : A review was conducted on the process of the acceptance of lead / complaints on corruption and unlawful acts by the Company and the company group. Such reports were received via various channels every quarter. In 2019, the Company did not receive any complaints.
8. **Performance Self-Evaluation:** The Committee performed a self-evaluation and self-review of its annual performance. The self-evaluation was based on the good practice principles and the charter. The results showed that the Committee performed its tasks effectively and within the framework specified in the charter.

In conclusion, the Audit Committee is certain that in 2019, the Audit Committee performed its tasks completely and independently, making use of its knowledge, skills, and prudence. The Audit Committee finds that the Company wrote its financial statements in a proper manner and up to the required standards. Information was revealed sufficiently and credibly. The reports were relevant, reasonable, and represented maximum utility for the Company. The internal audit system and risks management system were adequate and effective. In addition, the Company complied with relevant laws and regulations as well as the good corporate governance principles without serious flaws throughout the year.

(Mr. Anant Sirisaengtaksin)

The chairman of the Audit Committee



Independent Auditor's Report

To the Shareholders of Asia Green Energy Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Asia Green Energy Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2019, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Asia Green Energy Public Company Limited (the Company) for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Asia Green Energy Public Company Limited and its subsidiaries, and of Asia Green Energy Public Company Limited as at 31 December 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of matter

I draw attention to Note 20 c) to the financial statements, which describes the change in the par value of shares of the Company. The Company was unable to act on a resolution passed by the Annual General Meeting of the Company's shareholders. My opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matter is the matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to this matter. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

The key audit matter and how audit procedures respond to this matter are described below.

Revenue recognition

Revenues from sales is a significant account of the Group because the amount that is recorded in the account directly affects the Group's annual profit or loss. For the year ended 31 December 2019, the Group has revenues from the distribution of coal amounting to Baht 5,803 million, and this business is subject to fluctuations in price and market demand. Therefore, I have focused on the amount and timing of revenue recognition.

I examined the revenue recognition of the Group by assessing and testing the Group's internal controls with respect to the sales revenue cycle, by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, with special consideration given to expanding the scope of the testing of the internal controls which respond to the risks related to the amount and timing of revenue recognition, applying a sampling method to select sales transactions to assess whether revenue recognition was consistent with the conditions stipulated in the sales documents, and in compliance with the Group's policy. In addition I examined, on a sampling basis, supporting documents for sales transactions occurring during the year and near the end of the accounting period, reviewed credit notes that the Group issued after the period-end date and performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

From the matters communicated with those charged with governance, I determine the matter that was of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. I describe this matter 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.

I am responsible for the audit resulting in this independent auditor's report.



Termphong Opanaphan

Certified Public Accountant (Thailand) No. 4501

EY Office Limited

Bangkok: 20 February 2020

Asia Green Energy Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2019

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Assets					
Current assets					
Cash and cash equivalents	7	263,755,001	136,726,240	151,855,792	49,842,442
Trade and other receivables	8	1,045,688,139	1,665,810,910	1,111,898,969	1,721,268,188
Short-term loans to subsidiaries	6	-	-	161,300,000	254,318,000
Current portion of long-term loan to subsidiary	6	-	-	25,245,086	20,576,331
Inventories	9	1,505,499,942	1,481,486,101	1,434,003,662	1,399,581,551
Other current assets		41,464,069	33,355,377	19,593,552	9,811,197
Total current assets		2,856,407,151	3,317,378,628	2,903,897,061	3,455,397,709
Non-current assets					
Restricted bank deposits	10	126,502,846	111,731,132	123,493,350	111,731,132
Long-term loan to subsidiary - net of current portion	6	-	-	125,665,457	125,011,269
Investments in subsidiaries	11	-	-	411,172,840	242,993,563
Investment in joint venture	12	24,677,998	-	25,374,900	-
Investment properties	13	21,889,000	-	502,858,923	503,576,294
Property, plant and equipment	14	1,667,653,076	1,484,127,140	143,586,517	150,817,091
Deferred tax assets	23	15,185,405	5,625,745	5,264,110	5,080,762
Other non-current assets		19,759,608	16,108,902	1,466,514	1,712,460
Total non-current assets		1,875,667,933	1,617,592,919	1,338,882,611	1,140,922,571
Total assets		4,732,075,084	4,934,971,547	4,242,779,672	4,596,320,280

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

Asia Green Energy Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	15	1,791,210,948	2,179,262,892	1,791,210,948	2,179,262,892
Short-term loan from subsidiary	6	-	-	27,000,000	-
Trade and other payables	16	461,945,053	602,695,755	514,753,891	637,364,311
Current portion of liabilities under finance lease agreements	17	30,238,726	23,447,720	3,690,240	3,895,040
Current portion of long-term loans from financial institutions	18	103,632,540	76,381,811	76,168,896	50,263,611
Income tax payable		4,387,763	15,493,538	1,727,747	15,322,843
Other current liabilities		8,564,008	19,880,575	2,141,196	13,441,665
Total current liabilities		<u>2,399,979,038</u>	<u>2,917,162,291</u>	<u>2,416,692,918</u>	<u>2,899,550,362</u>
Non-current liabilities					
Liabilities under finance lease agreements					
- net of current portion	17	79,066,576	46,240,461	7,731,506	9,696,537
Long-term loans from financial institutions					
- net of current portion	18	418,959,301	408,652,595	227,946,019	296,809,668
Provision for long-term employee benefits	19	18,454,570	19,328,182	15,771,334	16,603,264
Total non-current liabilities		<u>516,480,447</u>	<u>474,221,238</u>	<u>251,448,859</u>	<u>323,109,469</u>
Total liabilities		<u>2,916,459,485</u>	<u>3,391,383,529</u>	<u>2,668,141,777</u>	<u>3,222,659,831</u>

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

Asia Green Energy Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
Shareholders' equity					
Share capital	20				
Registered					
1,933,789,748 ordinary shares of Baht 0.25 each					
(2018: 1,812,929,560 ordinary shares of					
Baht 0.25 each)		483,447,437	453,232,390	483,447,437	453,232,390
Issued and fully paid					
1,933,787,487 ordinary shares of Baht 0.25 each					
(2018: 1,812,927,888 ordinary shares of					
Baht 0.25 each)		483,446,872	453,231,972	483,446,872	453,231,972
Share premium		483,461,112	483,461,112	483,461,112	483,461,112
Retained earnings					
Appropriated - statutory reserve	21	48,344,744	45,323,239	48,344,744	45,323,239
Unappropriated		799,246,216	559,870,404	559,385,167	391,644,126
Other components of shareholders' equity		14,516	192,214	-	-
Equity attributable to owners of the Company		1,814,513,460	1,542,078,941	1,574,637,895	1,373,660,449
Non-controlling interests of the subsidiaries		1,102,139	1,509,077	-	-
Total shareholders' equity		1,815,615,599	1,543,588,018	1,574,637,895	1,373,660,449
Total liabilities and shareholders' equity		4,732,075,084	4,934,971,547	4,242,779,672	4,596,320,280
		-	-	-	-

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

Directors

Asia Green Energy Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2019

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit or loss:					
Sales and services income		6,196,229,644	7,900,775,758	5,762,524,986	7,502,372,524
Cost of sales and services		(5,389,247,429)	(7,182,501,417)	(5,187,896,060)	(6,884,598,413)
Gross profit		806,982,215	718,274,341	574,628,926	617,774,111
Other income		13,297,012	9,951,407	39,413,023	28,140,950
Gains on exchange		25,737,122	45,753,779	26,693,330	46,628,075
Profit before expenses		846,016,349	773,979,527	640,735,279	692,543,136
Selling and distribution expenses		(308,815,567)	(337,896,619)	(302,891,498)	(334,634,459)
Administrative expenses		(185,869,664)	(220,620,293)	(62,463,674)	(189,329,306)
Total expenses		(494,685,231)	(558,516,912)	(365,355,172)	(523,963,765)
Profit before share of loss from investment in joint venture, finance cost and income tax expenses		351,331,118	215,462,615	275,380,107	168,579,371
Share of loss from investment in joint venture	12	(696,902)	-	-	-
Profit before finance cost and income tax expenses		350,634,216	215,462,615	275,380,107	168,579,371
Finance cost		(48,137,853)	(54,802,429)	(46,513,863)	(48,583,228)
Profit before income tax expenses		302,496,363	160,660,186	228,866,244	119,996,143
Income tax expenses	23	(26,512,403)	(29,290,306)	(26,822,710)	(25,404,481)
Profit for the year		275,983,960	131,369,880	202,043,534	94,591,662
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		(178,918)	3,245,255	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gains	19	3,976,224	-	2,862,441	-
Income tax effect	23	(795,244)	-	(572,488)	-
Other comprehensive income for the year		3,002,062	3,245,255	2,289,953	-
Total comprehensive income for the year		278,986,022	134,615,135	204,333,487	94,591,662

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

Asia Green Energy Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2019

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit attributable to:					
Equity holders of the Company		272,787,278	127,211,398	202,043,534	94,591,662
Non-controlling interests of the subsidiaries		3,196,682	4,158,482		
		<u>275,983,960</u>	<u>131,369,880</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		275,790,560	130,424,349	204,333,487	94,591,662
Non-controlling interests of the subsidiaries		3,195,462	4,190,786		
		<u>278,986,022</u>	<u>134,615,135</u>		
Earnings per share	24				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.1411</u>	<u>0.0658</u>	<u>0.1045</u>	<u>0.0489</u>

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

Asia Green Energy Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2019

(Unit: Baht)

Consolidated financial statements								
Equity attributable to owners of the Company					Other components of shareholders' equity			
Note	Issued and paid-up share capital	Share premium	Retained earnings		Exchange differences on translation of financial statements in foreign currency	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated				
Balance as at 1 January 2018	412,029,445	483,461,112	41,291,283	482,461,580	(3,020,737)	1,416,222,683	1,358,971	1,417,581,654
Profit for the year	-	-	-	127,211,398	-	127,211,398	4,158,482	131,369,880
Other comprehensive income for the year	-	-	-	-	3,212,951	3,212,951	32,304	3,245,255
Total comprehensive income for the year	-	-	-	127,211,398	3,212,951	130,424,349	4,190,786	134,615,135
Stock dividend	27 41,202,527	-	-	(41,202,527)	-	-	-	-
Dividend paid	27 -	-	-	(4,568,091)	-	(4,568,091)	-	(4,568,091)
Transferred to statutory reserve	21 -	-	4,031,956	(4,031,956)	-	-	-	-
Equity attributable to non-controlling interests of the subsidiaries	-	-	-	-	-	-	(738,480)	(738,480)
Subsidiary paid dividends to its non-controlling interests	-	-	-	-	-	-	(3,302,200)	(3,302,200)
Balance as at 31 December 2018	<u>453,231,972</u>	<u>483,461,112</u>	<u>45,323,239</u>	<u>559,870,404</u>	<u>192,214</u>	<u>1,542,078,941</u>	<u>1,509,077</u>	<u>1,543,588,018</u>
Balance as at 1 January 2019	453,231,972	483,461,112	45,323,239	559,870,404	192,214	1,542,078,941	1,509,077	1,543,588,018
Profit for the year	-	-	-	272,787,278	-	272,787,278	3,196,682	275,983,960
Other comprehensive income for the year	-	-	-	3,180,980	(177,698)	3,003,282	(1,220)	3,002,062
Total comprehensive income for the year	-	-	-	275,968,258	(177,698)	275,790,560	3,195,462	278,986,022
Stock dividend	27 30,214,900	-	-	(30,214,900)	-	-	-	-
Dividend paid	27 -	-	-	(3,356,041)	-	(3,356,041)	-	(3,356,041)
Transferred to statutory reserve	21 -	-	3,021,505	(3,021,505)	-	-	-	-
Subsidiary paid dividends to its non-controlling interests	-	-	-	-	-	-	(3,602,400)	(3,602,400)
Balance as at 31 December 2019	<u>483,446,872</u>	<u>483,461,112</u>	<u>48,344,744</u>	<u>799,246,216</u>	<u>14,516</u>	<u>1,814,513,460</u>	<u>1,102,139</u>	<u>1,815,615,599</u>

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

Asia Green Energy Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2019

(Unit: Baht)

Separate financial statements					
	Issued and paid-up	Share premium	Retained earnings		Total shareholders' equity
Note	share capital		Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2018	412,029,445	483,461,112	41,291,283	346,855,038	1,283,636,878
Profit for the year	-	-	-	94,591,662	94,591,662
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	94,591,662	94,591,662
Stock dividend	27 41,202,527	-	-	(41,202,527)	-
Dividend paid	27 -	-	-	(4,568,091)	(4,568,091)
Transferred to statutory reserve	21 -	-	4,031,956	(4,031,956)	-
Balance as at 31 December 2018	<u>453,231,972</u>	<u>483,461,112</u>	<u>45,323,239</u>	<u>391,644,126</u>	<u>1,373,660,449</u>
					-
Balance as at 1 January 2019	453,231,972	483,461,112	45,323,239	391,644,126	1,373,660,449
Profit for the year	-	-	-	202,043,534	202,043,534
Other comprehensive income for the year	-	-	-	2,289,953	2,289,953
Total comprehensive income for the year	-	-	-	204,333,487	204,333,487
Stock dividend	27 30,214,900	-	-	(30,214,900)	-
Dividend paid	27 -	-	-	(3,356,041)	(3,356,041)
Transferred to statutory reserve	21 -	-	3,021,505	(3,021,505)	-
Balance as at 31 December 2019	<u>483,446,872</u>	<u>483,461,112</u>	<u>48,344,744</u>	<u>559,385,167</u>	<u>1,574,637,895</u>
					-

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

Asia Green Energy Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from operating activities				
Profit before tax	302,496,363	160,660,186	228,866,244	119,996,143
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	84,385,278	65,699,348	18,211,649	19,194,296
Doubtful accounts (reversal)	12,328,276	5,402,504	(7,585,560)	7,841,256
Reversal of allowance for doubtful debt in loan to subsidiary	-	-	(51,432,000)	-
Losses on reduction of inventories cost to net realisable value	3,598,446	6,793,672	549,945	4,672,950
Reversal of reduction of inventories cost to net realisable value	(4,672,951)	(9,600,714)	(4,672,951)	(9,600,714)
Losses on write-off inventories	4,672,951	9,600,714	4,672,951	9,600,714
Reversal of impairment loss of investment in subsidiary	-	-	(29,999,700)	-
Loss on liquidation of subsidiary	-	-	-	1,639,715
Share of loss from investment in joint venture	696,902	-	-	-
Gains on sales of equipment	(97,162)	(3,588,501)	(25,208)	(2,999,795)
Long-term employee benefits expenses	4,491,940	4,239,699	3,419,839	2,972,392
Unrealised losses (gains) on exchange	(1,784,303)	(1,672,191)	5,306,822	679,177
Write-off withholding tax deducted at source	815,781	239	752,238	-
Interest income	(2,314,055)	(2,053,185)	(15,374,635)	(7,840,567)
Interest expenses	48,137,853	54,802,429	46,513,863	48,583,228
Profit from operating activities before changes in operating assets and liabilities	452,755,319	290,284,200	199,203,497	194,738,795
Operating assets (increase) decrease				
Trade and other receivables	607,782,237	(536,064,849)	597,542,039	(580,887,515)
Inventories	(27,612,287)	(230,136,546)	(34,972,056)	(163,752,937)
Other current assets	1,740,674	(10,767,480)	(9,221,146)	(4,230,117)
Other non-current assets	(2,996,810)	(4,556,818)	471,068	205,022
Operating liabilities increase (decrease)				
Trade and other payables	(172,901,592)	31,841,770	(119,135,201)	64,865,532
Other current liabilities	(18,288,404)	3,083,503	(11,899,486)	3,858,934
Provision for long-term employee benefits	(1,389,328)	-	(1,389,328)	-
Cash from (used in) operating activities	839,089,809	(456,316,220)	620,599,387	(485,202,286)
Cash paid for interest expenses	(57,263,334)	(56,142,941)	(48,936,961)	(48,371,576)
Cash paid for income tax and withholding tax deducted at source	(50,951,962)	(31,007,336)	(41,173,642)	(22,375,376)
Net cash from (used in) operating activities	730,874,513	(543,466,497)	530,488,784	(555,949,238)

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

Asia Green Energy Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from investing activities				
Decrease (increase) in short-term loans to subsidiaries	-	-	144,450,000	(186,830,000)
Increase in long-term loan to subsidiary	-	-	(5,322,943)	(145,587,600)
Interest income	2,324,163	2,053,288	27,694,098	2,469,819
Decrease (increase) in restricted bank deposits	(14,771,714)	943,192	(11,762,218)	356,799
Decrease in current investments	-	259,150,205	-	259,149,100
Decrease (increase) in investments in subsidiaries	-	-	(138,179,577)	66,469,805
Increase in investment in joint venture	(25,374,900)	-	(25,374,900)	-
Acquisition of property, plant and equipment	(189,443,692)	(331,833,146)	(8,288,861)	(2,683,308)
Acquisition of intangible assets	(908,227)	(259,155)	(409,994)	(61,000)
Cash receipt from sales of equipment	9,298,346	4,641,028	25,234	3,238,347
Net cash used in investing activities	(218,876,024)	(65,304,588)	(17,169,161)	(3,478,038)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	(388,051,944)	238,569,234	(388,051,944)	238,569,234
Increase in short-term loan from subsidiary	-	-	27,000,000	-
Cash receipt from long-term loans from financial institutions	117,618,000	384,167,320	12,618,000	333,844,544
Repayment of long-term loans from financial institutions	(80,060,565)	(77,608,017)	(55,576,364)	(35,143,171)
Repayment of liabilities under finance lease agreements	(27,337,860)	(17,671,272)	(3,939,924)	(2,973,519)
Dividend paid	(3,356,041)	(4,568,091)	(3,356,041)	(4,568,091)
Subsidiary paid dividends to its non-controlling interests	(3,602,400)	(3,302,200)	-	-
Net cash from (used in) financing activities	(384,790,810)	519,586,974	(411,306,273)	529,728,997
Increase (decrease) in translation adjustments	(178,918)	2,506,776	-	-
Net increase (decrease) in cash and cash equivalents	127,028,761	(86,677,335)	102,013,350	(29,698,279)
Cash and cash equivalents at beginning of year	136,726,240	223,403,575	49,842,442	79,540,721
Cash and cash equivalents at end of year	263,755,001	136,726,240	151,855,792	49,842,442
	-	-	-	-
Supplemental cash flows information:				
Non cash items				
Purchases of equipment by recording other payables	35,555,806	16,120,753	19,902	110,819
Purchases of equipment under finance lease agreements	66,954,981	41,513,613	1,770,093	11,234,534
Transferred property, plant and equipment to investment properties	21,889,000	-	-	126,117,338

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

Asia Green Energy Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2019

1. General information

Asia Green Energy Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholders are Kuansataporn family. The Company is principally engaged in distribution of coal for industrial use. The registered office of the Company is at 273/1 Rama II Road, Samaedum, Bangkhuntien, Bangkok. The Company currently has 3 branches located in 3 provinces which are Samutsakorn, Petchburi and Ayudthaya.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Asia Green Energy Public Company Limited and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019 %	2018 %
<u>Subsidiaries directly held by the Company</u>				
A.G.E. Transport Co., Ltd.	Transportation and management	Thailand	99	99
AGE Terminal Co., Ltd.	Water transportation and port services, cargo services and extraction of coal and water transportation consultant	Thailand	100	100
Multi Energy Trading (2020) Co., Ltd. (formerly known as “AGE Power Holding Co., Ltd.”)	Distribution of fuel	Thailand	100	100
AGE Global Trade Co., Ltd.	Holding company	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019 %	2018 %
<u>Subsidiary held by A.G.E.</u>				
<u>Transport Co., Ltd.</u>				
Winner 789 Logistics Co., Ltd.	Transportation and management	Thailand	70	70
<u>Subsidiary held by AGE</u>				
<u>Terminal Co., Ltd.</u>				
AGE Marine Logistics Co., Ltd.	Water transportation, cargo services and water transportation consultant	Thailand	100	100
<u>Subsidiaries held by Multi Energy</u>				
<u>Trading (2020) Co., Ltd.</u>				
A Engineering Consultant Co., Ltd.	Generation and supply of electricity	Thailand	94	94
Grand Power (2019) Co., Ltd. (formerly known as “Sabayoi Green Power Co., Ltd.”)	Distribution of coal	Thailand	100	100
Pian Green Power Co., Ltd.	Generation and supply of electricity	Thailand	100	100
<u>Subsidiary held by AGE Global</u>				
<u>Trade Co., Ltd.</u>				
VINA AGE Co., Ltd.	Distribution of coal for industrial use	Vietnam	99	99

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Company and the subsidiaries have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

- 2.3 The separate financial statements present investments in subsidiaries and joint venture under the cost method.

3. New financial reporting standards

(a) Financial reporting standards that became effective in the current period

During the year, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

(b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

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

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

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

The management of the Company and its subsidiaries expect the adoption of these accounting standards to result in the following adjustments.

- Recognition of credit losses - The Company and its subsidiaries are to recognise an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Company and its subsidiaries applies the simplified approach to consider impairment of trade receivables and loans.

- Recognition of derivatives - The Company and its subsidiaries are to initially recognise derivatives at their fair value on the contract date and subsequently measure them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss. However, the Company and its subsidiaries are currently considering application of hedge accounting for certain derivatives.

The management of the Company and its subsidiaries are currently evaluating the impact of these standards on the financial statements in the year when they are adopted.

TFRS 16 Leases

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

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

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

The management of the Company and its subsidiaries expects the effect of the adoption of this accounting standard to the statement of financial position as at 1 January 2020 to be to increase assets of the Company and its subsidiaries by approximately Baht 140 million (the Company only: approximately Baht 21 million) and liabilities of the Company and its subsidiaries by approximately Baht 140 million (the Company only: approximately Baht 21 million).

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Rendering of services

Service revenue is recognised over time when services have been rendered taking into account the stage of completion.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

4.2 Cash and cash equivalents

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

4.3 Trade and other receivables

Trade and other receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Finished goods are valued at the lower of cost, under the average method, and net realisable value. The cost of inventories includes all production costs and attributable factory overheads.

Raw materials is valued at the lower of cost, under the average method, and net realisable value and are charged to production costs whenever consumed.

4.5 Investments

- a) Investment in joint venture is accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and joint venture are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for impairment loss (if any).

Depreciation of investment property which is building is calculated by reference to its cost on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income. No depreciation is provided for land classified as investment property.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.7 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment loss of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Land improvement - coal stockyard	-	5, 10 and 13 years
Buildings and building improvement	-	5, 10 and 20 years
Machinery and equipment	-	3, 5 and 10 years
Furniture and office equipment	-	5 years
Motor vehicles	-	5 - 12 years
Lighters	-	20 years

Depreciation is included in determining income.

No depreciation is provided on land, land improvement except for coal stockyard, and assets under installation and construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.8 Borrowing costs

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

4.9 Intangible assets

The intangible assets are carried at cost less any accumulated amortisation and allowance for impairment loss (if any).

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

Intangible assets with finite useful lives of the Company and its subsidiaries, which is computer software, have approximately useful life 5 years.

4.10 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company and its subsidiaries that gives them significant influence over the Company and its subsidiaries, key management personnel, directors, and officers with authority in the planning and direction of the operations of the Company and its subsidiaries.

4.11 Long-term leases

Leases of property, plant and equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the assets.

Leases of property, plant and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

4.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.13 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.14 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Company, its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the contributions of the Company and its subsidiaries are recognised as expenses when incurred.

Defined benefit plans

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

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

Actuarial gains and losses arising from defined benefit plans benefits are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

4.15 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Forward exchange contracts

Forward exchange contracts are presented in the financial statements at fair value. Unrealised gain or loss from the forward exchange contracts is recorded in profit or loss.

4.18 Fair value measurement

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

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

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

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

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

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

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates is as follow:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of investments

The Company and its subsidiaries performed an impairment review in investments whenever events or changes in circumstances indicate that the recoverable amount of the investments, which is calculated from the estimated future discounted cash flows, is less than the carrying amount.

The preparation of the estimated future discounted cash flows requires the management to make forecasts of future revenues and expenses, and appropriate discount rates and other assumptions.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

6. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sale of goods	-	-	143.6	274.7	Market price
Rental income	-	-	14.4	11.2	Contract price
Consultant fee income	-	-	2.3	2.3	Contract price
Interest income	-	-	13.6	6.1	Rates of 2.5% - 4.1% per annum
Other income	-	-	3.8	1.7	Market price
Transportation and service expenses	-	-	720.2	543.4	Market price

(Unit: Million Baht)

	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
<u>Transactions with related companies</u>					
Sales of goods	4.9	-	-	-	Market price
Service income	4.2	12.4	-	-	Market price
Other income	1.2	-	-	-	Market price
Rental expenses	16.8	-	-	-	Contract price
Transportation expenses	8.2	2.8	8.2	2.8	Market price
Rental expenses	5.0	5.0	5.0	5.0	Contract price

The balances of the accounts as at 31 December 2019 and 2018 between the Company, its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<u>Trade receivables (Note 8)</u>				
Subsidiary	-	-	184,975	168,070
Related companies (related by common directors and shareholders)	1,454	652	-	-
Total trade receivables - related parties	1,454	652	184,975	168,070
<u>Other receivables (Note 8)</u>				
Subsidiaries	-	-	7,471	15,493
Total other receivables - related parties	-	-	7,471	15,493
<u>Interest receivables (Note 8)</u>				
Subsidiaries	-	-	315	12,618
Less: Allowance for doubtful debts	-	-	-	(9,499)
Total interest receivables - related parties, net	-	-	315	3,119
Total trade and other receivables - related parties, net	1,454	652	192,761	186,682
<u>Trade payables (Note 16)</u>				
Subsidiaries	1,507	-	55,938	132,453
Total trade payables - related parties	1,507	-	55,938	132,453
<u>Other payables (Note 16)</u>				
Subsidiaries	-	-	118,232	20,762
Related companies (related by common directors and shareholders)	362	939	362	939
Total other payables - related parties	362	939	118,594	21,701
<u>Accrued interest (Note 16)</u>				
Subsidiary	-	-	18	-
Total accrued interest - related party	-	-	18	-
<u>Accrued expenses (Note 16)</u>				
Subsidiaries	-	-	33,278	14,334
Related company (related by common directors and shareholders)	1,883	416	510	416
Total accrued expenses - related parties	1,883	416	33,788	14,750
Total trade and other payables - related parties	3,752	1,355	208,338	168,904

Loans to subsidiaries and loan from subsidiary

As at 31 December 2019 and 2018, the balances of loans to subsidiaries and loan from subsidiary, and their movement are as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at	Increase	Decrease	Balance as at
Short-term loans to subsidiaries	31 December 2018	during the year	during the year	31 December 2019
Multi Energy Trading (2020) Co., Ltd. (formerly known as "AGE Power Holding Co., Ltd.")	85,720	94,000	(156,720)	23,000
Less: Allowance for doubtful debts	(51,432)	-	51,432	-
Net balance	34,288	94,000	(105,288)	23,000
A.G.E. Transport Co., Ltd.	68,300	261,500	(191,500)	138,300
AGE Terminal Co., Ltd.	151,730	293,600	(445,330)	-
Total short-term loans to subsidiaries - net	254,318	649,100	(742,118)	161,300

The short-term loans to subsidiaries have interest charge at rate of 2.5% per annum (2018: 2.5% - 3.0% per annum) with repayment within six months and unsecured.

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at	Increase	Decrease	Balance as at
Long-term loan to subsidiary	31 December 2018	during the year	during the year	31 December 2019
AGE Terminal Co., Ltd.	145,587	29,726	(24,403)	150,910
Total	145,587	29,726	(24,403)	150,910
Less: Current portion	(20,576)			(25,245)
Long-term loan to subsidiary - net of current portion	125,011			125,665

The long-term loan to subsidiary has interest charge at rates of 3.8% - 4.0% per annum (2018: 3.5% - 4.1% per annum) with repayment in monthly installments commencing January 2019, with the final installment due in March 2026. The loan is unsecured loan.

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at	Increase	Decrease	Balance as at
Short-term loan from subsidiary	31 December 2018	during the year	during the year	31 December 2019
AGE Terminal Co., Ltd.	-	41,000	(14,000)	27,000
Total short-term loan from subsidiary	-	41,000	(14,000)	27,000

The short-term loan from subsidiary has interest charge at rate of 2.5% per annum with repayment within six months.

Directors and management's benefits

During the years ended 31 December 2019 and 2018, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	38	43	27	24
Post-employment benefits	1	1	1	1
Total	39	44	28	25

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 28.5 to the financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash	329	331	143	156
Bank deposits	263,426	136,395	151,713	49,686
Total cash and cash equivalents	263,755	136,726	151,856	49,842

As at 31 December 2019 and 2018, bank deposits in saving accounts and fixed accounts carried interests between 0.1% - 4.3% per annum.

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	1,227	473	56,764	8,303
Past due				
Up to 3 months	48	179	29,956	78,365
3 - 6 months	-	-	33,244	81,402
6 - 12 months	-	-	29,884	-
Over 12 months	179	-	35,127	-
Total trade receivables - related parties	<u>1,454</u>	<u>652</u>	<u>184,975</u>	<u>168,070</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	865,868	1,525,814	797,226	1,431,212
Past due				
Up to 3 months	153,421	124,253	117,585	91,301
3 - 6 months	3,967	14,813	957	14,813
6 - 12 months	2,964	651	1,450	651
Over 12 months	11,253	2,481	10,175	2,481
Total	<u>1,037,473</u>	<u>1,668,012</u>	<u>927,393</u>	<u>1,540,458</u>
Less: Allowance for doubtful debts	<u>(12,233)</u>	<u>(7,705)</u>	<u>(9,618)</u>	<u>(7,705)</u>
Total trade receivables - unrelated parties, net	<u>1,025,240</u>	<u>1,660,307</u>	<u>917,775</u>	<u>1,532,753</u>
Total trade receivables - net	<u>1,026,694</u>	<u>1,660,959</u>	<u>1,102,750</u>	<u>1,700,823</u>
<u>Other receivables</u>				
Other receivables - related parties	-	-	7,471	15,493
Other receivables - unrelated parties	8,288	2,284	403	1,330
Advances	18,198	2,250	658	185
Interest receivables - related parties	-	-	315	12,618
Interest receivables - unrelated parties	308	318	302	318
Less: Allowance for doubtful debts	<u>(7,800)</u>	<u>-</u>	<u>-</u>	<u>(9,499)</u>
Total other receivables - net	<u>18,994</u>	<u>4,852</u>	<u>9,149</u>	<u>20,445</u>
Total trade and other receivables - net	<u><u>1,045,688</u></u>	<u><u>1,665,811</u></u>	<u><u>1,111,899</u></u>	<u><u>1,721,268</u></u>

9. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2019	2018	2019	2018	2019	2018
Finished goods	304,519	248,403	(5,719)	(2,121)	298,800	246,282
Raw materials	1,081,086	1,162,135	-	(4,673)	1,081,086	1,157,462
Raw materials in transits	124,831	77,742	-	-	124,831	77,742
Oil	783	-	-	-	783	-
Total	<u>1,511,219</u>	<u>1,488,280</u>	<u>(5,719)</u>	<u>(6,794)</u>	<u>1,505,500</u>	<u>1,481,486</u>

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2019	2018	2019	2018	2019	2018
Finished goods	262,228	223,842	(550)	-	261,678	223,842
Raw materials	1,065,365	1,110,786	-	(4,673)	1,065,365	1,106,113
Raw materials in transits	106,961	69,627	-	-	106,961	69,627
Total	<u>1,434,554</u>	<u>1,404,255</u>	<u>(550)</u>	<u>(4,673)</u>	<u>1,434,004</u>	<u>1,399,582</u>

During the current year, the Company and its subsidiaries reduced cost of inventories by Baht 5.7 million (2018: Baht 6.8 million) (The Company only: Baht 0.5 million (2018: Baht 4.6 million)), to reflect the net realisable value. This was included in cost of sales. In addition, the Company and its subsidiaries reversed the write-down of cost of inventories by Baht 4.7 million (2018: Baht 9.6 million) (The Company only: Baht 4.6 million (2018: Baht 9.6 million)), and reduced the amount of inventories recognised as expenses during the year.

The Company has pledged inventories of Baht 513 million (2018: Baht 513 million) to secure long-term loans from financial institutions.

10. Restricted bank deposits

The outstanding balance is fixed deposits of the Company and saving account of a subsidiary pledged as collateral to secure their credit facilities granted by the financial institutions.

11. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment loss of investments		Carrying amounts	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
			(%)	(%)						
A.G.E. Transport Co., Ltd.	Baht 1 million	Baht 1 million	99	99	990	990	-	-	990	990
AGE Terminal Co., Ltd.	Baht 230 million	Baht 190 million	100	100	230,000	189,820	-	-	230,000	189,820
Multi Energy Trading (2020) Co., Ltd. (formerly known as "AGE Power Holding Co., Ltd.")	Baht 128 million	Baht 30 million	100	100	127,999	30,000	-	(30,000)	127,999	-
AGE Global Trade Co., Ltd.	Baht 52 million	Baht 52 million	100	100	52,184	52,184	-	-	52,184	52,184
Total					411,173	272,994	-	(30,000)	411,173	242,994

On 19 June 2019, the Extraordinary General Meeting of the shareholders of Multi Energy Trading (2020) Company Limited passed a resolution to approve the increase of its registered capital from Baht 30 million (300,000 ordinary shares of Baht 100 each) to Baht 128 million (1,280,000 ordinary shares of Baht 100 each), through the issuance of 980,000 new ordinary shares with a par value of Baht 100 each, for offer to existing shareholders at Baht 100 per share, of which all new ordinary shares. In June 2019, the Company totally paid call up capital, and the subsidiary registered the increase of its capital with the Ministry of Commerce on 3 July 2019. The Company maintains its current percentage of holding.

During the current year, the Company paid for the additionally called up capital of AGE Terminal Company Limited of approximately Baht 40 million.

12. Investment in joint venture

Investment in joint venture represent investment in entity which is jointly controlled by the Company and other companies. Details of the investments are as follows.

(Unit: Thousand Baht)

Joint venture	Nature of business	Shareholding percentage		Consolidated financial statements				Separate financial statements	
				Cost		Carrying amounts based on equity method		Carrying amounts based on cost method	
		2019	2018	2019	2018	2019	2018	2019	2018
		(%)	(%)						
AT Energy Solution Co., Ltd.	Production, distribution and provision of utility services for industrial use	50	-	25,375	-	24,678	-	25,375	-
Total				25,375	-	24,678	-	25,375	-

During the current year, the Company recorded share of loss from investment in the aforementioned joint venture of approximately Baht 0.7 million in the consolidated financial statements.

On 14 August 2019, the Company, together with TRC Construction Public Company Limited and Appliance Technology Supply Company Limited registered the incorporation of AT Energy Solution Company Limited (“AT Energy”) that is engaged in the production, distribution and provision of utility services for industrial use. The Company holds 4,499 ordinary shares of AT Energy with a par value of Baht 100 per share, totaling Baht 0.45 million (equal to 45% of issued and paid-up capital of that company). The Company made full payments for shares.

On 23 September 2019, the Annual General Meeting of Shareholders of AT Energy passed a resolution increasing a registered capital from Baht 1 million to Baht 200 million through the issue of 1,990,000 new ordinary shares with a par value of Baht 100 each to existing shareholders. In October 2019, the payment for additional shares was called up from shareholders at the value of Baht 25 per share. The Company made payments for shares in proportion to its investment (45% of the issued and paid-up capital of that company) of approximately Baht 22.39 million.

On 13 November 2019, the Company’s Board of Directors Meeting approved the following resolutions:

- a) The purchase of newly issued 99,699 ordinary shares with a par value of Baht 100 each of AT Energy resulting in the increase in the Company’s shareholding in AT Energy, from 45% to 49% of such company’s issued and called up capital. In November 2019, the payment for additional shares was called up from shareholders at the value of Baht 25 per share. The Company made payments for shares of approximately Baht 2.49 million.
- b) The purchase of 500 ordinary shares with a par value of Baht 100 each of AT Energy from Appliance Technology Supply Company Limited, resulting in the increase in the Company’s shareholding in AT Energy, from 49% to 50% of such company’s issued and called up capital. In November 2019, the Company made full payments for shares.

13. Investment properties

The net book value of investment properties as at 31 December 2019 and 2018 is presented below.

(Unit: Thousand Baht)

	Consolidated		Separate financial statements		
	financial statements				
	Non-operating		Building for		
	land	Total	Land for rent	rent	Total
31 December 2019:					
Cost	21,889	21,889	490,642	14,347	504,989
Less: Accumulated depreciation	-	-	-	(2,130)	(2,130)
Net book value	21,889	21,889	490,642	12,217	502,859
31 December 2018:					
Cost	-	-	490,642	14,347	504,989
Less: Accumulated depreciation	-	-	-	(1,413)	(1,413)
Net book value	-	-	490,642	12,934	503,576

A reconciliation of the net book value of investment properties for the years 2019 and 2018 is presented below.

(Unit: Thousand Baht)

	Consolidate		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Net book value at beginning of year	-	-	503,576	378,176
Transferred from property, plant and equipment (Note 14)	21,889	-	-	126,117
Depreciation charged for the year	-	-	(717)	(717)
Net book value at end of year	21,889	-	502,859	503,576

The fair value of the investment properties as at 31 December 2019 and 2018 stated below:

	(Unit: Thousand Baht)			
	Consolidate		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Non-operating land	22,330	-	-	-
Land for rent	-	-	615,680	594,620
Building for rent	-	-	33,400	33,400

As at 31 December 2019, the fair value of investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of the land for rent and non-operating land have been determined based on market approach, while that of the building for rent has been determined based on income approach. Key assumptions used in the valuation included yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rate.

The Company has mortgaged its investment properties with net book value amounting to Baht 494 million (2018: Baht 494 million) as collateral to secure its credit facilities granted by the financial institutions.

14. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements									
	Land and land improvement	Land improvement - coal stockyard	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Motor vehicles	Lighters	Assets under installation and construction	Total
Cost:									
1 January 2018	632,049	46,524	319,921	111,617	16,799	125,353	130,183	115,095	1,497,541
Additions	262	-	4,518	4,862	2,805	42,230	3,500	331,396	389,573
Capitalised interest	-	-	-	-	-	-	-	1,319	1,319
Disposals	-	-	-	(971)	(121)	(13,076)	-	-	(14,168)
Transfers in (out)	18,483	64,499	18,235	3,290	555	472	73,719	(179,253)	-
Translation adjustments	-	-	(99)	(16)	(2)	-	-	12	(105)
31 December 2018	650,794	111,023	342,575	118,782	20,036	154,979	207,402	268,569	1,874,160
Additions	8,861	135	14,553	2,582	4,313	67,453	-	195,945	293,842
Transfer to investment properties (Note 13)	(21,889)	-	-	-	-	-	-	-	(21,889)
Capitalised interest	-	-	-	-	-	-	-	6,792	6,792
Disposals	-	-	(1,403)	-	(48)	(17,151)	(3,500)	-	(22,102)
Transfers in (out)	208	4,560	8,526	-	-	-	183,074	(196,368)	-
Translation adjustments	-	-	(1,598)	(254)	(35)	-	-	-	(1,887)
31 December 2019	637,974	115,718	362,653	121,110	24,266	205,281	386,976	274,938	2,128,916
Accumulated depreciation:									
1 January 2018	-	41,194	124,973	64,411	12,484	50,440	4,676	-	298,178
Depreciation for the year	-	3,086	24,061	8,934	1,707	20,492	7,200	-	65,480
Depreciation on disposals	-	-	-	(968)	(119)	(12,029)	-	-	(13,116)
Translation adjustments	-	-	(12)	(1)	(1)	-	-	-	(14)
31 December 2018	-	44,280	149,022	72,376	14,071	58,903	11,876	-	350,528
Depreciation for the year	-	8,013	25,108	8,937	2,239	24,493	15,619	-	84,409
Depreciation on disposals	-	-	(1,403)	-	(48)	(11,287)	(163)	-	(12,901)
Translation adjustments	-	-	(236)	(34)	(8)	-	-	-	(278)
31 December 2019	-	52,293	172,491	81,279	16,254	72,109	27,332	-	421,758

(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvement	Land improvement - coal stockyard	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Motor vehicles	Lighters	Assets under installation and construction	Total
Allowance for impairment loss:									
31 December 2018	-	-	-	(42)	(10)	-	-	(39,453)	(39,505)
31 December 2019	-	-	-	(42)	(10)	-	-	(39,453)	(39,505)
Net book value:									
31 December 2018	650,794	66,743	193,553	46,364	5,955	96,076	195,526	229,116	1,484,127
31 December 2019	637,974	63,425	190,162	39,789	8,002	133,172	359,644	235,485	1,667,653
Depreciation for the year									
2018 (Baht 58 million included in manufacturing cost, and the balance in selling and administrative expenses)									65,480
2019 (Baht 76 million included in manufacturing cost, and the balance in selling and administrative expenses)									84,409

(Unit: Thousand Baht)

Separate financial statements								
	Land and land improvement	Land improvement - coal stockyard	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Motor vehicles	Assets under installation and construction	Total
Cost:								
1 January 2018	200,921	46,524	68,647	66,916	13,213	53,062	111	449,394
Additions	262	-	127	260	1,467	11,234	678	14,028
Transfers to investment properties (Note 13)	(126,117)	-	-	-	-	-	-	(126,117)
Disposals	-	-	-	(965)	(121)	(8,605)	-	(9,691)
Transfers in (out)	-	-	506	-	40	-	(546)	-
31 December 2018	75,066	46,524	69,280	66,211	14,599	55,691	243	327,614
Additions	3,560	100	618	626	2,525	1,770	880	10,079
Disposals	-	-	(1,403)	-	(48)	-	-	(1,451)
31 December 2019	78,626	46,624	68,495	66,837	17,076	57,461	1,123	336,242
Accumulated depreciation:								
1 January 2018	-	41,192	40,980	44,228	10,622	30,971	-	167,993
Depreciation for the year	-	2,541	3,076	4,063	1,052	7,525	-	18,257
Depreciation on disposals	-	-	-	(966)	(120)	(8,367)	-	(9,453)
31 December 2018	-	43,733	44,056	47,325	11,554	30,129	-	176,797
Depreciation for the year	-	1,405	3,087	3,436	1,270	8,111	-	17,309
Depreciation on disposals	-	-	(1,403)	-	(48)	-	-	(1,451)
31 December 2019	-	45,138	45,740	50,761	12,776	38,240	-	192,655
Net book value:								
31 December 2018	75,066	2,791	25,224	18,886	3,045	25,562	243	150,817
31 December 2019	78,626	1,486	22,755	16,076	4,300	19,221	1,123	143,587
Depreciation for the year								
2018 (Baht 11 million included in manufacturing cost, and the balance in selling and administrative expenses)								18,257
2019 (Baht 10 million included in manufacturing cost, and the balance in selling and administrative expenses)								17,309

As at 31 December 2019, the Company and its subsidiaries had vehicles under finance lease agreements with net book values amounting to Baht 125 million (2018: Baht 77 million) (The Company only: Baht 12 million (2018: Baht 15 million)).

As at 31 December 2019, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 150 million (2018: Baht 131 million) (The Company only: Baht 121 million (2018: Baht 106 million)).

The Company and its subsidiaries have mortgaged a plot of land and building constructed thereon with net book value as at 31 December 2019 amounting to Baht 330 million (2018: Baht 326 million) (The Company only: Baht 38 million (2018: Baht 39 million)) and the subsidiaries have pledged their lighters with net book value as at 31 December 2019 amounting to Baht 396 million (2018: Baht 192 million), as collateral to secure their credit facilities granted by the financial institutions.

15. Short-term loans from financial institutions

	Interest rate		(Unit: Thousand Baht)	
			Consolidated / Separate	
			financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(percent per annum)	(percent per annum)		
Trust receipts	1.6 - 2.7	2.1 - 4.3	1,393,211	1,979,263
Short-term loans	1.8 - 2.0	2.1	<u>398,000</u>	<u>200,000</u>
Total short-term loans				
from financial institutions			<u>1,791,211</u>	<u>2,179,263</u>

The short-term loans from financial institutions of the Company are secured by the pledges of fixed deposits of the Company, the mortgages of land and building constructed thereon and investment property of the Company, and the mortgages of building of a subsidiary.

16. Trade and other payables

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Trade payables - related parties	1,507	-	55,938	132,453
Trade payables - unrelated parties	331,573	453,705	263,938	398,305
Other payables - related parties	362	939	118,594	21,701
Other payables - unrelated parties	16,251	25,624	10,944	18,334
Other payables - purchase of equipment	35,556	16,121	20	111
Accrued interest - related party	-	-	18	-
Accrued interest - unrelated parties	1,017	3,350	628	3,069
Advance receipt	1,685	2,801	1,064	940
Accrued expenses - related parties	1,883	416	33,788	14,750
Accrued expenses - unrelated parties	72,111	92,402	29,822	40,363
Accrued compensation for legal case (Note 28.7b)	-	7,338	-	7,338
Total trade and other payables	<u>461,945</u>	<u>602,696</u>	<u>514,754</u>	<u>637,364</u>

17. Liabilities under finance lease agreements

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Liabilities under finance lease agreements	119,352	76,026	12,953	15,658
Less: Deferred interest expenses	(10,047)	(6,338)	(1,531)	(2,066)
Total	<u>109,305</u>	<u>69,688</u>	<u>11,422</u>	<u>13,592</u>
Less: Current portion	<u>(30,239)</u>	<u>(23,448)</u>	<u>(3,690)</u>	<u>(3,895)</u>
Liabilities under finance lease agreements - net of current portion	<u>79,066</u>	<u>46,240</u>	<u>7,732</u>	<u>9,697</u>

The Company and its subsidiaries have entered into the finance lease agreements with leasing companies for rental of motor vehicles and office equipment for use in their operation, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally between 2 and 7 years.

Future minimum lease payments required under the finance lease agreements are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Less than 1 year		1 - 7 years		Total	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Future minimum lease payments	34,122	26,431	85,230	49,595	119,352	76,026
Deferred interest expenses	(3,883)	(2,983)	(6,164)	(3,355)	(10,047)	(6,338)
Present value of future minimum lease payments	<u>30,239</u>	<u>23,448</u>	<u>79,066</u>	<u>46,240</u>	<u>109,305</u>	<u>69,688</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Less than 1 year		1 - 7 years		Total	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Future minimum lease payments	4,354	4,698	8,599	10,960	12,953	15,658
Deferred interest expenses	(664)	(803)	(867)	(1,263)	(1,531)	(2,066)
Present value of future minimum lease payments	<u>3,690</u>	<u>3,895</u>	<u>7,732</u>	<u>9,697</u>	<u>11,422</u>	<u>13,592</u>

18. Long-term loans from financial institutions

The Company and its subsidiaries have long-term loan agreements with commercial banks as follows:

(Unit: Thousand Baht)

Loans	Interest rate (% per annum)	Repayment schedule	Consolidated financial statements		Separate financial statements	
			<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Facility 1	MLR -2.5 and MLR -3.0	Repayment in monthly installments commencing October 2017, with the final installment due in March 2024 and	26,460	32,580	-	-
		Repayment in monthly installments commencing April 2018, with the final installment due in September 2024	30,450	36,750	-	-
Facility 2	3.2	Repayment in monthly installments commencing January 2019, with the final installment due in December 2025 and	130,035	151,909	130,035	151,909
	MLR -2.9	Repayment in monthly installments commencing April 2019, with the final installment due in March 2026	20,876	10,786	20,876	10,786
Facility 3	MLR -2.5	Repayment in monthly installments commencing November 2018, with the final installment due in September 2022	23,176	31,576	9,721	13,245

(Unit: Thousand Baht)						
Loans	Interest rate (% per annum)	Repayment schedule	Consolidated		Separate	
			financial statements	financial statements	financial statements	financial statements
			<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Facility 4	MLR -2.5	Repayment in monthly installments commencing July 2019, with the final installment due in January 2023	143,483	171,133	143,483	171,133
Facility 5	MLR -2.3	Repayment in monthly installments commencing December 2018, with the final installment due in November 2025	43,112	50,300	-	-
Facility 6	3.3 and MLR -3.0	Repayment in monthly installments commencing November 2020, with the final installment due in October 2029	105,000	-	-	-
Total			522,592	485,034	304,115	347,073
Less: Current portion			(103,633)	(76,382)	(76,169)	(50,263)
Long-term loans from financial institutions - net of current portion			418,959	408,652	227,946	296,810

Movements of long-term loans from financial institutions account during the year ended 31 December 2019 are summarised below.

(Unit: Thousand Baht)		
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2019	485,034	347,073
Add: Increase in loans	117,618	12,618
Less: Repayment of loans	(80,060)	(55,576)
Balance as at 31 December 2019	522,592	304,115

The loans of the Company and its subsidiaries are secured by the pledges of saving account, fixed deposits, inventories, the mortgages of land and building constructed thereon and investment properties of the Company, and the mortgages of building of its subsidiaries. The subsidiaries also pledged their lighters as loan guarantees.

The loan agreements include covenants and restrictions imposed by the lenders pertaining to among other things, the holdings of the principal shareholders, restrictions on mortgages, pledges or rights of claim over assets, and the maintenance of certain financial ratios.

19. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Defined benefit obligation at				
beginning of year	19,328	15,088	16,603	13,631
Current service cost	2,924	3,843	2,153	2,623
Interest cost	335	397	292	349
Past service cost	1,233	-	974	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	(3,232)	-	(3,047)	-
Financial assumptions changes	1,630	-	1,287	-
Experience adjustments	(2,374)	-	(1,102)	-
Benefits paid during the year	<u>(1,389)</u>	<u>-</u>	<u>(1,389)</u>	<u>-</u>
Provision for long-term employee				
benefits at end of year	<u>18,455</u>	<u>19,328</u>	<u>15,771</u>	<u>16,603</u>

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law was effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional long-term employee benefit liabilities of Baht 1.2 million (The Company only: Baht 1.0 million) as a result. The Company and its subsidiaries reflects the effect of the change by recognising past service costs as expenses in the profit or loss of the current year.

The Company and its subsidiaries do not expect to pay long-term employee benefits within the next one year.

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit is 8 - 18 years (2018: 9 - 22 years) (the Company only: 8 years (2018: 9 years)).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Discount rate	1.4 - 1.9	2.6 - 3.5	1.4	2.6
Salary increase rate	5.0	5.0	5.0	5.0
Turnover rate	0 - 34.0	0 - 25.0	0 - 24.0	0 - 21.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2019 and 2018 are summarised below:

	(Unit: Thousand Baht)			
	As at 31 December 2019			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1,245)	1,449	(990)	1,151
Salary increase rate	1,422	(1,234)	1,124	(985)
Turnover rate	(1,367)	538	(1,090)	443

	(Unit: Thousand Baht)			
	As at 31 December 2018			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1,515)	1,789	(1,245)	1,467
Salary increase rate	1,944	(1,671)	1,601	(1,381)
Turnover rate	(1,629)	654	(1,338)	581

20. Share capital

On 29 April 2019, the Annual General Meeting of the Company's shareholders approved the following resolutions:

- a) The meeting approved the decrease of the Company's registered capital from Baht 453,232,390 to Baht 453,231,972 by cancelling of 1,672 non-issued ordinary shares with a par value of Baht 0.25 each. The Company registered the decrease in its registered capital with the Ministry of Commerce on 7 May 2019.

- b) The meeting approved the increase of the Company's registered capital from Baht 453,231,972 to Baht 483,447,437 by issuing 120,861,860 new ordinary shares with a par value of Baht 0.25 each for the payment of stock dividend to the Company's shareholders as discussed in Note 27 to the financial statements. The Company registered the increase in its registered capital with the Ministry of Commerce on 13 May 2019.
- c) The meeting approved the change in the par value of shares of the Company from Baht 0.25 per share to Baht 0.50 per share, which will cause the number of the Company's shares to decrease, from the existing 1,933,789,748 shares to 966,894,874 shares. Such change in the number and par value of shares of the Company will cause the number of shares held by each shareholder to be reduced at the rate of 2 existing shares to 1 new share. The Company's management had applied for the change in the par value of shares of the Company with the Ministry of Commerce in line with the resolution passed by the Annual General Meeting of the Company's shareholders. However, a registrar of the Ministry of Commerce was unable to register the change in the par value of shares of the Company from Baht 0.25 per share to Baht 0.50 per share because there was a fraction of ordinary shares after stock dividend allocation in May 2019 as discussed in Note 27 to the financial statements.

On 7 August 2019, the Company's Board of Directors Meeting was aware of the issue and needed to propose a rejection of the resolution on the change in the par value of shares to the Company's shareholders.

Therefore, earnings per share for the year ended 31 December 2019 and 2018 were calculated on the weighted average number of ordinary shares, after adjusting the impact of the stock dividend as discussed in Note 27 to the financial statements.

21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

22. Expenses by nature

Significant expenses by nature are as follows:

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Salary and wages and other employee benefits	184,676	156,530	114,528	104,495
Depreciation and amortisation	84,385	65,699	18,212	19,194
Rental expenses from operating lease agreements	63,650	58,361	18,206	13,653
Raw materials and consumables used	4,949,058	6,306,585	4,948,707	6,263,752
Changes in inventories of finished goods	56,899	392,651	38,386	417,212

23. Income tax

Income tax expenses for the years ended 31 December 2019 and 2018 are made up as follows:

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current income tax:				
Current income tax charge	36,867	29,644	27,579	25,504
Adjustment in respect of income tax of previous year	-	321	-	321
Deferred tax:				
Relating to origination and reversal of temporary differences	(10,355)	(675)	(756)	(421)
Income tax expenses reported in profit or loss	<u>26,512</u>	<u>29,290</u>	<u>26,823</u>	<u>25,404</u>

The amount of income tax related to each component of comprehensive income statements for the year ended 31 December 2019 and 2018 are as follows:

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Deferred tax relating to actuarial gains	<u>(795)</u>	<u>-</u>	<u>(572)</u>	<u>-</u>

The reconciliation between accounting profit and income tax expenses are shown below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Accounting profit before tax	<u>302,496</u>	<u>160,660</u>	<u>228,866</u>	<u>119,996</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	60,499	32,132	45,773	23,999
Adjustment in respect of income tax of previous year	-	321	-	321
Share of loss from investment in joint ventures	139	-	-	-
Effects of eliminated transaction	(1,225)	(264)	-	-
Utilisation of previously unrecognised tax losses	(3,156)	(83)	-	-
Tax losses for the year that have not been recognised as deferred tax assets	4,045	7,598	-	-
Tax loss that initially recognised as deferred tax assets during the year	(7,589)	-	-	-
Effects of:				
Promotional privileges	(25,377)	(9,778)	-	-
Non-deductible expenses	4,212	4,015	1,101	2,369
Additional expense deductions allowed	(5,036)	(5,020)	(1,662)	(1,654)
Others	-	369	(18,389)	369
Total	<u>(26,201)</u>	<u>(10,414)</u>	<u>(18,950)</u>	<u>1,084</u>
Income tax expenses reported in profit or loss	<u>26,512</u>	<u>29,290</u>	<u>26,823</u>	<u>25,404</u>

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Deferred tax assets				
Allowance for doubtful accounts	3,719	1,541	1,924	1,541
Allowance for diminution in value of inventories	110	-	110	-
Provision for long-term employee benefits	3,691	3,866	3,154	3,320
Fair value of forward foreign exchange contracts	76	219	76	219
Unused tax losses	7,589	-	-	-
Total	<u>15,185</u>	<u>5,626</u>	<u>5,264</u>	<u>5,080</u>

As at 31 December 2019, 6 subsidiaries had unused tax losses totaling Baht 86 million (2018: 8 subsidiaries totaling Baht 116 million), on which deferred tax assets have not been recognised. This is because the subsidiaries believed future taxable profits might not be sufficient to allow utilisation of unused tax losses.

The subsidiaries have the unused tax losses amounting to Baht 86 million (2018: Baht 116 million) will expire by 2024 (2018: 2023).

Corporate income tax of the overseas subsidiary was calculated in accordance with the accounting standards and/or tax law of that company's country of domicile.

24. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares to reflect the impact of the stock dividend as discussed in Note 27 to the financial statements. The prior year's basic earnings per share has been recalculated as if the stock dividend had been distributed and incurred at the beginning of the earliest year reported.

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit for the year (Thousand Baht)				
Equity holders of the Company	272,787	127,211	202,044	94,592
Weighted average number of ordinary shares (Thousand shares)	1,933,787	1,933,787	1,933,787	1,933,787
Basic earnings per share (Baht)	0.1411	0.0658	0.1045	0.0489

25. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The operations of the Company and a subsidiary consist of the import and sale of coal for domestic and overseas industrial use. Other subsidiaries' main operations are the provision of transportation and other related services to the Company. The Company operates only in Thailand and a subsidiary operates in Vietnam, which sales are not significant. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area. For the year ended 31 December 2019, export sales of the Company represented approximately 2% of total sales (2018: 9% of total sales).

Major customers

For the year 2019, the Company has revenue from 2 major customers, representing 45% of total revenue, arising from the import and sales of coal for domestic industrial use (2018: 34% of total revenue was derived from 2 major customers).

26. Provident fund

The Company and its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company and its subsidiaries and their employees contributed to the fund monthly at the rates of 2% of basic salary. The fund, which is managed by SCB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2019 amounting to Baht 1.1 million (2018: Baht 0.8 million) (The Company only: Baht 0.9 million (2018: Baht 0.6 million)) were recognised as expenses.

27. Dividends

Dividends	Approved by	Cash dividend (Million Baht)	Dividend per	Stock dividend (Million Baht)	Dividend per
			share (Baht)		share (Baht)
Final dividend for 2018	Annual General Meeting of the shareholders on 29 April 2019	3	0.002	30	0.017
Total for year 2019		3	0.002	30	0.017
Final dividend for 2017	Annual General Meeting of the shareholders on 27 April 2018	5	0.003	41	0.025
Total for year 2018		5	0.003	41	0.025

28. Commitments and contingent liabilities

28.1 Investing commitments

As at 31 December 2019, the Company and its subsidiaries have uncalled portions of investments in subsidiaries and joint venture, totaling Baht 254 million (2018: Baht 189 million) (The Company only: Baht 126 million (2018: Baht 92 million)).

28.2 Capital commitments

As at 31 December 2019, the subsidiaries have capital commitments of USD 2 million and Baht 22 million (2018: USD 2 million and Baht 22 million) relating to design and construction of power plant, and Baht 11 million (2018: Baht 27 million) relating to shipbuilding contracts for lighters.

28.3 Operating lease and service commitments

The Company and its subsidiaries have entered into several lease agreements in respect of land and office space rental with a related party and the lease of land and service related to operation with other companies. The terms of the agreements are generally between 1 and 10 years. These agreements are non-cancellable.

Future minimum payments required under these non-cancellable operating leases and service contracts are as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Payable:				
In up to 1 year	31	40	4	8
In over 1 and up to 5 years	64	82	1	3
In over 5 years	42	59	-	-

28.4 Commitments related to agreements to purchase steam coal

As at 31 December 2019, the Company has entered into agreements with foreign coal mining company whereby it is committed to purchase steam coal from such companies amounting to USD 24 million (2018: USD 13 million), which in quantities and at prices that can be adjusted dependent on the quality of the coal, in accordance with the formula stipulated in the agreements.

28.5 Guarantees

- a) As at 31 December 2019, there were outstanding bank guarantees of Baht 7 million issued by the bank on behalf of the Company and its subsidiaries for transportation and electricity use, respectively. (2018: Baht 1 million, guarantee for electricity use) (The Company only: Baht 6 million, guarantees for transportation and electricity use (2018: Baht 1 million, guarantee for electricity use)).
- b) As at 31 December 2019 and 2018, the Company has commitments in respect of its guarantees of loans and credit facilities of its subsidiaries of Baht 139 million, which has been drawn down.

28.6 Letter of credit

As at 31 December 2019, the Company has outstanding commitments of USD 11 million (2018: USD 19 million) under letter of credit, relating to purchasing of raw materials.

28.7 Litigation

- a) On 23 February 2016, Anti Global Warming Association and villagers (Plaintiffs) filed a lawsuit against the government officials (Defendant), including the Company and a subsidiary (Interpleaders), with the Central Administrative Court, demanding them to perform their duties as stipulated by the laws. On 7 November 2016, the Interpleaders submitted a statement of defense to the Central Administrative Court, specifying that the Company only leased its land in the area of Nakorn Luang District, Ayudthaya to the subsidiary, and the subsidiary strictly complied with the conditions of the permit and clauses of the measures for relief of grievances caused by factory operations. In addition, the subsidiary was also considered for awards given by the authorities and was certified with ISO 14001:2015.

Subsequently, on 10 October 2019, the Central Administrative Court dismissed the lawsuit against the Company, but ordered the Defendant to put in place control measures and resolve grievances caused by fine dusts from the business operation, and revoked the subsidiary's permit to change the objective or usage of port for vessels of more than 500 gross tonnage. However, the subsidiary may file a new application for the permit by preparing an environment impact assessment report to be submitted to the Marine department. The subsidiary did not agree with the order of the Central Administrative Court, and so the Subsidiary lodged an appeal to the Supreme Administrative Court on 8 November 2019. The subsidiary's management is of the opinion that the subsidiary will still be able to continue its business operation, and the judgment rendered will not significantly affect its operation.

- b) On 9 February 2017, a shipping company (Claimant) filed a statement of claim to arbitration in England, asking for damages amounting to USD 2.1 million from the Company as compensation for losses suffered as a result of a breach of the Contract of Affreightment dated 1 October 2014. The Company has considered the dispute and is of the opinion that the Company has no obligations under this agreement. On 9 March 2017, the Company therefore submitted a statement of defense against the claim lodged by the Claimant with the arbitral tribunal.

Consequently, on 23 April 2018 the arbitral tribunal rendered a preliminary opinion that the agreement was legally binding, despite the contract not having been signed. The Company then negotiated with the Claimant and agreed to pay compensation of USD 0.9 million (equivalent to Baht 28.3 million), with such payment was made in equal installments, beginning in May 2018. The Company settled all payments during the current year.

- c) On 11 November 2019, a marine shipping company (Claimant) filed a statement of claim to enter into an arbitration in Singapore, asking for damages amounting to USD 2.4 million from the Company as compensation for losses suffered as a result of a breach of the Charter Party Contract dated 21 January 2019. Subsequently, on 27 December 2019 the Company submitted a statement of defense against the claim lodged by the Claimant with the arbitral tribunal. In addition, the Company is currently in the process of filing a statement of claim against a coal supplier with the arbitral tribunal for a breach of the Sales and Purchase Contract dated 18 January 2019. The Company's management believes that the decision of the arbitral tribunal will not result in material losses and will not have a material financial impact on the Company. Therefore, the Company has not recognised any provision for the losses that may occur in its financial statements.

29. Fair value hierarchy

As at 31 December 2019 and 2018, the Company has the assets and liabilities that were measured and disclosed at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial Statements			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	-	22	22

(Unit: Million Baht)

Consolidated financial Statements				
As at 31 December 2018				
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	1	-	1

(Unit: Million Baht)

Separate financial Statements				
As at 31 December 2019				
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	-	649	649

(Unit: Million Baht)

Separate financial Statements				
As at 31 December 2018				
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	-	628	628

Liabilities measured at fair value

Derivatives				
Foreign currency forward contracts	-	1	-	1

30. Financial instruments**30.1 Financial risk management**

The financial instruments of the Company and its subsidiaries, as defined under Thai Accounting Standard No. 107 “Financial Instruments: Disclosure and Presentations”, principally comprise cash and cash equivalents, current investments, trade and other receivables, short-term loans, long-term loans, restricted bank deposits, trade and other payables and liabilities under finance lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loans as stated in the statements of financial position.

Interest rate risk

The Company and its subsidiaries are exposed to interest rate risk relate primarily to their cash at banks, short-term loans, long-term loans and liabilities under finance lease agreements. However, since most the financial assets and liabilities of the Company and its subsidiaries bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	As at 31 December											
	Consolidated financial statements											
	Fixed interest rates				Floating interest rate		Non-interest bearing		Total		Effective interest rate	
	Within 1 year		Over 1 and up to 5 years									
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(% per annum)											
Financial assets												
Cash and cash equivalents	4	4	-	-	193	92	67	41	264	137	0.1 - 4.3	0.1 - 4.3
Trade and other receivables	-	-	-	-	-	-	1,046	1,666	1,046	1,666	-	-
Restricted bank deposits	-	-	-	-	127	112	-	-	127	112	0.3 - 1.3	0.6 - 1.3
	4	4	-	-	320	204	1,113	1,707	1,437	1,915		
Financial liabilities												
Short-term loans from financial institutions	-	-	-	-	1,791	2,179	-	-	1,791	2,179	1.6 - 2.7	2.1 - 4.3
Trade and other payables	-	-	-	-	-	-	461	603	461	603	-	-
Liabilities under finance lease agreements	30	24	79	46	-	-	-	-	109	70	1.9 - 4.5	1.9 - 4.7
Long-term loans from financial institutions	-	-	-	-	523	485	-	-	523	485	3.2 - 4.0	3.2 - 4.7
	30	24	79	46	2,314	2,664	461	603	2,884	3,337		

(Unit: Million Baht)

As at 31 December

Separate financial statements

	Fixed interest rates				Floating interest rate		Non-interest bearing		Total		Effective interest rate	
	Within 1 year		Over 1 and up to 5 years								2019	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Financial assets											(% per annum)	
Cash and cash equivalents	-	-	-	-	110	17	42	33	152	50	0.1 - 1.0	0.1 - 4.3
Trade and other receivables	-	-	-	-	-	-	1,112	1,721	1,112	1,721	-	-
Short-term loans to subsidiaries	161	254	-	-	-	-	-	-	161	254	2.5	2.5 - 3.0
Long-term loan to subsidiary	25	21	126	125	-	-	-	-	151	146	3.8 - 4.0	3.5 - 4.1
Restricted bank deposits	-	-	-	-	123	112	-	-	123	112	0.6 - 1.3	0.6 - 1.3
	186	275	126	125	233	129	1,154	1,754	1,699	2,283		
Financial liabilities												
Short-term loans from financial institutions	-	-	-	-	1,791	2,179	-	-	1,791	2,179	1.6 - 2.7	2.1 - 4.3
Short-term loan from subsidiary	27	-	-	-	-	-	-	-	27	-	2.5	-
Trade and other payables	-	-	-	-	-	-	514	637	514	637	-	-
Liabilities under finance lease agreements	3	4	8	10	-	-	-	-	11	14	1.9 - 4.5	1.9 - 4.7
Long-term loans from financial institutions	-	-	-	-	304	347	-	-	304	347	3.2 - 3.7	3.2 - 3.9
	30	4	8	10	2,095	2,526	514	637	2,647	3,177		

Foreign currency risk

The exposure to foreign currency risk of the Company and its subsidiaries arises mainly from trading transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2019 and 2018 the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2019	2018	2019	2018	2019	2018
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	-	9	9	12	30.1540	32.4498
Rupiah	14	37	7	-	0.0022	0.0022
Vietnam dong	43,312	40,897	2,587	1,750	0.0013	0.0014

Foreign exchange contracts outstanding are summarised below.

As at 31 December 2019					
Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought	Sold	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
US dollar	5	-	30.1620	-	April 2020 - July 2020

As at 31 December 2018					
Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought	Sold	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
US dollar	7	-	32.4703	-	March 2019 - July 2019

30.2 Fair values of financial instruments

Since the majority of the financial instruments of the Company and its subsidiaries are short-term. Loans carrying interest approximate to the market rate, their fair value is not expected to be materially different from the amounts presented in statements of financial position.

31. Capital management

The primary objective of capital management of the Company is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2019, the Group's debt-to-equity ratio was 1.6:1 (2018: 2.2:1) and the Company's was 1.7:1 (2018: 2.3:1).

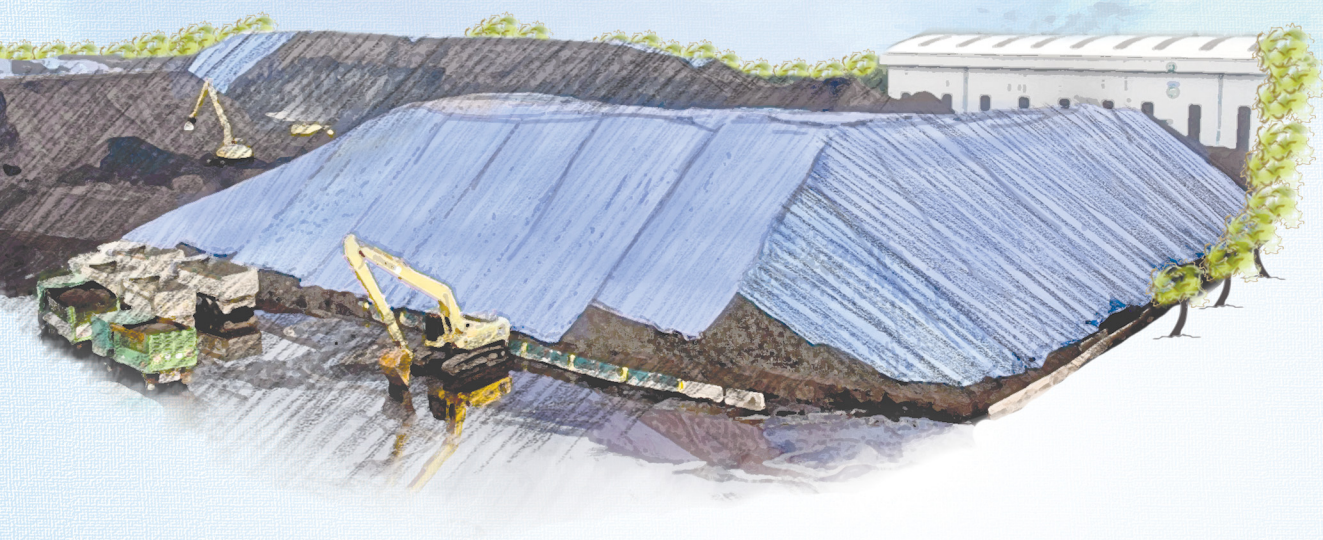
32. Subsequent event

- a) On 3 January 2020, AT Energy Solution Company Limited (Joint Venture) called up the remaining 75% of the 995,000 newly issued ordinary shares for approximately Baht 75 million. In January 2020, the Company settled the payment for the shares.
- b) On 20 February 2020, the Company's Board of Directors Meeting No. 1/2020 approved the following resolutions:
 - 1) The meeting approved the allocation of operating profit for the year 2019 for cash dividend payment at the rate of Baht 0.09 per share, or Baht 174,040,874.
 - 2) The meeting approved the revocation of the resolution to change the par value of the Company's shares given on 29 April 2019.
 - 3) The meeting approved the decrease of the Company's registered capital from Baht 483,447,437 to Baht 483,446,872 by cancelling 2,261 unissued ordinary shares and one issued ordinary share, with a par value of Baht 0.25 each.
 - 4) The meeting approved the change in the par value of the Company's shares from Baht 0.25 per share to Baht 0.50 per share, which will cause the number of the Company's shares to decrease, from 1,933,787,486 shares to 966,893,743 shares. Such change in the number and par value of the Company's shares will cause the number of shares held by each shareholder to be reduced at the rate of two existing shares to one new share.

The above resolutions will be proposed for approval by the Annual General Meeting of the Company's shareholders for the year 2020.

33. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 20 February 2020.



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